

Directors' Report

Dear Members
Siliconch Systems Private Limited

Your Directors present the **FIRST ANNUAL REPORT** and Audited Accounts for the period ended 31st March 2017.

OPERATIONS AND PERFORMANCE:

The salient features of the Company's financial results are as shown to you below:

Particulars	Period ended 31st March 2017
Authorised Share Capital	Rs 5,00,000
Issued and Paid up Capital	Rs 1,85,709
Gross Revenue	Rs 88,32,544
Total Expenditure	Rs 56,52,493
Depreciation	Rs 3,54,974
Profit/(Loss) before Tax	Rs 28,25,077
Provision for Tax:	
Current Tax	Rs 7,60,750
Deferred Tax (Liability)/ Assets	Rs 56,756
Profit/(Loss) after Tax	Rs 20,07,571

DIVIDEND

The Board has not declared any Dividend for the period ended 31st March 2017 as the company wants to plough back the profit for meeting its future expansion.

REVIEW OF OPERATIONS

Being the first year, your Company has achieved sales of Rs 88,32,544. The Company foresees a very potential market not only in India but also abroad for the product being developed. In the coming year, your Company targets to achieve commendable growth in the field of Research and Development.

NUMBER OF BOARD MEETINGS HELD DURING THE YEAR UNDER REVIEW

There were eight Board Meetings held during the year under review as below:

Sl.No	DATE OF BOARD MEETING
1.	30-04-2016
2.	14-05-2016
3.	24-08-2016
4.	02-11-2016
5.	15-12-2016
6.	26-12-2016
7.	22-02-2017
8.	11-07-2016

SHARE CAPITAL:

The Paid-up Equity capital of your Company as on March 31, 2017 was Rs.1,85,709/-.

DEPOSITS

Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (acceptance of deposits) Rules, 2014 during the period under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY u/s 186 DURING THE YEAR UNDER REVIEW:

The company have duly complied with the provisions of sec 186 of Companies Act, 2013 and the particulars of loans, guarantees or investments u/s 186 are given below:

Details of Loans Given by the company: NIL

Details of Investments made by the company: NIL

Details of Guarantees given by the company: NIL

CHANGE IN THE NATURE OF THE BUSINESS, IF ANY

There is no change in the nature of business of the Company.

HOLDING COMPANY:

Our Company does not have any Subsidiary Company.

SUBSIDIARY AND ASSOCIATE COMPANY

Our Company does not have Subsidiary Companies and Associate companies.

DIRECTORS AND KEY MANEGERIAL PERSONNEL

During the year 2016-17 under review, Mr Vipin Kumar Jain has resigned from directorship of the Company. Mr. Jaswanth Ammineni Mr. Rakesh Kumar Polasa, Mr Chinnasamy Muthukrishnan and Mr. Ravi Balasaheb Thakur have been appointed as Directors. Mr Vishnu Mohan Pusuluri, one of the first Director of the Company continues to be the director during the period under review.

AUDITORS

With due recommendation of the Board, pursuant to section 139 of the Companies Act, 2013 appointed at its First Board Meeting held on 30th April 2016, S.B Gupta & Associates, Chartered Accountants, Bangalore as the statutory auditors of the company to hold office till the Conclusion of 1st Annual General Meeting.

QUALIFICATION IN AUDITOR'S REPORTS

There were no qualifications in the Auditor's report.

SECRETARIAL AUDIT REPORT:

As per the provisions of Companies Act, 2013 and the rules, Secretarial Audit is not applicable for the Company during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO**(A) PARTICULARS OF ENERGY CONSERVATION**

1.	The Steps taken or impact on conservation of Energy;	Energy conversation dictates how efficiently a company can conduct its operations. Considering the nature of the business of the company, there are no particulars to be disclosed relating to the conservation of energy/s 134(3)(m) of the companies Act 2013.
2.	The Steps taken by the company for utilizing Alternate Source of Energy;	Considering the nature of the business of the Company, no step is required to be taken by the company for utilizing alternate source of energy.

3.	The capital investment on energy conservation equipments;	During the year under review the company had not made any investments on the Energy conservation Equipments as the same were not warranted.
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(B) PARTICULARS OF TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

- (i) The efforts made towards technology absorption: - NA
- (ii) The benefits derived like Product improvement, cost reduction, product development or import Substitution: - NA
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): -

(a)	The details of technology imported	:	NIL
(b)	The year of import	:	NIL
(c)	Whether the Technology been fully absorbed	:	NIL
(d)	If not fully absorbed, areas where absorption has not taken place, and the reasons there of	:	NIL

(C) PARTICULARS OF FOREIGN EXCHANGE EARNINGS & OUTGO

Foreign Exchange Earnings- Rs 23,46,506/-
 Foreign Exchange Outgo - Rs 6,33,666/-

DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance towards sexual harassment at the workplace. No cases/ complaints of sexual harassment were received by the company during the year 2016-2017.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No Material Changes and Commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this Financial Statements relate on the date of this report.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Being the First Year of the Company, the provisions of Sec.125 of the Company Act, 2013 does not apply.

DETAILS IN RESPECT OF FRAUD REPORTED BY THE AUDITOR U/S 143(12) OF THE COMPANIES ACT, 2013:

There are no Frauds reported by the Auditor u/s. 143(12) of the Companies Act, 2013 during the year under review.

DETAILS OF POLICY DEVELOPED BY THE COMPANY

The Company has not developed and implemented any Corporate Social Responsibility (CSR) initiatives as the provisions for the said CSR is not applicable to it for the year under Review.

RELATED PARTY TRANSACTIONS

There are no Contracts/ Arrangements with the related parties referred to in section 188(1) of the Companies Act, 2013 during the year under review. Accordingly furnishing details in Form AOC-2 does not arise.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3) (c) of the Companies Act, 2013, your directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed.
- (ii) that the applicable accounting policies have been consistently followed and that they had made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that year;
- (iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that they had prepared the annual accounts on a going concern basis.
- (v) that they had devised proper systems to ensure compliance with provisions of all applicable Laws and that systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to provisions of section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure 1 and is attached to this report.

STATEMENT OF CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has adequate Risk Management Policy during the year under review

CORPORATE GOVERNANCE

In its code of Corporate Governance, the company is committed to ensure Long Term value for all its Shareholder's Investment consistent with fairness to all the Stakeholders and with due concern for environment and social responsibility.

ACKNOWLEDGEMENT

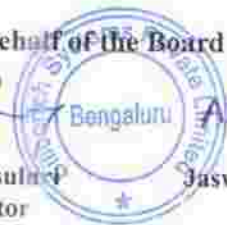
Your Directors take this opportunity to thank everyone associated with the company. The directors also deeply acknowledge the trust and Confidence you have placed in the Company.

Place: Bangalore
Date: 17-07-2017

For and on behalf of the Board

Vishnu Mohan Pusulur

Vishnu Mohan Pusulur
Managing Director
DIN: 07265187



Jaswanth Ammineni

Jaswanth Ammineni
Director
DIN: 07503239