

**SILVEROAK
COMMERCIALS
LIMITED**

ANNUAL REPORT

2018-19

SILVEROAK COMMERCIALS LIMITED

CIN - L31504MH1985PLC035916

Regd. Off.: Plot No F-24 MIDC Satpur, Nashik - 422007 MH IN

Telephone No. (0253 6611416

Email Id: silveroakcommercialsltd@gmail.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THIRTY FOURTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SILVEROAK COMMERCIALS LIMITED WILL BE HELD ON WEDNESDAY, THE WEDNESDAY 13th NOVEMBER 2019 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO F-24 MIDC SATPUR NASHIK-422007 MH IN, TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement includes Balance Sheet as at 31st March, 2019 and the Profit and Loss Account for the period ended 31st March 2019 along with Cash Flow Statement, Note to Accounts and Reports of the Directors' and Auditors thereon.
2. To consider and appoint Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Karwa Malani Kalantri & Associates, Chartered Accountants (Firm's Registration No.136897W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 34th Annual General Meeting until the conclusion of the 35th Annual General Meeting of the Company, at such remuneration (exclusive of applicable taxes and reimbursement of out of pocket expenses) as shall be fixed by the Board of Directors of the Company in consultation with them.”

3. To appoint a director in place of MD Tushar Patil (DIN: 01856178) who retires by rotation and being eligible offers himself for reappointment.

**For and on behalf of the Board of Directors of
SILVEROAK COMMERCIALS LIMITED**

Sd/-

Insolvency Professional

CA Alkesh Rawka

IP Registration No: -IBBI/IPA-001/IP-P01212/2018-2019/11924

Ph: 0240 2350162

Mob: 9823245507

Email: ipalkeshrawka@gmail.com

Office Address: 47, Sindhi Shopping Complex,

Mondha Naka Signal, Jalna Road, Aurangabad-431005

Date : 14/10/2019

NOTES:

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. The Register of Members and Share Transfer Books will remain closed from 07th November, 2019 to 13th November, 2019 for the purpose of the AGM.
10. Members are requested to address all correspondence, to the Registrar and Share Transfer Agents, Universal Capital Securities Pvt. Ltd., at 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.
11. With a view to using natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the Company to send communications electronically.
12. The Annual Report 2018-2019 is being sent through electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.
13. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015, and Clause 35B of the Listing Agreement, the Company

has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

14. The Notice of the AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

15. Members may also note that the Notice of the AGM and the Annual Report 2018-19 will be available on the Company's website, www.silveroak.co.in. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: silveroakcommercialsltd@gmail.com

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.

17. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.

18. Attendance registration :

a. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.

b. Alternatively, to facilitate smooth registration / entry, the Company has also provided a web check-in facility, which would help the shareholder to enter the AGM hall directly without going through the registration formalities at the registration counters.

c. The online registration facility will be available from 10th November, 2019 at 9:00 a.m. IST to 12th November, 2019, until 5:00 p.m. IST. The procedure of web check-in is as follows:

a. Log in to [https:// www.evotingindia.com](https://www.evotingindia.com). and click on the online registration link

b. Select the company name

c. Pass through the security credentials viz., DP ID / Client ID entry, PAN No., and 'CAPTCHA' as directed by the system and click on the submit button

d. The system will validate the credentials. Click on the 'Generate my attendance slip' button that appears on the screen.

e. The attendance slip in PDF format will appear on the screen. Select the 'PRINT' option for direct printing or download and save for printing.

19. The shareholder needs to furnish the printed 'attendance slip' along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license, to enter the AGM hall.

Subject: Instructions for e-voting

Dear Member,

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the Annual General Meeting to be held on Wednesday, 13TH day of November, 2019 at 11.00 am IST. The Company has engaged the services of the Central Depository Services Limited (CDSL) to provide the e-voting facility. The Notice is displayed on the Company's website, www.silveroak.co.in, and on the website of CDSL, www.evoting@cdslindia.com.

(i) The voting period begins on 10th November, 2019 (9:00 a.m. IST) and ends on 12th November, 2019 (5:00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 07th November, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. |

| | |
|------------------------------|---|
| | If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB OR BANK DETAILS | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. OR Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv) |

(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant ‘Sliveroak Commercials Limited’ on which you choose to vote.

(xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Member may participate in the AGM even after exercising his right to vote through remote evoting, but shall not be allowed to vote again at the AGM. Members cast votes by both mode of voting i.e. either through e-voting or by ballot, then voting done through e-voting shall prevail ballot shall be treated as invalid.
 - The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote e-voting may only cast their vote at the AGM through ballot paper.
 - The voting rights of shareholders shall be in proportion to their shares of in the paid-up equity share capital of the Company as on 07th November,2019
 - CS Aniruddha Dekhane, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote evoting facility.
 - The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.silveroak.co.in and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the BSE Ltd., Mumbai.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Route map to Registered office address Plot no 24, MIDC Satpur the AGM Venue.



DIRECTORS' REPORT FOR THE YEAR ENDED ON 31 MARCH 2019

To the Members,

Your Directors have pleasure in presenting their Thirty Four Annual Report together with the Audited Statement of Accounts for the year ending 31 March 2019.

FINANCIAL PERFORMANCE

The Company's financial performance for the year under review along with previous year figures is given hereunder:

| Particulars | Amt in Rs. | |
|---|----------------------|------------------|
| | 2018-2019 | 2017-18 |
| Total Income | 4,61,71,539 | 13,87,97,157 |
| Total Expenditure | 12,29,13,234 | 13,62,45,122 |
| Profit before exceptional items and taxation | (7,67,41,695) | 25,52,035 |
| Exceptional Items | | |
| Provision for tax (including deferred tax) | 15,92,383 | 5,29,217 |
| Net Profit / (Loss) | (7,83,34,078) | 20,22,818 |
| Balance of profit/(loss) from previous year | Nil | Nil |
| Add: Transfer in terms of the Composite Scheme | NIL | 160802 |
| Balance available for appropriation | (7,83,34,078) | 21,83,620 |
| Appropriations: | Nil | Nil |
| Interim Dividend | Nil | Nil |
| Proposed Dividend | Nil | Nil |
| Tax on proposed dividend | Nil | Nil |
| Transfer to General Reserve | Nil | Nil |
| Balance carried to Balance Sheet | | |

DIVIDEND

Your Directors do not recommend Dividend for the year 2018-19.

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have the pleasure in presenting the first Management Discussion and Analysis Report for the year ended March 31, 2019

ECONOMIC OVERVIEW:

Overall political stability in India will open new opportunities for various sectors of industries.

INDUSTRY STRUCTURE AND DEVELOPMENT

Infrastructure boost given by the new Government in the form of policy decisions will bring many opportunities to the infrastructural sector and allied sector. Your Company also looks forward to grab this advantage and explore new opportunities in construction material and electrical and electronics components.

OPPORTUNITIES, THREATS AND RISKS

- **Opportunities**

The Company is very much hopeful to grab this opportunity and perform better and better in the years to come.

- **Threats:**

Company's ability to bag good projects will depend on the Quality of the employees that the Company has and as human resource is very difficult to retain, the Company has threat to expand business in new areas. Further, also failure of commitments and hopes from the new Government may also affect the businesses.

SEGMENTWISE PERFORMANCE

The Company has currently only one segment (Viz Construction and related trades) in line with the Accounting Standard on Segment Reporting (Ind AS) accordingly; there are no separate reportable segments.

APPOINTMENT OF INTERIM RESOLUTION PROFESSIONAL AND RESOLUTION PROFESSIONAL BY NATIONAL COMPANY LAW TRIBUNAL IN MATTER OF ULTRATECH CEMENT LTD, MUMBAI (PETITIONER) V/S SILVEROAK COMMERCIALS LIMITED, NASHIK (CORPORATE DEBTOR)

The NCLT (Mumbai Bench) has passed order on 01.05.2019 to appoint Interim Resolution Professional MrRajendraKhadelwal under section 9 of IBC Act 2016. in matter of Ultratech Cement Ltd Mumbai (Petitioner) V/s Silveroak Commercials Limited Nashik(Corporate Debtor),

Further NCLT has passed order on 19.08.2019 to replace the Interim Resolution Professional to Resolution Professional, In the meeting of Creditors resolution was approved for replacement of IRPMrRajendraKhandelwal is replaced with Mr. AlkeshRawka as Resolution Professional.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The company has adequate internal control system commensurate with the size. The committee reviews the implementation of management policies to ensure that transaction has been accurately recorded and promptly reported. Also in terms of the provisions of the Companies Act 2013, the Company is in the process of appointing Internal Auditors for the Company.

OUTLOOK

There is expected to be good demand for raw materials in pharmaceutical, agro product and chemical sectors as massive investments have been planned by industry majors.

HUMAN RESOURCES & INDUSTRIAL RELATION

The company has harmonious relation with its employees. There is continuous emphasis on development of human resources through training. The issues with employees, if any, are resolved in harmonious and cordial manner.

LISTING AGREEMENTS REQUIREMENTS:

The securities of your company are listed at BSE Limited. The Company has not paid listing fees for the year 2018-19.

WHISTLE BLOWER POLICY

The company does not have any Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

CODE OF CONDUCT

The Board has laid down a code of conduct for all the Board Members and Senior Management of the company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

SECRETARIAL AUDIT

A Qualified Practicing Company Secretary has carried out a secretarial audit of the total issued capital and listed capital. The secretarial audit report confirms that the total issued / paid up capital are in agreement with the total number of shares in Demat and physical form.

FORWARD LOOKING AND CAUTIONARY STATEMENTS:

The statement in the management discussion and analysis reports describing company objective, projections, estimates, expectation may be "Forward looking statements" within meaning of applicable securities law and regulations are based upon the information and data available with the company assumptions with regard to global economic conditions the government regulations, tax laws other status policies and incidental factors. The company cannot guarantee the accuracy of assumption and perceived performance of the company in future. Hence, it is cautioned that the result may differ from those expressed or implied in this report.

COMPANY PERFORMANCE

During the year, your Company earned total income of Rs. 4,61,71,539/- as compared to Rs 13,87,97,157/- in previous year and gained a loss before exceptional items of Rs.(7,67,41,695)/- as compared to Rs.25,52,035/- in previous year and Net Profit / (Loss) during the year (7,83,34,078)/- as compared to Rs.20,22,818/- in previous year.

OPERATIONS OF THE COMPANY

The business activities of the Company comprises mainly manufacturing of electrical products like power distribution boxes, electrical panels & enclosures, etc.;fabricated sheet metal products, like containers as per customer specifications; contract manufacturing job work for electrical products like capacitors; civil construction works of buildings, etc.

HUMAN RESOURCES

As on 31 March 2019, the Company has 34numbers of employees on its roll, including the Executive Director.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. An Internal Auditor has been appointed for this purpose. The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

LISTING FEES

The annual listing fees for the year under review have not been paid to BSE Limited, where your Company's shares are listed.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS NOT APPLICABLE

**Brief highlights of businesses of subsidiary company:
NOT APPLICABLE**

PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT – 9, is annexed herewith as '**Annexure I**' to this Report.

NUMBER OF MEETINGS OF THE BOARD:

During the year under review, 7 Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Act, in respect of Directors' Responsibility Statement, your Directors state that:

- a) in the preparation of the Annual Financial Statements for the year ended 31 March 2019, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) accounting policies as mentioned in Part –B to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2018 and of the **Loss** of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Financial Statements have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations, 2017.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company constituted a Nomination and Remuneration Committee. The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior

Management Personnel and their remuneration. The policy is annexed as 'Annexure II' to this Report.

AUDITORS

a. Statutory Auditors

M/s.Karwa Malani Karantri & Associates Chartered Accountant, having Registration No. 136897W, Statutory Auditors are appointed as Statutory Auditors of the Company from the conclusion of this 34th Annual General Meeting (AGM) held on 2020 till the conclusion of Next Annual General Meeting of the Company, The requisite certificate as per Section 139 of the Act has been received by the Company, about their eligibility to continue as Statutory Auditor of the Company.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Aniruddha Dekhane, Practicing Company Secretaries, Pune, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as 'Annexure III'.

EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDIT REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s.Karwa Malani Karantri & Associates.; Chartered Accountant, in their Audit report.

There are qualifications made by CS Aniruddha Dekhane, Practicing Company Secretaries, Pune, in their Secretarial Audit Report. The following is reply by the company on Secretarial Audit report

REPLIES TO THE SECRETARIAL AUDIT REPORT

1. Point No. III) Of the annexure to the Secretarial Audit Report.

The Directors have taken note and state that the appropriate measures would be taken in the current year to appoint a Company Secretary as per the provision of Companies Act, 2013 and rules made there under.

2. Point No. IV) Of the annexure to the Secretarial Audit Report.

The Directors have taken note and state that the appropriate measures would be taken in the current year to complete the Filing Fom-22A (Active Compliance) as per the provision of Companies Act, 2013 and rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186:

Your Company has not given any loan or guarantee or security or made any investment during the year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

Pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, the terms of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Hence, no particulars are being provided in Form AOC-2. Related Party disclosures as per AS -18, have been reported in the Annexure – XIII to the Auditors Report on the Financial Statements.

STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT:

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

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

A. Conservation of energy and Technology Absorption :

The Company has no particulars to report regarding conservation of energy, technology absorption as required under Section 134 (3) (m) of the Act, read with Rules thereunder.

B. Foreign exchange earnings and Outgo

| Sr. No. | Particulars | Amount in Rs. |
|----------------|--|----------------------|
| i) | Foreign Exchange earned in terms of actual inflows during the year | NIL |

| | | |
|-----|--|-----|
| ii) | Foreign Exchange outgo during the year in terms of actual outflows | NIL |
|-----|--|-----|

RISK MANAGEMENT POLICY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Act in respect of Corporate Social Responsibility are not applicable to the Company.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013, the Board has carried out performance evaluation of its own, its Committees and individual Directors.

**PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:
NOT APPLICABLE**

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

The business activities of the Company comprises mainly manufacturing of electrical products like power distribution boxes, electrical panels& enclosures , sheet metal fabrication activities like containers, contract manufacturing job work for electrical products like capacitors, civil construction works of buildings, etc.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Directors appointed during the year

None.

Key Managerial Personnel (KMP) appointed during the year

None.

Directors and KMP's resigned during the year

Mr. Vijay Patil resigned from position of Directorship 22nd October 2018

Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting

Mr. Tushar Patil retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THEREFOR;

NOT APPLICABLE

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT:

NOT APPLICABLE

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

To the best of our knowledge, the Company has not received any such orders from Regulators, Courts or Tribunals during the year, which may impact the Going Concern Status or the Company's operation in future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has developed a strong two tier internal control framework comprising entity level controls and process level controls. The entity level controls of the Company include elements such as defined code of conduct, whistle blower policy, rigorous management review and MIS and strong internal audit mechanism. The process level controls have been ensured by implementing appropriate checks and balances to ensure adherence to Company policies and procedures, efficiency in operations and also reduce the risk of frauds.

Regular management oversight and rigorous periodic testing of internal controls makes the internal controls environment strong at the Company. The Audit Committee along with Management oversees results of the internal audit and reviews implementation on a regular basis.

COMPOSITION OF AUDIT COMMITTEE:

The composition of the Audit Committee has been mentioned below –

| Name of Director | Membership | Category of Director |
|-------------------------|-------------------|-----------------------------|
| Shailja Vaibhav Patil. | Member | Director |

| | | |
|------------------------|--------|-------------------|
| Amar Vijay Patil. | Member | Director |
| Tushar Rangnath Patil. | Member | Managing Director |

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The relevant information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed at 'Annexure IV' to this Report.

VIGIL MECHANISM

The Board of Directors has adopted the Whistle Blower Policy / Vigil Mechanism ('the Policy'). This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report genuine concerns including but not limited to unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct for Board of Directors and Senior Management ('the Code') or ethics policy or any other instance to the Chairman of the Audit Committee of the Board of Directors of the Company.

PREVENTION OF SEXUAL HARASSMENT POLICY:

The Company has formulated and implemented the Policy for Prevention of Sexual Harassment at work place. This would inter alia provide a mechanism for the resolution, settlements or prosecution of acts or instances of sexual harassment at work place and to ensure that all employees are treated with respect and dignity. There were no complaints / cases filed / pending with the Company during the year.

CASH FLOW

A Cash Flow Statement for the year ended 31 March 2019 is attached to the Balance Sheet.

CORPORATE GOVERNANCE

In terms of Regulation 34 of the Regulations, a Report on the Corporate Governance along with Compliance Certificate issued by Statutory Auditors of the Company is not applicable to the Company pursuant to the Regulation 15, Clause 1(a) of the Regulations.

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 READ WITH
RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF
MANAGERIAL PERSONNEL) RULES, 2014**

None.

ACKNOWLEDGMENTS

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

FOR SILVEROAK COMMERCIALS LIMITED

Sd/-

VIKAS MALEKAR

Member of the Suspended Board

DIN: 02558051

Date: 14.10.2019

Place: Nashik

ANNEXURE I

Form No. MGT- 9
(as at the Financial Year 2018-2019)
EXTRACT OF ANNUAL RETURN

[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 | L31504MH1985PLC035916 |
| ii. | Registration Date | 11/04/1985 |
| iii. | Name of the Company | Silveroak Commercials Limited |
| iv. | Category / Sub-Category of the Company | Company limited by shares |
| v. | Address of the Registered Office and contact details | Plot no. F-24, MIDC SATPUR, Nashik 422007, Maharashtra Tel: +91 0253-6611413 Fax: +91 0253-2354404 Email: info@silveroak.co.in Website: www.silveroak.co.in |
| vi. | Whether listed company | Yes |
| vii. | Name, address and contact details of Registrar and Transfer Agent, if any | Universal Capital Securities Pvt. Ltd , 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra, 400093. Tel: +91(20) 28207203 Fax: +91(20) 28207207 Email: info@unisec.in |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company stated below:-

| Sr. No. | Name and description of main products / services | NIC code of the product / service | % to total turnover of the Company |
|---------|---|-----------------------------------|------------------------------------|
| 1. | Manufacturing Activities (Power Distribution Boxes & Fabrication activities) | C-27104 | 29.53 |
| 2 | Civil Construction Works | F-41002 | 65.68 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and address of the Company | CIN/GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|----------------|---------------------------------|---------|----------------------------------|------------------|--------------------|
| NOT APPLICABLE | | | | | |

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

Please refer Annexure V

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment is Rs. 3,80,80,836/- towards term loans and working capital loans from banks

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Directors and / or Manager:

(Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Name of Managing Director / Whole Time Director / Manager |
|---------|--|---|
| | | Mr. Tushar Patil – Managing Director |
| 1. | Gross Salary | NIL |
| | Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961 | NIL |
| | Value of perquisites under Section 17 (2) of the Income Tax Act, 1961 | NIL |
| | Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961 | NIL |
| 2. | Stock Option | NIL |
| 3. | Sweat Equity | NIL |
| 4. | Commission - as % of profit - others, specify | NIL |
| 5. | Others, please specify (Taxable Superannuation Contribution) | NIL |
| | Total (A) | NIL |
| | Ceiling as per Section II of Part II of Schedule V of the Act | NIL |

B. Remuneration to other Directors:

(Amount in Rs.)

NOT APPLICABLE

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE TIME DIRECTOR – NOT APPLICABLE

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act and SEBI Compliances | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|---------------------|---|--|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | Regulation(60)1 | Appoint a Qualified Company Secretary as the Compliance officers | 1,06,200 | Bombay Stock Exchange | |
| Penalty | Regulation 31 | Shareholding Pattern | 37,760 | Bombay Stock Exchange | |
| Penalty | Regulation 13(3) | Statement Investor Complaints | 18,860 | Bombay Stock Exchange | |
| Penalty | Regulation 33 | Financial Result for Quarter End of 31 st March 2019 | 1,94,700 | Bombay Stock Exchange | |
| Punishment | NA | NA | NA | NA | NA |
| Compounding | NA | NA | NA | NA | NA |
| B. DIRECTORS | | | | | |
| Penalty | NA | NA | NA | NA | NA |
| Punishment | NA | NA | NA | NA | NA |

| | | | | | |
|-------------------------------------|----|----|----|----|----|
| Compounding | NA | NA | NA | NA | NA |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NA | NA | NA | NA | NA |
| Punishment | NA | NA | NA | NA | NA |
| Compounding | NA | NA | NA | NA | NA |

**For and on behalf of the Board of Directors of
SILVEROAK COMMERCIALS LIMITED**

Sd/-

Mr.Vikas Malekar

Director

DIN No.02558051

Members of the suspended Board

Date : 14/10/2019

Sd/-

Mr.Amar Patil

Director

DIN No.05251517

ANNEXURE-II

THE NOMINATION AND REMUNERATION POLICY

(As recommended by the Nomination and Remuneration Committee and approved by the Board)

I. PHILOSOPHY:

The Company is committed to provide employment to all eligible applicants on the principles of equality without any discrimination.

The employees have to strictly follow code of ethics and the management practices a zero tolerance for the same.

II. OBJECTIVE:

- To strike appropriate balance between the elements comprising the remuneration so as to attract and retain potential high performing candidates for critical position in the Company for attaining continual growth in business.
- To ensure a direct relationship with the Key Result Areas and individual achievements considering short as well as long term performance objectives appropriate to the working of the Company and its goals.

III. COVERAGE:

A. Policy on Board Diversity and Term of Appointment of Independent Directors:

The Board of Directors shall comprise of persons who have expertise in the areas of business that the Company operates in and of such persons having expertise to help the Company to diversify its business at the appropriate times.

The Nomination and Remuneration Committee of the Board shall recommend persons with the requisite expertise to the Board of Directors for co-option on the Board, at its discretion.

The Independent Directors shall be appointed for two terms as follows:

- a. Existing or new Independent Directors below the age of 70, for one term of 5 consecutive years;
- b. Existing or new Independent Directors above the age of 70, for one term of such number of years as may be required for the said Independent Director to be 75 years of age;
- c. Existing Independent Directors between the age of 74 – 75 years, for one term of 2 consecutive years;

- d. New Independent Directors not falling under a to c above, for the first term of 5 consecutive years and for a second term of five consecutive years, subject to the result of the evaluation of their performance and also subject to the approval of the shareholders in the general meeting.

B. Guidelines of determining remuneration of:

- i. Executive Directors
- ii. Non Executive Directors
- iii. Key Managerial Personnel
- iv. Senior Management Personnel

IV. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

A. DIRECTORS

i. Executive Directors:

The Board of Directors of the Company shall decide the remuneration of Executive Directors on the basis of recommendation from Nomination and Remuneration Committee (N&RC) subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder, including any amendments, modifications and re-enactments thereto ('the Act') and in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations), including any amendments, modifications and re-enactments thereof, as applicable from time to time. The remuneration shall be approved by the shareholders of the Company, as and when required.

The Board may vary any terms and conditions of the contract subject to such approvals, as may be required under the Act.

Every notice sent to the shareholder for seeking their approval for appointment / re-appointment / remuneration of the Executive Directors shall contain the gist of terms and conditions of the contract.

The remuneration components shall include inter-alia:

a. Fixed salary:

Each Executive Director shall be paid fixed salary consisting of basic salary and such allowances and perquisites as may be decided by the Board on the recommendation of the N&RC.

OPTION 1: The revision in the salary may be annually done and shall be determined by the Board as per the appraisal of the performance of each

Executive Director by the Board, subject to overall limit approved by the shareholders.

OPTION 2: The salary shall remain fixed for the term of the Executive Director.

b. Commission:

The Board may approve payment of commission subject to the provisions of the Act. The amount of commission to be paid to each of the Executive Director(s), shall be as recommended by the N&RC on the basis of performance evaluation carried out in respect of such Executive Director(s) under Section 178 of the Act and the Listing Regulations.

c. Non-monetary benefits:

Executive Directors may be entitled to club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bill, fully furnished accommodation (in case of use of own residential property for accommodation, house rent allowance shall be paid), furnishings, reimbursement of house maintenance expenditure, reimbursement of gas, electricity bill, water and other utilities and repairs at residence, reimbursement of medical expenditure, including domestic hospitalization expenses for self and family and leave travel assistance.

The Executive Directors may also be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance etc. or any other benefit as per Company policy.

d. Stock options:

Executive Directors except promoter directors may be granted stock options as may be approved by the Board, if they are eligible as per existing or any scheme of stock options by the Company.

e. Compensation for loss of office may be paid as may be approved by the Board subject to the provisions of Section 202 of the Act.

f. Separation /Retirement benefits:

Executive Director shall be eligible to the following perquisites which shall be included in the computation of the ceiling on remuneration provided in the Act:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 or any amendment thereof;
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and
- (c) Encashment of leave at the end of the tenure.

ii. Non Executive Directors:

The Company shall issue a letter of engagement or appointment to every Non-Executive Director.

The components of payment of remuneration to Non-Executive Directors shall include:

a. Sitting fees :

Sitting fees shall be paid for Board and / or any Committee meetings attended by the Directors. Different amount of sitting fees may be paid for different types of meetings.

Sitting fees shall be over and above the limits prescribed in the Act for payment of remuneration but shall not exceed the amount as may be prescribed in the Rules for independent and non independent directors.

The disclosure of the payment of sitting fees for all types of meetings shall be made in the Annual Report of the Company.

Committees shall include Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, or such other committees as may be constituted by the Board from time to time.

b. Commission:

The Board may approve payment of commission subject to the provisions of the Act. The amount of commission to be paid to each of the Non-Executive Director(s), shall be as recommended by the N&RC on the basis of performance evaluation carried out in respect of such Non-Executive Director(s) under Section 178 of the Act and Listing Regulations.

EXCESS REMUNERATION:

The Board of Directors may decide to remunerate the Director/s beyond the overall limits provided under the Act, subject to compliance of provisions in this regard including obtaining approval of Central Government, if required, owing to loss incurred by the Company or inadequacy of profits and situation entails providing such remuneration.

WAIVING OF EXCESS REMUNERATION:

Any remuneration or sitting fees paid, whether directly or indirectly, to any director whether executive or not beyond the limits prescribed under the Act and for which approval of the shareholders or Central Government is not obtained, if required to be obtained, the same shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. Company shall not, in any case, waive the recovery of any such sum unless specific permission is obtained from Central Government for waiving such excess payment.

B. KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL (SMP)

Key Managerial Personnel:

Key Managerial Personnel (KMP) means Chief Executive Officer, Chief Financial Officer and Company Secretary.

The Company shall issue an appointment letter to every KMP and SMP to be signed by the reporting Executive Director. The letter shall detail the expectation from the role, remuneration package and other terms and conditions.

The remuneration components payable to KMP / SMP may be:

a. Fixed salary:

Each KMP / SMP shall be paid fixed salary consisting of basic salary and such allowances and perquisites as per service rules of the Company. The band of the salary shall be determined according to the industry standards, market conditions, scale of Company's business relating to the position, educational qualification parameters and personal experience in the industry as detailed in the service rules of the Company and such other factors as may be prescribed therein.

The same shall be reviewed annually based on the Company's annual appraisal policy.

b. Variable pay:

Variable pay, if any, to every KMP shall be as per the responsibility of the position, organization and individual performance.

The variable pay shall be payable at the end of financial year based on absolute and relative performance evaluation of the Company as well as individual. The weightage of the same will be decided by the N&RC in each case before the beginning of the each financial year.

c. Non monetary benefits:

Non monetary benefits to KMP / SMP may include club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bill, fully furnished accommodation (in case of use of own residential property for accommodation, house rent allowance shall be paid), furnishings, reimbursement of house maintenance expenditure, reimbursement of gas, electricity bill, water and other utilities and repairs at residence, reimbursement of medical expenditure for self and family and leave travel assistance.

KMP may be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance etc. as per Company policy.

d. Stock options:

To motivate executives to pursue long term growth and objectives of the Company, the executive directors may nominate KMP for receiving stock options on the basis of the eligibility criterion of any scheme of stock options declared by the Company.

e. Separation / Retirement benefits:

Separation / retirement benefits as per Company policy which shall include contribution to provident fund, superannuation, gratuity and leave encashment.

AMENDMENT

Based on the recommendation of the N&RC, the Board reserves its right to amend or modify this policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of Companies Act, 2013 including Rules thereof and / or the provisions of the Listing Regulations.

**For and on behalf of the Board of Directors of
SILVEROAK COMMERCIALS LIMITED**

Sd/-

Mr.Vikas Malekar

Director

DIN No.02558051

Members of the suspended Board

Date : 14/10/2019

Sd/-

Mr.Amar Patil

Director

DIN No.05251517

ANIRUDDHA DEKHANE & ASSOCIATES

COMPANY SECRETARIES

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

**To,
The Members,
SILVEROAK COMMERCIALS LIMITED
PLOT NO F-24, MIDC SATPUR,
NASHIK- 422007, MAHARASHTRA, INDIA**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SILVEROAK COMMERCIALS LIMITED** (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

ANIRUDDHA DEKHANE & ASSOCIATES

COMPANY SECRETARIES

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 2018;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2017;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - (d) The Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014 : There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - (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) (amendment) regulations 2018: There are no events occurred during the period which attracts provisions of these guidelines hence not applicable. And
 - (h) The Securities and Exchange Board of India (Buyback of Securities) (amendment) regulations 2015: There are no events occurred during the period which attracts provisions of these guidelines hence not applicable

ANIRUDDHA DEKHANE & ASSOCIATES

COMPANY SECRETARIES

- (vi) The Factories Act, 1948
- (vii) Employees Provident Fund Act, 1952
- (viii) Employees State Insurance Act, 1948
- (ix) Labour Laws Act, 1988.
- (x) Payment of Bonus Act, 1965
- (xi) Payment of Gratuity Act, 1972
- (xii) Workmen's Compensation Act, 1923
- (xiii) Shops and Establishment Act, 1954

I have also examined compliance and non compliances made with the applicable clauses of the following and we report as follows:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited;
- (iii) *During the year 2018-19 the Company has not appointed a Company Secretary as KMP per the provision of Companies Act, 2013 and rules made there under.***
- iv) *During the year 2018-2019 Form-22A (Active) is not filed by the company.***

During the period under review the Company has not complied with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- I) According the regulation 33 of SEBI (Listing and other Disclosure Requirement Regulation 2015, **The Company has not filed Financial results of Quarter ended March 2019 to BSE Portal.****

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors that took place during the year ended under review. The Director has resigned from designation of Director Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven

ANIRUDDHA DEKHANE & ASSOCIATES

COMPANY SECRETARIES

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.

All the decision in the board meetings were carried through by majority and it was informed to us while there were no dissenting views of the members and hence not captured and recorded as part of the minutes.

I further report that there are adequate 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.

I further report that during the audit period the Company has not taken any actions or enter into events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

I further report that after end of audit period the The NCLT (Mumbai Bench) has passed order on 01.05.2019 to appoint Interim Resolution Professional Mr Rajendra Khadelwal under section 9 of IBC Act 2016. in matter of Ultratech Cement Ltd Mumbai (Petitioner) V/s Silveroak Commercials Limited Nashik (Corporate Debtor),

Further NCLT has passed order on 19.08.2019 to replace the Interim Resolution Professional to Resolution Professional, In the meeting of Creditors resolution was approved for replacement of IRP Mr Rajendra Khandelwal is replaced with Mr. Alkesh Rawka as Resolution Professional.

Place: Pune

Date: 14/10/2019

UDIN : A029290A000046221

sd/-

Aniruddha Dekhane
Proprietor,
Aniruddha Dekhane & Associates,
Company Secretaries
ACS No: 29290
C P No.: 10545

Address: Office No. 216, 2nd Floor, Pournima Tower, Shanakar Seth Road, Near Bharat Petrol Pump, Pune-411037, Email:csaniruddha@gmail.com

ANNEXURE IV

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| Sr. No. | Particulars | | | | | |
|----------------------|--|---|----------------------|--|----------------|--|
| 1 | The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year | Not Applicable | | | | |
| 2 | The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name of the Director</th> <th style="text-align: center;">Percentage increase / (decrease) in the remuneration</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">Not Applicable</td> </tr> </tbody> </table> | Name of the Director | Percentage increase / (decrease) in the remuneration | Not Applicable | |
| Name of the Director | Percentage increase / (decrease) in the remuneration | | | | | |
| Not Applicable | | | | | | |
| 3 | The remuneration increase in the median remuneration of employees in the financial year | Not Applicable | | | | |
| 4 | The number of permanent employees on the roll of the Company | 34 including Executive Director | | | | |
| 5 | The explanation on the relationship between average increase in remuneration and Company performance | Not Applicable | | | | |
| 6 | Comparison on the remuneration of the key Managerial Personnel against the performance of the Company | The remuneration is not solely based on Company performance but also includes various other factors like individual performance, industry trends, economic situation, future growth prospects, etc. The Board believes that the increase is in line with the industry. | | | | |
| 8 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | - | | | | |
| 9 | Comparison of each remuneration of the KMP against the performance of the Company | The remuneration is not solely based on Company performance but also includes various other factors like individual performance, industry trends, economic situation, future growth prospects, etc. The | | | | |

| | | |
|----|--|--|
| | | Board believes that the increase is in line with the industry. |
| 10 | The key parameters for any variable component of remuneration availed by the Directors | Commission is the variable component in the remuneration of Directors. As per the Nomination and Remuneration Policy of the Company, the amount of commission is calculated on the basis of performance evaluation of Directors. |
| 11 | The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year | Not Applicable |
| 12 | Affirmation | The Board affirms that the remuneration is as per the Nomination and Remuneration Policy of the Company. |
| 13 | Statement showing the name of every employee of the Company, who – I. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees; I. If employed for the part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month; I. If employed throughout the financial year, or part therefor, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole- Time Director or Manager and holds by himself or alongwith his spouse and dependent children, not less than two percent of the equity shares of the Company. | Nil |

**For and on behalf of the Board of Directors of
SILVEROAK COMMERCIALS LIMITED**

Sd/-

Mr.Vikas Malekar

Director

DIN No.02558051

Members of the suspended Board

Date : 14/10/2019

Sd/-

Mr.Amar Patil

Director

DIN No.05251517

| General information about company | |
|--|------------------------------|
| Scrip code | 512197 |
| NSE Symbol | |
| MSEI Symbol | |
| ISIN | INE798C01017 |
| Name of the company | Silveroak Commercial Limited |
| Whether company is SME | No |
| Class of Security | Equity Shares |
| Type of report | Quarterly |
| Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment) | 31-03-2019 |
| Date of allotment / extinguishment (in case Capital Restructuring selected) / Listing Date | |
| Shareholding pattern filed under | Regulation 31 (1) (b) |

| Declaration | | | | | |
|--------------------|--|--------|-----------------------------|--------------------|-------------------------|
| Sr. No. | Particular | Yes/No | Promoter and Promoter Group | Public shareholder | Non Promoter-Non Public |
| 1 | Whether the Listed Entity has issued any partly paid up shares? | No | No | No | No |
| 2 | Whether the Listed Entity has issued any Convertible Securities ? | No | No | No | No |
| 3 | Whether the Listed Entity has issued any Warrants ? | No | No | No | No |
| 4 | Whether the Listed Entity has any shares against which depository receipts are issued? | No | No | No | No |
| 5 | Whether the Listed Entity has any shares in locked-in? | No | No | No | No |
| 6 | Whether any shares held by promoters are pledge or otherwise encumbered? | No | No | | |
| 7 | Whether company has equity shares with differential voting rights? | No | No | No | No |

| Table I - Summary Statement holding of specified securities | | | | | | | | | | | |
|--|--------------------------------|----------------------------|--|--|---|--|---|---|------------|---------|-------------------------|
| Category (I) | Category of shareholder (II) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+ (V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | |
| | | | | | | | | No of Voting (XIV) Rights | | | Total as a % of (A+B+C) |
| | | | | | | | | Class eg: X | Class eg:y | Total | |
| (A) | Promoter & Promoter Group | 6 | 397400 | | | 397400 | 14.45 | 397400 | | 397400 | 14.45 |
| (B) | Public | 381 | 2352600 | | | 2352600 | 85.55 | 2352600 | | 2352600 | 85.55 |
| (C) | Non Promoter-Non Public | | | | | | | | | | |
| (C1) | Shares underlying DRs | | | | | | | | | | |
| (C2) | Shares held by Employee Trusts | | | | | | | | | | |
| | Total | 387 | 2750000 | | | 2750000 | 100 | 2750000 | | 2750000 | 100 |

| Table I - Summary Statement holding of specified securities | | | | | | | | | | |
|---|--------------------------------|---|--|--|---|----------------------------------|---------------------------------|---|---------------------------------|---|
| Category (I) | Category of shareholder (II) | No. Of Shares Underlying Outstanding convertible securities (X) | No. of Shares Underlying Outstanding Warrants (Xi) | No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
| | | | | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| (A) | Promoter & Promoter Group | | | | 14.45 | | | | | 392000 |
| (B) | Public | | | | 85.55 | | | | | 2281100 |
| (C) | Non Promoter-Non Public | | | | | | | | | |
| (C1) | Shares underlying DRs | | | | | | | | | |
| (C2) | Shares held by Employee Trusts | | | | | | | | | |
| | Total | | | | 100 | | | | | 2673100 |

| Table II - Statement showing shareholding pattern of the Promoter and Promoter Group | | | | | | | | | | | |
|---|---|----------------------------|--|--|---|--|---|---|------------|---------|-------------------------------------|
| Sr. | Category & Name of the Shareholders (I) | Nos. Of shareholders (III) | No. of fully paid up equity shares held (IV) | No. Of Partly paid-up equity shares held (V) | No. Of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | |
| | | | | | | | | No of Voting (XIV) Rights | | | Total as a % of Total Voting rights |
| | | | | | | | | Class eg: X | Class eg:y | Total | |
| A | Table II - Statement showing shareholding pattern of the Promoter and Promoter Group | | | | | | | | | | |
| (1) | Indian | | | | | | | | | | |
| (a) | Individuals/Hindu undivided Family | 5 | 392400 | | | 392400 | 14.27 | 392400 | | 392400 | 14.27 |
| (d) | Any Other (specify) | 1 | 5000 | | | 5000 | 0.18 | 5000 | | 5000 | 0.18 |
| Sub-Total (A) (1) | | 6 | 397400 | | | 397400 | 14.45 | 397400 | | 397400 | 14.45 |
| (2) | Foreign | | | | | | | | | | |
| Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A) (2) | | 6 | 397400 | | | 397400 | 14.45 | 397400 | | 397400 | 14.45 |
| B | Table III - Statement showing shareholding pattern of the Public shareholder | | | | | | | | | | |
| (1) | Institutions | | | | | | | | | | |
| (3) | Non-institutions | | | | | | | | | | |
| (a(i)) | Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs. | 340 | 431802 | | | 431802 | 15.7 | 431802 | | 431802 | 15.7 |
| (a(ii)) | Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | 13 | 1821251 | | | 1821251 | 66.23 | 1821251 | | 1821251 | 66.23 |
| (e) | Any Other (specify) | 28 | 99547 | | | 99547 | 3.62 | 99547 | | 99547 | 3.62 |
| Sub-Total (B) (3) | | 381 | 2352600 | | | 2352600 | 85.55 | 2352600 | | 2352600 | 85.55 |
| Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3) | | 381 | 2352600 | | | 2352600 | 85.55 | 2352600 | | 2352600 | 85.55 |
| C | Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder | | | | | | | | | | |
| Total (A+B+C2) | | 387 | 2750000 | | | 2750000 | 100 | 2750000 | | 2750000 | 100 |
| Total (A+B+C) | | 387 | 2750000 | | | 2750000 | 100 | 2750000 | | 2750000 | 100 |

| Table II - Statement showing shareholding pattern of the Promoter and Promoter Group | | | | | | | | | |
|---|---|--|--|---|----------------------------------|---------------------------------|---|---------------------------------|---|
| Sr. | No. Of Shares Underlying Outstanding convertible securities (X) | No. of Shares Underlying Outstanding Warrants (Xi) | No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
| | | | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| A | Table II - Statement showing shareholding pattern of the Promoter and Promoter Group | | | | | | | | |
| (1) | Indian | | | | | | | | |
| (a) | | | | 14.27 | | | | | 392000 |
| (d) | | | | 0.18 | | | | | 0 |
| Sub-Total (A) (1) | | | | 14.45 | | | | | 392000 |
| (2) | Foreign | | | | | | | | |
| Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | | | | 14.45 | | | | | 392000 |
| B | Table III - Statement showing shareholding pattern of the Public shareholder | | | | | | | | |
| (1) | Institutions | | | | | | | | |
| (3) | Non-institutions | | | | | | | | |
| (a(i)) | | | | 15.7 | | | | | 375482 |
| (a(ii)) | | | | 66.23 | | | | | 1821251 |
| (e) | | | | 3.62 | | | | | 84367 |
| Sub-Total (B) (3) | | | | 85.55 | | | | | 2281100 |
| Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3) | | | | 85.55 | | | | | 2281100 |
| C | Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder | | | | | | | | |
| Total (A+B+C2) | | | | 100 | | | | | 2673100 |
| Total (A+B+C) | | | | 100 | | | | | 2673100 |

| Individuals/Hindu undivided Family | | | | | | |
|--|-------------------------|------------------------|----------------------|----------------------------|-------------------|---------------------------------------|
| Serial No. | 1 | 2 | 3 | 4 | 5 | |
| Name of the Shareholders (I) | DHANANJAY RAJENDRA KALE | LALITA RAMJILAL SHARMA | PRABHAKAR SONU AUATE | RAMAVTAR BHAGWANDAS SHARMA | RAMJILAL A SHARMA | Click here to go back |
| PAN (II) | ALRPK9648L | BBFPS5413J | AMKPA1143J | DGCPS1171K | AAFPS2511M | Total |
| No. of fully paid up equity shares held (IV) | 125000 | 22000 | 110000 | 135000 | 400 | 392400 |
| No. Of Partly paid-up equity shares held (V) | | | | | | |
| No. Of shares underlying Depository Receipts (VI) | | | | | | |
| Total nos. shares held (VII) = (IV)+ (V)+ (VI) | 125000 | 22000 | 110000 | 135000 | 400 | 392400 |
| Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | 4.55 | 0.8 | 4 | 4.91 | 0.01 | 14.27 |
| Number of Voting Rights held in each class of securities (IX) | | | | | | |
| Class eg:X | 125000 | 22000 | 110000 | 135000 | 400 | 392400 |
| Class eg:y | | | | | | |
| Total | 125000 | 22000 | 110000 | 135000 | 400 | 392400 |
| Total as a % of Total Voting rights | 4.55 | 0.8 | 4 | 4.91 | 0.01 | 14.27 |
| No. Of Shares Underlying Outstanding convertible securities (X) | | | | | | |
| No. of Shares Underlying Outstanding Warrants (Xi) | | | | | | |
| No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | | | | | | |
| Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2) | 4.55 | 0.8 | 4 | 4.91 | 0.01 | 14.27 |
| Number of Locked in shares (XII) | | | | | | |
| No. (a) | | | | | | |
| As a % of total | | | | | | |

| | | | | | | |
|---|----------|----------|----------|----------|----------|--------|
| Shares held (b) | | | | | | |
| Number of Shares pledged or otherwise encumbered (XIII) | | | | | | |
| No. (a) | | | | | | |
| As a % of total Shares held (b) | | | | | | |
| Number of equity shares held in dematerialized form (XIV) | 125000 | 22000 | 110000 | 135000 | 0 | 392000 |
| Reason for not providing PAN | | | | | | |
| Reason for not providing PAN | | | | | | |
| Shareholder type | Promoter | Promoter | Promoter | Promoter | Promoter | |

| Any Other (specify) | | |
|--|-----------------------|---------------------------------------|
| Serial No. | 1 | |
| Category | Bodies Corporate | Click here to go back |
| Name of the Shareholders (I) | NEEMA TRADING (p) LTD | |
| PAN (II) | AAACN1313N | Total |
| No. of the Shareholders (I) | 1 | 1 |
| No. of fully paid up equity shares held (IV) | 5000 | 5000 |
| No. Of Partly paid-up equity shares held (V) | | |
| No. Of shares underlying Depository Receipts (VI) | | |
| Total nos. shares held (VII) = (IV)+ (V)+ (VI) | 5000 | 5000 |
| Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | 0.18 | 0.18 |
| Number of Voting Rights held in each class of securities (IX) | | |
| Class eg: X | 5000 | 5000 |
| Class eg:y | | |
| Total | 5000 | 5000 |
| Total as a % of Total Voting rights | 0.18 | 0.18 |
| No. Of Shares Underlying Outstanding convertible securities (X) | | |
| No. of Shares Underlying Outstanding Warrants (Xi) | | |
| No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | | |
| Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | 0.18 | 0.18 |
| Number of Locked in shares (XII) | | |

| | | |
|---|----------------|---|
| No. (a) | | |
| As a % of total Shares held (b) | | |
| Number of Shares pledged or otherwise encumbered (XIII) | | |
| No. (a) | | |
| As a % of total Shares held (b) | | |
| Number of equity shares held in dematerialized form (XIV) | 0 | 0 |
| Reason for not providing PAN | | |
| Reason for not providing PAN | | |
| Shareholder type | Promoter Group | |

| Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | | | | | | | |
|--|-------------------|-------------------|------------------------|----------------------------|-------------------|----------------------|------------|
| Serial No. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Name of the Shareholders (I) | ANIL RAMDAS PATIL | CHOKSHI ARCHANA A | CHOKSHI ATUL CHIMANLAL | KHUBCHAND BHANWARLAL RATHI | LALIT KUMAR DANGI | MADHAVI SURESH JOSHI | NEHA SARAF |
| PAN (II) | AYAPP1234H | AABPC8425C | AABPC9118N | AACPR1262M | AAGPD8876P | AGAPJ8253E | BDCPS3030A |
| No. of fully paid up equity shares held (IV) | 97236 | 32415 | 135000 | 449929 | 100000 | 39874 | 39495 |
| No. Of Partly paid-up equity shares held (V) | | | | | | | |
| No. Of shares underlying Depository Receipts (VI) | | | | | | | |
| Total nos. shares held (VII) = (IV)+ (V)+ (VI) | 97236 | 32415 | 135000 | 449929 | 100000 | 39874 | 39495 |
| Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | 3.54 | 1.18 | 4.91 | 16.36 | 3.64 | 1.45 | 1.44 |
| Number of Voting Rights held in each class of securities (IX) | | | | | | | |
| Class eg: X | 97236 | 32415 | 135000 | 449929 | 100000 | 39874 | 39495 |
| Class eg:y | | | | | | | |
| Total | 97236 | 32415 | 135000 | 449929 | 100000 | 39874 | 39495 |
| Total as a % of Total Voting rights | 3.54 | 1.18 | 4.91 | 16.36 | 3.64 | 1.45 | 1.44 |
| No. Of Shares Underlying Outstanding convertible securities (X) | | | | | | | |
| No. of Shares Underlying Outstanding Warrants (Xi) | | | | | | | |
| No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | | | | | | | |
| Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | 3.54 | 1.18 | 4.91 | 16.36 | 3.64 | 1.45 | 1.44 |
| Number of Locked in shares (XII) | | | | | | | |
| No. (a) | | | | | | | |
| As a % of total | | | | | | | |

| | | | | | | | |
|---|-------|-------|--------|--------|--------|-------|-------|
| Shares held (b) | | | | | | | |
| Number of equity shares held in dematerialized form (XIV) | 97236 | 32415 | 135000 | 449929 | 100000 | 39874 | 39495 |
| Reason for not providing PAN | | | | | | | |
| Reason for not providing PAN | | | | | | | |

| Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | | | | | | |
|--|----------------|------------------------|--------------|-----------------|----------------------|-----------------------|
| Serial No. | 8 | 9 | 10 | 11 | 12 | 13 |
| Name of the Shareholders (I) | PRAFULLA NAYAK | PRAKASH HARILAL PANDYA | PRAVIN PATIL | PURUSOTAM SARAF | SANTOSH DILIP DHANGE | TUSHAR RANGNATH PATIL |
| PAN (II) | AEPPN8746K | AFZPP7872H | ARKPP7903J | AECPS3202C | AWNPD1893R | AARPP6822E |
| No. of fully paid up equity shares held (IV) | 110000 | 140000 | 95500 | 120000 | 326802 | 135000 |
| No. Of Partly paid-up equity shares held (V) | | | | | | |
| No. Of shares underlying Depository Receipts (VI) | | | | | | |
| Total nos. shares held (VII) = (IV)+ (V)+ (VI) | 110000 | 140000 | 95500 | 120000 | 326802 | 135000 |
| Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | 4 | 5.09 | 3.47 | 4.36 | 11.88 | 4.91 |
| Number of Voting Rights held in each class of securities (IX) | | | | | | |
| Class eg: X | 110000 | 140000 | 95500 | 120000 | 326802 | 135000 |
| Class eg:y | | | | | | |
| Total | 110000 | 140000 | 95500 | 120000 | 326802 | 135000 |
| Total as a % of Total Voting rights | 4 | 5.09 | 3.47 | 4.36 | 11.88 | 4.91 |
| No. Of Shares Underlying Outstanding convertible securities (X) | | | | | | |
| No. of Shares Underlying Outstanding Warrants (Xi) | | | | | | |
| No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | | | | | | |
| Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | 4 | 5.09 | 3.47 | 4.36 | 11.88 | 4.91 |
| Number of Locked in shares (XII) | | | | | | |
| No. (a) | | | | | | |
| As a % of total | | | | | | |

| | | | | | | |
|---|--------|--------|-------|--------|--------|--------|
| Shares held (b) | | | | | | |
| Number of equity shares held in dematerialized form (XIV) | 110000 | 140000 | 95500 | 120000 | 326802 | 135000 |
| Reason for not providing PAN | | | | | | |
| Reason for not providing PAN | | | | | | |

| Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | |
|--|---------------------------------------|
| Serial No. | |
| Name of the Shareholders (I) | Click here to go back |
| PAN (II) | Total |
| No. of fully paid up equity shares held (IV) | 1821251 |
| No. Of Partly paid-up equity shares held (V) | |
| No. Of shares underlying Depository Receipts (VI) | |
| Total nos. shares held (VII) = (IV)+ (V)+ (VI) | 1821251 |
| Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | 66.23 |
| Number of Voting Rights held in each class of securities (IX) | |
| Class eg: X | 1821251 |
| Class eg:y | |
| Total | 1821251 |
| Total as a % of Total Voting rights | 66.23 |
| No. Of Shares Underlying Outstanding convertible securities (X) | |
| No. of Shares Underlying Outstanding Warrants (Xi) | |
| No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | |
| Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | 66.23 |
| Number of Locked in shares (XII) | |
| No. (a) | |
| As a % of total Shares held (b) | |

| | |
|---|---------|
| Number of equity shares held in dematerialized form (XIV) | 1821251 |
| Reason for not providing PAN | |
| Reason for not providing PAN | |

| Any Other (specify) | | | | | |
|--|------------------|------------------|---------------------------|----------|---------------------------------------|
| Serial No. | 1 | 2 | 3 | 4 | |
| Category | Clearing Members | Bodies Corporate | Non-Resident Indian (NRI) | HUF | |
| Category / More than 1 percentage | Category | Category | Category | Category | |
| Name of the Shareholders (I) | | | | | Click here to go back |
| PAN (II) | | | | | Total |
| No. of the Shareholders (I) | 4 | 11 | 1 | 12 | 28 |
| No. of fully paid up equity shares held (IV) | 1777 | 42605 | 10 | 55155 | 99547 |
| No. Of Partly paid-up equity shares held (V) | | | | | |
| No. Of shares underlying Depository Receipts (VI) | | | | | |
| Total nos. shares held (VII) = (IV)+(V)+ (VI) | 1777 | 42605 | 10 | 55155 | 99547 |
| Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | 0.06 | 1.55 | 0 | 2.01 | 3.62 |
| Number of Voting Rights held in each class of securities (IX) | | | | | |
| Class eg: X | 1777 | 42605 | 10 | 55155 | 99547 |
| Class eg:y | | | | | |
| Total | 1777 | 42605 | 10 | 55155 | 99547 |
| Total as a % of Total Voting rights | 0.06 | 1.55 | 0 | 2.01 | 3.62 |
| No. Of Shares Underlying Outstanding convertible securities (X) | | | | | |
| No. of Shares Underlying Outstanding Warrants (Xi) | | | | | |
| No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a) | | | | | |
| Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % | 0.06 | 1.55 | 0 | 2.01 | 3.62 |

| | | | | | |
|---|------|-------|----|-------|-------|
| of (A+B+C2) | | | | | |
| Number of Locked in shares (XII) | | | | | |
| No. (a) | | | | | |
| As a % of total Shares held (b) | | | | | |
| Number of equity shares held in dematerialized form (XIV) | 1777 | 27425 | 10 | 55155 | 84367 |
| Reason for not providing PAN | | | | | |
| Reason for not providing PAN | | | | | |

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SILVEROAK COMMERCIALS LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Silveroak Commercials Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Basis of Opinion

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

Management's Responsibility for the Financial Statements

3. 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 to 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 relevant rules there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
4. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
5. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but

is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

7. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
9. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Opinion

10. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act

2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under sec 133 of the Act, the state of affairs of the Company as at March 31, 2019, and its total Comprehensive income (including profits and other comprehensive income), its cash flows and the changes in Equity for the year ended on that date.

Qualifications

- 1. The Management has confirmed that they have not provided for gratuity expenses in the FY 2018-19.*
- 2. The investments disclosed in current assets pertain to investments made by the company in shares. These shares are valued at cost of acquisition.*
- 3. The Management has confirmed that the company has not accounted for deferred tax because the computation as per the Ind AS leads to generation of Deferred Tax Asset. However, due to the events like arbitration, Loan NPA's & insolvency proceedings, since the Company does not expect immediate future cash flows to utilize this Deferred Tax Asset, therefore Deferred Tax Asset is not recognised for the current financial year and Deferred tax Liability is reversed to the extent of deferred tax asset.*
- 4. The Management has confirmed during the year 2018-19 the Company has not appointed a Company Secretary as KMP per the provision of Companies Act, 2013 and rules made there under.*
- 5. The management has confirmed that during the year 2018-2019 Form-22A (Active) is not filed by the company.*
- 6. The management has confirmed that, the securities of the company are listed at BSE Limited. The Company has not paid listing fees for the year 2018-19.*

Key Audit Matters

1. The Management has made provision for doubtful debt of Rs. 6,23,99,069/- against amount receivable from Girna Infraprojects Private Limited , since the company is in the process of corporate insolvency resolution and recoverability of outstanding amount is uncertain. One of the Director of M/s. Girna Infraprojects Private Limited i.e. Mr. Shivaji Bhosale is a partner of Mr. Amar Patil (Director in Silveroak Commercials Limited) in the business of M/s. Black Rock (Partnership Firm).
2. The Management has confirmed that the Borrowing from Nashik Merchant Co operative bank was under Arbitration and that the loan account has gone NPA due to pendency of Arbitration. Term Loan & Working capital Loan from M/s Nasik Merchant Co-op Bank Ltd., Nasik, was availed during FY 15-16. The company has defaulted in repayment of interest and principal 31-Mar-2019. The Banker has charged penal interest for FY 2018-19. However the Company has recomputed interest as per the direction given in arbitration order bearing number ARB/KJP/NAMCO/147 of 2017 dtd. 16/04/2019 (Term Loan) & order bearing number ARB/KJP/NAMCO/146 of 2017 dtd. 16/04/2019. (Working Capital). Another arbitration application was made dated 30/06/2019 bearing arbitration no 1 of 2019 before the sole arbitrator Shri R B Agrawal (Retd. District Judge). The loan account of the Company has NPA status as on balance sheet date. (Refer note no 1.16 (b))

INDEPENDENT AUDITORS' REPORT
To the Members of Silveroak Commercials Limited
Report on the Ind AS Financial Statements

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3. The management has confirmed that the Company had availed Loan from Citi Co-op credit & Capital Ltd & has defaulted in repayment of interest and principal as on 31-Mar-2019. As such the loan account of the Company has NPA status as on balance sheet date. (Refer note no 1.16 (b))
4. The Management has confirmed that one of its creditors M/s. Ultratech cement has lodged a complaint in NCLT for payments due to them, after end of audit period. The NCLT (Mumbai Bench) has passed order on 01.05.2019 to appoint Interim Resolution Professional Mr Rajendra Khadelwal under section 9 of IBC Act 2016, in matter of Ultratech Cement Ltd Mumbai (Petitioner) V/s Silveroak Commercials Limited Nashik (Corporate Debtor). Further NCLT has passed order on 19.08.2019 to replace the Interim Resolution Professional to Resolution Professional, In the meeting of Creditors resolution was approved for replacement of IRP Mr Rajendra Khandelwal is replaced with Mr. Alkesh Rawka as Resolution Professional.
5. Due to the events like Debtors provisioning, arbitration, Loan NPA's & insolvency proceedings, the company's financial position is degraded to a very large extent. However, management is still hopeful of overcoming the existing situation and running the business afresh. As such the management has prepared the books of accounts on going concern basis.
6. The Management has confirmed that major business activity falls within a single significant business segment, viz. "Construction & related trades" as such no separate segment information is enclosed.
7. The Management has confirmed that there were no related party transactions, except the ones reported in note 3.02 & 3.08 of financial statements impacting the operations of the Company which were incurred during the year, therefore the same is not disclosed in the Ind AS financial statements.
8. The Management has confirmed that they have designed robust financial risk management objective and policies thereupon in conformity to the size and operations of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 197 (16) of the act, we report that the company has not paid any remuneration to the directors; therefore reporting under the provisions of section 197 read with schedule V to the act is not applicable.
3. 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.

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Report on the Ind AS Financial Statements

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- (c) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule relevant rules there under.
- (e) On the basis of the written representations received from the directors as on March 31, 2019, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to Ind AS financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2019 which would impact its financial position other than those mentioned in note no 1.16(b).
 - ii. The Company did not have any derivative contracts as at March 31, 2019.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

For Karwa Malani Kalantri & Associates
Chartered Accountants
Firm Registration Number: 136867W

Nashik
October 14, 2019

Sd/-
Durgesh Kalantri
Partner
Membership Number 141042

Annexure A to Independent Auditors' Report

Annexure A to Independent Auditors' Report of even date to the members of Silveroak Commercials Limited on the financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - (c) The title deeds of immovable property, as disclosed in Note 2.01 on Property, Plant and Equipment to the Ind AS financial statements, are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Service Tax, Goods and Service Tax (GST), Provident Fund, Employees State Insurance, Profession Tax and Tax Deducted at Source, though there has been a slight delay in a few cases, though the delays in deposit have not been serious. Wherever there are delays the payments has been made with applicable interest and late fees. We were informed that there are no undisputed statutory dues as at year end, outstanding for a period of more than six months from the date they become payable, except the followings:
 - 1) LBT (Nashik Municipal Corporation) dues payable was Rs. 11.61
 - 2) Goods & Service Tax Payable Rs. 51.27 Lacs
 - 3) Income Tax payable Rs. 30.07 Lacs.
 - 4) Service Tax payable Rs. 5.96 Lacs.
 - 5) TDS payable Rs. 0.67 Lacs
 - 6) Profession tax payable Rs 0.61 lacs
 - 7) Provident fund Rs 5.75 Lacs
 - 8) ESIC Rs. 2.09 Lacs
 - 9) MLWF Rs. 0.02 Lacs
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service, income-tax, duty of customs and duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date,

Annexure A to Independent Auditors' Report

Annexure A to Independent Auditors' Report of even date to the members of Silveroak Commercials Limited on the financial statements as of and for the year ended March 31, 2019

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- except for the loan from Nashik Merchants Co Operative Bank and Citi Co Operative Credit (Refer Note no 1.16(b)).
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
 - x. 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
 - xi. The Company has not paid for managerial remuneration therefore reporting by the provisions of Section 197 read with Schedule V to the Act are not applicable.
 - xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
 - xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements Note no 3.02 & 3.08 as required under Ind AS.
 - xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
 - xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
 - xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Karwa Malani Kalantri & Associates
Chartered Accountants
Firm Registration Number: 136867W

Nashik
October 14, 2019

Sd/-
Durgesh Kalantri
Partner
Membership Number 141042

Annexure B to Independent Auditors' Report

Annexure B to Independent Auditors' Report of even date to the members of Silveroak Commercials Limited on the financial statements for the year ended March 31, 2019

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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the Silveroak Commercials Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

Annexure B to Independent Auditors' Report

Annexure B to Independent Auditors' Report of even date to the members of Silveroak Commercials Limited on the financial statements for the year ended March 31, 2019

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(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Karwa Malani Kalantri & Associates
Chartered Accountants
Firm Registration Number: 136867W

Sd/-
Durgesh Kalantri
Partner
Membership Number 141042

Nashik
October 14, 2019

The Company Overview

Silveroak Commercials Limited, a Public Limited Company listed on the Bombay Stock Exchange Limited. The registered office of the Company is situated at MIDC Satpur, Nashik - 422007, Maharashtra. The Company is in business of Construction and related trades.

NOTE-1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in preparation of these standalone financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on May 29, 2019.

1.1 Statement of Compliance:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

These financial statements have been prepared in accordance with Ind AS 101, "First Time Adoption of Ind AS", as these are the Company's first Ind AS compliant Financial Statements for the year ended March 31, 2019.

The Financial Statements correspond to the classification provisions contained in Ind AS-1 (Presentation of Financial Statements).

The transition to Ind AS has been carried out from the Accounting Principles generally accepted in India (Indian GAAP), which is considered as the "Previous GAAP", for purposes of Ind AS - 1.

The preparation of these Financial Statements resulted in changes to the Company's Accounting Policies as compared to the most recent Annual Financial Statements prepared under Previous GAAP, wherever necessary. All Accounting Policies and applicable Ind AS have been applied consistently and retrospectively to all periods, including the previous financial year presented and the Ind AS opening balance sheet as at April 01, 2016 (Transition Date). The resulting difference between the carrying amounts under Ind AS and Previous GAAP as on the Transition Date has been recognised directly in Equity.

Reconciliations and explanations for the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note 4.1.

Refer Note 4.1 for the first time adoption exemptions availed by the Company.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below.

The financial statements are presented in INR, except when otherwise indicated.

1.2 Use of Estimates

The preparation of the Company's financial statements in conformity with Ind-AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Information about critical estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are included in the following notes:

(a) Impairment of financial assets (including trade receivable)

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the Company as well as forward looking estimates at the end of each reporting period.

(b) Estimation of defined benefit obligations

The liabilities of the Company arising from employee benefit obligations and the related current service cost, are determined on an actuarial basis using various assumptions.

(c) Estimation of current tax expenses and payable

Taxes recognized in the financial statements reflect management's best estimate of the outcome based on the facts known at the balance sheet date. These facts include but are not limited to interpretation of tax laws of various jurisdictions where the company operates. Any difference between the estimates and final tax assessments will impact the income tax as well the resulting assets and liabilities.

(d) Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset

1.3 Classification of Assets and Liabilities as Current and Non Current

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.4 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The specific recognition criteria described below also be met before revenue is recognised.

Construction Contracts

Contract revenue and expenses associated with the construction contracts are recognized by reference to the stage of completion at the reporting date. The stage of completion of project is determined by considering all relevant factors relating to contracts including survey of work performed, on completion of a physical proportion of the work done and proportion of contract costs incurred.

Where the probable total cost of a contract is expected to exceed the corresponding total contract revenue, such expected loss is recognized as an expense immediately irrespective of stage of work done.

Variations, claims and incentives are recognized to the extent it is probable that they will result in revenue and they are capable of being measured reliably.

Sale of Goods

Revenue from the sale of goods is recognised, when all the significant risks and rewards of ownership of the goods have passed to the buyer, the Company no longer has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of Consideration that will be derived from the sales of Goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts. The sales include the excise duty and exclude Value added tax/sales tax.

Sale of Services

Revenues from other contracts are recognised in terms of underlying arrangements and in the accounting period in which the services are rendered.

Interest Income

Interest income is recognized on time proportion basis using the effective interest method.

Dividend Income

Dividend income is recognized when the right to receive payment is established, which is generally when shareholders approve the same.

1.5 Inventory Valuation

Inventories such as Raw Materials, Work-in-Progress, Finished Goods, Stock in Trade, Stores & Spares are valued at the lower of cost and net realisable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The cost is computed on FIFO basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventory of construction materials is valued at lower of cost (net of indirect taxes wherever recoverable) and net realizable value. Cost is determined on FIFO basis. However, inventory is written down below cost if the estimated revenue of the concerned contract is in excess of estimated cost. Work-in-progress is valued at lower of cost (net of indirect taxes wherever recoverable) and net realizable value.

1.6 Income Tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the

Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Current and deferred tax for the year:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income or directly in equity respectively.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

Minimum Alternate Tax

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

1.7 Property, Plant and Equipment (PPE)

All items of PPE are stated at historical cost, less accumulated depreciation/amortization and impairments, if any. Historical cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress includes cost of PPE under installation / under development as at the balance sheet date. Advances paid towards the acquisition of PPE outstanding at each balance sheet date are classified as capital advances under other non-current assets.

The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Depreciation and amortization

Depreciation on Buildings, Plant & Machinery, and Other Assets is provided as per straight line method over their useful lives as prescribed under Schedule II of Companies Act, 2013.

Depreciation on additions / deletions during the year is provided from the month in which the asset is capitalized up to the month in which the asset is disposed off.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Leased Assets

Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

1.8 Impairment of non-financial assets

Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU (Cash Generating Unit) to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

1.9 Financial Assets & Liabilities

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Non- derivative financial assets:

Initial Recognition and Measurement

At initial recognition, all financial assets are measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

Financial assets are subsequently under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

(a) Financial Assets at Amortized Cost

At the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. These are subsequently measured at amortized cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortization is included as interest income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

(b) Financial Assets at Fair value through Other Comprehensive Income (FVTOCI)

This category applies to certain investments in debt instruments, at the date of initial recognition, which are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. These are subsequently measured at each reporting date at fair value, with all fair value movements recognized in Other Comprehensive Income (OCI). Interest income calculated using EIR method, impairment gain or loss and foreign exchange gain or loss, if any are recognized in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

(c) Financial Assets at Fair value through Profit or Loss (FVTPL)

At the date of initial recognition, financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI and is not part of a hedging relationship. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss at each reporting date, with all fair value movements recognized in the Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Trade Receivables

These are in respect of amount due from customers on account of goods sold or services rendered in the ordinary course of business and recognized initially at

fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment, if any.

Impairment is made on the expected credit losses (ECL), which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses, if any are recognized in a separate provision for impairment and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognized in provision for impairment and the change in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Investment in Equity Shares

Investments in Equity Securities are initially measured at cost. Any subsequent fair value gain or loss is recognized through Profit or Loss (FVTPL) if such investments in Equity Securities are held for trading purposes. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

Financial Asset is primarily de-recognised when:

- (i) The right to receive cash flows from asset has expired, or
- (ii) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and

Either:

- a) The Company has transferred substantially all the risks and rewards of the asset, or
- b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset,

nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- Other receivables

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

Financial assets measured as at amortized cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount

Non-derivative financial liabilities

Initial Recognition and Measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts,

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at FVTPL are at each reporting date with all the changes recognized in the Statement of Profit and Loss.

b) Financial Liabilities measured at Amortized Cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method ("EIR").

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.

Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

De-recognition of Financial Liability

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or

liabilities assumed, is recognized in profit or loss as other income or finance costs.

Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.09 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an insignificant risk of change in value.

1.10 Employee Benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting and measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid as current employee benefit obligations in the balance sheet.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity provides to pay fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company has resolved to pay contributions towards Government administered provident fund scheme. However, till date no amount is paid to the credit of such account and the provision for gratuity stands unpaid. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods discounting that amount and deducting the fair value of any plan assets.

The calculation of obligation for gratuity benefits payable in future is performed annually by a qualified actuary using the projected unit credit method. When

the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI and shall not be reclassified to the Statement of Profit and Loss in a subsequent period. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

1.11 Provisions and Contingent Liabilities /Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent liabilities are not recognised but are disclosed in notes.

Contingent Assets are not recognised in financial statements but are disclosed, since the former treatment may result in the recognition of income that may or may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

1.12 Borrowing Costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

1.13 Segment reporting

(i) Business Segment:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The Company is majorly in execution of civil construction contracts and related trade thereof. The Company is managed organizationally as a unified entity and not along product lines and accordingly, there is only one business segment.

(ii) Geographical Segment:

During the year under report, the Company has engaged in its business primarily within India. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

1.14 Earnings per Share (EPS)

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares.

1.15 Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place

- either in the principal market for the asset or liability,
- or in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

1.16 Other Matters

a) Investments (Current Assets – Financial Assets):

The investments as disclosed in current assets pertains to investments made by the Company in shares (quoted). These shares are valued at its cost of acquisition, any gain/loss shall be considered only on sale of investments.

b) Financial Liabilities (Borrowings):

Nashik Merchants Co Operative bank

Silveroak Commercials Limited (The Company) had availed Term loan of Rs. 1,070 lacs from June 2014 (O/s. balance as on 31/03/2019 is 978.21 Lacs) from Nashik Merchants Co op Bank (NAMCO). The Company had been generally regular in making repayments up to August 2017. The Company had plans to foreclose this loan in March 2017 by availing fresh facility from Dombivali Nagari Sahakari Bank (DNS Bank) with better rate of interest and enhanced services. In March 2017, DNS bank had made payment to NAMCO bank for closure of facility. However, NAMCO bank requested to reverse the transaction. On account of long relationship with the bankers the Company did reversed back the transaction to DNS Bank and did not avail the facility provided by them.

Further, the Company was operating in full co operation with NAMCO bank. However, by May 2017 adversely the bankers started penalizing the Company for non repayments of loans by the other companies which were not related/associated to the Company as such; but were a part of the friend circle of the Directors of the Company. To avoid disrupting the Company operations the Directors of the Company had approached to foreclose the loans

outstanding with NAMCO Bank again; to which the NAMCO Bank did not agree. As such to resolve the matter an Arbitrator was appointed by NAMCO Bank and the proceedings were initiated from August 2017 onwards. After the year end the company has received directions in arbitration order bearing number ARB/KJP/NAMCO/147 of 2017 dtd. 16/04/2019 (Term Loan) & order bearing number ARB/KJP/NAMCO/146 of 2017 dtd. 16/04/2019. (Working Capital). The Company has recomputed the interest as per the provisions of the order and accounted for all the interest payable to NAMCO bank. Another arbitration application was made dated 30/06/2019 bearing arbitration no 1 of 2019 before the sole arbitrator Shri R B Agrawal (Retd. District Judge). The matter is pending for Arbitration since then and the Company has plans to repay Loans availed by the Company with interest due thereupon. However the repayments shall be made only on receipt of final order from Arbitrator. However, no interest and principal payments were made since the inception of arbitration. As such the loan account of the Company has NPA status as on balance sheet date.

| Particulars | Interest Overdue (Rs. In lacs) | Principal Overdue (Rs. In lacs) | Total Overdue (Rs. In lacs) |
|------------------------|-----------------------------------|------------------------------------|--------------------------------|
| Loan A/c No TL 46 | 45.54 | 254.42 | 299.96 |
| Loan A/c No WCTL 17 | 130.02 | 548.23 | 678.25 |
| Total | 175.56 | 802.65 | 978.21 |

Citi Co-op credit & Capital Ltd

Silveroak Commercials Limited (The Company) had availed Loan from Citi Co-op credit & Capital Ltd. The Company had been generally regular in making repayments of this loan account. The Company has accounted for all the interest payable to Citi Co-op credit & Capital Ltd as per the statement of accounts provided by the Bankers. The company has defaulted in repayment of interest and principal as on 31-Mar-2019. As such the loan account of the Company has NPA status as on balance sheet date. Since the insolvency proceedings were initiated on the company, the bankers have lodged a claim to the insolvency resolution professional appointed.

| Particulars | Interest Overdue (Rs.) | Principal Overdue (Rs.) | Total Overdue (Rs.) |
|----------------------------|---------------------------|----------------------------|---------------------|
| Loan A/c No CC - 400122 | 24,06,665/- | 2,00,00,000/- | 2,24,06,665/- |

Silveroak Commercials Limited

Balance Sheet as at 31-03-2019

| Particulars | Notes | as at 31- Mar-2019 | as at 31- Mar-2018 |
|---|-------|--------------------------|--------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 2.01 | 5,64,08,980 | 5,87,83,126 |
| Financial Assets | | | |
| -- Investments | 2.02 | 26,75,600 | 26,75,600 |
| | | 5,90,84,580 | 6,14,58,726 |
| Current assets | | | |
| Inventories | 2.04 | - | 2,89,97,716 |
| Financial Assets | | | |
| -- Investments | 2.02 | 13,11,622 | 13,11,622 |
| -- Trade Receivables | 2.05 | 10,23,17,883 | 12,39,71,898 |
| -- Cash and Cash Equivalents | 2.06 | 3,64,889 | 48,27,864 |
| -- Bank Balances other than Cash and Cash Equivalents | 2.03 | 92,750 | 12,72,318 |
| Other Current Assets | 2.07 | 1,17,81,407 | 1,34,77,898 |
| | | 11,58,68,551 | 17,38,59,316 |
| TOTAL ASSETS | | 17,49,53,132 | 23,53,18,042 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity Share Capital | 2.08 | 2,75,00,000 | 2,75,00,000 |
| Other Equity | 2.09 | (6,44,60,418) | 1,38,73,660 |
| | | (3,69,60,418) | 4,13,73,660 |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| -- Borrowings | 2.10 | 3,80,80,836 | 5,10,25,551 |
| Deferred Tax Liabilities (Net) | 2.11 | - | 12,31,572 |
| Other Non-Current Liabilities | 2.12 | | - |
| | | 3,80,80,836 | 5,22,57,123 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| -- Borrowings | 2.10 | 2,24,06,664 | 1,94,58,935 |
| -- Trade Payables | 2.13 | 6,22,61,804 | 6,27,51,263 |
| -- Other Financial Liabilities | 2.14 | 5,97,40,023 | 3,83,93,980 |
| Other current liabilities | 2.15 | 2,94,24,222 | 2,10,83,082 |
| Current Tax Liabilities (Net) | | | |
| | | 17,38,32,713 | 14,16,87,260 |
| TOTAL EQUITIES AND LIABILITIES | | 17,49,53,131 | 23,53,18,042 |

**As per our Audit Report of even date
For Karwa Malani Kalantri & Associates**
Firm Registration No: 136867W
Chartered Accountants

For Silveroak Commercials Limited

Sd/-
Durgesh A. Kalantri
Membership No.: 141042
Place : Nashik
Date : 14/10/2019

Sd/-
Mr. Vikas Malekar
Director
(DIN - 02558051)

Sd/-
Mr. Amar Patil
Director
(DIN - 05251517)

Members of the suspended Board

Silveroak Commercials Limited

Statement of Profit and Loss for the year ended 31-03-2019 (Rupees)

| Particulars | Notes | Year 2018-19 | Year 2017-18 |
|--|-------|----------------------|---------------------|
| Revenue | | | |
| Revenue From Operations | 3.01 | 4,42,49,504 | 13,81,41,908 |
| Other Income | 3.02 | 19,22,036 | 6,55,249 |
| (I) Total Income | | 4,61,71,539 | 13,87,97,157 |
| Expenses | | | |
| Cost of Construction Contracts | 3.03 | 53,51,275 | 4,56,88,100 |
| Cost of materials consumed | 3.04 | 95,34,181 | 4,93,84,110 |
| Changes in inventories of finished goods, Stock-in -Trade and work-in-progress | 3.05 | 2,45,18,516 | (99,75,361) |
| Employee benefits expense | 3.06 | 51,08,740 | 67,64,962 |
| Finance costs | 3.07 | 1,22,28,262 | 1,78,14,495 |
| Depreciation and amortization expense | 2.01 | 23,74,145 | 23,89,424 |
| Other expenses & Bad Debts | 3.08 | 6,37,98,115 | 2,41,79,392 |
| (II) Total expenses | | 12,29,13,234 | 13,62,45,122 |
| (III) Profit/(Loss) Before Tax [(I) - (II)] | | (7,67,41,695) | 25,52,035 |
| Income Tax expense: | | | |
| (1) Current tax | 3.09 | - | 7,17,064 |
| (2) Deferred tax | 3.09 | (12,31,572) | (3,57,912) |
| (3) Tax Expenses of Earlier years | 3.09 | 28,23,955 | 1,70,065 |
| (IV) Total Tax Expense | | 15,92,383 | 5,29,217 |
| (V) Profit/(Loss) After Tax [(III) - (IV)] | | (7,83,34,078) | 20,22,818 |
| Other Comprehensive Income / (Loss) | | | |
| Items that will not be reclassified to profit or loss | | | |
| -- Remeasurements of post employment benefit obligations | 3.10 | - | 2,16,569 |
| Income tax relating to items that will not be reclassified to profit or loss | | | |
| -- Remeasurements of post employment benefit obligations | 3.09 | - | (55,767) |
| (VI) Total Other Comprehensive Income / (Loss) | | - | 1,60,802 |
| (VII) Total Comprehensive Income [(V) + (VI)] | | (7,83,34,078) | 21,83,620 |
| (VIII) Earnings per equity share | | | |
| (1) Basic | 3.11 | (28.49) | 0.74 |
| (2) Diluted | 3.11 | (28.49) | 0.74 |
| Significant accounting policies and key accounting estimates and judgements | | | |
| 1.00 | | | |
| Refer accompanying notes to financial statements | | | |

As per our Audit Report of even date
For Karwa Malani Kalantri & Associates
 Firm Registration No: 136867W
 Chartered Accountants

For Silveroak Commercials Limited

Sd/-
Durgesh A. Kalantri
 Membership No.: 141042
 Place : Nashik
 Date : 14/10/2019

Sd/-
Mr. Vikas Malekar
 Director
 (DIN - 02558051)
Members of the suspended Board

Sd/-
Mr. Amar Patil
 Director
 (DIN - 05251517)

Silveroak Commercials Limited

Statement of Cash Flows as at 31.03.2019

(Rupees)

| Particulars | FY 2018-19 | FY 2017-18 |
|--|----------------------|--------------------|
| Cash flows from operating activities | | |
| Profit/(Loss) Before Taxation | (7,67,41,695) | 25,52,035 |
| Adjustments for : | | |
| Depreciation & Amortization | 23,74,145 | 23,89,424 |
| Interest Income | (19,22,036) | (6,55,249) |
| Interest Expense | 1,22,28,262 | 1,78,14,495 |
| Operating Profit before Working Capital changes | (6,40,61,323) | 2,21,00,705 |
| (Increase) / Decrease in Sundry Debtors | 2,16,54,015 | 4,62,58,024 |
| (Increase) / Decrease in Inventories | 2,89,97,716 | (81,79,878) |
| (Increase) / Decrease in Other Current Assets | 16,96,491 | 19,56,843 |
| Increase / (Decrease) in Sundry Creditors | (4,89,459) | (5,56,37,398) |
| Increase / (Decrease) in Other Current Liabilities | 60,71,640 | 19,93,062 |
| Cash generated from Operations | (61,30,920) | 84,91,357 |
| Income Taxes Paid (Net of refund) | 5,54,455 | 53,08,661 |
| Net Cash generated from Operations | (66,85,375) | 31,82,696 |
| Cash flows from Investing Activities | | |
| (Increase) / Decrease in Fixed Assets | - | 1,21,625 |
| (Increase) / Decrease in Investments | - | - |
| (Increase) / Decrease in Other Non Current Assets | 11,79,568 | 4,83,434 |
| Increase / (Decrease) in Creditor for Fixed Assets | | |
| Interest received / Others | 19,22,036 | 6,27,625 |
| Net Cash from Investing Activities | 31,01,604 | 12,32,685 |
| Cash flows from Financing Activities | | |
| Proceeds / (Repayment) of Long Term Borrowings | (1,29,44,714) | (1,82,13,364) |
| Proceeds / (Repayment) of Short Term Borrowings | 2,42,93,772 | 3,46,61,486 |
| Interest paid | (1,22,28,262) | (1,78,14,495) |
| Other Long-term Liabilities | - | - |
| Net Cash from Financing Activities | (8,79,204) | (13,66,373) |
| Net increase in cash and cash equivalents | (44,62,975) | 30,49,008 |
| Cash and cash equivalents at beginning of period | 48,27,864 | 17,78,856 |
| Cash and cash equivalents at end of period | 3,64,889 | 48,27,864 |

As per our Audit Report of even date
For Karwa Malani Kalantri & Associates
 Firm Registration No: 136867W
 Chartered Accountants

For Silveroak Commercials Limited

Sd/-
Durgesh A. Kalantri
 Membership No.: 141042
 Place : Nashik
 Date : 14/10/2019

Sd/- Sd/-
Mr. Vikas Malekar Mr. Amar Patil
 Director Director
 (DIN - 02558051) (DIN - 05251517)
Members of the suspended Board

Statement of Changes in Equity for the period ended 31-03-2019

(Rupees)

| A. Equity Share Capital | as at 31-Mar-2019 | as at 31-Mar-2018 |
|--|----------------------|----------------------|
| Equity shares of Rs.10 each issued subscribed and fully paid | | |
| At the beginning of the year | 2,75,00,000 | 2,75,00,000 |
| Changes during the year | - | - |
| At the end of the year | 2,75,00,000 | 2,75,00,000 |

| B. Other Equity | Reserves and Surplus | | Other Compre- hensive | Total |
|---|----------------------|----------------------|-----------------------------|---------------|
| | Other Reserves | Retained Earnings | | |
| As at April 1, 2017 | - | 1,16,83,029 | 7,010 | 1,16,90,039 |
| Total Comprehensive Income for the year | | 20,22,818 | 1,60,802 | 21,83,620 |
| As at April 1, 2018 | | 1,37,05,847 | 1,67,813 | 1,38,73,660 |
| Total Comprehensive Income for the year | | (7,83,34,078) | | (7,83,34,078) |
| As at April 1, 2019 | | (6,46,28,231) | 1,67,813 | (6,44,60,418) |

*** Lease-hold land use amortization pursuant to Ind-AS 19 and Ind-AS101

SILVEROAK COMMERCIALS LIMITED

NOTE - 2.01

Property, Plant & Equipment as on 31-03-2019 [under Companies Act,2013] :

(Rupees)

| Description of Asset | Gross Block [Assets put to use] | | | | Depreciation | | | | | Net Block | |
|---------------------------------|---------------------------------|-----------|----------|-----------------|---------------------|----------------|----------------|----------|-----------------|------------------|------------------|
| | Opening | Additions | Sales | Closing | Useful Life (Years) | Opening | For Year | Reversed | Closing | As on 31/03/2019 | As on 31/03/2018 |
| Land - Leasehold | 26974610 | 0 | 0 | 26974610 | 57 | 1761768 | 469805 | 0 | 2231573 | 24743037 | 25212842 |
| Factory Building | 29649202 | 0 | 0 | 29649202 | 30 | 4130433 | 988307 | 0 | 5118739 | 24530463 | 25518769 |
| Plant & Machinery | 7269629 | 0 | 0 | 7269629 | 15 | 1788142 | 484642 | 0 | 2272784 | 4996845 | 5481487 |
| Instruments, Equipments & Tools | 721780 | 0 | 0 | 721780 | 10 | 188340 | 72178 | 0 | 260518 | 461263 | 533441 |
| Electrical Installation | 1418316 | 0 | 0 | 1418316 | 10 | 586408 | 141832 | 0 | 728239 | 690077 | 831908 |
| Furniture & Fixture | 1718620 | 0 | 0 | 1718620 | 10 | 602214 | 171862 | 0 | 774076 | 944544 | 1116407 |
| Computers | 272921 | 0 | 0 | 272921 | 3 | 184648 | 45520 | 0 | 230168 | 42753 | 88273 |
| SUB TOTAL : | 68025078 | 0 | 0 | 68025078 | | 9241952 | 2374145 | 0 | 11616097 | 56408980 | 58783126 |
| Plant & Machinery- (W.I.P) | 0 | 0 | 0 | | | | | | | | |
| Furniture & Fixture -(W.I.P) | 0 | 0 | 0 | 0 | | | | | | 0 | 0 |
| GRAND TOTAL : | 68025078 | 0 | 0 | 68025078 | 0 | 9241952 | 2374145 | 0 | 11616097 | 56408980 | 58783126 |

SILVEROAK COMMERCIALS LTD

| | Face Value | No. | as at 31-Mar-2019 | as at 31-Mar-2018 |
|--|------------|-------|----------------------|----------------------|
| NOTE-2.02: INVESTMENTS | | | | |
| 1 Non-current investments | | | | |
| (a) Investments in equity instruments | | | | |
| (i) Unquoted investments (at cost) | | | | |
| Nashik Merchants Co-op Bank Ltd.** | 100.00 | 26740 | 26,74,000 | 26,74,000 |
| Dombivli Nagari Sahakari Bank Ltd. | 50.00 | 30 | 1,600 | 1,600 |
| | | | 26,75,600 | 26,75,600 |

** pursuant to the terms of the loan facility sanctioned and disbursed

| | | | | |
|--|----|-------|------------------|------------------|
| 2 Current investments | | | | |
| (a) Investments in equity instruments | | | | |
| (i) Quoted investments (at cost) | | | | |
| Uniply Industries Ltd. | 10 | 60000 | 13,11,622 | 13,11,622 |
| | | | 13,11,622 | 13,11,622 |

NOTE-2.03: Bank Balances other than Cash and cash equivalents

| | | | | |
|--|--|--|---------------|------------------|
| Margin Money Deposits (FDR with Banks) *** | | | 92750 | 12,72,318 |
| | | | 92,750 | 12,72,318 |

*** FDR with AXIS Bank is towards margin money against bank guarantees issued by banks and non-current in nature

NOTE-2.04: Inventories

| | | | | |
|-------------------------------------|--|--|---|--------------------|
| Inventories | | | | |
| Raw Materials | | | - | 44,79,200 |
| Work In Progress | | | - | 37,95,910 |
| Finished Goods | | | - | 10,98,541 |
| | | | - | 93,73,651 |
| Construction Works In Progress **** | | | - | 1,96,24,065 |
| | | | - | 2,89,97,716 |

**** Construction Works In Progress unbilled and uncertified and valued at costs

NOTE-2.05: Trade Receivables

| | | | | |
|--|--|--|---------------------|---------------------|
| Secured, considered good | | | | - |
| Unsecured, considered good | | | 10,23,17,883 | 12,39,71,898 |
| Unsecured, considered doubtful | | | 62399068.82 | - |
| | | | 16,47,16,952 | 12,39,71,898 |
| Less: Allowance for unsecured doubtful debts | | | 62399068.82 | - |
| | | | 10,23,17,883 | 12,39,71,898 |

***** Unsecured doubtful debts, the Company has made provision for doubtful debts of amount receivable from Girna Infraprojects Private Limited, since the company is in the process of corporate insolvency resolution and recoverability of outstanding amount is uncertain.

NOTE-2.06: Cash and cash equivalents

| | | | | |
|---------------------|--|--|-----------------|------------------|
| Balances with banks | | | 3,64,306 | 48,10,215 |
| Cash in hand | | | 583 | 17,649 |
| | | | 3,64,889 | 48,27,864 |

NOTE-2.07: Other Current Assets

| | | | | |
|---------------------------------------|--|--|--------------------|--------------------|
| Unsecured, considered good | | | | |
| Advances to Suppliers | | | 95,86,202 | 82,28,202 |
| Prepaid Insurance & Expenses | | | 36,118 | 84,275 |
| Loans & advances | | | 2,17,710 | 3,22,518 |
| Balance with Government Authorities | | | 8,24,930 | 8,28,264 |
| EMD for Tenders | | | 10,82,247 | 26,30,102 |
| GST(RCM) Credit receivable on payment | | | 34,200 | 13,84,537 |
| | | | 1,17,81,407 | 1,34,77,898 |

NOTE-2.08: Equity Share Capital

| | As at 31-03-2019 | | As at 31-03-2018 | |
|--|------------------|--------------------|------------------|--------------------|
| | No. of shares | Rupees | No. of shares | Rupees |
| Authorised: | | | | |
| Equity Shares of Rs.10/- par value | 30,00,000 | 3,00,00,000 | 30,00,000 | 3,00,00,000 |
| | | - | | - |
| | | 3,00,00,000 | | 3,00,00,000 |
| Issued, Subscribed and fully Paid Up: | | | | |
| Equity Shares of Rs.10/- par value | 27,50,000 | 2,75,00,000 | 27,50,000 | 2,75,00,000 |
| | | - | | - |
| | | 2,75,00,000 | | 2,75,00,000 |
| Reconciliation of shares | | | | |
| Equity Shares of Rs.10/- par value | | | | |
| At the beginning of the year | 27,50,000 | 2,75,00,000 | 27,50,000 | 2,75,00,000 |
| Changes during the year | | - | | - |
| At the end of the year | 27,50,000 | 2,75,00,000 | 27,50,000 | 2,75,00,000 |

Rights, preferences and restrictions attached to shares**Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.

Dividends, if any, is declared and paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. However, in view of the losses, no dividend is / was declared on the equity shares for the year ended March 31, 2019.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts, in proportion to their shareholding.

NOTE-2.09: Other Equity**Retained Earnings**

| | | |
|--|----------------------|--------------------|
| At the beginning of the year | 1,38,73,660 | 1,16,90,039 |
| Transferred from Statement of Profit & Loss | (7,83,34,078) | 20,22,818 |
| Profit for the year | (6,44,60,418) | 1,37,12,857 |
| Less : Appropriations | | - |
| Other comprehensive income/(loss) for the year | - | 1,60,802 |
| Total retained earnings | (6,44,60,418) | 1,38,73,660 |

NOTE-2.10: Borrowings

| | Non Current portion | | Current portion | |
|---|---------------------|---------------------|---------------------|---------------------|
| | As at 31-03-2019 | As at 31-03-2018 | As at 31-03-2019 | As at 31-03-2018 |
| Secured Loans | | | | |
| Term Loans | | | | |
| Nashik Merchant's Co-op Bank Ltd. | 3,80,80,836 | 5,10,25,551 | 5,97,40,023 | 3,83,93,980 |
| Working Capital Loans | | | | |
| Nashik Merchant's Co-op Bank Ltd. | | | | |
| Unsecured Loans | | | | |
| Loan Repayable on Demand | | | | |
| City Credit Co-Op. Society Ltd. | - | - | 2,24,06,664 | 1,94,58,935 |
| | 3,80,80,836 | 5,10,25,551 | 8,21,46,687 | 5,78,52,915 |
| Amount disclosed under "Other Financial Liabilities" at Note 2.11 | - | - | 5,97,40,023 | 3,83,93,980 |
| | 3,80,80,836 | 5,10,25,551 | 2,24,06,664 | 1,94,58,935 |

Term Loan from M/s Nasik Merchant Co-op Bank Ltd., Nasik, was availed during FY15-16, and the said loan is secured against fixed assets of the company comprising of factory land and buildings and plant & machineries; and repayable in 5 years equally on monthly basis and interest thereon is @ 17.5% p.a. with prompt payment discount of 3%.

The company has defaulted in repayment of interest and principal as on 31-Mar-2019. The Banker has charged penal interest for FY 2018-19. However the Company has recomputed interest as per the decision made in arbitration order bearing number ARB/KJP/NAMCO/147 of 2017 dtd. 16/04/2019. Also refer note no 1.16(b)

Working Capital Loan from Nasik Merchant Co-op Bank Ltd., Nashik was availed during FY15-16, and the said loan is secured against current assets comprising of inventories and book debts of company and against the fixed assets of the company comprising of factory land and buildings and plant & machineries; The said loan was converted into term loan in Feb'2017 of Rs.5,70,00,000/- and be repayable in 5 years equally on monthly basis and interest thereon is @ 14.5% p.a.. The company is defaulted in repayment of interest and principal as on 31-Mar-2019. However the Company has recomputed interest as per the decision made in arbitration order bearing number ARB/KJP/NAMCO/146 of 2017 dtd. 16/04/2019. Also refer note no 1.16(b)

The Company availed temporary overdraft facility from City Credit Co-op Society Ltd., Nashik, against personal guarantees provided by the directors of the company and the same is repayable on demand and carries interest thereon is @ 17.5% p.a.; The company has defaulted in repayment of interest and principal as on 31-Mar-2019. Also refer note 1.16 (b)

| | As at 31-03-2019 | As at 31-03-2018 |
|---|---------------------|---------------------|
| NOTE-2.11: Deferred Tax Liability/(Asset) | | |
| Deferred Tax Liabilities | | |
| - Deferred Tax Liability related to Property, Plant and Equipment | 12,31,572 | 24,96,188 |
| Less Deferred Tax Assets | | |
| - Deferred Tax Asset on Expenses / Provision Allowable | 12,31,572 | 12,64,616 |
| | <u>-</u> | <u>12,31,572</u> |

***** The company has not accounted for deferred tax because the computation as per the Ind AS leads to generation of Deferred Tax Asset. However, since the Company doesnot expect future cashflows to utilise this DTA, therefore DTA is not recognised for the FY and Deferred tax Liability is reversed to the extent of deferred tax asset.

NOTE-2.12: Other Non-Current Liabilities

| | | |
|-------------------------------|----------|----------|
| Trade Payables (after 1 year) | <u>-</u> | <u>-</u> |
|-------------------------------|----------|----------|

NOTE-2.13: Trade Payables (Current)

| | | |
|---|--------------------|--------------------|
| - Micro enterprises & small enterprises | 6,22,61,804 | 6,27,51,263 |
| - Other than Micro & small enterprises | <u>6,22,61,804</u> | <u>6,27,51,263</u> |

The Company has not received any Registration Certificate from any vendor as to whether it is registered under the Micro, Small & Medium Enterprises Development Act, 2006.

NOTE-2.14: Other Financial Liabilities

| | | |
|--|--------------------|--------------------|
| Current maturities of long-term debt | 1,29,44,715 | 1,87,77,092 |
| Interest accrued and due on borrowings | 4,67,95,307 | 1,96,16,889 |
| | <u>5,97,40,023</u> | <u>3,83,93,980</u> |

NOTE-2.15: Other Current Liabilities

| | | |
|---|--------------------|--------------------|
| Statutory dues payable | 1,04,62,173 | 67,37,121 |
| Security Deposit | 1,00,000 | - |
| Current Liability for Employee Benefit Expenses | 45,60,912 | 5,76,017 |
| Current Liabilities for Expenses | 28,51,137 | 23,19,945 |
| Other Current Liabilities | 1,14,50,000 | 1,14,50,000 |
| | <u>2,94,24,222</u> | <u>2,10,83,082</u> |

SILVEROAK COMMERCIALS LTD

| | (Rupees) | |
|---|--------------------|---------------------|
| | as at | as at |
| | 31-Mar-2019 | 31-Mar-2018 |
| NOTE-3.01: Revenue from Operations | | |
| Sale of Products | 1,51,86,136 | 5,21,58,965 |
| Sale of Services (Job works / Installation / Others) | - | 2,32,90,481 |
| Construction Contract Works & related services | 2,90,63,368 | 4,16,39,197 |
| Sale of Agri Product | - | 1,07,13,986 |
| Other Operating Income (Construction Debtors O/Due) | - | 1,09,35,021 |
| | 4,42,49,504 | 13,87,37,650 |
| Less : Excise Duty | | 13,67,646 |
| Less : Service Tax | | 5,95,742 |
| | 4,42,49,504 | 13,67,74,262 |
| (a) Sale of Products : | | |
| Manufacturing Sales | 1,30,66,297 | 2,73,10,669 |
| Other Sales | 21,19,839 | 3,55,62,281 |
| Less : Excise Duty | - | 13,67,646 |
| | 1,51,86,136 | 6,15,05,305 |
| (b) Sale of Services : | | |
| | - | 2,32,90,481 |
| Less : Service Tax | - | 5,95,742 |
| | - | 2,26,94,739 |
| (c) Construction Contract works : | | |
| | 2,90,63,368 | 4,16,39,197 |
| Less : Service Tax | | - |
| | 2,90,63,368 | 4,16,39,197 |
| NOTE-3.02 Other Income : | | |
| Interest on FDR & Other Deposits | 103462 | 179281 |
| Dividend (NMCO Bank shares) | 100230 | 0 |
| Lease Rental Income ## | 1718344 | 4,48,344.00 |
| Profit on Sale of Assets | 0 | 27624 |
| Excess Provisions Write offs | | 0 |
| | 19,22,036 | 6,55,249 |
| | | |
| ## Lease rental Income includes the lease rent from M/s. ARC (Proprietary business of Mr. Vaibhav Patil (Brother of Mr. Amar Patil) of Rs. 3.60 Lacs. | | |
| NOTE-3.03 Cost of Constructions : | | |
| Cost of Construction Materials Consumed | - | 2,46,94,964 |
| Construction Job Work Charges | 53,51,275 | 2,09,93,137 |
| | 53,51,275 | 4,56,88,100 |
| NOTE-3.04 Cost of Materials (Other than Construction Works) | | |
| Purchases & related expenses | 50,54,981 | 4,75,88,627 |
| Add : Opening Stock of materials | 44,79,200 | 62,74,683 |
| Less : Closing Stock of materials | - | 44,79,200 |
| | 95,34,181 | 4,93,84,110 |
| NOTE-3.05 Changes in Inventories of Finished Goods & WIP | | |
| Opening WIP | 37,95,910 | 38,43,055 |
| Opening FG | 10,98,541 | 18,94,535 |
| Less : Closing WIP | - | 37,95,910 |
| Less : Closing FG | - | 10,98,541 |
| | 48,94,451 | 8,43,139 |
| Opening Construction Contract Works WIP | 1,96,24,065 | 88,05,565 |
| Less : Closing Construction Contract Works WIP | - | 1,96,24,065 |
| | 2,45,18,516 | (99,75,361) |
| NOTE-3.06 Employee Benefit Expenses : | | |
| Factory Wages | 2594800 | 24,32,824 |
| Salary Expenses | 2036500 | 37,22,631 |
| PF Employer's Contribution | 321260 | 2,42,002 |
| ESIC Employer's Contribution | 156180 | 1,12,325 |
| Gratuity Employer's Contribution Provision | 0 | 51,745 |
| Exgratia | 0 | - |
| Welfare Expenses | 0 | 2,03,435 |
| | 51,08,740 | 67,64,962 |

NOTE-3.07 Finance Cost

| | | |
|-------------------------|--------------------|--------------------|
| Interest Expenses | 1,19,39,217 | 1,67,69,248 |
| Other Financial Charges | 2,89,045 | 10,45,247 |
| | 1,22,28,262 | 1,78,14,495 |

NOTE-3.08 Other Expenses

| | | |
|----------------------------------|--------------------|--------------------|
| Audit Fees # | 1,25,000 | 2,70,000 |
| Prior Period Expenses | 1,00,127 | 13,934 |
| Legal Expenses | 3,80,000 | 3,99,954 |
| Postage & Stationery | 791 | 86,167 |
| Composition Tax (MVAT @ 5%) | - | 20,81,960 |
| Job work charges | - | 1,33,24,269 |
| Professional Charges | 2,32,590 | 4,37,869 |
| Power & Fuel ## | - | 32,31,356 |
| Repair & Maintenance | | |
| Building | | 3,98,163 |
| Machinery | | 3,50,341 |
| Others | 15,200 | 65,093 |
| Transport Outward Expenses | 250 | 6,33,294 |
| Security Charges | - | 6,92,580 |
| Other Factory /Admin Expenses | 1,69,967 | 3,43,350 |
| Excise Duty Expenses | - | 11,57,142 |
| Donation Expenses | - | 1,25,000 |
| Commission Charges on Rent | 1,00,000 | - |
| Advertisement & Sales Promotions | 6,500 | 4,33,520 |
| Travelling & Conveyance | 6,195 | 1,35,401 |
| Provision for Doubtful debts | 6,23,99,069 | |
| Bad Debts | 2,62,426 | |
| | 6,37,98,115 | 2,41,79,392 |

Details of Payments made to Auditor

| | | |
|---|----------|----------|
| For Statutory Audit, Tax Audit & MVAT Audit | 1,25,000 | 2,70,000 |
|---|----------|----------|

the Electricity expenses paid by the Company is reimbursed by M/s. ARC (Proprietary business of Mr. Vaibhav Patil (Brother of Mr. Amar Patil) of Rs. 34.99 Lacs.

NOTE-3.09 Income Taxes**Major components of income tax expense are as follows:**

| | | |
|---|------------------|-----------------|
| a. Profit or loss section | | |
| Current Tax | | |
| -- In respect of current year | - | 7,17,064 |
| -- Adjustment of tax relating to earlier periods | 2823955 | 1,70,065 |
| Deferred Tax | | |
| -- In respect of current year | - | (3,57,912) |
| | 28,23,955 | 5,29,217 |
| b. Other Comprehensive Income Section | | |
| Deferred tax expense on remeasurements of defined benefit plans | - | 55,767 |
| | 28,23,955 | 5,84,984 |

Reconciliation of tax expense and accounting profit

| | | |
|--|-------------------|-----------------|
| Accounting Profit before tax | (7,67,41,695) | 25,52,035 |
| Enacted tax rate in India | 25.75% | 25.75% |
| Tax at statutory rate | (1,97,60,986) | 6,57,149 |
| Expenses not deductible in determining taxable profits | 2,00,84,500 | 13,80,633 |
| Deduction under various sections of Income Tax Act, 1961 | (10,09,987) | (13,20,718) |
| Tax expense for the year | (6,86,474) | 7,17,064 |
| Effective income tax rate | 0.89% | 28.10% |

NOTE-3.10 Other Comprehensive Income

| | | |
|---|---|-----------------|
| Re-measurement gains (losses) on actuarial valuation of defined benefit obligations as per Ind-AS19 | | 2,16,569 |
| | - | 2,16,569 |

NOTE-3.11 Earnings per share (EPS)

| | | |
|--|---------------|-----------|
| Net profit for calculation of basic EPS (profit after tax) | (7,83,34,078) | 20,22,818 |
| Weighted average number of equity shares - basic and diluted | 2,75,000 | 2,75,000 |
| Face value per share | 10 | 10 |
| Basic and Diluted (EPS) | -28.49 | 0.74 |

PROXY FORM (MGT-11)

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

The Board of Directors,
SILVEROAK COMMERCIALS LIMITED,
CIN: **L31504MH1985PLC035916**

| | |
|------------------------------|--|
| Name of the Shareholder | |
| Registered Address | |
| Email ID | |
| Regd. Folio/DPID & Client ID | |

I/We being the member(s) of **SILVEROAK COMMERCIALS LIMITED**, holding shares of the above named company, hereby appoint

1. Name: _ _____

Address: _ _____

E-mail ID: _____ Signature:
_____, or failing him/her

2. Name: _____

Address: _ _____

E-mail ID: _____ Signature:
_____, or failing him/her

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company held on Wednesday, THE 13TH DAY OF NOVEMBER, 2019 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY PLOT NO. F-24, MIDC, SATPUR, NASHIK 422007, MAHARASHTRA and at any adjournment thereof in respect of such resolutions as are indicated below:

| Item No. | Resolution |
|----------|---|
| 1 | Adoption of Financial Statement for the FY 2018-2019. |
| 2 | Appointment/ Reappointment/ Ratification of Appointment of Statutory Auditors for the FY 2019-2020. |
| 3 | Re-appointment of MD Tushar Patil, Director being retired by rotation. |

Signed this ____ day of _____, 2019.

Signature of Share Holders _____

Signature of Proxy holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

.....

ATTENDANCE SLIP

The Board of Directors,
SILVEROAK COMMERCIALS LIMITED,
CIN: L31504MH1985PLC035916

| | |
|-------------------------------------|--|
| Regd. Folio/DPID & Client ID | |
| Name and Address of the Shareholder | |
| Joint holder(s) | |
| No. of shares held | |

1. We/ I hereby record our/ my presence at the Annual General Meeting of the Company held on WEDNESDAY, THE 13TH DAY OF NOVEMBER, 2019 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY PLOT NO. F-24, MIDC, SATPUR, NASHIK 422007, MAHARASHTRA
2. Signature of the Shareholder / Proxy Present
3. I Certify that I am a Member/ Proxy/ Authorised Representative for the member of the Company.
4. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip, duly signed, to the meeting and hand it over at the entrance.
5. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

.....

BOOK POST

IF UNDELIVERED PLEASE RETURN TO

SILVEROAK COMMERCIALS LIMITED

**Regd Off : Plot No F-23/24 MIDC Satpur
Nashik-422007 (Maharashtra)**