

# **SKIL INFRASTRUCTURE LIMITED**

**36<sup>th</sup> ANNUAL REPORT**

**2018-2019**

**36<sup>th</sup> ANNUAL GENERAL MEETING**

**DATE** : September 30, 2019  
**DAY** : Monday  
**TIME** : 1430 Hours  
**PLACE** : Babasaheb Dahanukar Hall,  
Oricon House,  
12, K. Dubhash Marg,  
Kala Ghoda, Fort,  
Mumbai - 400 001

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**BOARD OF DIRECTORS**

Mr. Nikhil Gandhi	Chairman
Mr. Bhavesh Gandhi	Vice Chairman
Mr. Shankar Aggarwal	Whole time Director
Mr. J. Alexander	Independent Director
Ms. Gayathri Ramachandran	Independent Director
Mr. Rakesh Mohan	Independent Director
Mr. V. Ramanan	Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Shekhar Gandhi

**COMPANY SECRETARY**

Mr. Nilesh Mehta

**AUDITORS**

M/s Kailash Chand Jain & Co.,  
Chartered Accountants, Mumbai

**BANKERS**

HDFC Bank  
Yes Bank Limited  
IDBI Bank Limited  
Union Bank of India

**REGISTERED OFFICE**

SKIL House,  
209, Bank Street Cross Lane,  
Fort, Mumbai - 400 023  
Tel: +91-22-66199000  
Fax: +91-22-22696023  
CIN: L36911MH1983PLC178299  
Investor Grievance E-mail: [contact@skilgroup.co.in](mailto:contact@skilgroup.co.in)  
Website: [www.skilgroup.co.in](http://www.skilgroup.co.in)

**REGISTRAR & SHARE TRANSFER AGENTS**

Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg, Vikhroli (west)  
Mumbai Maharashtra- 400 078  
Tel: +91-22-4918 6000  
Fax: +91-22-4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**NOTICE**

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting ('AGM') of the Members of SKIL Infrastructure Limited ('Company') will be held on Monday, September 30, 2019 at 1430 hours at Babasaheb Dahanukar Hall, Oricon House, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400 001 to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhavesh Gandhi: (DIN 00030623), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**3. RE-APPOINTMENT OF MR. J. ALEXANDER AS AN INDEPENDENT DIRECTOR**

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

**"Resolved That** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable Regulations of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Regulations') as amended from time to time, Mr. J. Alexander (DIN: 00485766) who was re-appointed as an Independent Director w.e.f May 28, 2019 and whose appointment has been approved by the Board of Directors pursuant to the recommendation of the Nomination and Remuneration Committee and holds office until the AGM and who is eligible for re-appointment and meets the criteria of Independence as provided in the Act along with the Rules framed thereunder and the SEBI Regulations and has submitted a declaration to the effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from May 28, 2019 to May 27, 2024.

**Resolved Further That** Mr. J. Alexander having attained the prescribed age limit in terms of Regulation 17(1A) of the SEBI Regulations, consent of the members be and are hereby further accorded for continuation of Mr. J. Alexander as a Non-Executive Director of the Company during his renewed term of 5 (Five) consecutive years with effect from May 28, 2019."

**4. RE-APPOINTMENT OF MR. V. RAMANAN AS AN INDEPENDENT DIRECTOR:**

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

**"Resolved That** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable Regulations of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Regulations') as amended from time to time, Mr. V. Ramanan (DIN: 02754562) who was re-appointed as an Independent Director w.e.f September 30, 2019 and whose appointment has been approved by the Board of Directors pursuant to the recommendation of the Nomination and Remuneration Committee and who is eligible for re-appointment and meets the criteria of Independence as provided in the Act along with the Rules framed thereunder and the SEBI Regulations and has submitted a declaration to the effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from September 30, 2019 to September 29, 2024.

**Resolved Further That** Mr. V. Ramanan having attained the prescribed age limit in terms of Regulation 17(1A) of the SEBI Regulations, consent of the members be and are hereby further accorded for continuation of Mr. V. Ramanan as a Non-Executive Director of the Company during his renewed term of 5 (Five) consecutive years with effect from September 30, 2019."

**5. RE-APPOINTMENT OF MS. GAYATHRI RAMACHANDRAN AS AN INDEPENDENT DIRECTOR:**

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

**"Resolved That** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 17 and other applicable Regulations of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Regulations') as amended from time to time, Ms. Gayathri Ramachandran (DIN: 02872723) who was re-appointed as an Independent Director w.e.f September 30, 2019 and whose appointment has been approved by the Board of Directors pursuant to the recommendation of the Nomination and Remuneration Committee and who is eligible for re-appointment and meets the criteria of Independence as provided in the Act along with the Rules framed thereunder and the SEBI Regulations and has submitted a declaration to the effect, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from September 30, 2019 to September 29, 2024."

**6. APPOINTMENT OF MR. BHAVESH GANDHI AS A WHOLE TIME DIRECTOR:**

To consider and if thought fit, to pass the following resolution as a **Ordinary Resolution**

**“Resolved That** pursuant to the provisions of Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 (‘Act’) and the rules framed thereunder and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to consents and permission from regulatory authorities as may be necessary, consent of the shareholders of the Company be and is hereby accorded for appointment of Mr. Bhavesh Gandhi (DIN: 00030623) as a Whole Time Director (‘WTD’) of the Company without any remuneration for a period of two years with effect from August 13, 2019 and who shall be liable to retire by rotation and he shall have the right to manage the day to day business affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.

**Resolved Further That** Mr. Bhavesh Gandhi shall have right to exercise such powers of management of the Company as may be delegated to him by the Board of Directors, from time to time.”

**Registered Office**

SKIL House, 209, Bank Street Cross Lane,  
Fort, Mumbai - 400 023

**Tel:** +91-22-66199000, **Fax:** +91-22-22696023

**CIN:** L36911MH1983PLC178299

**Website:** [www.skilgroup.co.in](http://www.skilgroup.co.in)

**E-mail:** [contact@skilgroup.co.in](mailto:contact@skilgroup.co.in)

**Place:** Mumbai

**Date:** August 13, 2019

**By Order of the Board of Directors  
For SKIL Infrastructure Limited**

**Nilesh Mehta  
Company Secretary**

**NOTES:**

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (‘Act’), relating to special business to be transacted at the 36<sup>th</sup> AGM and the details, as required under Regulation 36(3) of the SEBI Regulations and Secretarial Standard on General Meetings (‘SS-2’) issued by the Institute of Company Secretaries of India, of person seeking appointment/re-appointment as director(s) under Item Nos. 2, 3, 4 and 5 of the Notice and Whole Time Director under item No. 6, is annexed thereto.
2. **PROXIES**
  - a. **A member entitled to attend and vote at the AGM is entitled to appoint one or more proxy(ies) to attend and vote instead of himself/herself and the proxy(ies) so appointed need not be a member of the company. Proxy(ies) in order to be effective, must be received at the company’s registered office not less than 48 hours before the commencement of the meeting. Only duly completed, signed and stamped proxy will be considered valid. A proxy form is attached herewith.**
  - b. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case of a Member who is holding more than ten percent of the total share capital of the Company carrying voting rights, he/she may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. The instrument appointing a proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a company, society, partnership firm, etc., it shall be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. The Proxy-holder shall prove his identity at the time of attending the Meeting.
  - c. Every member shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the AGM and ending with conclusion of the AGM, to inspect at the Registered Office of the Company the proxies lodged, at any time between 0900 hours and 1800 hours, in terms of SS-2, provided not less than three days’ notice in writing of the intention so to inspect is given to the Company.
3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members/ Proxies/ Representatives are requested to bring their copies of the Annual Reports along with their duly filled in Attendance Slips attached herewith for attending the AGM.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019, both days inclusive, for the purpose of the AGM of the Company.
7. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements, maintained under Section 170 and Section 189 of the Act, respectively will be available for inspection by the Members at the AGM.

8. Members desirous of obtaining any information concerning the Financial Statements of the Company are requested to write their queries to the Company at least seven working days in advance of the AGM so that the information required can be made readily available at the AGM.
9. The Members are requested to approach the Company for consolidation of folios, if shareholdings are under multiple folios. Members are requested to quote the Ledger Folio or Client ID and DP ID Numbers in all communications with the Company/ RTA.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company in electronic form. Kindly note that even after registering for e-communication, Members are entitled to receive such communication in physical form by permitted mode, free of cost, upon making a request for the same. For any such communication, the Members may also send requests to the Company's investor email id: [contact@skilgroup.co.in](mailto:contact@skilgroup.co.in).
11. Copies of the Annual Report for FY 2018-19 including therein the Notice of the 36<sup>th</sup> AGM, which, inter alia, indicates the process and manner of e-voting; Attendance Slip and Proxy Forms are being sent in electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participant(s) ('DPs') for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the Annual Report, etc., are being sent by the permitted mode. The Annual Report are being sent to the Members, as ibid, whose names shall appear in the Register of Members or in case of shares held in electronic form, who were the beneficial owners as on Friday, August 30, 2019. However, if such a person is not a Member on the cut-off date of Monday, September 23, 2019; such person shall not be eligible to vote via remote e-voting or at AGM and may treat this Notice for information purpose only. Members may also note that the Annual Report of the Company is available for download from the website of the Company at [www.skilgroup.co.in](http://www.skilgroup.co.in).
12. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company between 1100 hours to 1300 hours on all working days, except Saturdays, up to the date of the AGM. Copies thereof shall also be made available for inspection at the Meeting.
13. In compliance with provisions of Section 108 of the Act and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), SS-2 and Regulation 44 of SEBI Regulations, the Company is pleased to provide e-voting facility to all Members of the Company to enable them to cast their votes electronically on the items/resolutions mentioned in this Notice. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited ('CDSL'). The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
14. The brief profile of the Directors seeking appointment/re-appointment including relevant particulars relating to them is furnished as a part of the Notice as Annexure and in Explanatory Statement, as required under SEBI Regulations.
15. The Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents. Further, w.e.f April 01, 2019 request for transfer of securities are not permitted unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per SEBI Regulations. Members who share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.

The instructions for remote e-voting are detailed hereunder:-

- (i) The voting period begins on Friday, September 27, 2019 at 0900 hours and ends on Sunday, September 29, 2019 at 1700 hours. 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) of Monday, September 23, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders/Members
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both 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).</li> </ul>

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

(ix) 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.

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

(xi) Click on the Electronic Voting Sequence Number (EVSN: 190820047) of SKIL Infrastructure Limited.

(xii) 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.

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

(xiv) 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.

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

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

(xvii) If Demat account holder has forgotten the changed 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.

(xviii) Members 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Members & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

(xx) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). You may also contact Email id: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) , Phone number: 1800225533

In case if a person acquires shares and becomes Member of the Company after dispatch of this Notice/Annual Report, they shall follow the procedure stated therein or may obtain the User ID and Password/Sequence Number by sending a request to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

In case, if the Members have any queries pertaining to the sequence number for e-voting, they may contact the RTA for the same.

The voting rights of the Members shall be in the proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date i.e. Monday, September 23, 2019.

The Company has appointed M/s. Jaisal Mohatta & Associates (Membership No. ACS 35017), Practicing Company Secretary, Mumbai, as Scrutinizer, to scrutinize the remote e-voting process and ballot process at AGM in a fair and transparent manner.

The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.

The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.skilgroup.co.in](http://www.skilgroup.co.in) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE and BSE Limited, where the shares of the Company are listed.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:-**

#### **ITEM NO. 3**

Pursuant to the provisions of the Companies Act, 2013 ('Act') read with the relevant rules made thereunder and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, ('SEBI Regulations'), an Independent Director can hold office for a term of up to 5 consecutive years on the Board of the Company, but is eligible for re-appointment for another term of up to 5 years on passing of special resolution by the Company, based on the report of performance evaluation. Thus, an Independent Director cannot hold office for more than two consecutive terms of up to 5 years.

Mr. J. Alexander (DIN:00485766) was appointed as Independent Director on the Board of the Company vide resolutions passed at the 31<sup>st</sup> Annual General Meeting ('AGM') held on September 30, 2014 for a term of 5 Consecutive years from September 30, 2014 to September 29, 2019. On April 17, 2019, Mr. J. Alexander has come to know that he has been disqualified to act as a Director under section 164(2) of Act, due to non-filing of annual returns of a Company in which he ceased to be a director in the year 2010. Then immediately he submitted his resignation/notice of vacation from office of the directorship and thus ceased as independent director of company. Since his disqualification was illegitimate and hence he had initiated corrective measures to remove such disqualifications with the appropriate authority, the same has been removed/stay received and his DIN status is appearing on Ministry of Corporate Affairs as approved. Mr. J. Alexander is eligible to be re-appointed as Independent Director for another term of up to 5 consecutive years.

In accordance with the aforesaid and recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors at their meeting held on May 28, 2019, subject to the approval of members at the 36<sup>th</sup> AGM, Mr. J. Alexander (DIN: 00485766) has been re-appointed as an Additional (Independent) Director. The Board of Directors based on the performance evaluation and recommendation of NRC, consider that the knowledge, experience and continued valuable guidance to the Management will be beneficial to the Company and seek approval of the members for re-appointment of Mr. J. Alexander as an Independent Director for the second term of five consecutive years commencing from May 28, 2019.

In the opinion of the Board, Mr. J. Alexander fulfills the conditions specified in the Act, the rules framed thereunder and SEBI Regulations for re-appointment as an Independent Director and that he is Independent of the Management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director, not liable to retire by rotation. The Company has received a declaration from Mr. J. Alexander that he is not disqualified to be re-appointed as Independent Director under the Act and SEBI Regulations. He has also given his consent for re-appointment as an Independent Director of the Company.

The re-appointment of Mr. J. Alexander is subject to the approval by the Members at the ensuing AGM by way of a Special resolution. Further in terms of Regulation 17(1A) of the SEBI Regulations, a person who has attained the age of 75 years can continue as non-executive director in a listed company, provided approval of its members by the way of special resolution is obtained. Mr. J. Alexander has attained the age of 75 years. Special resolution set out in Item No. 3 seeks approval of members is also being sought for continuation of directorship of Mr. J. Alexander as a Non-Executive Director of the company by way of passing special resolution set out under till the end of his second term of office.

Brief profile of Mr. J. Alexander and additional details has been included in Annexure II to this notice.

A Copy of draft appointment letter as Independent Director will be available for inspection at the registered office of the Company during normal business hours on all the working days.

The Board of Director recommends the Special Resolution for re-appointment of Mr. J. Alexander as set out in Item 3 for approval of the members of the Company.

Except for Mr. J. Alexander, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in this resolution.

#### **ITEM NOS. 4 & 5**

Pursuant to the provisions of the Companies Act, 2013 ('Act') read with the relevant rules made thereunder and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, ('SEBI Regulations'), an Independent Director can hold office for a term of up to 5 consecutive years on the Board of the Company, but is eligible for re-appointment for another term of up to 5 years on

passing of special resolution by the company, based on the report of performance evaluation. Thus, an Independent Director cannot hold office for more than two consecutive terms of up to 5 years.

Mr. V. Ramanan (DIN: 02754562) and Ms. Gayathri Ramachandran (DIN: 02872723) were appointed as Independent Directors on the Board of the Company vide resolutions passed at the 31<sup>st</sup> Annual General Meeting ('AGM') held on September 30, 2014 for a term of 5 Consecutive years from September 30, 2014 to September 29, 2019. Mr. V. Ramanan and Ms. Gayathri Ramachandran are eligible to be re-appointed as Independent Directors for another term of up to 5 consecutive years.

In accordance with the aforesaid and recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors at their meeting held on May 28, 2019, subject to the approval of members at the 36<sup>th</sup> AGM, Mr. V. Ramanan (DIN: 02754562) and Ms. Gayathri Ramachandran (DIN: 02872723) have been re-appointed as Independent Directors. The Board of Directors based on the performance evaluation and recommendation of NRC, consider that the knowledge, experience and continued valuable guidance to the Management will be beneficial to the Company and seek approval of the members for re-appointment of Mr. V. Ramanan and Ms. Gayathri Ramachandran as an Independent Directors for the second term of five consecutive years commencing from September 30, 2019.

In the opinion of the Board, Mr. V. Ramanan and Ms. Gayathri Ramachandran fulfills the conditions specified in the Act, the rules framed thereunder and SEBI Regulations for re-appointment as an Independent Directors and that he is Independent of the Management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Directors, not liable to retire by rotation. The Company has received the declarations from Mr. V. Ramanan and Ms. Gayathri Ramachandran that they are not disqualified to be re-appointed as Independent Directors under the Act and SEBI Regulations. They have also given their consent for re-appointment as an Independent Directors of the Company.

The re-appointment of Mr. V. Ramanan and Ms. Gayathri Ramachandran are subject to the approval by the Members at the ensuing AGM by way of a Special Resolution.

Further in terms of Regulation 17(1A) of the SEBI Regulations, a person who has attained the age of 75 years can continue as non-executive director in a listed company, provided approval of its members by the way of special resolution is obtained. Mr. V. Ramanan has attained the age of 75 years. Special resolution set out in Item No. 4 seeks approval of members is also being sought for continuation of directorship of Mr. V. Ramanan as a Non-Executive Director of the company by way of passing special resolution set out under till the end of his second term of office.

Brief profiles of Mr. V. Ramanan and Ms. Gayathri Ramachandran and additional details has been included in Annexure II to this notice.

A Copy of draft appointment letters as Independent Directors will be available for inspection at the registered office of the Company during normal business hours on all the working days.

The Board of Director recommends the Special Resolution for re-appointment of Mr. V. Ramanan and Ms. Gayathri Ramachandran as set out in Item 4 & 5 for approval of the members of the Company.

Except for Mr. V. Ramanan and Ms. Gayathri Ramachandran, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in their respective resolution.

#### **ITEM NO. 6**

The Board of Directors of the Company on the basis of recommendation of the Nomination and Remuneration Committee ('NRC') appointed Mr. Bhavesh Gandhi, Vice Chairman as Key Managerial Personnel under the category of Whole Time Director ('WTD') in its meeting held on August 13, 2019 with immediate effect without any remuneration for a period of two years starting from August 13, 2019 to August 12, 2021.

The brief terms and conditions of his appointment are given below:

- a. Remuneration: Nil
- b. The WTD shall have right to manage the day to day affairs of the Company subject to superintendence, guidance, control and direction of the Board of Directors of the Company.
- c. The WTD shall have right to exercise such powers of management of the Company as may be delegated to him by the Board of Directors, from time to time.
- d. The WTD shall not be paid any sitting fees for attending meetings of the Board and/or any of the Committee(s).

Mr. Bhavesh Gandhi satisfies all the Conditions set out in Part-I of Schedule V of the Act and also conditions set out under Section 196 (3) of the Act for being eligible for his appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act.

Additional information as required to be provided pursuant to the requirement of Secretarial Standard on General Meeting ('SS-2'), in respect of the Appointee, is provided in the Annexure to the Notice and forms part of the Explanatory Statement.

Brief profile of Mr. Bhavesh Gandhi and additional details has been included in Annexure I to this notice.

Mr. Bhavesh Gandhi and his relatives, to the extent of their shareholding in the Company, if any, shall be deemed to be concerned or interested in the Resolution set out under Item No. 6 of the Notice. None of the Directors and/or the Key Managerial personnel of the Company and/or their respective relatives are concerned or interested financially or otherwise except Mr. Nikhil Gandhi, Chairman, brother of Mr. Bhavesh Gandhi in this resolution.



EXHIBIT TO NOTICE

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and SS-2, following information is furnished in respect of Directors proposed to be appointed/ re-appointed:

Annexure I

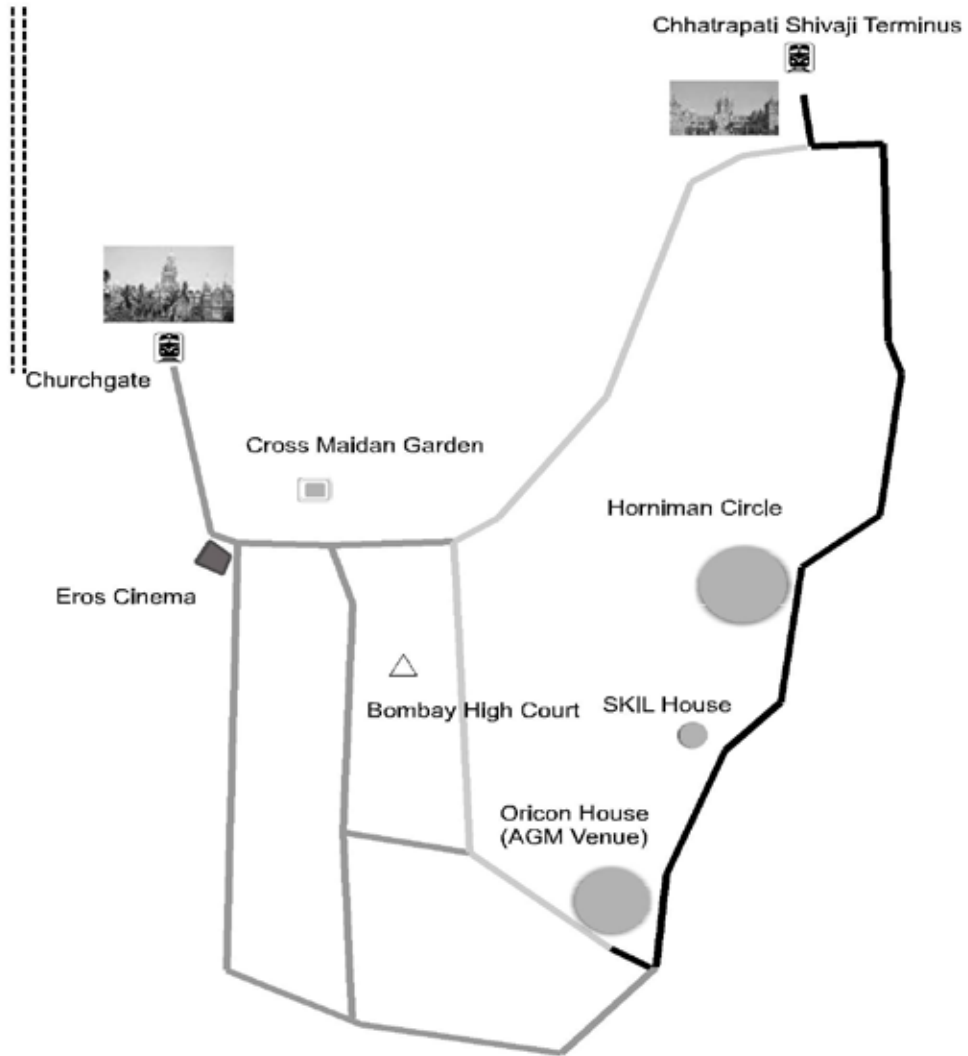
Name of the Director (DIN)	:	Mr. Bhavesh Gandhi (00030623)
Designation	:	Vice Chairman
Date of Birth	:	January 21, 1966
Age	:	53 years
Nationality	:	Indian
Qualification	:	B. Com
Date of First Appointment on the Board	:	January 5, 1995
Experience/Brief Profile	:	Mr. Bhavesh Gandhi has approximately 32 years of experience in various fields pertaining to infrastructure development projects. He is the co-founder of the company. He was adjudged for the "Shipping, Marine and Ports (SMP), 2012 - Young Entrepreneur" Award. His experience in various sectors aids in execution of each project that SKIL undertakes. His omnipresent interaction in all projects makes him a pillar that the entire group relies on.
Terms and Conditions of appointment/re-appointment	:	Appointed as a Director liable to retire by rotation
Number of Board Meetings attended during the financial year 2018-19	:	5 Board Meetings
Remuneration	:	-
Memberships/ Chairmanships of committees (includes only Audit and Shareholders /investors Grievance /Shareholders Relationship Committee) of other public companies as on March 31, 2019	:	
a) Audit Committee	:	Nil
b) Stakeholder Relationship Committee	:	Nil
Directorships held in other companies as on March 31, 2019	:	1. Urban Infrastructure Holdings Private Limited 2. SKIL Shipyard Holdings Private Limited
Number of shares held in the Company as on March 31, 2019	:	Individually holds 1,177,757 Equity Shares.
Inter-se relationship with other Directors and KMPs	:	Brother of Mr. Nikhil Gandhi

**Annexure II**

Name of the Director (DIN)	: Mr. J. Alexander (DIN: 00485766)	Mr. V. Ramanan (DIN: 02754562)	Ms. Gayathri Ramachandran (DIN: 02872723)
Designation	: Independent Director	Independent Director	Independent Director
Date of Birth	: August 08, 1938	June 06, 1941	September 27, 1948
Age	: 81 years	78 years	71 years
Nationality	: Indian	Indian	Indian
Qualification	: M.A and PhD	B.Com	B.Com
Date of First Appointment on Board	: September 30, 2014	August 13, 2014	May 30, 2014
Experience/Brief Profile	: Dr. J. Alexander an M.A. (English Language & Literature) and Phd. (Philosophy) is a retired senior bureaucrat. he joined the Indian Administration Service in 1963. He has held important positions in his long professional career. His last posting was Secretary to Government of India for Social, Women and Child Welfare Development. He was elected as Member of Legislative Assembly from Bharathi Nagar Constituency in Bangalore and subsequently as Minister for Tourism, Government of Karnataka. In his capacity as Chairman of Central Coir Board, he also worked as Consultant for Agriculture Organization of United Nation.	Mr. V. Ramanan a Commerce Graduate. He has held important positions in his long career with Indian Bank, which he joined as a Probationary Officer way back in 1968 before superannuating as Senior General Manager, after 33 years of experience in Banking Sector.	Ms. Gayathri Ramachandran holds a Bachelor's Degree in Economics (Hons.) from Delhi University, a Master's Degree in Development Economics from Williams College, Massachusetts, USA and a Master's Degree in Defence Studies from National Defence College. Belonging to 1972 batch of the Indian Administrative Services (IAS), she has over 36 years of experience working in infrastructure sectors of Government of India and Government of Andhra Pradesh in the areas of power and energy, environment, industry, fertilizers and chemicals and Social Sectors such as Women and Child Development, Tourism and Culture, Rural Development etc. She has made significant contribution to the reforms and restructuring Power Sector and formulating guidelines in the management of Power and Energy sectors.
Terms and Conditions of appointment/ re-appointment	: As per the resolution at Item No. 3 of the Notice read with Explanatory Statement thereto.	As per the resolution at the Item No. 4 of the Notice read with Explanatory Statement thereto.	As per the resolution at the Item No. 5 of the Notice read with Explanatory Statement thereto.
Number of Board Meetings attended during the Financial Year 2018-19	: 5 Board Meetings.	6 Board Meetings.	5 Board Meetings.
Remuneration	-	-	-
Memberships/ Chairmanships of committees (includes only Audit and Shareholders / investors Grievance / Shareholders Relationship Committee) of other public companies as on March 31, 2019			

a) Audit Committee	-JPT Securities Limited (Member) -Navi-Mumbai Smart City Infrastructure Limited (Chairman) -SKIL-Himachal Infrastructure and Tourism Limited (Chairman) -Kings Infra Venture Limited (Member) -KLG Capital Services Limited (Member) -KLM Axiva Finvest Limited (Member)	-JPT Securities Limited (Chairman) -KLG Capital Services Limited (Chairman) -SKIL Shipyard Holdings Private Limited (Chairman) -Navi-Mumbai Smart City Infrastructure Limited (Member) -Gujarat Dwarka Portwest Limited (Member)	-JPT Securities Limited (Member) -Gujarat Dwarka Portwest Limited (Member) -SKIL-Himachal Infrastructure and Tourism Limited (Member) -KLG Capital Services Limited (Member)
b) Stakeholders Relationship Committee	-JPT Securities Limited (Member)	-JPT Securities Limited (Member) -KLG Capital Services Limited (Member)	-Pitti Engineering Limited (Member)
Directorships held in other companies as on March 31, 2019	: -JPT Securities Limited.	-JPT Securities Limited.	-JPT Securities Limited.
	-KLG Capital Services Limited	-Navi Mumbai Smart City Infrastructure Limited	-Pitti Engineering Limited
	-Symphony TV and Entertainments Private Limited	-KLG Capital Services Limited	-SKIL-Himachal Infrastructure and Tourism Limited
	-Stumpp Schuele & Somappa Private Limited	-IFIN Securities Finance Limited	-Gujarat- Dwarka Portwest Limited
	-Navi Mumbai Smart City Infrastructure Limited	-Gujarat- Dwarka Portwest Limited	-Karanja Logistics Private Limited
	-SKIL-Himachal Infrastructure and Tourism Limited	-Verona Capital Limited	-Verona Capital Limited
	-Kings Infra Ventures Limited	-Karanja Logistics Private Limited	-Navi Mumbai Smart City Infrastructure Limited
	-KLM Axiva Finvest Limited		-Tooquick Technologies Private Limited
	-Karanja Logistics Private Limited	-Orange Smart City Infrastructure Private Limited	-KLG Capital Services Limited
	-Transaction Analysts (India) Private Limited	-Tooquick Technologies Private Limited	
	-M Far Constructions Private Limited	-SKIL Shipyard Holdings Private Limited	
	Orange Smart City Infrastructure Private Limited		
	SKIL Shipyard Holdings Private Limited		
Number of shares held in the Company as on March 31, 2019	: NIL	Nil	Nil
Inter-se relationship with other Directors and KMPs	: NA	NA	NA

Route Map for Venue of the 36<sup>th</sup> Annual General Meetings



## DIRECTORS' REPORT

**Dear Members,**

Your Directors are pleased to present the 36<sup>th</sup> Annual Report of SKIL Infrastructure Limited (hereinafter Referred to as 'the Company' or 'SKIL') together with the Audited Financial Statements for the year ended March 31, 2019.

**Financial Highlights (Standalone)**

The financial performance of the Company for the financial year ended March 31, 2019 is summarized below:

(Rupees in Lacs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Total Income	2,620.73	207.54
Less: Expenditure	27,847.89	27,311.96
Profit/(Loss) before Depreciation & Taxation	(25,183.21)	(27,104.42)
Less: Depreciation	21.98	36.04
Exceptional Items	7,869.05	(15,435.60)
Profit/(Loss) before taxation	(17,336.14)	(42,576.07)
Less: Provision for Tax / Deferred Tax	0.00	0.43
Profit/(Loss) after tax	(17,336.14)	(42,575.64)
Other Comprehensive Income/ (Loss)		
Fair valuation of non-current investment	(134.32)	(7,582.55)
Actual Gain/(Loss) on defined benefit plans.	3.28	1.09
Total Comprehensive Income of the Year	(131.04)	(7,581.46)
Add: Balance brought forward from the previous year	(1,24,028.03)	(73,870.94)
Balance Profit / (Loss) carried forward to the next year	(1,41,495.21)	(1,24,028.03)

**State of Company's Affairs**

The Company philosophy of conceptualizing infrastructure projects that are critical to the socio-economic growth of the country and executing the same through the Company's various subsidiaries/affiliates/associates/joint ventures/special purpose vehicles continue as before. The Company had made substantial investments in development of various infrastructure projects such as Port, SEZ; Logistic, Industrial infrastructure, and Recreational Infrastructure etc. The Company also proposes to develop a state-of-the-art Container Freight Station ('CFS') near Jawaharlal Nehru Port, Navi Mumbai. Further, the Company is also in the process of reorganizing and restructuring its activities, businesses and also proposes to monetize its assets in line with various policy initiatives introduced by the respective State Government / Central Government.

**Future Outlook**

Considering the government's increasing impetus and focus on development of world class infrastructure in the country, the infrastructure space in the country is abound with huge opportunities with enough space for every major player in the sector. The opportunities are in the fields where the Company is already having its presence along with its proven track record. Continuing its philosophy as mentioned above, the Company is fully committed to explore and execute such opportunities and to create fair and enhanced value for all its share/stake holders.

**Dividend**

In view of losses incurred by the Company, your Directors do not recommend dividend for the financial year ended March 31, 2019.

**Details of Subsidiaries, Associates & Joint Ventures**

As on March 31, 2019, the Company has eight Subsidiary Companies including one foreign Subsidiary which are Gujarat-Dwarka Portwest Limited, Pipavav Electronic Warfare Systems Private Limited, Chiplun FTWZ Private Limited, SKIL-Himachal Infrastructure and Tourism Limited, SKIL Shipyard Holdings Private Limited, Metrotech Technology Park Pvt. Ltd., SKIL Advanced Systems Private Limited ('SASPL') and SKIL (Singapore) Pte. Ltd. There are two Associate Companies as on March 31, 2019, Rosoboronservice (India) Limited and Urban Infrastructure Holdings Private Limited. Sohar Free Zone LLC is the Joint Venture of the Company.

Out of the aforesaid Subsidiary Companies, during the year under review, Pipavav Electronic Warfare Systems Private Limited have submitted an application to the Registrar of Companies for striking-off its name under Fast Track Exit ('FTE') Mode and Chiplun FTWZ Private Limited obtained the status of Dormant Company under the Companies Act, 2013 ('Act'). As required under SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 ('SEBI Regulations'), Act and the applicable Accounting Standards, the Consolidated Financial Statements of the Company and its Subsidiary Companies, Joint Venture, Associate Company form part of this Annual Report. Un-Audited Financial Statements of SKIL (Singapore) Pte. Ltd., subsidiary of the Company, has been considered for the purpose of consolidation. However, the financial statements of Associate Companies were not available for consolidation.

The performance and financial position of each of the Subsidiaries, Joint Venture Company and Associate Company is provided in accordance with the provisions of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014 as a separate statement annexed to Financial Statements in prescribed Form **AOC – I** and hence not repeated here for the sake of brevity.

The Company has formulated a Policy for determining material subsidiaries, which is uploaded on the website of the Company at [www.skilgroup.co.in](http://www.skilgroup.co.in) and can be accessed at [http://www.skilgroup.co.in/investor\\_pdf/Policy-on-Material-Subsidiaries.pdf](http://www.skilgroup.co.in/investor_pdf/Policy-on-Material-Subsidiaries.pdf)

#### **Other Information**

As informed earlier, the Company as per Purchase Agreement ('PA') signed with Reliance Defence Systems Private Limited ('RDSPL') and Reliance Infrastructure Limited ('R-Infra') ('Reliance Infra Group') in March, 2015, Reliance Infra Group, was under an obligation to ensure release of all the securities i.e; Corporate Guarantee, Undertakings, Pledge of shares, Personal Guarantee furnished by the Company and its Promoters to lenders of Reliance Naval and Engineering Limited, erstwhile Reliance Defence and Engineering Limited / Pipavav Defence and Offshore Engineering Company Limited ('RNEL'). Reliance Infra Group, however, failed to comply with their obligation to get the said securities released / discharged by RNEL Lenders. Accordingly, on March 03, 2018, the Company issued legal notice to Reliance Infra Group for breach of the PA and claimed losses, subsequently; Reliance Infra Group issued an Arbitration notice to the Company for breach of warranties under the said PA, which has been strongly contested by the Company, as false and baseless. Further, as intimated earlier on account of default by RNEL and Reliance Infra Group as Promoters of RNEL towards its obligations to pay to RNEL lenders, the security trustee on behalf of lenders of RNEL invoked the Corporate Guarantee of the Company and; the RNEL shares pledged by the Company and SKIL Shipyard Holdings Private Limited ('SSHPL'), despite the Company and SSHPL, not being the Promoters of RNEL since January, 2016. The Company has already filed a suit in Ahmedabad Court challenging the unjustified, wrong and illegal invocation of corporate guarantee and securities by RNEL Lenders. The matter is sub-judice.

During the period under review, in connection with investigation on IL & FS Financial Services Limited ('IFIN'), the Serious Fraud Investigation Office, Ministry of Corporate Affairs, Government of India and Enforcement Directorate, Ministry of Finance, Government of India sought certain information from the Company & its Subsidiaries on dealings with IFIN. The Company is fully co-operating with these Agencies and the requisite information has been furnished.

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

The extract of Annual Return in the Form MGT- 9 as required under Section 92(3) of the Act as prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014, is enclosed as **Annexure I** to this Report. The Annual Return in Form MGT-7 as required under Section 92 (3) of the Act is available on the website of the Company viz. <http://www.skilgroup.co.in/annual-reports>

#### **Details of Directors**

The Composition of the Board is in accordance with the provisions of Act and SEBI Regulations. Appointment of Directors on the Board is based on the recommendations of Nomination and Remuneration Committee ('NRC'). NRC identifies and recommends to the Board, persons of appointment on the Board, after considering the necessary and desirable competencies. NRC takes into account positive attributes like skills, knowledge, expertise and industry experience, background with due regard for the benefits in diversifying the Board.

Mr. Shankar Aggarwal, Whole time Director ('WTD') resigned from the Board of Directors due to personal reasons and other commitments and accordingly, ceased to be WTD Director and also as Director of the Company with effect from August 13, 2019. The Board places on record its appreciation of the valuable services rendered by him during his tenure. Further, the Board on the recommendation of NRC and subject to the approval of members at the ensuing Annual General Meeting ('AGM'), appointed Mr. Bhavesh Gandhi, Vice Chairman of the Company as a WTD i.e. Executive Vice Chairman with immediate effect i.e. from August 13, 2019 Pursuant to the provisions of Section 152 of the Act, Mr. Bhavesh Gandhi (DIN: 00030623) retires by rotation at the ensuing AGM and being eligible for re-appointment, offers himself for re-appointment. The NRC and the Board of Directors recommend his re-appointment as a Director.

Mr. J. Alexander ('JA'), on the recommendation of NRC and on the approval of Board at their meeting held on May 28, 2019 has been re-appointed as an Additional Independent Director w.e.f May 28, 2019 subject to the approval of the Members by way of a special resolution at the ensuing AGM and who is eligible for re-appointment and meets the criteria of Independence as provided in the Act and the SEBI Regulations and not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from May 28, 2019 to May 27, 2024. Further, Mr. V. Ramanan ('VR') and Ms. Gayathri Ramachandran ('GR'), on the recommendation of NRC and by approval of the Board, at their meeting held on August 13, 2019 have re-appointed as Independent Directors w.e.f September 30, 2019, subject to the approval of the Members by way of a special resolution at the ensuing AGM and who are eligible for re-appointment and meet the criteria of Independence as provided in the Act and the SEBI Regulations and not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from September 30, 2019 to September 29, 2024.

The Company has received individual declarations from above independent Directors i.e. JA, VR & GR stating that they are eligible for re-appointment and meet the criteria of independence as provided under the Act and SEBI Regulations. Further, brief profiles of the Directors proposed to be re-appointed are provided in the Exhibit to the Notice of ensuing AGM. The Board of Directors recommends re-appointment of the aforesaid Directors at the ensuing AGM.

**Key Managerial Personnel ('KMP')**

In terms of provisions of Section 203 of the Act, Mr. Shankar Aggarwal, WTD, Mr. Shekhar Gandhi, Chief Financial Officer and Mr. Nilesh Mehta, Company Secretary are the KMP of your Company. During the year, there has been no change in the KMP. However, on resignation of Mr. Shankar Aggarwal, WTD w.e.f. August 13, 2019, Mr. Bhavesh Gandhi is appointed as the KMP under the category of WTD with immediate effect.

**Details of Remuneration**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as '**Annexure II**'. None of the Directors of the Company are in receipt of any commission from the Company or from any Subsidiary of the Company. The details of remuneration paid to the Directors of the Company are given in Extract of Annual Return.

**Performance Evaluation**

In view of the provisions of the Act and SEBI Regulations regarding the performance evaluation of the Directors, Board and its Committees, the Company had devised transparent criteria for performance evaluation after approval by the NRC/Board of Directors on the basis of which the annual performance evaluation of the Directors, Board and its Committees has been carried out. The criteria for performance evaluation of Independent Directors are mainly devised based upon the parameter for professional conduct, role, functions and duties laid under Schedule IV to the Act. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, participation in discussions, etc. Performance evaluation of individual Directors was on parameters such as attendance, contribution, constructive and active participation etc.

Mr. J. Alexander, Mr. V. Ramanan, Ms. Gayathri Ramachandran and Mr. Rakesh Mohan, Independent Directors met without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors, inter alia, reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties. The performance of all directors was also evaluated by the NRC.

The Board of Directors considered the performance evaluation of the Directors, Board and Board Committees. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the concerned Director being evaluated and based on the evaluation process; the Board had determined to continue the term of all the Independent Directors.

**Directors Responsibility Statement**

In accordance with the provisions of Section 134(3)(c) and Section 134(5) of the Act, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**No Frauds reported by statutory auditors**

There is no instance of frauds reported by the statutory auditors of the Company for the financial year under review under sub-section (12) of Section 143 of the Act.

**Declaration by the Independent Directors**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements, so as to qualify themselves as Independent Directors under the provisions of the Act and the SEBI Regulations.

**Independent Director's Meetings**

The Independent Directors, Mr. J. Alexander, Mr. V. Ramanan, Ms. Gayathri Ramachandran and Mr. Rakesh Mohan, met without the attendance of Non- Independent Directors and the members of the Management. The Independent Directors reviewed the performance of Non- Independent Directors and the Board as a whole; the performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Number of Board Meetings**

During the Financial Year 2018-19, six meetings of the Board of Directors of the Company were held on April 16, 2018, May 28, 2018, August 03, 2018, August 14, 2018, November 13, 2018 and February 12, 2019. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. Additionally, committee meetings were held during the financial year including Audit Committee, which met four times during the year. Details of the same form part of the Corporate Governance Report annexed to this report. Further, the disclosure regarding the number of meetings of Board and Committees held during the year, indicating number of meetings attended by each director form part of the Corporate Governance Report.

### **Audit Committee**

The Audit Committee comprises of Mr. V. Ramanan (Chairman), Mr. J. Alexander, Mr. Rakesh Mohan, Ms. Gayathri Ramachandran and Mr. Shankar Aggarwal as Members. All the recommendations made by the Audit Committee were accepted by the Board. The details with respect to the meetings, terms of reference, etc. of the Audit Committee are given in details in the Report on Corporate Governance of the Company.

### **Nomination & Remuneration Policy**

The Nomination and Remuneration Committee comprises of Mr. J. Alexander (Chairman), Mr. Nikhil Gandhi, Ms. Gayathri Ramachandran and Mr. V. Ramanan as Members. The terms of reference of the Committee are given in the Report on Corporate Governance of the Company. The Nomination and Remuneration Policy recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company and is annexed to this Report as 'Annexure III'.

### **Corporate Social Responsibility (CSR) Policy**

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee comprising of Mr. Nikhil Gandhi (Chairman), Mr. J. Alexander, Mr. V. Ramanan and Ms. Gayathri Ramachandran as Members. The Corporate Social Responsibility Policy ('CSR Policy') recommended by the CSR Committee of the Directors has been approved by the Board of Directors of the Company. The CSR Policy may be accessed on the Company's website at the link: [http://www.skilgroup.co.in/investor\\_pdf/CSR%20Policy.pdf](http://www.skilgroup.co.in/investor_pdf/CSR%20Policy.pdf) The statutory disclosure with respect to the CSR Committee and an Annual Report on CSR Activities is annexed to this Report as 'Annexure IV'.

### **Familiarisation Programme**

The Directors of the Company are updated, as and when required, of their role, rights, responsibilities under applicable provisions of the Act and SEBI Regulations, nature of industry in which the Company operates, etc. The Company holds Board and the Committee Meetings from time to time. The Board of Directors has complete access to the information within the Company. The Independent Directors have the freedom to interact with the Company's Management. The Directors are also informed of the various developments in the Company through various modes of communications. The details of familiarization programmes for Independent Directors of the Company are posted on the website of the Company at the link: [http://www.skilgroup.co.in/investor\\_pdf/Familiarisation%20Programme%20for%20IDs.pdf](http://www.skilgroup.co.in/investor_pdf/Familiarisation%20Programme%20for%20IDs.pdf)

### **Vigil Mechanism/Whistle Blower Policy**

The Company has implemented Vigil Mechanism/Whistle Blower Policy which encourages the Whistle Blower to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The details of Vigil Mechanism/Whistle Blower Policy are available on the website of the Company at the link : [http://www.skilgroup.co.in/investor\\_pdf/Whistle%20Blower%20Policy.pdf](http://www.skilgroup.co.in/investor_pdf/Whistle%20Blower%20Policy.pdf)

### **Risk Management Policy**

Pursuant to the requirement of Section 134 of the Act and SEBI Regulations, the Company has already in place a Risk Management Policy. The Company has a robust Risk Management framework to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The elements of risk as identified for the Company are set out in the Management Discussion and Analysis ('MDA') Report forming part of the Board's Report.

### **Statutory Auditors:**

M/s. Kailash Chand Jain & Co., Chartered Accountants (Registration no: 112318W) were appointed as the Statutory Auditors of the Company at the 35<sup>th</sup> AGM held on September 29, 2017 for a term of five years until the conclusion of the Company's 39<sup>th</sup> Annual General Meeting, subject to ratification by the members at every AGM in terms of Section 139 of the Act. In accordance with the Companies (Amendment) Act, 2017 enforced on May 07, 2018, by the Ministry of the Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM by members and same has been dispensed with. Accordingly, no such item has been considered in the 36<sup>th</sup> AGM notice.

### **Auditors' Report**

The Auditors' Report to the Members on the Accounts of the Company for the financial year ended March 31, 2019, does not contain any qualification. The observation in the Auditor's Report by M/s. Kailash Chand Jain & Co., Chartered Accountants have been dealt with in the relevant Notes to Accounts, which are self - explanatory.



**Internal auditors:**

M/s. RSVA & Co., Chartered Accountants, Mumbai, have been appointed as Internal Auditors for conducting internal audit of the Company. The Internal Auditors independently evaluate the internal controls systems, monitor implementation of the accounting systems & procedures and statutory compliances. The Audit Committee periodically reviews the reports of the Internal Auditors.

**Secretarial Auditor:**

Pursuant to Section 204 of the Companies Act, 2013, the Board has appointed M/s. Jaisal Mohatta & Associates, Practicing Company Secretary, Mumbai, as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019, is annexed to this report as '**Annexure V**'. As specified in the said report, there has been a delay/non-filing of few forms/returns due to unavailability of requisite information/technical issues/documents.

**Particulars of Contracts or Arrangements with Related Parties**

In line with the requirements of the Act and SEBI Regulations, your Company has formulated a Policy on Materiality of Related Party Transactions & Dealing with Related Party Transactions which is also available on Company's website at [http://www.skilgroup.co.in/investor\\_pdf/Policy-Related-Party-Transaction-1.pdf](http://www.skilgroup.co.in/investor_pdf/Policy-Related-Party-Transaction-1.pdf). The Policy intends to ensure the proper approval and reporting of transactions between the Company and its Related Parties in the best interest of the Company and its stakeholders and in compliance with the laws and regulations applicable from time to time.

All Related Party Transactions during the year under review are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is sought for transactions which are of repetitive nature as well as for the normal transactions which cannot be foreseen and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee. All related party transactions attracting compliance Section 188 and / or SEBI Regulations are also placed before the Board for approval, as per the requirement.

In terms of the 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions', all Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. The disclosures on related party transactions are made in the Notes to the Financial Statements of the Company. Hence, the Company has nothing to report in Form AOC-2 and the same is not annexed.

**Particulars of Loan, Guarantees and Investments**

Details of Loans, Guarantees and Investment covered under the provisions of Section 186 of the Act is given in the notes to the Financial Statements. Also, pursuant to Schedule V of the SEBI Regulations, the particulars of Loans/Advances given to Subsidiaries have been disclosed in the notes to the Financial Statements

**Adequacy of Internal Financial Control with reference to the Financial Statements**

The Company has internal control systems, commensurate with the size, scale and complexity of its operations. The Audit Committee monitors and evaluates the efficacy and adequacy of internal control systems in the Company. The Company has in place adequate internal financial controls with reference to Financial Statements. The report of the Statutory Auditors states about the existence of adequate internal financial control systems and its operating effectiveness. During the year, no reportable material weakness in the design or operation was observed in the internal financial controls.

**Significant & material orders passed by the regulators or courts or tribunal**

There are no significant material orders passed by the regulators or courts or tribunals which would impact the going concern status and the Company's operations in future except as otherwise disclosed in this report.

**Deposits**

The Company has not accepted any deposits within the meaning of Section 73 of the Act, read with the rules thereto, during the year under review.

**Sexual Harassment**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

Considering the nature of business of the Company, there are no particulars to be disclosed relating to the Conservation of Energy, Research and Development and Technology Absorption as required under the Companies (Accounts) Rules, 2014, for the year under review. Further, the Foreign Exchange Earnings during the year under review and the Foreign Exchange Outgo is Nil.

**Employees Remuneration**

The information required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as '**Annexure II**'. In terms of Section 136 of the Act, the Annual Report and Financial Statements are being sent to the Members of the Company and others entitled thereto excluding the information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Particulars in this regard, if any, will be made available for inspection by the Members at the Registered Office of the Company between 1100 hours to 1300

hours on all working days, except Saturday, up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard. Upon such request, the information will be made available.

#### **CEO / CFO Certificate**

The WTD in lieu of Chief Executive Officer and the Chief Financial Officer have issued certificate pursuant to the provisions of Regulation 17(2) read with Part B of Schedule II of the SEBI Regulations certifying the Financial Statements for the year ended March 31, 2019. The said certificate forms part of this Report.

#### **Management Discussion and Analysis**

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 of SEBI Regulations forms part of this Annual Report.

#### **Corporate Governance**

The Company maintains high standards of Corporate Governance and adheres to the corporate governance requirements set out by the Securities and Exchange Board of India (SEBI). A Report on Corporate Governance along with a certificate for compliance with conditions on Corporate Governance as stipulated in the SEBI Regulations issued by M/s. Jaisal Mohatta & Associates, Practicing Company Secretary is annexed to this Report as 'Annexure VI'.

#### **Code of Conduct**

The Board of Directors has adopted the Code of Conduct for the Board Members and Senior Management. A confirmation from the WTD in lieu of Chief Executive Officer regarding compliance with the said Code by all the Directors and Senior Management forms part of this Annual Report. The Code of Conduct is posted on the website of the Company [www.skilgroup.co.in](http://www.skilgroup.co.in).

#### **Listing Arrangement**

Presently, the Company's equity shares are listed on NSE and BSE.

#### **Remuneration to Managerial Persons.**

In respect of the remuneration of Mr. U.B Singh (EX- MD & CEO) and Mr. Shankar Aggarwal, WTD, Company is yet to receive the necessary approval as specified under the Act; till such approval is pending, remuneration paid were held in trust with them, on behalf of the Company. Action shall be taken in tandem with the relevant provisions of the Act.

#### **Material Changes and Commitments:**

No other material changes and commitments have occurred between the end of financial year of the Company and the date of this report affecting the financial position of the Company as at March 31, 2019 except as otherwise included in this report.

#### **Green Initiative**

In view of the provision of the Act and rules framed thereunder and in support of the Green Initiative of the Ministry of Corporate Affairs, the Company has been sending the Annual Report / Notice of AGM in electronic mode to those Members whose e-mail IDs are registered with the Company and / or the Depository Participants unless any Member has requested for a hard copy of the same.

#### **Appreciations and Acknowledgment**

The Board of Directors wishes to express its sincere appreciation and thanks to all customers, suppliers, banks, financial institutions, solicitors, advisors, Government of India and other regulatory authorities for their consistent support and co-operation. Your Directors appreciate the contribution made by the employees of the Company and acknowledge their hard work and dedication. Your Directors are also deeply grateful to the Members for the confidence and faith that they have always placed in the Company.

**By Order of the Board of Directors  
For SKIL Infrastructure Ltd**

**Place:** Mumbai

**Date:** August 13, 2019

**Nikhil Gandhi  
Chairman**

## ANNEXURE I TO THE DIRECTORS' REPORT

## FORM NO. MGT - 9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

## I REGISTRATION &amp; OTHER DETAILS:

i	CIN	L36911MH1983PLC178299
ii	Registration Date	21/04/1983
iii	Name of the Company	SKIL Infrastructure Limited
iv	Category/Sub Category of the Company	Company Limited by shares, Non-Government Company
v	Address of the Registered office & contact details	
	Address :	SKIL House, 209, Bank Street Cross Lane, Fort
	Town / City :	Mumbai - 400 023
	State :	Maharashtra
	Country Name :	India
	Telephone (with STD Code) :	+91-22-6619 9000
	Fax Number :	+91-22-2269 6023
	Email Address :	<a href="mailto:contact@skilgroup.co.in">contact@skilgroup.co.in</a>
	Website, if any:	<a href="http://www.skilgroup.co.in">www.skilgroup.co.in</a>
vi	Whether listed company Yes/No	Yes
vii	Name, Address and Contact details of Registrar & Transfer Agents, if any:-	
	Name of RTA:	Link Intime India Private Limited
	Address :	C-101, 247 Park, L.B.S. Marg, Vikhroli (West)
	Town / City :	Mumbai
	State :	Maharashtra
	Pin Code:	400 083
	Telephone :	+91-22-4918 6000
	Fax Number :	+91-22-4918 6060
	Email Address :	<a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

## II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
	NIL	-	-

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

No. of Companies for which information is being filled	10
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Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gujarat-Dwarka Portwest Limited Add: 904- Labh, Shukan Tower, Opp Judges Bungalow, Bodakdev Ahmedabad Ahmedabad GJ 380054 IN	U35117GJ1998PLC034420	Subsidiary	73.60%	2(87)
2.	Chiplun FTWZ Private Limited Add: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra	U51900MH2005PTC157660	Subsidiary	52.00%	2(87)

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	SKIL-Himachal Infrastructure and Tourism Limited Add: W-21, Green Park (Main), New Delhi-110 016, Delhi	U74899DL2005PLC143781	Subsidiary	100.00%	2(87)
4.	SKIL Shipyard Holdings Private Limited Add: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra	U45203MH2005PTC155377	Subsidiary	100.00%	2(87)
5.	Metrotech Technology Park Pvt Ltd Add: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra	U45200MH2006PTC213958	Subsidiary	100.00%	2(87)
6.	SKIL Advanced Systems Private Limited Add: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023, Maharashtra	U74900MH2009PTC196016	Subsidiary	100.00%	2(87)
7.	SKIL (Singapore) Pte. Ltd. Add: 10 Jalan Besar #11-05 Sim Lim Tower Singapore (208787)	NA	Subsidiary	100.00%	2(87)
8.	Urban Infrastructure Holdings Private Limited Add: Jai Centre, 1st floor, 34, P. D'Mello Road, Opp. Red Gate, Mumbai - 400 009, Maharashtra	U45200MH2005PTC154303	Associate	35.00%	2(6)
9.	Rosoboronservice (India) Limited Add: R-700, TTC Industrial Estate, MIDC Rabale, P.O. Ghansoli, Navi Mumbai 400701, Maharashtra	U74999MH2005PLC152890	Associate	20.00%	2(6)
10.	Sohar Free Zone LLC Add: P.O. B ox 777, P.C 116, Mina Al Fahal, Muscat, Sultanate of Oman	NA	Joint Venture	33.33%	2(6)

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

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4992010	0	4992010	2.30	4992010	0	4992010	2.30	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	33053090	0	33053090	15.26	50719910	0	50719910	23.42	8.16
e) Banks/FI									
f) Any Other									
Trust	15242488	0	15242488	7.04	15242488	0	15242488	7.04	0.00
Partnership Firm	82743840	0	82743840	38.21	77117654	0	77117654	35.61	-2.60
<b>Sub-total (A) (1)</b>	<b>136031428</b>	<b>0</b>	<b>136031428</b>	<b>62.81</b>	<b>148072062</b>	<b>0</b>	<b>148072062</b>	<b>68.37</b>	<b>5.56</b>
<b>(2) Foreign</b>									
a) Individuals (NRI/FI)	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individual	0	0	0	0.00	0	0	0	0.00	0.00
c) Body Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (specify)									
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>136031428</b>	<b>0</b>	<b>136031428</b>	<b>62.81</b>	<b>148072062</b>	<b>0</b>	<b>148072062</b>	<b>68.37</b>	<b>5.56</b>

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Venture Capital Funds	0	0	0	0.00	0	0	0.00	0.00	0.00
d) Insurance Companies	0	0	0	0.00	0	0	0.00	0.00	0.00
f) Foreign Venture Capital Funds	11276659	0	11276659	5.21	11276659	0	11276659	5.21	0.00
g) Foreign Portfolio Investor	72048	0	72048	0.03	150000	0	150000	0.07	0.04
h) Any Other (specify)	0	0	0	0.00	0	0	0.00	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>11348707</b>	<b>0</b>	<b>11348707</b>	<b>5.24</b>	<b>11426659</b>	<b>0</b>	<b>11426659</b>	<b>5.28</b>	<b>0.04</b>
2) Central Government/ State Government(s)/ President of India									
Central Government/ State Government(s)	0	0	0	0.00	38968	0	38968	0.02	0.02
<b>Sub-total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>38968</b>	<b>0</b>	<b>38968</b>	<b>0.02</b>	<b>0.02</b>
<b>3. Non-Institutions</b>									
<b>a) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3741963	29568	3771531	1.74	3921490	3148	3924638	1.8122	0.0707
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh.	10320550	12500	10333050	4.77	10464177	0	10464177	4.8317	0.0605
b) NBFCs Registered with RBI	0	0	0	0	390800	0	390800	0.1804	0.1804
c) Employees Trust	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs)	0	0	0	0	0	0	0	0	0
e) Any Other (Specify)									
Trusts	0	0	0	0.00	1000	0	1000	0.0005	0.0005
HUF	512729	0	512729	0.24	680629	0	680629	0.31	0.08
Foreign Companies	3382631	0	3382631	1.56	3382631	0	3382631	1.56	0.00
Non resident Indians (Non Repat)	80920	0	80920	0.04	54132	0	54132	0.025	-0.012
Non resident Indians (Repat)	83800	0	83800	0.04	1541441	0	1541441	0.7117	0.67
Overseas Bodies Corporates	1461193	0	1461193	0.67	0	0	0	0.00	-0.67
Clearing Member	480912	0	480912	0.22	183823	0	183823	0.085	-0.14
Bodies Corporate	41597489	0	41597489	19.21	28923430	0	28923430	13.36	-5.86
Sub Total (B)(3)	61662187	42068	61704255	28.49	49543553	3148	49546701	22.88	-5.61
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>73010894</b>	<b>42068</b>	<b>73052962</b>	<b>33.73</b>	<b>61009180</b>	<b>3148</b>	<b>61012328</b>	<b>28.17</b>	<b>-5.61</b>
<b>Total (A)+(B)</b>	<b>209042322</b>	<b>42068</b>	<b>209084390</b>	<b>96.54</b>	<b>209081242</b>	<b>3148</b>	<b>209084390</b>	<b>96.54</b>	<b>0.00</b>
<b>C) Non Promoter-Non Public</b>									
1) Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	7486842	0	7486842	3.46	7486842	0	7486842	3.46	0.00
<b>Grand Total (A+B+C)</b>	<b>216529164</b>	<b>42068</b>	<b>216571232</b>	<b>100.00</b>	<b>216568084</b>	<b>3148</b>	<b>216571232</b>	<b>100.00</b>	

**ii. Shareholding of Promoters\***

Sr No.	Shareholder's Name	Shareholding at the beginning of the year (1 <sup>st</sup> April 2018)			Shareholding at the beginning of the year (31 <sup>st</sup> March 2019)			% Change in shareholding during the year
		NO. OF SHARES HELD	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	NO. OF SHARES HELD	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	M/S. Metropolitan Industries, Partnership Firm	82743840	38.21	33.74	77117654	35.61	32.20	-2.60
2.	Montana Infrastructure Limited	32398791	14.96	11.37	50065611	23.12	11.37	8.16
3.	Sudipan Bhaduri, Jay Mehta ,Ketan Shah, Trustees of HCWLL Trust	9308160	4.30	4.30	9308160	4.30	4.30	0.00
4.	Sudipan Bhaduri, Jay Mehta ,Ketan Shah, Trustees of FDLL Trust	5934328	2.74	2.74	5934328	2.74	2.74	0.00
5.	Rupali Gandhi	1213515	0.56	0.55	1213515	0.56	0.55	0.00
6.	Nikhil Prataprai Gandhi	1177757	0.54	0.54	1177757	0.54	0.54	0.00
7.	Bhavesh Prataprai Gandhi	1177757	0.54	0.54	1177757	0.54	0.54	0.00
8.	Neha Gandhi	1171422	0.54	0.54	1171422	0.54	0.54	0.00
9.	Grevek Investment And Finance Pvt. Ltd.	426500	0.20	0.19	426500	0.20	0.19	0.00
10.	Prataprai Shivilal Gandhi	250934	0.12	0.00	250934	0.12	0.00	0.00
11.	Awaita Properties Private Limited	227799	0.11	0.00	227799	0.11	0.00	0.00
12.	Pranay Mehta	625	0.0003	0.00	625	0.0003	0.00	0.00
	<b>TOTAL</b>	<b>136031428</b>	<b>62.81</b>	<b>52.43</b>	<b>148072062</b>	<b>68.37</b>	<b>52.43</b>	<b>5.56</b>

\*Includes holding of Promoter Group

**iii. Change in Promoters' Shareholding ( please specify, if there is no change)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>M/S. METROPOLITAN INDUSTRIES, PARTNERSHIP FIRM</b>	82743840	38.21	82743840	38.21
	At the beginning of the year				
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity, etc.)				
	<b>Increase/decrease</b>				
	<b>Date</b>				
	<b>Reasons for Increase/Decrease</b>				
	27.04.2018			(92158)	
	04.05.2018			(192798)	
	11.05.2018			(35860)	
	30.06.2018			(5000000)	
	12.08.2018			(52947)	
	19.08.2018			(95033)	
	22.03.2019			(44930)	
	29.03.2019			(85163)	
	30.03.2019			(27297)	
	At the end of the year	82743840	38.21	77117654	35.61

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	<b>MONTANA INFRASTRUCTURE LIMITED</b>				
	At the beginning of the year	32398791	14.96	32398791	14.96
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Increase/Decrease</b>				
	<b>Date</b>	<b>Reasons for Increase</b>			
	21.09.2018	Reversal of Invocation		1766820	
	At the end of the year	32398791	14.96	50065611	23.12
3.	<b>SUDIPAN BHADURI, JAY MEHTA ,KETAN SHAH, TRUSTEES OF HCWLL TRUST</b>				
	At the beginning of the year	9308160	4.30	9308160	4.30
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	9308160	4.30	9308160	4.30
4.	<b>SUDIPAN BHADURI, JAY MEHTA ,KETAN SHAH, TRUSTEES OF FDLL TRUST</b>				
	At the beginning of the year	5934328	2.74	5934328	2.74
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	5934328	2.74	5934328	2.74
5.	<b>RUPALI GANDHI</b>				
	At the beginning of the year	1213515	0.56	1213515	0.56
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	1213515	0.56	1213515	0.56
6.	<b>NIKHIL PRATAPRAI GANDHI</b>				
	At the beginning of the year	1177757	0.54	1177757	0.54
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	1177757	0.54	1177757	0.54
7.	<b>BHAVESH PRATAPRAI GANDHI</b>				
	At the beginning of the year	1177757	0.54	1177757	0.54
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	1177757	0.54	1177757	0.54

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	<b>NEHA GANDHI</b>				
	At the beginning of the year	1171422	0.54	1171422	0.54
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	1171422	0.54	1171422	0.54
9.	<b>GREVEK INVESTMENT AND FINANCE PVT. LTD.</b>	426500	0.20	426500	0.20
	At the beginning of the year				
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	426500	0.20	426500	0.20
10.	<b>PRATAPRAI SHIVLAL GANDHI</b>				
	At the beginning of the year	250934	0.12	250934	0.12
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	250934	0.12	250934	0.12
11.	<b>AWAITA PROPERTIES PRIVATE LIMITED</b>				
	At the beginning of the year	227799	0.11	227799	0.11
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	227799	0.11	227799	0.11
12.	<b>PRANAY MEHTA</b>				
	At the beginning of the year	625	0.0003	625	0.0003
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	625	0.0003	625	0.0003

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>ASHOKA INVESTMENT HOLDINGS LIMITED</b>				
	At the beginning of the year	11276659	5.21	11276659	5.21
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	11276659	5.21	11276659	5.21



Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	<b>ASHWINI INFRASTRUCTURE PVT. LTD.</b>				
	At the beginning of the year	9147753	4.22	9147753	4.22
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	9147753	4.22	9147753	4.22
3.	<b>KARANJA INFRASTRUCTURE PVT. LTD.</b>				
	At the beginning of the year	8411513	3.88	8411513	3.88
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Decrease</b>	<b>Reason for Decrease</b>			
	08.06.2018	Sale		(3162)	
	15.06.2018	Sale		(1895)	
	22.06.2018	Sale		(4184)	
	30.06.2018	Sale		(1062)	
	06.07.2018	Sale		(6657)	
	13.07.2018	Sale		(3337)	
	20.07.2018	Sale		(689)	
	27.07.2018	Sale		(251)	
	23.11.2018	Sale		(200)	
	At the End of the year (or on the date of separation, if separated during the year)	8411513	3.88	8432950	3.89
4.	<b>SKIL GROUP EMPLOYEES WELFARE TRUST 2011</b>				
	At the beginning of the year	7236842	3.34	7236842	3.34
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	7236842	3.34	7236842	3.34
5.	<b>IL AND FS FINANCIAL SERVICES LTD.</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Increase/Decrease</b>	<b>Reason for Increase/Decrease</b>			
	30.06.2018	Through Invocation		5000000	
	08.02.2019	Sale		(1515)	
At the End of the year (or on the date of separation, if separated during the year)	0	0.00	4998485	2.31	

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	<b>AMBADEVI MAURITIUS HOLDING LIMITED</b>				
	At the beginning of the year	3382631	1.56	3382631	1.56
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	3382631	1.56	3382631	1.56
7.	<b>ANTIQUE SECURITIES PVT. LTD.</b>				
	At the beginning of the year	1800000	0.83	1800000	0.83
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Increase/Decrease</b>				
	<b>Date</b>	<b>Reason of Increase/Decrease</b>			
	06.07.2018	Sale		(1800000)	
	20.07.2018	Purchase		1800000	
	At the End of the year (or on the date of separation, if separated during the year)	1800000	0.83	1800000	0.83
8.	<b>NITIN NOHRIA</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Increase/Decrease</b>				
	<b>Increase</b>	<b>Reason for Increase</b>			
	06.04.2018	Purchase		1461193	0.67
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	1461193	0.67
9.	<b>HINA KIRTI DOSHI</b>				
	At the beginning of the year	1300200	0.60	1300200	0.60
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Increase/Decrease</b>				
	<b>Date</b>	<b>Reason of Increase/Decrease</b>			
	06.07.2018	Sale		(1300200)	0.00
	13.07.2018	Purchase		1300200	0.60
At the End of the year (or on the date of separation, if separated during the year)	1300200	0.60	1300200	0.60	

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	<b>S.N MULANI</b>				
	At the beginning of the year	903980	0.42	903980	0.42
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Increase/Decrease</b>				
	<b>Date</b>	<b>Reason for Increase/Decrease</b>			
	06.07.2018	Sale		(903980)	0.00
	13.07.2018	Purchase		903980	0.42
	At the End of the year (or on the date of separation, if separated during the year)	0	0.00	903980	0.42
11.	<b>SREI INFRASTRUCTURE FINANCE LIMITED</b>				
	At the beginning of the year	17666820	8.16	17666820	8.16
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Decrease</b>				
	<b>Date</b>	<b>Reason of Decrease</b>			
	21.09.2018	Sale		(17666820)	8.16
		At the End of the year (or on the date of separation, if separated during the year)	17666820	8.16	0
12.	<b>M2N2 PARTNERS LIMITED</b>				
	<b>At the beginning of the year</b>	1461193	0.67	1461193	0.67
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	<b>Decrease</b>				
	<b>Date</b>	<b>Reason for Decrease</b>			
	07.01.2019	Sale		(1461193)	0.67
		At the End of the year (or on the date of separation, if separated during the year)	1461193	0.67	0

**v Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Nikhil Gandhi, Chairman</b>				
	At the beginning of the year	1177757	0.54	1177757	0.54
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	1177757	0.54	1177757	0.54
2.	<b>Mr. Bhavesh Gandhi, Vice Chairman</b>				
	At the beginning of the year	1177757	0.54	1177757	0.54
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the end of the year	1177757	0.54	1177757	0.54

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>3.</b>	<b>Mr. SHEKHAR GANDHI, Chief Financial Officer</b>				
	At the beginning of the year	5	0.00	5	0.00
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	At the End of the year	5	0.00	5	0.00
<b>4.</b>	<b>Mr. Nilesh Mehta, Company Secretary</b>				
	At the beginning of the year	1010	0.00	1010	0.00
	Date wise increase/decrease in shareholding during the year specifying the reasons for such increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)	-	-	-	-
	At the End of the year	1010	0.00	1010	0.00

\*Note: Shareholding of other Directors is NIL.

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	160089.85	400.00	-	160489.85
ii) Interest due but not paid	12209.63	179.89	-	12389.52
iii) Interest accrued but not due	3937.53	-	-	3937.53
<b>Total (i+ii+iii)</b>	<b>176237.01</b>	<b>579.89</b>		<b>176816.91</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	802.00	-	-	802.00
* Reduction	14542.96	-	-	14 542.96
IND AS Adjustment\$	8751.64	-	-	8751.64
<b>Net Change</b>	<b>24096.60</b>	<b>-</b>	<b>-</b>	<b>24096.60</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	155100.54	400.00	-	155500.54
ii) Interest due but not paid	16451.54	224.69	-	16676.23
iii) Interest accrued but not due	981.17	-	-	981.17
<b>Total (i+ii+iii)</b>	<b>172533.25</b>	<b>624.69</b>	<b>-</b>	<b>173157.94</b>

\*\$ Changes on account of FMV Calculation of RNCB

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Lacs)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Mr. U. B. Singh (MD & CEO)	Mr. Shankar Aggarwal (WTD)	
1	Gross salary	-	60.00	60.00
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Mr. U. B. Singh (MD & CEO)	Mr. Shankar Aggarwal (WTD)	
4	Commission		-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify		-	-
	<b>Total (A)</b>	-	<b>60.00</b>	<b>60.00</b>
	Ceiling as per the Act		Subject to necessary approval as elaborated in the Directors' Report	

## B. Remuneration to other directors:

Particulars of Remuneration	Independent Directors Amount				Other Non-Executive Directors		Total
	Mr. J. Alexander	Ms. Gayathri Ramachandran	Mr. V. Ramanan	Mr. Rakesh Mohan	Mr. Nikhil Gandhi	Mr. Bhavesh Gandhi	
Fee for attending board committee meetings	2,00,000	1,80,000	2,00,000	1,00,000	-	-	6,80,000
Commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
<b>Total</b>	<b>2,00,000</b>	<b>1,80,000</b>	<b>2,00,000</b>	<b>1,00,000</b>	<b>-</b>	<b>-</b>	<b>6,80,000</b>

## C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

(Amount in Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Shekhar Gandhi (CFO)	Mr. Nilesh Mehta (Company Secretary)	Total
1	Gross salary	26.00	36.00	62.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>26.00</b>	<b>36.00</b>	<b>62.00</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**ANNEXURE II TO THE DIRECTORS' REPORT**

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and percentage increase in remuneration of each Director and KMP in the financial year 2018-19:**

Name	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase/decrease in remuneration during FY 2018-19
Mr. Nikhil Gandhi	Chairman	-	-
Mr. Bhavesh Gandhi	Vice Chairman	-	-
Mr. U.B Singh	MD & CEO*	NA	-
Mr. Shankar Aggarwal	Whole Time Director	8.08	-
Mr. Shekhar Gandhi	Chief Financial Officer	NA	-
Mr. Nilesch Mehta	Company Secretary	NA	-

\*Mr. U.B Singh resigned as Managing Director & Chief Executive Officer of the Company w.e.f. May 15,2018

(ii) **The percentage increase in the median remuneration of employees in the financial year:** NA

(iii) **The number of permanent employees on the rolls of the Company:** 11 Employees as on March 31, 2019.

(iv) **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:** There has been no increase in the salaries/remuneration during the financial year 2018-19. Hence, comparison is not applicable.

(v) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

**ANNEXURE III TO THE DIRECTORS' REPORT  
NOMINATION & REMUNERATION POLICY**

**LEGAL FRAMEWORK**

This Policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of SKIL Infrastructure Limited (hereinafter referred to as the "Company" or "SKIL") in accordance with the requirement of Regulation 19 and Part- D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which became effective from December 1, 2015 and the provisions of Section 178 of the Companies Act, 2013 read with the Rules thereunder.

This Policy is intended to lay down a framework in relation to remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management and other employees.

**DEFINITIONS**

1. **"Act"** means Companies Act, 2013 & rules made thereunder, including any modifications, clarifications, amendments, circulars or re-enactment thereof.
2. **"Board of Directors"** or **"Board"** means the Board of Directors of the Company, as constituted from time to time.
3. **"Committee"** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board
4. **"Independent Director"** means a director who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') .
5. **"Key Managerial Personnel"** in relation to a company, means-
  - (i) the Chief Executive Officer or the Managing Director or the Manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-Time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed;
6. **"Policy"** means this Policy, as may be amended from time to time.
7. **"Senior Management"** shall mean officers / personnel of the Company who are members of its core Management team excluding Board of Directors and normally shall comprise all members of Management one level below the Executive Directors, including all functional heads.

**MEMBERSHIP**

- i) The Committee shall consist of a minimum 3 Non-Executive Directors, of which at least fifty percent of the directors shall be independent directors.
- ii) A minimum of two (2) Members shall constitute a quorum for the Committee Meeting.
- iii) Term of the Committee shall be continued unless terminated by the Board of Directors.

**CHAIRPERSON**

- i) The Chairperson of the Committee shall be an Independent Director.
- ii) The Chairperson of the Company (whether executive or non-executive) may be appointed as a Member of the Committee but shall not chair the Committee.
- iii) In the absence of the Chairperson, the Members of the Committee present at the Meeting shall choose one amongst them to act as Chairperson.
- iv) The Chairperson of the Committee or in his absence, any other Member of the Committee authorised by him/her in this behalf, shall attend the General Meetings of the Company to answer the shareholders' queries.

**FREQUENCY OF MEETINGS**

The Meeting of the Committee shall be held at such regular intervals as may be required.

**ROLE/TERMS OF REFERENCE OF THE COMMITTEE**

The role/terms of reference of the Committee include:

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, KMP and other employees;
- ii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii) Devising a policy on diversity of Board of Directors;
- iv) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

- v) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- vi) Carrying out other functions as may from time to time be required under any statutory, contractual or other regulatory requirement.

**POLICY FOR APPOINTMENT OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

**I) General appointment criteria:**

- i) The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii) The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel does not stand disqualified under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.
- iii) The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the applicable provisions of the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.

**II) Other appointment criteria:**

Enhancing the competency of the Board and attracting as well as retaining talented employees for role of KMP/ Senior Management Personnel shall be the basis for the Committee to select a candidate for his/her appointment. When recommending a candidate for appointment, the Committee shall be:

- i) Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits in diversifying the Board;
- ii) The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing Directors/ KMP/ Senior Management Personnel and enhance the efficiency of the Company;
- iii) The qualification, skills and experience that the appointee brings to the designated role and how an appointee will enhance the skill sets and experience of the Board/Company as a whole;
- iv) The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- v) The appointment of Independent Directors shall be subject to compliance of provisions of Listing Regulations and Section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder.

**III) Term / Tenure of appointment of Managing Director/Whole-Time Director/ Manager and Independent Director:**

**i) Managing Director/Whole-time Director/Manager (Managerial Person):**

The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/ Manager who is below the age of 21 years or who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**ii) Independent Director**

- a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- b) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- c) At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**IV) Evaluation**

The evaluation/assessment of the Directors of the Company is to be conducted on an annual basis as per the requirements of the Companies Act, 2013 and the Listing Regulations.



**V) Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations. The removal shall also be based on principles of natural justice.

**VI) Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the Company's rules and as per applicable provisions of the Companies Act, 2013, wherever applicable.

**POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT/OTHER EMPLOYEES****I) Remuneration to Directors, KMP and Senior Management:**

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management.

The Directors, KMP and other Senior Management's salary shall be based & determined on the individual person's responsibilities, performance, experience, leadership abilities, initiative taking abilities and knowledge base and also in accordance with the limits as prescribed statutorily, if any.

The remuneration to Directors, KMP and other Senior Management will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

While recommending the remuneration, the Committee shall take into account the relevant factors such as market, business performance and practices in comparable companies, financial and commercial health of the Company as well as prevailing laws and government/other guidelines.

**II) Remuneration to Non-executive / Independent Director:**

The remuneration to Non-executive / Independent Director shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee. The Non-Executive / Independent Director may receive Commission within the monetary limit approved by shareholders.

An Independent Director shall not be entitled to any stock option of the Company.

**III) Remuneration to other employees**

The authority to determine remuneration and terms of appointment of other employees stands delegated to the Managing Director / Chief Executive Officer of the Company.

**IV) Remuneration to KMP, Senior Management, other employees who have been transferred from the Transferor Companies upon amalgamation:**

The Hon'ble High Court of Judicature at Bombay passed the order on September 20, 2013, for approving the Scheme of Amalgamation and Arrangement between erstwhile SKIL Infrastructure Limited, Horizon Country Wide Logistics Limited and Fastlane Distriparks & Logistics Limited (collectively referred to as "Transferor Companies") with the Company ("Scheme"). The Scheme became effective from September 28, 2013. Pursuant to and as envisaged in the Scheme, all the employees of the Transferor Companies on Effective Date of Scheme became the employees of the Company without any break or interruption in their service and on terms and conditions not less favourable than those on which they were respectively engaged by the Transferor Companies as on the Effective Date and the Company shall not vary the terms and conditions of the employment of its employees, except in the ordinary course of business.

In terms of the High Court Order; the KMP, Senior Management, other employees who have been transferred from the Transferor Companies shall receive remuneration pursuant to the said Order, subject to necessary statutory approvals, wherever required.

**DUTIES IN RELATION TO NOMINATION MATTERS**

The duties of the Committee in relation to nomination matters include:

- i) Ensuring that there is an appropriate induction in place for new Directors and Members of Senior Management and reviewing its effectiveness;
- ii) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- iii) Determining the appropriate size, diversity and composition of the Board;
- iv) Developing a succession plan for the Board and Senior Management;

- v) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- vi) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- vii) Recommend any necessary changes to the Board; and
- viii) Considering any other matters, as may be requested by the Board.

#### **DUTIES IN RELATION TO REMUNERATION MATTERS**

The duties of the Committee in relation to remuneration matters include:

- i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully
- ii) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks
- iii) The remuneration to Directors, KMP and Senior Management of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- iv) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

#### **COMMITTEE MEMBERS' INTERESTS**

- i) A Member of the Committee is not entitled to be present when his or her own remuneration is discussed at a Meeting or when his or her performance is being evaluated.
- ii) The Committee may invite such executives, as it considers appropriate, to be present at the Meetings of the Committee.

#### **VOTING**

- i) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- ii) In the case of equality of votes, the Chairman of the Meeting will have a casting vote.

#### **DISCLOSURES**

As per the Companies Act, 2013, this Policy shall be disclosed in the Board's Report of the Company.

#### **MISCELLANEOUS**

Any terms used in this policy but not defined herein shall have the same meaning ascribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Regulations or any other relevant legislation / law applicable to the Company.

#### **AMENDMENT**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any subsequent amendment/modification in the Listing Regulations, the Companies Act, 2013 and/or other applicable laws in this regard shall automatically apply to this Policy.

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## ANNEXURE IV TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Clause (o) of Sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The CSR Policy of the Company may be accessed on the Company's website at the link [http://www.skilgroup.co.in/investor\\_pdf/CSR%20Policy.pdf](http://www.skilgroup.co.in/investor_pdf/CSR%20Policy.pdf)

As a part of Corporate Social Responsibility, the Company shall endeavor to provide adequate budget for CSR project/program in consonance with Schedule VII of the Companies Act, 2013, with emphasis on Skill Development, Educational Development, Handicrafts & Handloom Development in the areas which are contiguous to the project sites getting developed by the Company.

2. The Composition of the CSR Committee: The Committee presently comprises of Mr. Nikhil Gandhi (Chairman), Mr. J. Alexander, Ms. Gayathri Ramachandran and Mr. V. Ramanan as Members.
3. Average net profit of the company for last three financial years: Not Applicable, since the Company has incurred average net loss for last three financial years.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Not Applicable
5. Details of CSR spent during the financial year:
- (a) Total amount to be spent for the financial year: Not Applicable
- (b) Amount unspent, if any: Not Applicable
- (c) Manner in which the amount spent during the financial year is detailed below: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
No.	CSR project or activity identified	Sector In which The Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
	Total	-	-	-	-	-	-

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: Since the Company has incurred average net loss for last three financial years, the Company was constrained not to expend on CSR activities.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company: The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Nikhil Gandhi**  
Chairman of CSR

**Form MR-3**

**Secretarial Audit Report**

**for the Financial Year Ended 31<sup>st</sup> March, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members  
**SKIL INFRASTRUCTURE LIMITED**  
**CIN: L36911MH1983PLC178299**  
**SKIL House, 209 Bank Street Cross Lane**  
**Fort, Mumbai - 400023**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SKIL INFRASTRUCTURE LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **SKIL INFRASTRUCTURE LIMITED**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2019** reasonably 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 **SKIL INFRASTRUCTURE LIMITED** ("the Company") for the financial year ended on **March 31, 2019** according to the provisions of:

- (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 to the extent of Regulation 55A;
- (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; **Not Applicable to the Company during the Financial Year under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not Applicable as the Company has not issued any further share capital during the period under review];**
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
  - e. 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; **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review];**
  - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015; **[Not Applicable as there was no reportable event during the period under review];**
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not Applicable as there was no reportable event during the period under review];**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not Applicable as there was no reportable event during the period under review];**
- (vi) The operations of the Company include a composite range of activities in the Infrastructure arena as stated in the Memorandum of Association of the Company. In our opinion, the Company being operating in the aforesaid diversified activities, various laws/regulations are applicable to it. In the absence of any identifiable specific major law/ regulation under which the sector and the Company operates, we are not in a position to identify and report the same in our report.

We have also examined compliance with the applicable clauses of:

- (i) the Secretarial Standards issued by the Institute of Company Secretaries of India
- (ii) The Listing Agreement entered by the Company with the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE).

I further report that Filing of CHG-1 Form for the amount borrowed and Filing of annual return on foreign assets and liabilities with RBI is pending.

I further report that I rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC etc as disclosed under financial statements, Accounting Standard 18 & note on foreign currency transactions during our audit period and We have not verified the correctness and appropriateness of the books of accounts of the Company.

**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. The changes

in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.

During the period under review, decisions were carried out with unanimous approval of the Board and no dissenting views were observed, while reviewing the minutes.

I further report that there are generally adequate systems & processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws, rules, regulations, circulars, notifications, directions and guidelines.

I further report that during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- Special Resolution was passed for Re-appointment of Mr. J. Alexander and Mr. V. Ramanan as Independent Directors of the Company who has crossed the age of 75 years.

**For Jaisal Mohatta & Associates**  
Company Secretaries

**(Jaisal Mohatta)**  
Proprietor

**Place:** Mumbai  
**Date:** August 13, 2019

**ACS - 35017, COP – 16090**

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**ANNEXURE-A**

To,

The Members

**SKIL INFRASTRUCTURE LIMITED**

**CIN: L36911MH1983PLC178299**

**SKIL House, 209 Bank Street Cross Lane**

**Fort, Mumbai - 400023**

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Jaisal Mohatta & Associates**  
Company Secretaries

**(Jaisal Mohatta)**

Proprietor

**ACS - 35017, COP – 16090**

**Place:** Mumbai

**Date:** August 13, 2019

**ANNEXURE VI TO THE DIRECTORS' REPORT**  
**REPORT ON CORPORATE GOVERNANCE**

In compliance with the Corporate Governance requirements as stipulated in Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations'), the Report for the financial year ended March 31, 2019 on the matters mentioned in the said regulations and practices on a Corporate Governance are as below:

**1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company's philosophy on the Code of Corporate Governance envisions attainment of the highest levels of integrity, professionalism, transparency, accountability and fairness in respect of Company's operations, actions and achievement of highest internal standards in its governance. It aims to enhance shareholders' value and achieve the high standards of governance practices.

**2. BOARD OF DIRECTORS ('BOARD'):**

**(i) Composition and Category of the Directors**

As on March 31, 2019, the Board consists of seven Directors including one Non-Executive Chairman, one Non-Executive Vice-Chairman, one Executive Director and four Independent Directors, Out of the four Independent Directors, one is a Women Director. The composition of the Board is in conformity with the requirements of Regulation 17(1) of the SEBI Regulations. The Chairman of the Board is a Non-Executive-Promoter Director.

All the Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the SEBI Regulations. Formal Letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the website of the Company.

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16 of the SEBI Regulations and Section 149(6) of the Companies Act, 2013 and that none of the Independent Directors of the Company are serving as an Independent Director in more than seven listed companies. Independent Directors endeavors to hold at least one meeting in a year without the attendance of Non-Independent Directors and the Members of the Management.

As mandated by Regulation 26(1) of the SEBI Regulation none of the Directors of the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all Public Limited Companies in which they are Directors. The disclosures made by the Directors regarding Board and Committee Memberships held by them in other companies have been duly recorded by the Board in its meetings from time to time.

A detailed chart showing the names and categories of the Directors on the Board, number of other Directorships and Committees Chairmanships/Memberships held by them in other Companies as on March 31, 2019, are given below:

Name of the Director	Category of Directorship	Designation	Other Directorships as on March 31, 2019. [Refer Note (i)]	No. of Committee positions held in other Public Companies [Ref Note (ii)]	
				Chairman	Member
Mr. Nikhil Gandhi	Promoter, Non-Executive, Non-Independent	Chairman	0	--	--
Mr. Bhavesh Gandhi	Promoter, Non- Executive, Non-Independent	Vice -Chairman	0	--	--
Mr. Shankar Aggarwal	Executive, Non-Independent	Whole Time Director	4	1	3
Mr. J. Alexander	Non-Executive, Independent	Independent Director	6	1	6
Ms. Gayathri Ramachandran	Non-Executive, Independent	Independent Director	6	--	5
Mr. V. Ramanan	Non-Executive, Independent	Independent Director	6	3	3
Mr. Rakesh Mohan	Non-Executive, Independent	Independent Director	4	1	1

**Note:** (i) Other Directorships excludes Directorship in Foreign Companies, Private Limited Companies, Companies under Section 8 of the Companies Act, 2013 and Companies in which the Directors hold office as an Alternate Director. (ii) No. of Committee positions held in other Public Companies includes Chairmanships/Memberships of only Audit Committee and Stakeholders' Relationship Committee as mandated under Regulation 26(1) of the SEBI Regulations.

**(ii) Meetings and Attendance of each Directors**

During the financial year 2018-19, Six Meetings of the Board of Directors were held on April 16, 2018, May 28, 2018, August 03, 2018, August 14, 2018, November 13, 2018 and February 12, 2019. The attendance of each Director at the said Board Meetings and at the 35<sup>th</sup> Annual General Meeting held on September 28, 2018, is given below:

Name of the Directors	No. of Board Meetings Held [Ref Note (i)]	No. of Board Meetings attended	Attendance at the last AGM
Mr. Nikhil Gandhi	6	4	No
Mr. Bhavesh Gandhi	6	5	No
Mr. U.B Singh*	1	0	No
Mr.Shankar Aggarwal	6	3	No
Mr. J. Alexander	6	5	Yes
Ms.Gayathri Ramachandran	6	4	No
Mr. V. Ramanan	6	6	No
Mr.Rakesh Mohan	6	3	No

**Note:** (i) No. of Board Meetings held reflects the no. of meetings held in the tenure of the concerned Director in financial year 2018-19.

\*Mr. U.B Singh resigned from the directorship of the Company w.e.f May 15, 2018 as Managing Director & Chief Executive Officer.

**(iii) Directorship in Other Listed Companies**

Name of the Director	Listed Entity	Category of Directorship
<b>Mr. Shankar Aggarwal</b>	1. Disha TV India Limited 2. Multi Commodity Exchange of India Limited	1. Independent, Non Executive 2. Independent, Non Executive
<b>Mr. J. Alexander</b>	1. JPT Securities Limited 2. KLG Capital Services Limited 3. Kings Infra Venture Limited	1. Independent, Non Executive 2. Independent, Non Executive 3. Independent, Non Executive
<b>Ms.Gayathri Ramachandran</b>	1. JPT Securities Limited 2. KLG Capital Services Limited 3.Pitti Engineering Limited	1. Independent, Non Executive 2. Independent, Non Executive 3. Independent, Non Executive
<b>Mr. V. Ramanan</b>	1. JPT Securities Limited 2. KLG Capital Services Limited	1. Independent, Non Executive 2. Independent, Non Executive
<b>Mr.Rakesh Mohan</b>	1. AKG Exim Limited 2. Sunil Healthcare Limited	1. Independent, Non Executive 2. Independent, Non Executive

**(iv) Disclosure of relationship between Directors Inter-se**

None of the Directors of the Company are related to any other Director, except Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, who are related to each other as brothers.

**(v) Skills/Expertise/Competence of the Board**

SKILL	DESCRIPTION
<b>1. Leadership</b>	Made efforts to his/her vision and strategy into feasible business or operational plans. Accurately communicated his/her concept, vision & strategies for the Company to stakeholders. Motivated and encouraged employee morale and loyalty to the Organisation, and facilitated team-building.
<b>2. Knowledge</b>	Understands duties and responsibilities as a director. Brings relevant experience to the board and uses it. Understands the vision and mission of the company, strategic plan and key issues. Staying abreast of issues, trends and risks (including opportunities and competitive factors) affecting the company, and using this information to guide the company's performance.
<b>3. Diligence &amp; Participation</b>	Regularly and constructively attends board, committee and general meetings. Prepares in advance for board and committee meetings. Communicates opinion and concerns in a clear manner. Uses independent judgement in relation to decision making. Listen to opinion of other members. Raises appropriate issues at meetings and seek clarity. Contributes to be decision making and gets dissent recorded.
<b>4. Strategy Formulation &amp; Execution</b>	Develop clear mission statements, policies and strategic plans, identified and analysed problems and issues confronting the Company and accurately determined key success factors. Establish an effective organisation structure ensuring focus on key functions and delegated work.



SKILL	DESCRIPTION
<b>5. Financial Planning &amp; Performance</b>	Financial management skills with an understanding of accounts and financial statements.
<b>6. Personal Qualities</b>	Good judgment in dealing with sensitive issues, skills at analyzing and addressing problems, challenges and conflicts and maintained a high standard of ethics and integrity.

**(vi) Confirmation by the Board that the Independent Directors fulfill the conditions specified in the regulations and are independent of the Management**

The Board confirms that, in their opinion, the Independent Directors fulfill the conditions specified in the SEBI Regulations as amended from time to time and they are independent from the management.

**(vii) Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his tenure**

Mr. J. Alexander, Independent Director, before the expiry of his tenure, come to know that he has been disqualified to act as a Director under section 164(2) of Companies Act, 2013 due to non-filing of annual returns of a Company in which he was ceased as director in the year 2010. Then immediately, he submitted his resignation/notice of vacation from office of the directorship and thus ceased as an independence director of company. Since his disqualification was illegitimate and hence he had initiated corrective measures to remove such disqualifications with the appropriate authority, the same has been removed/stay granted and his DIN status is appearing on Ministry of Corporate Governance ('MCA') as approved.

**3. AUDIT COMMITTEE:**

The Audit Committee of the Company is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Rules thereto and Regulation 18 of the SEBI Regulations.

**(i) Brief description of terms of reference**

The terms of reference of the Audit Committee, inter alia, include the following:

- (1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the Company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;

- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) Reviewing the utilization of loans and/or advances from investment made by holding company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
- (22) Carrying out any other function as may from time to time be required under any statutory, contractual or other regulatory requirement.

**Mandatory Review of information by Audit Committee**

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

Further, Audit committee has been granted powers as prescribed under Regulation 18(2)(c) of the SEBI Regulations.

The Audit Committee of the Company meets and interacts periodically with the Senior Management Personnel which gives the Audit Committee a deeper insight into the workings.

**(ii) Composition, Name of Members and Chairperson**

As on March 31, 2019, the Audit Committee comprises of Five Directors including Four Independent Directors i.e Mr. V. Ramanan (Chairman), Ms. Gayathri Ramachandran, Mr. J. Alexander, Mr. Rakesh Mohan and one Executive Director i.e Mr. Shankar Aggarwal as its members. All the members of the Committee have relevant experience in financial matters.

The Audit Committee also reviews various functions, business risk assessment, controls and critical IT applications with implications of security and internal audit reports of all the major divisions of the Company. The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board. The Audit Committee also meets the internal and external auditors separately, without the presence of Management representatives.

**(iii) Meetings and Attendance**

During the financial year 2018-19, Four Meetings of the Members of Audit Committee were held on May 28, 2018, August 14, 2018, November 13, 2018 and February 12, 2019. Required quorum was present at all the Meetings.

The details of the Committee Meetings held and attendance at the Meetings are given below:

Sr. No.	Name of the Members	No. of Meetings	
		Held [Refer Note (i)]	Attended
1.	Mr. V. Ramanan	4	4
2.	Mr. J. Alexander	4	4
3.	Ms. Gayathri Ramachandran	4	4
4.	Mr. Rakesh Mohan	1	1
5.	Mr. Shankar Aggarwal	3	1

**Note:** (i) No. of Meetings held reflects the no. of meetings held in the tenure of the concerned Director in financial year 2018-19.  
(ii) The Chairman of the Audit Committee could not attend the last Annual General Meeting of the Company due to his personal exigencies.

#### 4. NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules thereto and Regulation 19 of the SEBI Regulations.

##### (i) Brief descriptions of terms of reference

The terms of reference of the Nomination and Remuneration Committee, inter alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a Policy relating to the Remuneration of the Directors, Key Managerial Personnel and other Employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a Policy on Diversity of Board of Directors;
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
7. Carrying out other functions as may from time to time be required under any statutory, contractual or other regulatory requirement.

##### (ii) Composition, Name of Members and Chairperson

As on March 31, 2019, the Nomination and Remuneration Committee comprises Four Directors, viz. Mr. J. Alexander (Chairman), Mr. Nikhil Gandhi, Ms. Gayathri Ramachandran and Mr. V. Ramanan as Members. The Company Secretary of the Company is the Secretary to the Committee.

##### (iii) Meetings and Attendance

During the financial year 2018-19, One Meeting of the Members of Nomination and Remuneration Committee on February 12, 2019 was held.

Sr. No.	Name of the Members	No. of Meetings	
		Held [Refer Note (i)]	Attended
1.	Mr. J. Alexander	1	1
2.	Mr. Nikhil Gandhi	1	1
3.	Ms. Gayathri Ramachandran	1	1
4.	Mr. V. Ramanan	1	1

**Note:** (i) No. of Meetings held reflects the no. of meetings held in the tenure of the concerned Director in financial year 2018-19.

##### (iv) Performance Evaluation criteria for Independent Directors

The Board, on the recommendation of Nomination and Remuneration Committee and as approved by the Board, the performance of the individual Non-Independent Director is evaluated annually on basis of criteria such as qualifications, experience, knowledge & competency, fulfillment of functions, ability to function as a team, initiative, availability & attendance, commitment (as Director), contribution & Integrity.

Each Individual Independent Director is reviewed, based on the additional criteria of Independence and Independent views and judgment. Similarly, the performance of the Chairman is evaluated based on the additional criteria such as effectiveness of leadership and ability to steer the meetings, impartiality, commitment (as Chairperson) and ability to keep shareholders' interests in mind.

## 5. REMUNERATION OF DIRECTORS:

Details of remuneration to the Directors of the Company during the year ended March 31, 2019, are as follows:

Sr. No.	Name of Director	Sitting Fees	Salary & Perquisites	Total (Amount in Rs.)
1.	Mr. Nikhil Gandhi	-		
2.	Mr. Bhavesh Gandhi	-		
3.	Mr. U.B Singh	-		
4.	Mr. Shankar Aggarwal	-	60,00,000	60,00,000
5.	Mr. J. Alexander	2,00,000	-	2,00,000
6.	Mr. V. Ramanan	2,20,000	-	2,20,000
7.	Ms. Gayathri Ramachandran	1,80,000	-	1,80,000
8.	Mr. Rakesh Mohan	1,00,000	-	1,00,000

### (i) Pecuniary Relationship of Non-Executive Directors with the Company

None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company and vis-à-vis, except sitting fee as mentioned above and that Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi who are related to each other as a brother, and are the Promoters of the Company.

### (ii) Criteria for making payments to Non-executive Directors

The Nomination and Remuneration Policy of the Company has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of the Company. The said Policy is annexed as Annexure II to the Directors' Report.

The Company doesn't pay remuneration to Non-Executive Director except for the sitting fees being paid to the Non-Executive Independent Directors.

The Company pays sitting fees of Rs. 20,000/- to Independent Directors for attending the Meetings of the Board of Directors, Committee Meetings including the separate meeting of Independent Directors being convened by them in accordance with the Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI Regulations. The sitting fees being paid is within the limit prescribed under the Companies Act, 2013.

### (iii) Employee Stock Option Scheme

The Company does not have any Employee Stock Option Scheme (ESOS).

### (iv) Shareholding of Directors as on March 31, 2019

None of the Non-Executive Directors held any Equity Shares in the Company except Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi who individually holds 1,177,757 Equity Shares.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The terms of reference of the Stakeholders Relationship Committee, inter alia, include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agents.
4. Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### (i) Composition

As on March 31, 2019, the Stakeholders Relationship Committee comprises of Four Directors, viz. Ms. Gayathri Ramachandran (Chairperson), Mr. Nikhil Gandhi and Mr. J Alexander, Mr. V. Ramanan as a members. One meeting of the Stakeholder Relationship Committee was held on February 12, 2019.

### (ii) Name and Designation of Compliance Officer

Name of the Compliance Officer	Designation
Mr. Nilesh Mehta	Company Secretary

### (iii) Details of shareholders complaints/queries received and resolved during the year ended March 31, 2019

Pending as on April 1, 2018	Received during the year	Resolved during the year	Pending as on March 31, 2019
Nil	Nil	Nil	Nil

**7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Corporate Social Responsibility Committee of the Company is constituted in accordance with the provisions of Section 135 Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014.

**(i) Functions of the Committee**

Committee is authorized to perform all acts and functions prescribed by the Companies Act, 2013 and rules made there under, as amended from time to time.

**(ii) Composition**

As on March 31, 2019, the Corporate Social Responsibility Committee comprises of Four Directors, viz. Mr. Nikhil Gandhi (Chairman), Mr. J. Alexander, Ms. Gayathri Ramachandran and Mr. V. Ramanan.

**(iii) Meetings and Attendance**

During the financial year 2018-19, no Meeting of the Members of Corporate Social Responsibility Committee was held.

The Corporate Social Responsibility Policy of the Company has been formulated by the Corporate Social Responsibility Committee and has been approved by the Board of Directors of the Company. The said Policy is available on the Company's website at [http://www.skilgroup.co.in/investor\\_pdf/CSR%20Policy.pdf](http://www.skilgroup.co.in/investor_pdf/CSR%20Policy.pdf)

**8. INDEPENDENT DIRECTORS COMMITTEE:**

Pursuant to the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25 of SEBI Regulations, a separate meeting of the Independent Directors of the Company was convened on February 11, 2019 without the presence of Non-Independent Directors and Members of Management.

All the four Independent Directors viz., Mr. J. Alexander, Ms. Gayathri Ramachandran, Mr. V. Ramanan and Mr. Rakesh Mohan, were present in the Meeting.

**9. FINANCE COMMITTEE:**

As on March 31, 2019, the Finance Committee comprises of three Directors, viz. Mr. Nikhil Gandhi (Chairman), Mr. Bhavesh Gandhi and Mr. J. Alexander as Members. Committee is authorised to deal with all financial, investment and other operational matters of the Company from time to time. During the financial year 2018-19, no meeting of the members of Finance Committee was held.

**10. FAMILIARISATION PROGRAMME:**

In accordance with the requirement of Regulation 25(7) of SEBI Regulations and the provisions of Companies Act, 2013, the Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities, etc.

A Familiarization Programme for Independent Directors is uploaded on the Company's website and is available at <http://www.skilgroup.co.in/familiarization-programmes-to-ids>

**11. GENERAL BODY MEETINGS:**

**(i) Location and time of last three Annual General Meetings**

Financial Year	Location	Date	Time
2017-18	Babasaheb Dahanukar Hall, Oricon House, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001	28.09.2018	14:30 Hours
2016-17	Babasaheb Dahanukar Hall, Oricon House, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001	29.09.2017	14.30 Hours
2015-16	Babasaheb Dahanukar Hall, Oricon House, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001	27.09.2016	14.30 Hours

**(ii) Special Resolutions passed during the previous three Annual General Meetings**

Date of AGM	Special Resolution passed
28.09.2018	(i) Approval for continuation of office by Mr. J. Alexander as Independent Director. (ii) Approval for continuation of office by Mr. V. Ramanan as Independent Director. (iii) Appointment of Mr. Shankar Aggarwal as Whole Time Director of the Company.
29.09.2017	(i) For appointment of Mr. U.B Singh as Managing Director & CEO for a period of two years effective from May 09, 2017 in terms of the provisions of Sections 196, 197, 203 of the Companies Act, 2013 read with the Rules there under and Schedule V to the said Act.
27.09.2016	None

**(iii) Special Resolution passed during the financial year 2018-19 through Postal Ballot – details of voting pattern**

No Postal Ballot was conducted during the year 2018-19. No Special Resolution is proposed through Postal Ballot at the ensuing AGM.

## 12. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual financial results are sent back to the Stock Exchanges in terms of the requirement of the SEBI Regulations and are published in Business Standard and Marathi Lakshadeep, which are English and Marathi daily newspapers respectively and also displayed on the Company's website at [www.skilgroup.co.in](http://www.skilgroup.co.in).

The Company has not made any presentations to Institutional Investors and analysts during the year.

Pursuant to SEBI Regulations, the Company has maintained an exclusive email id: [contact@skilgroup.co.in](mailto:contact@skilgroup.co.in) which is designated for investor correspondence for the purpose of registering any investor related complaints and the same have been displayed on the Company's website at [www.skilgroup.co.in](http://www.skilgroup.co.in).

## 13. GENERAL SHAREHOLDER INFORMATION:

### (i) 36<sup>th</sup> Annual General Meeting

Date :	Monday, September 30, 2019
Time:	1430 Hours
Venue:	Babasaheb Dahanukar Hall, Oricon House, 12, K. Dubhash Marg, KalaGhoda, Fort, Mumbai – 400 001

### (ii) Financial Year

The financial year of the Company covers the financial period from April 1 to March 31. The tentative schedule of the Board Meetings for considering the financial results during the year ended March 31, 2019, are as follows:

	Event	Tentative Dates
1	Financial reporting for the quarter ended June 30, 2018	On or before August 14, 2018
2	Financial reporting for the quarter ended September 30, 2018	On or before November 14, 2018
3	Financial reporting for the quarter ended December 31, 2018	On or before February 14, 2019
4	Financial reporting for the quarter and year ended March 31, 2019	On or before May 30, 2019
5	Annual General Meeting for the year ending March 31, 2019	On or before September 30, 2019

### (iii) Dividend Payment Date: Not Applicable

### (iv) Listing on Stock Exchanges

The Equity Shares of the Company are listed on following Stock Exchanges.

1. National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 4000 051
2. BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

The Company yet to paid listing fees to NSE & BSE for the financial year 2018-2019 due to the financial mismatch.

### (v) Stock Code/ ISIN Number

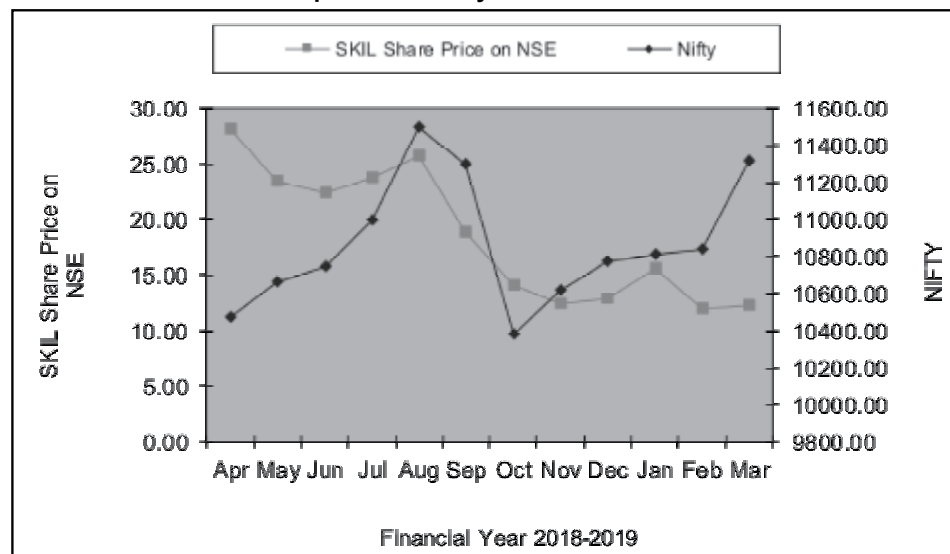
- (a) NSE: Scrip Code - SKIL
- (b) BSE: Scrip Code – 539861
- (c) Demat ISIN Number – for NSDL / CDSL: ISIN INE429F01012

### (vi) Market price data

High and low of market prices of the Company's Equity Shares traded on NSE & BSE during the financial year were as follows:

Month & Year	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2018	32	24.40	32.75	24.45
May, 2018	27.90	19.00	28.05	19.60
June, 2018	25.95	18.80	26.30	19.00
July, 2018	28.35	19.10	27.60	20.35
August, 2018	30.4	20.95	29.95	20.95
September, 2018	22.45	15.30	22.90	16.20
October, 2018	17.20	10.85	18.30	10.85
November, 2018	13.50	11.30	14.00	11.17
December, 2018	14.15	11.50	15.63	12.25
January, 2019	18.45	12.85	18.30	13.21
February, 2019	15.75	8.15	16.95	9.55
March, 2019	14.55	10.00	14.25	9.30

## (vii) Stock Performance in comparison to Nifty



## (viii) Registrar &amp; Share Transfer Agents

Link Intime India Private Limited,  
C 101, 247 Park, L.B.S. Marg, Vikhroli (west), Mumbai- 400083  
Ph. : +91-22 - 49186270; Fax : +91-22 - 49186060  
E-mail : rnt.helpdesk@linkintime.co.in; Website : www.linkintime.co.in

## (ix) Share Transfer System

The dematerialized shares are transferred through the depository participants in electronic mode. The physical transfers received are processed by the Registrar and Transfer Agent within a period of 15 days from the date of such receipt of request for transfer. In case of any deficiency or objection, an objection/intimation letter is issued to the transferee or transferor, as the case may be.

Pursuant to provision to sub regulation (1) of regulation 40 of the SEBI Regulations, effective from 1<sup>st</sup> April, 2019, the Company shall not be able to process any request for transfer of securities unless the securities are held in dematerialized form with any depository. However, the Company will continue to process valid applications for transmission of transposition of securities, which are held physical form.

## (x) (a) Distribution of Shareholding as on March 31, 2019

No. of Shares	No. of Shareholders	% of Shareholders	Shares	% to Total
1 - 500	3319	62.84	504298	0.23
501 - 1000	682	12.91	599417	0.28
1001 - 2000	429	8.12	690485	0.32
2001 - 3000	184	3.48	481966	0.22
3001 - 4000	88	1.66	326067	0.15
4001 - 5000	100	1.89	483775	0.22
5001 - 10000	203	3.84	1574181	0.73
10001 & above	277	5.24	211911043	97.84
<b>Total</b>	<b>5282</b>	<b>100.00</b>	<b>216571232</b>	<b>100.00</b>

## (x) (b) Shareholding Pattern (categories of shareholders) as on March 31, 2019

Category	No. of Shares held	% of Total shareholding
Promoters	148072062	68.37
Foreign Venture Capital Investors/Foreign Company/ Overseas	16404863	7.57
Bodies Corporate/NRI		
Bodies Corporate	28923430	13.35
Indian Public	14388815	6.64
Others	8782062	4.06
<b>Total</b>	<b>216571232</b>	<b>100.00</b>

**(xi) Dematerialization of Shares and Liquidity**

Out of 21,65,71,232 Equity Shares, 21,65,68,084 Equity Shares (i.e. 99.99%) are in electronic/dematerialization form with the Depositories i.e. NSDL and CDSL, as on March 31, 2019. The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Equity Shares of the Company are traded on NSE & BSE which ensures good liquidity for the investors.

**(xii) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not applicable

**(xiii) Commodity price risk or foreign exchange risk and hedging activities**

During the year under review, Company did not engage in Commodity price or foreign exchange hedging activities.

**(xiv) Plant location:** Not Applicable, as the Company is not having any plant.

**(xv) Address for Investor Correspondence**

Shareholders may correspond with:

- i) Link Intime India Pvt. Ltd, Registrar & Transfer Agents, for all matters relating to transfer / dematerialization of shares, payment of dividend, demat credits, corporate actions or change of address or any query relating to the shares of the Company or any other query, etc.
- ii) Respective Depository Participants (DPs) for shares held in demat mode. Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for related matters.
- iii) Members may contact the Compliance Officer at the Registered Office address of the Company at SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023, Email ID: [contact@skilgroup.co.in](mailto:contact@skilgroup.co.in)

**(xvi) List of Credit rating agencies obtained by the Company along with any revisions thereto**

The Company has neither issued any debt instruments which required credit rating nor has any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in india or abroad. Therefore, it was not required to obtain any credit ratings during the year.

**14. OTHER DISCLOSURES:**

**(i) Related Party Transactions**

The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is sought for transactions which are of repetitive nature as well as for the normal transactions which cannot be foreseen and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee. All related party transactions attracting compliance Section 188 and / or SEBI Regulations are also placed before the Board for approval, as per the requirement.

In terms of the 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions', all Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis.

As required under Regulation 23 of Listing Agreement, the Company has formulated a Policy on materiality of Related Party Transactions & Dealing with Related Party Transactions which is available on the website of the Company at [http://www.skilgroup.co.in/investor\\_pdf/Policy-Related%20Party%20Transaction.pdf](http://www.skilgroup.co.in/investor_pdf/Policy-Related%20Party%20Transaction.pdf)

**(ii) Details of non-compliance**

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authorities in any matter related to capital markets, during the last 3 years except on account settlement order passed by SEBI, in the matter of consent application of the Company. The Company has paid the settlement charges of Rs. 1,37,84,595/- (including interest amount of Rs. 5,10,595/-) levied by SEBI.

**(iii) Whistle Blower Policy**

Pursuant to the provisions of Regulation 22 of SEBI Regulations and Section 177 of the Companies Act, 2013, the Company has adopted a Whistle Blower Policy / Vigil Mechanism which encourages the Whistle Blower to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

The Whistle Blower Policy / Vigil Mechanism provides for adequate safeguards against victimization of Whistle Blower who avail of such Policy/Mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases. No personnel are denied access to the Audit Committee.

In compliance with the requirement of SEBI Prohibition of Insider Trading Regulation, the board has amended the Whistle Blower Policy of the Company, to include any leakage of 'Unpublished Price Sensitive Information' as a reportable event under the policy.

The details of Vigil Mechanism/Whistle Blower Policy are available on the website of the Company at [http://www.skilgroup.co.in/investor\\_pdf/Whistle%20Blower%20Policy.pdf](http://www.skilgroup.co.in/investor_pdf/Whistle%20Blower%20Policy.pdf)



**(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause**

The Company has complied with the mandatory requirements of erstwhile Clause 49 of the Listing Agreement and SEBI (LODR) Regulations, 2015 relating to Corporate Governance. In addition to it, the Company has also complied with non mandatory requirement such as

- (i) The Financial statement of the Company are unmodified.
- (ii) The Internal Auditor directly reports to the Audit Committee.

**(v) Web link where policy for determining Material Subsidiaries is disclosed**

The policy of the Company for determining Material Subsidiary is available on website of the Company and can be accessed through the web link: [https://www.skilgroup.co.in/investor\\_pdf/Policy-on-Material-Subsidiaries.pdf](https://www.skilgroup.co.in/investor_pdf/Policy-on-Material-Subsidiaries.pdf)

**(vi) Web link where policy on dealing with Related Party Transaction is disclosed**

The policy of the Company on dealing with Related Party Transaction is available on website of the Company and can be accessed through the web link: [https://www.skilgroup.co.in/investor\\_pdf/Policy-Related-Party-Transaction-1.pdf](https://www.skilgroup.co.in/investor_pdf/Policy-Related-Party-Transaction-1.pdf)

**(vii) Commodity price risk and commodity hedging activities**

During the year under review, Company did not engage in Commodity price or foreign exchange hedging activities.

**(viii) A certificate from a CS regarding Director debarred/disqualification**

A certificate issued by M/s. Jaisal Mohatta & Associates, Practicing Company Secretary, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies except Mr. J Alexander who had obtain the stay from the appropriate authority and his DIN status is appearing on MCA as approved.

**(ix) Total fees for all services paid to the statutory auditors on a consolidated basis**

Total fees for all services paid by the Company & its Subsidiary Company, i.e. SKIL Himachal Infrastructure & Tourism Limited on a consolidated basis is Rs. 25.96 Lacs to the Statutory Auditor.

**(x) Disclosures in relation to Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Number of complaints filed during the financial year 2018-2019	Number of complaints disposed during the financial year 2018-2019	Number of complaints pending as on March 31, 2019
NIL	NIL	NIL

15. The Company has complied with all the requirement of Corporate Governance Report as prescribed under Part C of Schedule V of SEBI (LODR) Regulations except as otherwise included in this report.

**16. COMPLIANCE WITH CORPORATE GOVERNANCE:**

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in the SEBI Regulations 17 to 27 and Regulation 46(2)(b) to (i).

**17. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY:**

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the Compliance of which has been affirmed by all Board Members and Senior Management Personnel. The required declaration to the effect signed by the Whole Time Director in lieu of Chief Executive Officer is annexed to this Annual Report.

**18. CERTIFICATE ON CORPORATE GOVERNANCE:**

The Company has obtained a Certificate from M/s. Jaisal Mohatta & Associates, Practicing Company Secretary regarding compliance of the conditions of Corporate Governance, as stipulated in Schedule V of the SEBI Regulations, 2015, which together with this Report on Corporate Governance is annexed to the Directors' Report and shall be sent to all the Members of the Company and the Stock Exchanges along with the Annual Report of the Company.

**19. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES OF THE COMPANY:**

The Company has a formulated 'Code of Conduct to regulate, monitor and report trading by employees and other connected persons' as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' pursuant to the said Regulations, which is available on the website of the Company at [http://www.skilgroup.co.in/index.php?option=com\\_phocadownload&view=category&download=100:code-of-practices-and-procedures-for-fair-disclosure-of-upsi&id=15:code-for-fair-disclosure&Itemid=188](http://www.skilgroup.co.in/index.php?option=com_phocadownload&view=category&download=100:code-of-practices-and-procedures-for-fair-disclosure-of-upsi&id=15:code-for-fair-disclosure&Itemid=188)

**20. CEO AND CFO CERTIFICATION:**

In accordance with requirement of Regulation 17(8) of the SEBI Regulations, the Board of Directors of the Company has been furnished with the requisite certificate which is annexed to this Annual Report.

**Practising Company Secretaries' Certificate on Corporate Governance**

To,  
**The Members of  
the SKIL Infrastructure Limited**

I have examined the compliance of the conditions of Corporate Governance by SKIL Infrastructure Limited (**'the Company'**) for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

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

**For Jaisal Mohatta & Associates**  
Company Secretaries

**(Jaisal Mohatta)**  
Proprietor

**ACS - 35017, COP – 16090**

Mumbai, August 13, 2019

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members

**SKIL INFRASTRUCTURE LIMITED****CIN: L36911MH1983PLC178299**

**SKIL House, 209 Bank Street Cross Lane  
Fort, Mumbai – 400023**

We have examined relevant registers, records, forms, returns and disclosures received from the Directors of SKIL Infrastructure Limited having CIN L36911MH1983PLC178299 and having registered office at Registered Office - SKIL House, 209 Bank Street Cross Lane Fort, Mumbai – 400023 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	Director Identification Number (DIN)
1.	Mr. Nikhil Gandhi	00030560
2.	Mr. Bhavesh Gandhi	00030623
3.	Mr. Shankar Aggarwal	02116442
4.	*Mr. J. Alexander	00485766
5.	Ms. Gayathri Ramachandran	02872723
6.	Mr. Rakesh Mohan	07352915
7.	Mr. V. Ramanan	02754562

\*During the period, He was disqualified to act as a Director under section 164(2) of Act for a brief period; however corrective measures were taken to remove such disqualifications with the concerned authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2019.

For **Jaisal Mohatta & Associates**  
Company Secretaries

(**Jaisal Mohatta**)  
Proprietor

Mumbai, August 13, 2019

**ACS - 35017, COP – 16090**

**Certificate under Regulation 17(8) read with Schedule II-Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from Executive Director and Chief Financial Officer**

A) We, Shankar Aggarwal, Whole time Director in lieu of Chief Executive Officer and Shekhar Gandhi, Chief Financial Officer of SKIL Infrastructure Limited; have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
  - (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
  - (D) We have indicated to the auditors and the Audit committee
1. Significant changes in internal control over financial reporting during the year;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Date:** May 28, 2019  
**Place:** Mumbai

**Shekhar Gandhi**  
**Chief Financial Officer**

**Shankar Aggarwal**  
**Whole time Director**

**CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT OF THE COMPANY**

This is to affirm that the Board of Directors of SKIL Infrastructure Limited has adopted a Code of Conduct for its Board Members and Senior Management and compliance of provisions of the said Code for the financial year ended March 31, 2019 has been confirmed by the Board Members and Senior Management Personnel of the Company.

**Date:** May 28, 2019  
**Place:** Mumbai

**Shankar Aggarwal**  
**Whole time Director**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (2018-19)****INTRODUCTION:**

Your Company is one of the leading infrastructure development Companies in India, having pioneered the development of various first-of-its-kind-in-India projects such as Seaport, Logistics, Railway, Defence Shipyard, Offshore Asset Construction Yard and Special Economic Zone in the private sector.

**INDUSTRY STRUCTURE & DEVELOPMENTS:**

The story of economic growth is half-documented without narrating the story of industry-infrastructure nexus. India, being home to more than 1.25 billion population, needs to build a robust industry with a buoyant and resilient infrastructure. Success of social and economic transformation of an economy is in providing inclusive and sustainable infrastructure amenities to the people and the pace of economic growth depends on how competently and judiciously an economy is able to address its infrastructure bottlenecks.

To keep up with the global economic growth pace, India needs to develop its industry and infrastructure at a rapid pace, too. As one of the fastest growing economies, the scope for industry and next generation infrastructure in India is enormous. To realise the said potential, it is necessary to clear the obstacles which the government of India is committed to get rid of and as a way forward, the government has also announced various measures for ease of doing business in India.

In the Union Budget 2018-19, the Government of India has given a massive push to the infrastructure sector by allocating Rs. 5.97 lakh crore for the sector. The government is keenly looking forward to private sector participation in infrastructure development in the country and this has opened the floodgates for the private sector to grab this opportunity.

**OPPORTUNITIES & THREATS:**

The Indian economy continues to remain one of the fastest growing economies among major global economies and is expected to become the third largest construction market globally by 2022. Government's endeavours to augment growth in public investments along with high priority to infrastructure development through Public-Private-Partnership (PPP) mode have given a boost to the infrastructure sector with huge prospects for private players.

To optimally benefit from these prospects, private sector players in Indian infrastructure sector will have to maintain equilibrium between two imperatives. The first is to methodically control their balance sheets, trim fixed costs and monetize non-core activities — all these in a way that provides enough comfort to the lenders. The second is to increase the business volumes and execute to the satisfaction of the clients inspite of difficulty in availability of affordable finances. The way these imperatives are met will determine the state of the business in the next few years.

On the other hand, following two key areas need immediate government attention, which, if not addressed suitably and expeditiously, may spiral into potential threats:

- (a) Expeditious litigation-free land acquisition process to kick start and achieve planned targets.
- (b) Better and faster dispute resolution mechanism to avoid delays in planned completion.

**SEGMENT-WISE or PRODUCT-WISE PERFORMANCE:**

Your Company has a proven track record of having successfully conceptualized and developed various mega green-field infrastructure projects of national importance.

Given its long standing presence in the infrastructure sector and deep understanding of PPP, your Company will continue to focus on exploring and executing various infrastructure projects such as Urban Infrastructure, Free Trade & Warehousing Zone (FTWZ), Port, Logistics Park, Industrial Park, Industrial Township, Recreational Infrastructure etc. through various subsidiaries / affiliates / associates / joint ventures / special purpose vehicles.

Due to on-going liquidity issues in the market due to various reasons beyond the control of the Company, the Company is struggling to raise finances to commence development of various projects. The Company is confident that with the stabilization of liquidity in the market, it may be in a position to raise finances for its projects.

**OUTLOOK:**

The three key growth drivers for infrastructure in India are government initiatives, public private partnerships and in-flow of international investment.

The government has undertaken various initiatives like Housing for All By 2022, recapitalization of public sector banks to augment credit flows; permission for 100% FDI under the automatic route across various infrastructure sectors, effective improvement in its policies implementation with respect to infrastructure related reforms to make the sector attractive for private players, efforts to reduce bottlenecks and impeding growth in the infrastructure sector, greater stability in operationalizing the GST regime and a continued commitment to fiscal prudence etc. which augur well for the infrastructure sector in particular and the economy in general and offer significant opportunity for both global and domestic companies engaged across the value chain.

All those government initiatives has made private sector take notice of the enormous potential business volumes in infrastructure in India. Various private players, in collaboration with globally reputed companies, are keen to have their share in India's infrastructure building.

India has tremendous housing infrastructure in place and as per records India will need to construct 43,000 houses every day until 2022 to achieve the vision of Housing for All by 2022. This will catapult India to the 3rd largest construction market globally. The sector is expected to contribute 15% to the Indian economy by 2030. **(Source: India Brand Equity Foundation, January, 2019)**

In view of the above, the outlook for infrastructure sector in India is extremely forward looking and prospective.

**RISKS & CONCERNS:**

Growth of infrastructure in last 10 years in India has continuously witnessed the challenges in form of legacy issues of massive under-

investment due to collapse of Public Private Partnership (PPP), especially in power and telecom projects; stressed balance sheet of private companies; issues related to land and forest clearances; and litigations that have stalled or delayed projects of strategic importance. Further, the credit availability still remains an issue with Indian banking and lending sector still grappling with its Non-Performing Assets (NPA) overhang.

In order to create a five trillion dollar economy by 2024, India needs a robust and resilient infrastructure and therefore, the real challenge lies in bringing adequate private investment through various innovative approaches with the collaboration of public sector. Along with physical infrastructure; provision of social infrastructure is also equally important as these two would determine India's global position in next 10 years.

Private players will have to strike a fine balance between maintaining pace of execution activities, closing completed projects and growing the order book while carefully managing the limited working capital available.

Moreover, rapid and massive infrastructure growth including resultant high population as well as pollution clusters in urban and industrial areas does have its own safety and environment hazards which need to be addressed through strong regulatory framework and effective yet easily implementable risk mitigation and disaster management processes in order to achieve desired success of "Green Growth".

Your Company is in an industry and in a sector which requires high capital infusion. Therefore the Company's growth depends upon, to a large extent, availability of affordable funding. Business prospects and resultant profitability gets impacted on account of irregular and expensive capital infusion. Further, given the fact that infrastructure projects which the Company envisages have traditionally long gestation period to break even, the Company would like to have a guarded optimism with regards to immediate profits.

#### **DISCUSSION ON RESULTS OF OPERATIONS:**

Your Company's total revenue stands at Rs. 2,620.73 lacs during the FY 2018-19 compared to Rs. 207.54 lacs for the previous financial year. The loss before exceptional items and tax is Rs. 25,205.19 lacs for the FY 2018-19 as against loss of Rs. 27,140.45 lacs for the previous financial year.

#### **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS OF THE COMPANY:**

There was significant change in a financial ratio namely Interest Coverage Turnover, albeit on positive side. It was 0.26 in FY 2018-19 in comparison to 0.03 in FY 2017-18. The improvement was due to increase in one-time other income, reduction in expenses and reduction of finance cost.

There were no significant changes in other key financial ratios such as Current Ratio and Debt Equity Ratio of FY 2018-19 in comparison to FY 2017-18.

As far as Debtors Turnover and Inventory Turnover ratios are concerned, the Company did not have the same either in FY 2017-18 or in FY 2018-19.

#### **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:**

Your Company has an adequate system of internal control to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by internal audits, review by management, documented policies, guidelines and procedures.

As part of internal control systems, the Company has set up following Committees:

- 1) Audit Committee of the Board
- 2) Nominations and Remuneration Committee
- 3) Stake Holder's Relationship Committee
- 4) Independent Director's Committee
- 5) Finance Committee
- 6) Corporate Social Responsibility Committee
- 7) Security Allotment and Transfer Committee

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:**

Your Company values its Human Resources and as such remains focussed on continuously evolving interactive team building with transparency and equal-opportunity-for-all doctrine. It enables the Company to foster team spirit and provide a level-playing field for its talent pool. It also helps the Company to attract and retain the competent talent. The employees are motivated on a continuous basis. The industrial relations during the year continued to be cordial and peaceful.

#### **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect your Company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations, interest costs, global economic conditions etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially vary from those expressed or implied in the report.

#### **SUBSIDIARY COMPANIES AND THEIR ROLE AND INPUTS**

The subsidiary companies formed for the purpose of different projects are in the process of getting the desired approvals for respective projects.

## STANDALONE AUDITOR'S REPORT

### To the Members of SKIL Infrastructure Limited Report on Standalone Ind AS Financial Statements

#### Opinion

We have audited the standalone Ind AS financial statements of SKIL Infrastructure Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under the Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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.

#### Emphasis of Matter

We draw attention to Note No.16.1.X of the financial statements pertaining to the Long Term Borrowing of the Company. Our Opinion is not modified in respect of this matter.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *i. Evaluation of Contingent Liabilities*

(Refer note 28 – "Contingent Liabilities") There are a number of material regulatory and tax cases against the Company. Significant judgement is required in estimating / reassessing the level of provisioning and/or disclosures. The management's assessment is supported by the facts, documents in addition to the advice from independent legal/ tax consultants obtained by them. We considered this as a Key Audit Matter as the eventual outcome of litigations is uncertain and the positions taken by the Management are based on the application of significant judgement and estimation. Any unexpected adverse outcomes could significantly impact the Company's results and financial position.

#### Auditors Response

Our procedures included, Discussing with the management and tax and regulatory department heads to understand significant matters under litigation; Reading replies and stand taken by the Company in the litigation, Reading external legal opinions obtained by management, where available; Assessing management's conclusions;

For Direct and Indirect tax litigations, involving internal tax experts to understand the current status of tax cases and monitoring changes in the disputes by reading details received by the Company; Performing detailed procedures on the underlying calculations supporting the provisions recorded and ensuring adequacy of disclosures made.

Based on the above procedures performed, we have not identified any significant exceptions relating to disclosure of contingent liabilities and accounting for provisions for litigations.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements

or our knowledge obtained in the audit, or otherwise appears to be materially misstated, if based on the work we performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements**

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including Other Comprehensive Income), Changes In Equity and Cash Flows of the company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of Financial Statements**

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

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

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

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

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

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



1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act
  - (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) With respect to the adequacy of the internal financial controls with reference to the standalone 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act
  - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The company has, to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 112318W**

**Saurabh Chouhan**  
**Partner**  
**Membership No.: 167453**

**Place : Mumbai**  
**Date : 28/05/2019**

## Annexure A to the Independent Auditor's Report

The Annexure referred to in our report to the members of **SKIL Infrastructure Limited** ("the Company") for the year Ended on 31<sup>st</sup> March, 2019. We report that:

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Standalone Ind AS Financial Statements and according to the information and explanations given by the management, the title deed of immovable properties are held in the name of the company.
- ii. The Company doesn't have any inventory, hence the clause of the Para 3 (ii) is Not Applicable.
- iii. According to the information and explanation given to us, the company has unsecured loans to companies covered in the register maintained under section 189 of the Companies Act., in respect of which:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (b) The Loans are repayable on demand and hence sub-clause (b) & (c) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of grant of loans, investments, guarantees and securities.
- v. According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
- vi. We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section (1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
- 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 the undisputed statutory dues including provident funds, goods and service tax and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2019, for the period of more than six months from the date becoming payable except the following.

Particulars	Amount in Lakhs
Income tax (TDS)	Rs. 218.92
Income tax liability	Rs. 224.82
Interest payable on TDS	Rs. 57.43
Stamp duty payable	Rs. 2500.00
<b>Total</b>	<b>Rs. 3001.17</b>

- (b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Goods and Service Tax, Customs Duty, Excess Duty, VAT, Goods and Service tax and cess on account of any dispute which have not been deposited except mentioned below.

Name of the Statute	Nature of the dues	Year	Amount (Rs. in Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2007-08	239.42	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2008-09	865.60	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	Income Tax Regular assessment dues	A.Y. 2009-10	81.80	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2009-10	352.64	CIT (Appeals)- Mumbai
Income Tax Act, 1961	Income Tax Regular assessment dues	A.Y. 2010-11	172.47	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2010-11	434.13	CIT (Appeals)- Mumbai
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2010-11	88.46	Mumbai High Court
Income Tax Act, 1961	Income Tax regular Assessment dues	A.Y. 2011-12	180.75	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	U/s. 144 r.w.s.147	A.Y. 2011-12	422.58	CIT (Appeals)- Mumbai
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2012-13	77.67	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2013-14	430.51	ITAT (Appeals)- Mumbai

Name of the Statue	Nature of the dues	Year	Amount (Rs. in Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Regular Assessment dues	A.Y. 2014-15	1420.25	ITAT (Appeals)- Mumbai
Income Tax Act, 1961	Income Tax Regular Assessment dues	A.Y. 2015-16	2717.06	ITAT (Appeals)- Mumbai
Maharashtra Stamp Act	Penalty on Stamp Duty	2015-16	1568.00	High Court
<b>Total</b>			<b>9051.34</b>	

- viii. According to the records of the company examined by us and the information and explanations given to us by the Management, we are of the opinion that as on 31<sup>st</sup> March 2019, the Company has defaulted in repayment of dues to banks, financial institutions. The lender wise details are tabulated as under:

Rs. In Lakhs

Sr. no.	Particulars	Principal Default	Period of default since	Interest Default (except Penal Interest)	Period of default since
1	Loan From Union Bank of India	564.14	Mar-16	177.37	Apr-17
2	Loan from Yes Bank	1574.89	Dec -18	1594.48	Dec-18
3	Loan From IDBI Bank	2493.96	Nov-16	1276.54	Apr-17
4	Loan From IDBI Bank - FITL	843.44	Oct-16	22.89	Mar-17
5	Loan from IL&FS	-	-	2900.00	July-18
6	Loan from Reliance Commercial	9802.00	Feb.19	191.00	Feb.19
7	Loan from Religare	78.42	Sept. 17	17.07	Oct. 17
	<b>Total</b>	<b>15356.85</b>		<b>6179.35</b>	

- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including Debt Instruments) and term loans applied for the purpose for which they were raised, Therefore the provision of clause (ix) of para 3 is not applicable
- 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 on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the Standalone Ind AS Financial Statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. The company is not a Nidhi Company. Therefore the provision of clause (xii) of para 3 is not applicable.
- xiii. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS Financial Statements etc, as required by the applicable Ind accounting standard.
- xiv. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures under review. Therefore the provisions of clause (xiv) of para 3 is not applicable.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provision of clause (xv) of para 3 is not applicable.
- xvi. In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of The Reserve Bank of India Act, 1934. Therefore the provision of clause (xvi) of para 3 is not applicable.

**For Kailash Chand Jain & Co.**

**Chartered Accountants**

**Firm Registration No.: 112318W**

**Saurabh Chouhan**

**Partner**

**Membership No.: 167453**

**Place : Mumbai**

**Date : 28/05/2019**

**Annexure - B to the Independent Auditor's Report of even date  
on the Standalone financial statements SKIL Infrastructure Limited.**

Referred to in Paragraph 2 (f) of 'Report on Other Legal and Regulatory Requirements' section of our Report of even date.

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

**Management's Responsibility for Internal Financial Controls**

The 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 Companies Act, 2013.

**Auditor's 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

- (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 authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Institute of Chartered Accountants of India.

**For Kailash Chand Jain & Co.**

**Chartered Accountants**

**Firm Registration No.: 112318W**

**Saurabh Chouhan**

**Partner**

**Membership No.: 167453**

**Place : Mumbai**

**Date : 28/05/2019**

**BALANCE SHEET AS AT MARCH 31, 2019**

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>			
<b>(1) Non Current Assets</b>			
Property, Plant and Equipment	2	22,008.80	22,033.02
Capital Work in Progress	3	27,620.07	27,620.07
Financial Assets			
Investments in Subsidiaries and joint venture	4	20,986.68	20,525.42
Investments- Others	5	3,34,660.02	3,39,901.89
Other Financial Assets	6	1,405.66	10,744.18
Other Non Current Assets	7	4,908.14	8,026.64
		<b>4,11,589.38</b>	<b>4,28,851.22</b>
<b>(2) Current Assets</b>			
Financial Assets			
Current Investments	8	423.99	168.43
Trade Receivables	9	-	-
Cash and Cash Equivalants	10	18.52	81.51
Other Bank Balances	11	0.45	1.44
Other Current Financials Assets	12	92,614.60	89,275.41
Other Current Assets	13	1.82	2.48
		<b>93,059.38</b>	<b>89,529.27</b>
<b>TOTAL</b>		<b>5,04,648.77</b>	<b>5,18,380.50</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Share Capital	14	21,657.12	21,657.12
Other Equity	15	2,21,630.58	2,39,097.78
		<b>2,43,287.70</b>	<b>2,60,754.90</b>
<b>(2) Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	1,31,548.40	1,27,688.96
Provisions	17	30.70	27.83
Deferred Tax Liabilities (net)	18	-	-
		<b>1,31,579.10</b>	<b>1,27,716.79</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	19	3,700.00	3,700.00
Other Current Financial Liabilities	20	74,741.35	82,314.41
Other Current Liabilities	21	51,286.82	43,840.66
Provisions	22	53.80	53.74
		<b>1,29,781.97</b>	<b>1,29,908.80</b>
<b>TOTAL</b>		<b>5,04,648.77</b>	<b>5,18,380.49</b>

Significant Accounting Policies

1

Accompanying notes forms an integral part of Financial Statements

**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 112318W**

**Nikhil Gandhi**  
**Chairman**  
**DIN : 00030560**

**Saurabh Chouhan**  
**Partner**  
**Membership No. 167453**

**Shekhar Gandhi**  
**CFO**

**Date: 28-05-2019**  
**Place: Mumbai**

**Nilesh Mehta**  
**Company Secretary**

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Revenue</b>			
Revenue from Operations	23	-	-
Other Income	24	2,620.73	207.54
Total Revenue		2,620.73	207.54
<b>Expenses</b>			
Employee Benefits Expenses	25	239.43	272.88
Finance Costs	26	24,561.91	27,243.80
Depreciation and Amortisation Expenses	2	21.98	36.04
Other Expenses	27	3,002.59	6,925.71
Total Expenses		27,825.91	34,478.43
Profit/(Loss) before Exceptional Items and Tax		(25,205.19)	(34,270.89)
Exceptional Gain/(Loss)		7,869.05	(8,305.18)
Profit / (Loss) Before Tax		(17,336.14)	(42,576.07)
Tax Expense			
Current Tax		-	-
Deferred Tax Credit		-	0.43
Income Tax for Earlier Years		-	-
		-	0.43
Profit/(Loss) for the year		(17,336.14)	(42,575.64)
<b>Other Comprehensive Income</b>			
<b>Item to be reclassified to profit and loss</b>			
Fair Valuation of Non Current Investment		(134.32)	(7,582.55)
Income Tax relating to Other Comprehensive Income		-	-
<b>Item not to be reclassified to profit and loss</b>			
Actuarial gains/(losses) on defined benefit plans		3.28	1.09
Income Tax relating to Other Comprehensive Income		-	-
<b>Other Comprehensive Income for the year</b>		<b>(131.04)</b>	<b>(7,581.46)</b>
<b>Total Comprehensive Income for the year</b>		<b>(17,467.18)</b>	<b>(50,157.08)</b>
Earnings per Equity Share of Rs. 10/- each			
- Basic (In Rupees)		(8.07)	(23.16)
- Diluted (In Rupees)		(8.07)	(23.16)
Significant Accounting Policies	1		

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

Nikhil Gandhi  
Chairman  
DIN : 00030560

Saurabh Chouhan  
Partner  
Membership No. 167453

Shekhar Gandhi  
CFO

Date: 28-05-2019  
Place: Mumbai

Nilesh Mehta  
Company Secretary

**CASH FLOW STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Loss before Tax	(25,205.19)	(34,270.89)
	Adjustments for :-		
	Depreciation and Amortisation Expenses	21.98	36.04
	Interest Income	-	(7.25)
	Dividend on Current Investments	(0.32)	(0.29)
	Loss on Sale of Investment	2,477.70	6,344.30
	Loss on Sale of Plant, property and equipments (net)	-	-
	Finance Costs	24,561.91	27,243.80
	Actuarial gains/(losses) on defined benefit plans	3.28	1.09
	Balances Written off/back (net)	(1,828.75)	(200.00)
	Fair Value on Current Investment	-	-
	<b>Operating profit/(loss) before working capital changes</b>	<b>30.61</b>	<b>(853.20)</b>
	<b>Adjusted for</b>		
	Trade and Other Receivables	11,119.78	894.44
	Trade and Other Payables	9,278.82	(4,057.20)
	<b>Cash Used in Operations</b>	<b>20,429.21</b>	<b>(4,015.96)</b>
	Direct Taxes (Paid) / Refund	-	(0.72)
	<b>Net Cash Used in Operating Activities</b>	<b>20,429.21</b>	<b>(4,016.68)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of Property, plant and equipment and Capital Work in Progress	(1.99)	(3.36)
	Sale of Property, plant and equipment including refund of Capital advance	1,342.13	2.45
	Advance to Related Parties (Net)	(3,078.75)	9,945.81
	Loan to Others	(260.44)	(53,346.55)
	Interest Received	-	7.25
	Sale of Investments	1,913.02	49,957.98
	Dividend Received on Current Investments	0.32	0.29
	<b>Net Cash (used in)/Generated from Investing Activities</b>	<b>(85.70)</b>	<b>6,563.87</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from Long Term Borrowings	-	6,720.37
	Repayment of Long Term Borrowings	(4,989.32)	-
	Short Term Borrowings (Net)	-	-
	Interest Paid	(15,417.17)	(9,394.21)
	Margin Money (Net)	-	207.39
	Dividend Paid	-	(0.65)
	<b>Net Cash Flow Generated from Financing Activities</b>	<b>(20,406.49)</b>	<b>(2,467.10)</b>
	<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(62.99)</b>	<b>80.10</b>
	Cash and Cash Equivalents - Opening balance (Refer note no 11)	81.51	1.41
	Cash and Cash Equivalents - Closing balance (Refer note no 11)	18.52	81.51

**Change in Liability arising from financing activities**

Rs in lakhs

S. no	Particulars	As at March 31, 2019		As at March 31, 2018	
		Long Term Borrowings	Short Term Borrowings	Long Term Borrowings	Short Term Borrowings
1	Opening Balance	1,56,789.86	3,700.00	1,80,844.27	3,700.00
2	Net Cash Flow as above	(4,989.32)	-	6,720.37	-
3	Non Cash Changes	-	-	(30,774.78)	-
4	Closing Balance	1,51,800.54	3,700.00	1,56,789.86	3,700.00

**Notes:**

- (1) The above cash flow statement has been prepared under the "indirect method" as set out in Ind-AS 7 - Cash flow Statement.
- (2) Figures in brackets indicate outflow.
- (3) Previous Year figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.

**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

Nikhil Gandhi  
Chairman  
DIN : 00030560

Saurabh Chouhan  
Partner  
Membership No. 167453

Shekhar Gandhi  
CFO

Date: 28-05-2019  
Place: Mumbai

Nilesh Mehta  
Company Secretary



## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

## A Equity Share Capital

(Rs in Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of Shares	Amount	No of Shares	Amount
Equity Shares at the beginning of the year	21,65,71,232	21,657.12	21,65,71,232	21,657.12
Add: Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	21,65,71,232	21,657.12	21,65,71,232	21,657.12

## B Other Equity

Particulars	Reserve and Surplus			Retained Earning	Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	Other Reserve			
As at April 1, 2017	3,15,530.25	9,400.17	38,195.37	(73,655.92)	(215.03)	2,89,254.85
<b>Add/(Less):</b>						
Loss for the year				(42,575.62)		(42,575.62)
Other Comprehensive Income					(7,581.45)	(7,581.45)
<b>As at March 31, 2018</b>	<b>3,15,530.25</b>	<b>9,400.17</b>	<b>38,195.37</b>	<b>(1,16,231.55)</b>	<b>(7,796.48)</b>	<b>2,39,097.78</b>
Loss for the year				(17,336.14)		(17,336.14)
Other Comprehensive Income					(131.04)	(131.04)
Transfer to Retained Earnings				(7,794.78)	7,794.78	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,130.92)</b>	<b>7,663.74</b>	<b>(17,467.18)</b>
<b>As at March 31, 2019</b>	<b>3,15,530.25</b>	<b>9,400.17</b>	<b>38,195.37</b>	<b>(1,41,362.47)</b>	<b>(132.74)</b>	<b>2,21,630.58</b>

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

Nikhil Gandhi  
Chairman  
DIN : 00030560

Saurabh Chouhan  
Partner  
Membership No. 167453

Shekhar Gandhi  
CFO

Date: 28-05-2019  
Place: Mumbai

Nilesh Mehta  
Company Secretary

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**Note - 1**

**General Information**

SKIL Infrastructure Limited is a company limited by shares, incorporated and domiciled in India. The registered office of the company is located at SKIL House, 209 Bank Street Cross Lane, Fort , Mumbai 400023). The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is Infrastructure Company developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors

These Financial Statements of the Company for the year ended March 31, 2019 were authorised for issue by Board of Directors on May 28, 2019. Pursuant to the provisions of the section 130 of the Act, the Central Government, Income Tax Authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the Board of Directors of the Company have power to amend/re-open the Financial Statements approved by the Board/adopted by the members of the Company.

**Significant Accounting Policies**

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

**a Basis of Preparation of Financial Statements:**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] on accrual basis and other relevant provisions of the Act. Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III, applicable Ind AS, other applicable pronouncements and regulations.

**b Basis of Measurement**

The financial statements have been prepared on a historical cost basis, except for the following:

- i Certain financial assets and liabilities that are measured at fair value;
- ii Defined benefit plans - Plan assets measured at fair value; and
- iii Assets held for sale – measured at fair value less cost to sell;

**c Functional and Presentation Currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the functional currency for the Company.

**d Use of Estimates:**

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised and if material, their effects are disclosed in the notes to the Financial Statements.

**Estimates and assumptions are required in particular for:**

- i. Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

**ii. Recognition and measurement of defined benefit obligations**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

**iii. Recognition of deferred tax assets**

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

iv. **Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

v. **Discounting of long-term financial liabilities**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

vi. **Determining whether an arrangement contains a lease**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

vii. **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives include Foreign Currency Forward Contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts is determined using the rates published by Reserve Bank of India (RBI). Fair value of Interest Rate Swaps is determined with respect to current market rate of interest.

e. **Current Versus Non Current Classification:**i. **The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset is current when it is:**

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
  - 2 Held primarily for the purpose of trading
  - 3 Expected to be realised within twelve months after the reporting period, or
  - 4 Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

ii. **A liability is current when it is:**

- 1 Expected to be settled in normal operating cycle
  - 2 Held primarily for the purpose of trading
  - 3 Due to be settled within twelve months after the reporting period, or
  - 4 There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are treated as non - current.

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

f. **Other Significant Accounting Policies:**I. **Property, Plant and Equipments:**

- i. The Company has measured all of its Property, Plant and Equipments historical cost at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date.
- ii. Property, Plant and Equipments are stated at cost net of cenvat / value added tax less accumulated depreciation and impairment loss, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use are capitalised as part of total cost of assets.
- iii. Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

II. **Depreciation:**

- i. Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful life specified in Schedule II to the Companies Act, 2013.

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**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

- ii. In respect of additions/extensions forming an integral part of existing assets, depreciation has been provided over residual life of the respective assets. Significant additions which are required to be replaced/performed at regular interval are depreciated over the useful life of their specific life.
- iii. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

**III Borrowing Costs:**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

**IV Intangible Assets:**

Intangible Assets having finite life are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 5 years.

**V Fair Value Measurement:**

Fair value is the price that would be received to sell an assets or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an assets or liability is measured using the assumptions that market participants would use when pricing the assets or liability, acting in their best economic interest. The fair value of plant and equipments as at transition date to Ind- AS have been taken based on valuation performed by an independent technical expert. The Company used valuation techniques which were appropriate in circumstances and for which sufficient data were available considering the expected loss/profit in case of financial assets or liabilities.

**VI Revenue Recognition:**

- i Revenue from operation include income from sale of goods, services and service tax/Goods and Service Tax and is net of value added tax and sales tax recovered.
- iii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established. Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

**VII Foreign Currency Transactions:**

- i. Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

**VIII Financial Instruments:**

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.

**Financial Assets**

**i Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**ii Initial recognition and measurement**

All financial assets are recognised initially 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.

**iii Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

using the Effective Interest Rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit or Loss. This category generally applies to trade and other receivables.

**iv Financial Assets measured at fair value through other comprehensive income (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**v Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

**vi Investment in Subsidiaries, Associates & Joint Ventures:**

The Company has measured all of its Investment in equity instruments of Subsidiaries, Associates and Joint Ventures at fair value at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date. Subsequently, these Investments in equity instruments of Subsidiaries, Associates and Joint Ventures are measured at deemed cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment which is other than temporary.

**vii Investment in Equity Instruments:**

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from other comprehensive income to profit or loss.

**viii Investment in Debt Instruments:**

A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. Debt instruments included with in the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**ix Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**x 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 financial assets which are not valued through Profit and Loss.

**Financial Liabilities**

**i Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**ii Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**iii Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**iv Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**v Derecognition of Financial Liabilities**

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

**vi Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**IX Leases:**

**i Lease payments**

Payments made under operating leases are recognised in Statement of Profit and Loss. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**ii Lease assets**

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

**X Employee Benefits:**

**i Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**ii. Defined benefit plans**

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 defined benefit obligations 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. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement 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 recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

**iii. Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement is recognised in Statement of Profit and Loss in the period in which they arise.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

**XI Provision for Current and Deferred Tax:**

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- 1 has legally enforceable right to set off the recognised amounts and;
- 2 intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

**ii. Deferred Tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rate and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction.

**Deferred tax assets and liabilities are offset only if:**

- 1 entity has legally enforceable right to set off current tax assets against current tax liabilities ; and
- 2 deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**XII Impairment of Assets:**

At each Balance Sheet date, the Company assesses whether there is any indication that any Property, Plant and Equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**XIII Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

**XIV Earnings per share**

- i Basic earnings per share: Basic earnings per share is calculated by dividing:
  - 1 the profit attributable to owners of the Company
  - 2 by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
- ii Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
  - 1 the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
  - 2 the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

Note 2: Property, plant and equipment

Particulars	Tangible Assets				Tangible Total	Intangible Assets	Total
	Freehold Land	Furniture and fixtures	Office equipment	Vehicles		Computer Software	
<b>Gross Block</b>							
<b>Balance at 1 April 2017</b>	<b>21,945.39</b>	<b>88.71</b>	<b>170.58</b>	<b>1,221.97</b>	<b>23,426.66</b>	<b>7.38</b>	<b>7.38</b>
Additions	-	-	3.36	-	3.36	-	-
Disposals	-	0.12	0.10	2.23	2.45	-	-
<b>Balance at 31 March 2018</b>	<b>21,945.39</b>	<b>88.59</b>	<b>173.85</b>	<b>1,219.74</b>	<b>23,427.57</b>	<b>7.38</b>	<b>7.38</b>
Additions	-	-	1.99	-	1.99	-	-
Disposals	-	0.21	0.09	3.93	4.23	-	-
<b>Balance at 31 March 2019</b>	<b>21,945.39</b>	<b>88.38</b>	<b>175.75</b>	<b>1,215.81</b>	<b>23,425.33</b>	<b>7.38</b>	<b>7.38</b>
<b>Accumulated depreciation</b>							
<b>Balance at 1 April 2017</b>	-	<b>86.63</b>	<b>167.20</b>	<b>1,105.38</b>	<b>1,359.21</b>	<b>6.70</b>	<b>6.70</b>
Depreciation charge for the year	-	0.98	1.85	32.52	35.35	0.68	0.68
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2018</b>	-	<b>87.61</b>	<b>169.07</b>	<b>1,137.90</b>	<b>1,394.55</b>	<b>7.38</b>	<b>7.38</b>
Depreciation for the year	-	0.48	1.85	19.65	21.98	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	-	<b>88.09</b>	<b>170.90</b>	<b>1,157.55</b>	<b>1,416.53</b>	<b>7.38</b>	<b>7.38</b>
<b>Net Block</b>							
<b>Balance at 31 March 2019</b>	<b>21,945.39</b>	<b>0.30</b>	<b>4.85</b>	<b>58.26</b>	<b>22,008.80</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance at 31 March 2018</b>	<b>21,945.39</b>	<b>0.98</b>	<b>4.80</b>	<b>81.84</b>	<b>22,033.02</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance at 31 March 2017</b>	<b>21,945.39</b>	<b>2.08</b>	<b>3.38</b>	<b>116.59</b>	<b>22,067.45</b>	<b>0.68</b>	<b>0.68</b>

Note: In accordance with the Ind-AS 36 on "Impairment of Assets", the Management has during the year carried out an exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.

Note 3: Capital Work in Progress

Particulars	Balance as at 31.03.2019	Balance as at 31.03.2018
Assets under construction	27,620.07	27,620.07



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## Note 4

## Investments in Subsidiaries and Joint venture

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Long Term Trade Investments (Unquoted and fully paid up unless specified)- Financial Assets measured at cost</b>						
<b>In Equity Instruments of Subsidiary Companies</b>						
SKIL Himachal Infrastructure & Tourism Limited	100.00%	Rs. 10	5,00,00,000	5,00,00,000	6,715.86	6,715.86
SKIL Shipyard Holdings Private Limited	100.00%	Rs. 10	50,000	50,000	12,015.41	12,015.41
SKIL (Singapore) Pte Ltd.	100.00%	SGD 1	1,63,322	1,63,322	50.25	50.25
SKIL Advanced Systems Private Limited	100.00%	Rs. 10	50,000	50,000	5.00	5.00
Gujarat Dwarka Portwest Limited	73.60%	Rs. 10	7,03,33,314	7,03,33,314	38,426.48	38,426.48
Metrotech Technology Park Pvt Ltd	100.00%	Rs. 10	2,00,000	2,00,000	75.70	75.70
Chiplun FTWZ Private Limited	52.00%	Rs. 10	4,67,99,970	4,67,99,970	27,484.63	27,484.63
Pipavav Electronic Warfare Systems Pvt. Ltd. of Rs.10 Each, Rs.2 paidup	100.00%	Rs. 10	50,000	50,000	1.00	1.00
					<b>84,774.33</b>	<b>84,774.33</b>
<b>In Equity Instruments of Joint Venture - Unquoted</b>						
Sohar Free Zone LLC	27.18%	OMR 1	10,11,886	7,55,245	1,360.66	899.40
					<b>86,134.99</b>	<b>85,673.73</b>
Less: Provision for Impairment					65,148.31	65,148.31
				<b>Total</b>	<b>20,986.68</b>	<b>20,525.42</b>

## 4.1 Aggregate amount of Non Current Investments.

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Unquoted Investments	20,986.68	-	20,525.42	-

4.2 Refer note no 16 for details of Investments pledged with Lenders for loan facilities availed by the Company

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 5**

**Non-Current Investments- Others**

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Long Term Trade Investments (Unquoted and fully paid up)- Financial Assets measured at cost</b>						
<b>In Equity Instruments of Associate Companies - Unquoted</b>						
Rosoboronservice (India) Limited	20.00%	100	13,500	13,500	81.00	81.00
Urban Infrastructure Holdings Private Limited	35.00%	10	12,41,56,500	12,41,56,500	3,17,850.15	3,17,850.15
<b>In Equity Instruments - Quoted(FVTOCI)</b>						
Everonn Education Ltd.	6.94%	10	16,69,565	16,69,565	204.44	204.44
Fastlane Distriparks & Logistics Limited's Trust	2.74%	10	59,34,328	59,34,328	593.43	593.43
Horizon Country Wide Logistics Limited's Trust	4.30%	10	93,08,160	93,08,160	930.82	930.82
Reliance Naval and Engineering Limited	0.00%	10	-	1,85,39,230	-	5,107.55
<b>In Equity Instruments - Unquoted(FVTOCI)</b>						
Mumbai SEZ Limited	6.49%	10	14,64,08,090	14,64,08,090	14,333.35	14,333.35
Donyi Polo Petrochemicals Limited	11.26%	10	26,25,500	26,25,500	42.85	247.86
Karanja Terminal & Logistics Pvt. Ltd.	0.12%	10	24,500	24,500	2.45	2.45
Shriram New Horizons Ltd.	18.52%	10	50,00,000	50,00,000	500.00	500.00
Navi Mumbai SMART CITY Infrastructure Ltd	6.75%	10	10,12,783	10,12,783	121.53	50.84
				<b>Total</b>	<b>3,34,660.02</b>	<b>3,39,901.89</b>

**5.1 Details of shares pledged :**

- (a) Investment in Everonn Education Limited are pledged with the lenders of one of the subsidiary Company.  
(b) Refer note no 16 for details of Investments pledged with Lenders for loan facilities availed by the Company.

**5.2 Aggregate amount of Non Current Investments.**

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	1,728.69	1,728.69	6,836.24	6,836.24
Unquoted Investments	3,32,931.33	-	3,33,065.65	-

**Note 6**

**Other Financial Assets** Rs. In Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits with Related Parties	54.02	54.02
Others		
- Considered good	1,351.64	1,357.17
- Considered doubtful	150.00	150.00
	1,555.66	1,561.19
Less Provision for Expected Credit Loss	150.00	150.00
	<b>1,405.66</b>	<b>1,411.19</b>
Loan to Body Corporates- Considered Good	-	9,332.99
<b>Total</b>	<b>1,405.66</b>	<b>10,744.18</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 7****Other Non- Current assets****(Unsecured and considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	3,127.54	6,246.04
Advance Tax	1,780.60	1,780.60
<b>Total</b>	<b>4,908.14</b>	<b>8,026.64</b>

**Note 8****Current Investments**

Particulars	Numbers		Amount	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>In Equity Shares -Financial Assets carried at fair value through profit &amp; loss</b>				
<b>Quoted Fully Paid up</b>				
Varun Industries Ltd. of Rs. 10 each	1,105	1,105	0.03	0.03
Total A			<b>0.03</b>	<b>0.03</b>
<b>In Units -Financial Assets carried at fair value through profit &amp; loss</b>				
<b>Quoted Fully Paid up</b>				
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan - Wholesale -Daily Dividend of Rs. 10 each	47927	47927	4.87	4.87
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan - Retail -Daily Dividend of Rs. 10 each	19476.35	16589.89	2.00	1.68
<b>Unquoted Fully Paid up</b>				
Urban Infrastructure Opportunities Fund (Face Value Rs 1 Lakhs)	2750	2750	417.09	161.85
Total B			423.96	168.40
<b>Total A+B</b>			<b>423.99</b>	<b>168.43</b>

**8.1 Aggregate amount of Current Investments.**

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	6.90	6.90	6.58	6.58
Unquoted Investments	417.09	-	161.85	-

**Note 9 Trade Receivables (Unsecured)**

Particulars	As at March 31, 2019	As at March 31, 2018
Considered Good		
Considered Doubtful	5,940.68	5,940.68
	5,940.68	5,940.68
Less: Provision for Impairment	5,940.68	5,940.68
<b>Total</b>	<b>-</b>	<b>-</b>

9.1 Trade receivables are non - interest bearing and receivable in normal operating cycle

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 10**

**Cash and Cash Equivalents**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Balances with Banks In Current Accounts	13.86	79.20
Cash on hand	4.67	2.31
<b>Total</b>	<b>18.52</b>	<b>81.51</b>

**Note 11**

**Other Bank Balances**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Balance with Banks in dividend account	0.45	1.44
<b>Total</b>	<b>0.45</b>	<b>1.44</b>

**Note 12**

**Other Current Financials Assets**

**(Unsecured & considered good)**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Loans and Advances		
- Related Parties	37,644.60	34,565.25
- Directors and other officers	-	0.60
- Others (Refer Note 12.2 below)		
Considered Good	54,970.00	54,709.56
Considered Doubtful	145.58	
	55,115.58	
Less: Provision for Doubtful Debts	145.58	
<b>Total</b>	<b>54,970.00</b>	<b>89,275.41</b>

**12.1 Details of Loans to Subsidiary and Associate Companies pursuant to regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

<b>Company Name</b>	<b>Closing Balance</b>	<b>Closing Balance</b>
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Subsidiary Company</b>		
Gujarat Dwarka Portwest Limited	21,319.53	19,829.24
SKIL Advanced Systems Private Limited	5.94	452.35
SKIL Shipyard Holdings Private Limited	4,435.58	2,485.79
SKIL (Singapore) Pte Ltd.	10,814.24	10,814.24
Pipavav Electronic Warfare Systems Pvt. Ltd	40.75	40.63
<b>Associate</b>		
Rosoboronservice (India) Limited	1,028.55	943.00
<b>Directors and Key Managerial Persons</b>		
Nilesh Mehta	-	0.60

a) All the above Loans are given for meeting working capital requirements of the Subsidiary and Associate Companies and non interest bearing

b) Loans to employee and reimbursement of expenses are not considered for this clause.

c) There are no investments by the Loanees at March 31, 2019 in the shares of the Company and Subsidiary Companies.

**12.2** The above advances includes Rs. 50,653.15 Lakhs receivable from RNEL and its subsidiaries mainly on account of invocation of RNEL shares owned by us, by the Lenders of RNEL and its subsidiaries. These shares were pledged as securities to the lenders of RNEL and its subsidiaries when the Company was promoter of RNEL. The Company has ceased to be the promoter of RNEL and its Subsidiaries since January 2016. The Company has filed claim against Promoters of RNEL for the said invocation under the Arbitration Proceedings. The Company has also challenged this invocation and the matter is sub-judice.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## Note 13

## Other Current Assets

(Unsecured &amp; considered good)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	1.82	2.48
<b>Total</b>	<b>1.82</b>	<b>2.48</b>

## Note 14

## Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b>		
91,00,00,000 (Previous Year: 91,00,00,000) Equity Shares of Rs. 10/- each	91,000.00	91,000.00
<b>Issued, Subscribed and fully paid up</b>		
21,65,71,232 (Previous Year: 21,65,71,232) Equity Shares of Rs. 10/- each fully paid up	21,657.12	21,657.12

## 14.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Shares at the beginning of the year	21,65,71,232	21,65,71,232
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>21,65,71,232</b>	<b>21,65,71,232</b>

## 14.2 Shareholders holding more than 5% Shares in the Company:

Shares held by	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Metropolitan Industries	7,70,72,724	35.59	8,27,43,840	38.33
Montana Infrastructure Ltd	5,00,65,611	23.12	3,23,98,791	14.94
Ashoka Investment Holdings Private Ltd	1,12,76,659	5.21	1,12,76,659	5.21
SREI Infrastructure Finance Limited	-	-	1,76,66,820	8.16

## 14.3 Terms and Rights attached to Equity Shares

The Company has only one class of Equity Share having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity share holders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Note 15

## OTHER EQUITY

Particulars	As at March 31, 2019		As at March 31st, 2018	
<b>Capital Reserve</b>				
Opening Balance	3,15,530.25		3,15,530.25	
Additions during the year	-	3,15,530.25	-	3,15,530.25
<b>Securities Premium Account</b>				
Opening Balance	9,400.17		9,400.17	
Add :- On Issue of Shares	-	9,400.17	-	9,400.17
<b>Other Reserve</b>				
Opening Balance	38,195.37		38,195.37	
Additions during the year	-	38,195.37	-	38,195.37

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Retained Earnings</b>		
Opening Balance	(1,16,231.55)	(73,655.91)
Add:- Transfer from OCI to Retained Earning	(7,794.78)	
Add:- Profit(loss) for the year as per profit or loss statement	<u>(17,336.14)</u>	<u>(42,575.64)</u>
	(1,41,362.47)	(1,16,231.55)
<b>Other Comprehensive Income</b>		
Opening Balance	(7,796.48)	(215.03)
Less: Transfer to Retained Earnings	(7,794.78)	(7,581.45)
Add: Movement During the year (net)	<u>(131.04)</u>	<u>(7,796.48)</u>
	<u><b>2,21,630.58</b></u>	<u><b>2,39,097.78</b></u>

Capital Reserve: Created pursuant to amalgamation of the Company as per order of High Court Mumbai in the financial year 2011 - 2012. The same can be utilised as per provision of the Act.

Securities Premium Account: This reserve is created to record premium on issue of shares. The same can be utilised in accordance with the provision of the Act.

Other Reserves: Other Reserve was created pursuant to first time adoption of Ind-AS as at April 01, 2017. and not available for distribution as dividend

**Note 16**

**Long Term Borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured Loans</b>		
<b>Rupee Term Loans from:</b>		
Banks	30,603.78	35,483.26
Financial Institutions	24,870.00	24,870.00
Body Corporates	-	-
<b>Vehicle Loans</b>	2.73	15.44
<b>Redeemable Non Convertible Bonds*</b>		
175 Nos.(previous year 175 Nos) 0.01% (PY 0.01%)Redeemable Non Convertible Bonds of Rs.100 Lakhs each	12,916.72	11,430.73
829 Nos.(previous year 829 Nos) 0.01% (PY 0.01%) Redeemable Non Convertible Bonds of Rs.100 Lakhs each	54,148.99	47,919.46
<b>Inter Corporate Deposits from:</b>		
Related Parties	9,006.19	7,970.07
<b>Total Secured Loans</b>	<u><b>1,31,548.40</b></u>	<u><b>1,27,688.96</b></u>

**\* Accounted on Fair Value**

**16.1** Term loan from Bank / Financial Institution referred to above and Rs. 20,252.14 Lakhs included in current maturities of long term debt in Note No. 20 are secured as under:

- i) Term loan from Union Bank of Rs. 564.14 Lakhs and accrued interest of Rs. 177.37 Lakhs is outstanding as on 31-03-2019. The amount is outstanding with Union Bank for more than 12 months. The loan is secured by first charge on mortgage of immovable properties held by other body corporates along with corporate guarantee given by the same companies. The above loan is secured by Personal Guarantee of one director of the Company.
- ii) Term loan of Rs. 37,058.95 Lakhs from Yes Bank is secured by :
  - First and Exclusive charge on the entire moveable and immovable assets, current assets of the Company both present & future related to CFS project.
  - Exclusive charge on immovable property of other body corporate.
  - Pledge of 58,00,000 shares of the Company held by others.
  - Pledge of 10,64,00,000 shares & NDU on 1,77,56,500 shares of Urban Infrastructure Holdings Pvt. Ltd. held by the Company.
  - Pledge of 2,04,00,000 shares of the Company held by the Promoters of the Company.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

- First pari-passu charge on immovable property of subsidiary company and NDU for the same subsidiary.
  - Corporate Guarantee given by subsidiary, promoter firm and other body corporates.
  - Personal guarantee given by two directors of the Company
- iii) Term loan of Rs. 3,336.99 Lakhs from IDBI Bank is secured by :
- First mortgage and charge on all immoveable and moveable properties of the Company (related to erstwhile Horizon Infrastructure Ltd) , both present and future project.
  - Exclusive charge on immovable property of Subsidiary.
  - Pledge of investment of Shares in Subsidiary.
  - Pledge of 68,80,657 shares of the Company held by others.
  - Personal guarantee given by two Directors of the Company.
- The said term loan and accrued interest of Rs. 1,299.44 lakhs is outstanding as on 31.03.2019.
- v) Rs. 24,870.00 Lakhs from a Financial Institution is secured by:
- pledge of 2,62,11,397 shares of the Company held by the promoter
  - 2nd charge over land mortgaged with Union Bank of India held by other body corporates along with corporate guarantee given by the same companies.
  - mortgage of immovable properties held by other body corporates.
  - These securities are held on Pari Paasu basis with loans availed by Gujarat Dwarka Port West Ltd. & SKIL Himachal Infrastructure & Tourism Ltd.(subsidiaries of the Company) from the said financial institution.
  - Personal Guarantee given by two directors of the Company.
- vi) Loan of Rs. 9,802.00 lakhs is secured by pledge of 94,41,726 shares of the Company held by others.
- vii) 0.01% RNCB of Rs. 12,916.72 Lakhs and Rs. 54,148.99 Lakhs are secured by
- creating pledge (on First and Exclusive charge basis as well as on sub-subservient/residual charge basis) on the Company's share holding in various companies.
  - pledge of some of investment of Company on first charge and some investment of Company on Second charge / residual charge.
  - creating hypothecation (on Subservient/Residual Charge basis) on all the Company assets such as land, tangible assets (including all current, fixed and moveable assets) and all receivables, cash and bank balances.
- viii) Loan from Religare Finvest Ltd. of Rs. 78.43 Lakhs is secured by way of equitable mortgage of land owned by other Body Corporate.
- ix) Company has given Demand Promissory Note & PDC/UDC to the above lenders.
- x) An amount of Rs. 9,802.00 lakhs shown as received from Reliance Commercial Finance Ltd., a part of ADAG Group Company, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, are not payable till such time a sum of Rs. 50,653.15 lakhs shown as receivable / recoverable under the head "Other Advances" in schedule "Other Current Financial Assets", from ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani are received and the obligations in accordance with the Purchase Agreement dated 4th March, 2015 signed between the Company, SKIL Shipyard Holdings Pvt. Ltd. & others with the ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, viz, Reliance Infrastructure Limited and Reliance Defence Systems Pvt. Ltd. are fulfilled by ADAG Group Companies. Its a part of composite transaction emanating from and in connection with the sale of Pipavav Defence project to ADAG Group in accordance with the said Purchase Agreement and also based on the facts, circumstances and documents available on record. In view of above, the Company do not acknowledge or accept the liability of Reliance Commercial Finance Ltd.

16.2 Term loan from Bank / Financial Institution and Inter Corporate Deposits referred to above and Rs. 20,252.14 Lakhs included in current maturities of long term debts are guaranteed by two of the Directors of the Company in their personal capacity, carry interest rates ranging from 13.00% to 17.50%. and are to be repaid as under :

Year	Amount in lakhs
2019-20	20,252.14
2020-21	31,512.27
2021-22	6,642.27
2022-23	7,666.09
2023-24	9,655.88

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**16.3** Vehicles Loans referred to above and Rs. 15.40 Lakhs included in current maturities of long term debts are secured by way of the hypothecation of the specific vehicles financed. The loans are repayable in 36 to 60 monthly installments (Including interest) as per repayment schedule.

**16.4** 175 Nos. 0.01% Redeemable Non-Convertible Bonds of Rs. 100 Lakhs each mature in FY 2021-22 and 829 Nos. 0.01% Redeemable Non-Convertible bonds of Rs. 100 Lakhs each mature in FY 2022-23

**16.5** As on March 31st 2019, the Company has overdue of Rs. 15,356.85 Lakhs and Rs.6,179.35 Lakhs towards principal and interest amount respectively.

**Note 17**

**Non Current Provisions**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Provision for Employee Benefits	30.70	27.83
<b>Total</b>	<b>30.70</b>	<b>27.83</b>

**Note 18**

**Deferred Tax (NET)**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Opening Balance	-	0.43
<b>Tax Expenses (Income) recognised in:</b>		
Disallowance in income tax		(0.43)
Closing Balance	-	-

**18.1 Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate:**

Since the Company has incurred loss during the year ended March 31, 2019 and previous year, hence no tax is payable for these years as per provisions of Income Tax Act, 1961, the calculation of effective tax rate is not relevant and hence not given.

**Note 19**

**Short Term Borrowings**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Secured Term Loans from:</b>		
Body Corporates	3,300.00	3,300.00
<b>Unsecured Loans from:</b>		
Related Party		-
Body Corporates	400.00	400.00
<b>Total</b>	<b>3,700.00</b>	<b>3,700.00</b>

19.1 Inter Corporate Deposit of Rs. 3,300 Lakhs is secured by way of (a) equitable mortgage of land owned by other Body Corporate (b) 2,57,68,234 Equity Shares of the Company held by Promoters of the Company and (c) 3,85,629 Shares of Montana Infrastructure Ltd held by other.

**Note 20**

**Other Current Financial Liabilities**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Current Maturities of Long Term Debts	20,252.14	29,100.90
Interest accrued and due on borrowings	16,621.57	12,389.52
Interest accrued but not due on borrowings	981.17	3,937.53
Redemption Premium Payable on Redeemable Non Convertible Bonds	36,886.46	36,886.46
<b>Total</b>	<b>74,741.35</b>	<b>82,314.41</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 21****Other Current Liabilities**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Advances from Related Parties	37,881.97	32,692.57
Advances from others	9,821.61	1,996.22
Unpaid Dividend	0.45	1.44
Statutory Dues		
TDS	227.37	402.11
Provident Fund	0.54	0.25
Other statutory dues	2,733.96	2,741.39
Other Payables	620.91	6,006.68
<b>Total</b>	<b>51,286.82</b>	<b>43,840.66</b>

**Note 22****Provisions**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
for Employee Benefits	50.20	50.14
for Wealth Tax (net)	3.60	3.60
<b>Total</b>	<b>53.80</b>	<b>53.74</b>

**Note 23****Revenue from Operations**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Other Operating Revenue	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 24****Other Income**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Interest Income	-	7.25
Misc. Income	0.03	-
Foreign Exchange Gain/(Loss)	0.15	-
FV on Current Investment	791.48	-
Dividend on Current Investments	0.32	0.29
Sundry Balances written back	1,828.75	200.00
<b>Total</b>	<b>2,620.73</b>	<b>207.54</b>

**Note 25****Employee Benefits Expenses**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Salaries, Wages and Allowances	235.49	261.11
Contribution to Provident and Other Funds	1.64	11.04
Staff Welfare Expenses	2.30	0.73
<b>Total</b>	<b>239.43</b>	<b>272.88</b>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**25.1 Employee Benefits**

**a Defined Benefit Plan- Gratuity**

The Company has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company provides for the liability in its books of accounts based on the actuarial valuation. The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans. The present value of the obligation is determined based on actuarial valuation using Projected Units Credit Method, which recognizes each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to build up the final obligation.

**i) Reconciliation of opening and closing balances of the present value of the defined gratuity benefit obligation.**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Defined Benefit Obligation at beginning of the year	77.98	69.30
Current Service Cost	2.12	0.91
Past Service Cost	-	8.78
Current Interest Cost	4.07	2.96
Actuarial (Gain) / Loss	(3.28)	(1.09)
Benefits paid	-	(2.87)
Defined Benefit Obligation at end of the year	80.90	77.98

**ii) Reconciliation of Present Value of Obligation and Fair Value of Plan Assets**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	80.90	77.98
Liabilities / (Assets) recognised in the Balance Sheet- Current	50.20	50.15
Liabilities / (Assets) recognised in the Balance Sheet- Non Current	30.70	27.83

**iii) Expenses recognised during the year**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Current Service Cost	2.12	0.91
Past Service Cost	-	8.78
Interest Cost	-	2.96
Expected Return on Plan Assets	4.07	0
Net Cost Recognised in profit or loss	6.20	12.65
Actuarial (Gain) / Loss recognised in other comprehensive income	(3.28)	(1.09)

**iv) Assumptions used to determine the defined benefit obligations**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Mortality Table (LIC)	Indian Assured Lives Mortality	
Discount Rate (p.a.)	7.60%	7.70%
Retirement age	60 Years	60 Years
Expected Rate of increase in Salary (p.a.)	7.00%	7.00%

The estimates of rate of increase in salary are considered in actuarial valuation, taking into account, inflation, seniority, promotion, attrition and other relevant factors including supply and demand in the employment market. The above information is certified by Actuary.

**v) Sensitivity Analysis:**

<b>Particulars</b>	<b>Changes in assumptions</b>		<b>Effect on Gratuity Obligation increase/ (decrease)</b>	
	<b>2018-19</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2017-18</b>
Discount Rate	0.50%	0.50%	5.32	5.06
Salary Growth Rate	0.50%	0.50%	5.78	5.57

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

The above sensitivity analysis is based on an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the Balance Sheet.

**vi) Risk Exposure :**

- 1 Investment Risk: The Present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of reporting period on government bonds
- 2 Interest Risk: A decrease in the bond interest rate will increase the plan liability: however, this will be partially offset by an increase in the return on the plan debt investment.
- 3 Liquidity Risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
- 4 Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**vii) Details of Asset-Liability Matching Strategy :-** Gratuity benefits liabilities of the Company are unfunded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

**viii) The expected payments towards the gratuity in future years :**

Particulars	2018-19	2017-18
with in one year	50.20	50.15
1-5 years	25.11	22.76
More than 5 years	5.59	5.06

The average duration of the defined benefit plan obligation as at March 31, 2019 is 9.06 years (March 31, 2018: 5.89)

**Note 26****Finance Costs**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest Expenses	24,561.91	25,810.14
Redemption Premium	-	1,414.17
Other Borrowing Cost	-	19.49
<b>Total</b>	<b>24,561.91</b>	<b>27,243.80</b>

**Note 27****Other Expenses**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Advertisement & Business Promotion Expenses	5.50	4.44
Bank Charges & Commission	0.37	0.06
Donation	0.10	-
Rent	-	4.77
Rates and Taxes	15.54	12.12
Printing and Stationery	1.61	1.41
Postage, Courier & Communication Expenses	11.61	11.09
Repair and Maintenance - Other	18.75	22.10
Manpower & Security Charges	3.20	3.17
Travelling, Conveyance & Vehicle Expenses	73.02	29.52
Legal and Professional Charges	192.39	242.04

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Loss on Sale of Investment	2,477.70	6,344.30
Administrative, Office Expenses & Other expenses	21.44	28.36
Payment to Auditors (Refer Note No.29.1)	24.78	24.78
Other Miscellaneous expenses	0.17	49.46
Sitting Fees to Directors	8.02	8.24
Insurance Charges	1.01	1.05
Interest on TDS & Service Tax	1.42	0.96
Penalty	0.40	137.85
Provision for Doubtful Debts	145.58	-
<b>Total</b>	<b>3,002.59</b>	<b>6,925.71</b>

**27.1 Payment to Auditors includes:**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Audit Fees	20.65	20.65
Tax Audit Fees	2.95	2.95
Other Matters	1.18	1.18
<b>Total</b>	<b>24.78</b>	<b>24.78</b>

**Note 28**

**Contingent Liabilities and Commitments**

**Contingent Liabilities**

<b>Sr. No.</b>	<b>Particulars</b>	<b>MARCH 31, 2019</b>	<b>MARCH 31, 2018</b>
a)	Corporate Guarantee (Given to Banks, Financial Institutions and Body Corporates for credit facilities taken by subsidiary and other companies)	1,65,800.00	79,800.00
b)	Demands not acknowledged as Debts (net)		
	i) Income Tax	9,051.34	3,002.11
	ii) Suits filed against Company not acknowledge as debt	2,126.49	2,126.49

The Company has filed a suit in the Commercial court Ahmedabad against the lenders of Reliance Naval & Engineering Limited (RNEL) for illegally/unlawfully enforcing/invoking the securities furnished by the Company including the Corporate Guarantee. These securities were created in favour of the lenders of RNEL when the Company was the promoter of RNEL. The Company has ceased to be the promoter of RNEL and its Subsidiaries since January 2016. As the matter is sub-judice, no accounting effect has been given in the Financial Statements for Corporate Guarantees invoked amounting to Rs. 12,87,028.00 Lakhs. The lenders of RNEL have also filed recovery proceedings against the Company on account of Corporate Guarantee in Debt Recovery Tribunal (DRT) and the same is also challenged by the Company. The Company has filed claim against the Promoters of RNEL under the Arbitration Proceedings for the said invocation.

**Note 29**

**Fair Value Measurements**

The fair value of the financial assets and liabilities are included at the amount that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by the Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and Mutual Fund are valued using the Closing NAV.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value and instruments are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include forward exchange contract derivatives

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in this level. Instruments in level 3 category for the Company include unquoted equity shares and FCCDs, unquoted units of mutual funds and unquoted units of venture capital funds.

**a) Financial Instrument by Category****Financial Assets**

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Non Current Investments in Equity Instrument		16,728.87			21,970.74	
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	423.99			168.43		
Trade Receivables						
Cash and Cash Equivalents			18.52			81.51
Other Bank Balances			0.45			1.44
Other Non Current Financial Assets			1,405.66			10,744.18
Other Current Financial Assets			92,614.60			89,275.41
	<b>424.02</b>	<b>16,728.87</b>	<b>94,039.23</b>	<b>168.46</b>	<b>21,970.74</b>	<b>1,00,102.55</b>

The carrying amount of Financial Assets carried at amortised cost is reasonably approximate to its fair value.

**Financial Liabilities**

The Liability in case of Redeemable Non Convertible Bonds and Long Term Inter Corporate Deposit from related parties are initially recognised on fair value and the difference between fair value and transaction price is considered as Other Income. Subsequently the liability is measured at amortised cost using the effective interest rate. The impact on this account has been recognised as Other Income on the transaction date and subsequent impact are recognised as Finance Cost in the Statement of Profit and Loss.

The carrying amount of all other Financial Liabilities is reasonably approximate to its fair value. The fair values disclosed above are based on discounted cash flows using current borrowing rate. These are classified at level 2 fair values in the fair value hierarchy due to the use of observable inputs.

During the years mentioned above, there have been no transfers amongst the levels of the hierarchy

**b) Valuation process**

The Company evaluates the fair value of the financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also the Company internally evaluates the valuation process periodically

**c) Fair value hierarchy**

Particulars	As at March 31, 2019			As at March 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Current Investments in Equity Instrument	1,728.69		15,000.18	6,836.24		15,134.50
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	6.87	417.09		6.55	161.85	
	<b>1,735.59</b>	<b>417.09</b>	<b>15,000.18</b>	<b>6,842.82</b>	<b>161.85</b>	<b>15,134.50</b>

**d) Discription of the inputs used in the fair value measurement:**

Particulars	As at March 2018	Valuation Techniques	Input Used	Sensitivity
Financial Assets designated at fair value through profit or loss	15,000.18	Book Value	Financial Statement	No Material Impact on Fair Valuation
Unlisted Equity Instrument				

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**e) Reconciliation of fair value measurement categorised with in level 3 of the fair value hierarchy:**

<b>Particulars</b>	
Fair Value as at April 1, 2017	15,209.30
Loss on Fair Valuation	74.20
Sale of Shares	(149.00)
Fair Value as at March 31, 2018	15,134.50
Loss on Fair Valuation	(134.32)
Fair Value as at March 31, 2019	<b>15,000.18</b>

**Note 30**

**Financial Risk Management Objective and Policies**

The Company's principal financial liabilities comprise of loans & borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects under implementation. The Company's principal Financial Assets include Investment, loans and advances, trade and other receivables and cash and bank balances that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors, reviews and agrees policies for managing each of these risks, which are summarised below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a Financial Asset will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

**I Interest rate exposure profile appended in the table below**

<b>Borrowings</b>	<b>MARCH 31, 2019</b>	<b>MARCH 31, 2018</b>
Floating Rate Loans	40,960.09	55,489.98
Fixed Rate Loans	1,10,840.45	1,01,299.87
<b>Total</b>	<b>1,51,800.54</b>	<b>1,56,789.85</b>

**II Interest Risk Sensitivity**

With all other variables held constant, the following table reflects the impact of borrowing cost on floating rate portion of total Debt

<b>Risk Exposure</b>	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
Effect on profit/ (loss) before tax due to following change in interest rates	20 basis Points Increase	20 basis Points Decrease	20 basis Points Increase	20 basis Points Decrease
On Floating Rate Loans	81.92	81.92	110.98	110.98

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in Foreign Currency is not material.

**Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

**Liquidity risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank Overdrafts, Letter of Credit and Working Capital Limits.

The below table summarizes the maturity profile of the company's financial liability based on contractual undiscounted cash flows:

<b>Liquidity Profile</b>	<b>Less than 1 year</b>	<b>1-3 Year</b>	<b>3-5 Year</b>	<b>More than 5 Year</b>	<b>Total</b>
<b>As at March 31, 2019</b>					
Non Current Borrowings	37,854.89	45,820.62	9,655.88	-	93,331.39
Current Borrowings	3,700.00	-	-	-	3,700.00
Other financial liabilities	-	-	1,12,958.36	-	1,12,958.36
<b>Total</b>	<b>41,554.89</b>	<b>45,820.62</b>	<b>1,22,614.24</b>	<b>-</b>	<b>2,09,989.75</b>
<b>As at March 31, 2018</b>					
Non Current Borrowings	45,427.95	36,432.57	14,308.36	9,627.77	1,05,796.65
Current Borrowings	3,700.00	-	-	-	3,700.00
Other financial liabilities	-	-	1,04,206.72	-	1,04,206.72
<b>Total</b>	<b>49,127.95</b>	<b>36,432.57</b>	<b>1,18,515.08</b>	<b>9,627.77</b>	<b>2,13,703.37</b>

**Note 31****Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

**Note 32****Segment Reporting****Segment information as per Ind AS - 108 on Operating Segment :**

The risk - return profile of the Company's business is determined predominantly by the nature of its products. The Company is engaged in the business of Infrastructure development. Further based on the organisational structure and internal management reporting system, there are no separate reportable segments.

**Note 33****Post Reporting Events**

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation

**Note 34**

**Related Party Disclosures**

**a) List of Related parties**

**1 Subsidiary Companies**

SKIL Himachal Infrastructure & Tourism Limited

SKIL Shipyard Holdings Private Limited

SKIL Singapore Pte Ltd.

SKIL Advanced Systems Private Limited

Chiplun FTWZ Pvt. Ltd.

Metrotech Technology Park Pvt. Ltd.

Gujarat Dwarka Portwest Company Limited

Pipavav Electronic Warfare Systems Pvt. Ltd.

**2 Associates**

Urban Infrastructure Holding Private Limited

Rosoboronservice (India) Ltd.

**3 Joint Ventures**

Sohar Free Zone LLC

**4 Key Managerial Personnel**

Mr. Nikhil P. Gandhi

Mr. Bhavesh P. Gandhi

Mr. Shankar Agarwal

Mr. Nilesh Mehta

Mr. Shekhar Gandhi

**5 Other Related Parties**

Grevek Investment & Finance P. Ltd.

Awaita Properties Pvt. Ltd.

Nikhil P. Gandhi HUF

Bhavesh P. Gandhi HUF

Metropolitan Industries

**b) Terms and Conditions of transactions with related parties**

The Transactions with related parties are at arm's length price and in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest have been accounted on market rate except the advances given. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## c) 1 Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Subsidiary Companies

<b>i Investment at the end of the year</b>	<b>2018-19</b>	<b>2017-18</b>
SKIL Himachal Infrastructure & Tourism Limited	6,715.86	6,715.86
SKIL Shipyard Holdings Private Limited	12,015.41	12,015.41
SKIL (Singapore) Pte Ltd.	50.25	50.25
SKIL Advanced Systems Private Limited	5.00	5.00
Gujarat Dwarka Portwest Limited	38,426.48	38,426.48
Metrotech Technology Park Pvt Ltd	75.70	75.70
Chiplun FTWZ Private Limited	27,484.63	27,484.63
Pipavav Electronic Warfare Systems Pvt. Ltd.	1.00	1.00
<b>Loan and Advances</b>		
<b>ii Received</b>		
Metrotech Technology Park Pvt Ltd	470.50	1,923.67
<b>iii Repayment</b>		
SKIL Himachal Infrastructure & Tourism Limited	213.65	713.46
Metrotech Technology Park Pvt Ltd	522.66	-
Chiplun FTWZ Pvt. Ltd.	9.47	4.33
<b>iv Balances at the end of year</b>		
Chiplun FTWZ Pvt. Ltd.	2,291.93	2,301.40
SKIL Himachal Infrastructure & Tourism Limited	4,214.53	4,428.18
Metrotech Technology Park Pvt Ltd	1,871.51	1,923.67
<b>v Given</b>		
SKIL Shipyard Holdings Pvt. Ltd.	1,949.93	1,400.47
Pipavav Electronic Warfare Systems Pvt. Ltd.	0.11	0.34
SKIL Advanced Systems Private Limited	464.99	17.65
Gujarat Dwarka Portwest Limited	1,490.29	6,042.63
<b>vi Received back</b>		
SKIL Shipyard Holdings Pvt. Ltd.	0.14	4.00
SKIL Advanced Systems Private Limited	911.41	0.30
Gujarat Dwarka Portwest Limited	-	0.85
<b>vii Receivable at the end of the year</b>		
SKIL Shipyard Holdings Pvt. Ltd.	4,435.58	2,485.79
SKIL Singapore Pte. Ltd.	10,814.24	10,814.24
Pipavav Electronic Warfare Systems Pvt. Ltd.	40.74	40.63
SKIL Advanced Systems Private Limited	5.94	452.36
Gujarat Dwarka Portwest Limited	21,319.54	19,829.25
<b>viii Corporate Guarantee Given</b>		
SKIL Himachal Infrastructure & Tourism Limited	4,300.00	4,300.00
Gujarat Dwarka Portwest Limited	37,000.00	37,000.00
SKIL Shipyard Holdings Pvt. Ltd.	27,500.00	27,500.00
Chiplun FTWZ Pvt. Ltd.	-	2,500.00

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

<b>c) 2</b>	<b>Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Associate Companies</b>		
<b>i</b>	<b>Investment at the end of the year</b>	<b>2018-19</b>	<b>2017-18</b>
	Urban Infrastructure Holdings Pvt. Ltd.	3,17,850.15	3,17,850.15
	Rosoboronservice (India) Ltd.	81.00	81.00
<b>ii</b>	<b>Advances Given</b>		
	Rosoboronservice (India) Ltd.	85.55	-
<b>iii</b>	<b>Advances received back</b>		
	Rosoboronservice (India) Ltd.	-	-
<b>iv</b>	<b>Advance Receivable at the end of the year</b>		
	Rosoboronservice (India) Ltd.	1,028.55	943.00
<b>c) 3</b>	<b>Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Joint Ventures</b>		
	<b>Investment purchased/alloted during the year</b>	<b>2018-19</b>	<b>2017-18</b>
	Sohar Free Zone LLC	461.26	899.40
<b>i</b>	<b>Investment at the end of the year</b>		
	Sohar Free Zone LLC	1,360.66	899.40
<b>c) 4</b>	<b>Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Other Related Parties</b>		
	<b>Loans and Advances</b>		
<b>i</b>	<b>Received</b>	<b>2018-19</b>	<b>2017-18</b>
	Grevek Investment & Finance Pvt.Ltd.	5,276.63	7,125.41
	Metropolitan Industries	1,112.50	-
<b>iii</b>	<b>Repayment</b>		
	Grevek Investment & Finance Pvt.Ltd.	924.45	522.29
	Metropolitan Industries	-	0.64
<b>iv</b>	<b>Balances of at the end of year</b>		
	Grevek Investment & Finance Pvt.Ltd.	28,389.91	24,037.73
	Metropolitan Industries	1,114.09	1.59
<b>v</b>	<b>Advances received back</b>		
	Nikhil Gandhi HUF	-	365.82
	Bhavesh Gandhi HUF	-	250.18
<b>vi</b>	<b>Advance Receivable at the end of the year</b>		
	Nikhil Gandhi HUF	-	-
	Bhavesh Gandhi HUF	-	-
<b>vii</b>	<b>Deposit Given</b>		
	Awaita Properties Pvt Ltd.	-	54.02

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

<b>viii Corporate Guarantee Given</b>			
Grevek Investment & Finance Pvt.Ltd.	-		8,500.00
<b>ix Redeemable Non convertible Bonds at the end of the year</b>			
Grevek Investment & Finance Pvt.Ltd.	67,065.71		59,350.18
<b>x Redemption Premium Payable</b>			
Grevek Investment & Finance Pvt.Ltd.	36,886.46		35,472.29
<b>xi Inter-Corporate Deposit</b>			
Grevek Investment & Finance Pvt.Ltd.	9,006.19		7,970.07
<b>xi Interest Expenses</b>			
Grevek Investment & Finance Pvt.Ltd.	12.55		3.38
<b>xii Redemption Premium</b>			
Grevek Investment & Finance Pvt.Ltd.	-		1,414.17
<b>c) 5 Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Key Managerial Persons</b>			
		<b>2018-19</b>	<b>2017-18</b>
i Managerial Remuneration-Short Term Employee Benefits		122.00	98.83
ii Advance Receivable at the end of the year		-	0.60
<b>d) Details of Loans given, Investment made and Guarantee given, covered u/s 186(4) of the Companies Act, 2013</b>			
i Advances given and investment made are given under the respective head			
ii Corporate Guarantee have been issued on behalf of related parties, details of which are given in related party transactions above			

**Note 35****Jointly Controlled Entity**

Name	Ownership interest	
	As at December 31, 2018	As at December 31, 2017
Sohar Free Zone LLC	33.34%	27.18%
<b>Particulars</b>	<b>As at December 31, 2018</b>	<b>As at December 31, 2017</b>
<b>Assets</b>		
- Long Term Assets	5,034.83	3,344.97
- Current Assets	3,967.79	3,637.57
<b>Liabilities</b>		
- Non Current Liabilities	2,436.82	2,557.83
- Current Liabilities & Provisions	2,654.13	2,014.14
<b>Income</b>	3,128.84	2,236.90
<b>Expenses</b>	2,003.30	1,449.57

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 36**

The Company along with other past promoters of Reliance Naval and Engineering Limited ("RNEL") have filed claim of approximately over Rs. 10,500 crore against Reliance Group (ADAG) viz. Reliance Defence Systems Pvt. Ltd. ("RDSPL") and Reliance Infrastructure Limited ("R-Infra") the current promoters of RNEL on account of invocation of shares, invocation of Guarantees etc. in accordance with the terms and conditions of the Share Purchase Agreement dated 4th March 2015.

The Current promoters of RNEL viz. RDSPL and R-Infra have filed a Arbitration case with Singapore International Arbitration Centre ("SIAC") on 07/03/2018 and a claim of Rs. 5440.38 crores is raised on the Company and all the other past promoters of RNEL including Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, . The said claim has been raised towards breach of the terms and conditions of the Share Purchase Agreement dated 4th March, 2015. The Company has denied any breach of the said terms and conditions of the Purchase Agreement and has decided to effectively defend itself during the process of Arbitration.

**Note 37**

Exceptional items for the year include gain on account of financial charges written back on Loans from Bank & Financial Institution.

**Note 38**

Previous year figures regrouped/rearranged weherever necessary.

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**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 112318W**

**Nikhil Gandhi**  
**Chairman**  
**DIN : 00030560**

**Saurabh Chouhan**  
**Partner**  
**Membership No. 167453**

**Shekhar Gandhi**  
**CFO**

**Date: 28-05-2019**  
**Place: Mumbai**

**Nilesh Mehta**  
**Company Secretary**

## CONSOLIDATED AUDITOR'S REPORT

### To the Members of Skil Infrastructure Limited Report on Consolidated Ind AS Financial Statements

#### Opinion

We have audited the consolidated Ind AS financial statements of SKIL Infrastructure Limited ("the Company") and its subsidiaries (the company and subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under the Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2019, the consolidated loss and consolidated comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditors Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated 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.

#### Emphasis of Matter

We draw attention to Note No.15.1.X of the financial statements pertaining to the Long Term Borrowing of the Company. Our Opinion is not modified in respect of this matter.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *i. Evaluation of Contingent Liabilities*

(Refer note 30 – "Contingent Liabilities") There are a number of material regulatory and tax cases against the Company. Significant judgement is required in estimating / reassessing the level of provisioning and/or disclosures. The management's assessment is supported by advice from independent legal/ tax consultants obtained by them. We considered this as a Key Audit Matter as the eventual outcome of litigations is uncertain and the positions taken by the Management are based on the application of significant judgement and estimation. Any unexpected adverse outcomes could significantly impact the Company's results and financial position.

#### Auditors Response

Our procedures included, discussing with the management and tax and regulatory department heads to understand significant matters under litigation; Reading external legal opinions obtained by management, where available; Assessing management's conclusions; For Direct and Indirect tax litigations, involving internal tax experts to understand the current status of tax cases and monitoring changes in the disputes by reading details received by the Company; Performing detailed procedures on the underlying calculations supporting the provisions recorded and ensuring adequacy of disclosures made.

Based on the above procedures performed, we have not identified any significant exceptions relating to disclosure of contingent liabilities and accounting for provisions for litigations.

#### Other Matters

We did not audit the financial of Five subsidiaries whose financial statement financial information reflect total assets (net) of Rs. (7,252.37) Lakhs as at 31st March, 2019, total revenues of 15.76 Lakhs and net cash outflows amounting to Rs. 186.58 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in term of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

We did not audit the financial statement / financial information of one subsidiaries whose financial statements / financial information reflect total assets (net) of Rs. 1,706.35 Lakhs as at 31st March, 2019, total revenues of 0.01 Lakhs and net cash outflows amounting to Rs. 0.03 Lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statement / financial information is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statement ,in so far as it related to the amount and disclosures included in respect of this subsidiary and our report in terms of sub

section (3) and (11) of section 143 of the act in so far it relates to the aforesaid subsidiary is based solely on such unaudited financial statement/ Financial information. In our opinion and according to the information and explanations given to us by the management this financial statement/financial information are non material to the Group.

We did not audit the financial statements of one jointly controlled entity (Joint Venture), whose financial statements reflect total assets (net) of Rs. 3,911.67 Lakhs as at 31st December, 2018, total revenue of Rs. 1,125.54 Lakhs and net cash inflows amounting of Rs. 264.25 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Results included in the statements, in so far as it relates to the amount and disclosure included in respect of this Joint Venture, is based solely on the report of the other auditors. This Jointly Controlled entity is having financial year ending as on 31st December of every year, since it is impracticable to get the financial data as on 31st March, 2019, as such we have considered the financial data of this entity as on 31st December, 2018.

Due to unavailability of financials statements of two associate companies, share of profit/ (loss) is not included in this consolidated financial statement.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditors report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated, if based on the work we performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements**

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the Group'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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiaries companies incorporated in India has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the books of account
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act
- (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company has, to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its consolidated financial statements Refer Note 30 to the consolidated financial statements;
  - ii. The Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiaries.

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 112318W**

**Saurabh Chouhan**  
**Partner**  
**Membership No.: 167453**

**Place : Mumbai**  
**Date : 28/05/2019**

**Annexure - B to the Independent Auditor's Report of even date on the Consolidated financial statements Skill Infrastructure Limited.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Skill Infrastructure Limited** ("the Company") and its subsidiary companies, which are companies incorporated in India, as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company and its subsidiary companies are 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

**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

- (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 authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 and to the best of our information and explanation provided to us, the Company and its subsidiary companies, which are companies incorporated in India, 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 respective Companies 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.

**Other Matter**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 5 subsidiary companies, and 2 associate companies, which are companies incorporated in India, is based on the corresponding reports of the other auditors of such companies incorporated in India.

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 112318W**

**Saurabh Chouhan**  
**Partner**  
**Membership No.: 167453**

**Place : Mumbai**  
**Date : 28/05/2019**

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019**

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>			
<b>(1) Non Current Assets</b>			
Property, Plant and Equipment	2	25,830.36	25,447.73
Capital Work in Progress	3	70,430.05	62,616.21
Intangible Assets		-	-
Financial Assets			
Investments	4	3,34,660.04	3,39,901.89
Other Financial Assets	5	1,405.87	22,879.95
Other Non Current Assets	6	16,635.44	22,241.48
		<b>4,48,961.76</b>	<b>4,73,087.26</b>
<b>(2) Current Assets</b>			
Financial Assets			
Current Investments	7	424.00	168.44
Trade Receivables	8	724.26	669.76
Cash and Cash Equivalants	9	3,308.12	2,359.93
Other Bank Balances	10	0.45	934.92
Other Current Financials Assets	11	68,569.28	1,17,553.29
Other Current Assets	12	62,949.17	443.37
		<b>1,35,975.28</b>	<b>1,22,129.71</b>
	<b>TOTAL</b>	<b>5,84,937.04</b>	<b>5,95,216.97</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Share Capital	13	21,657.12	21,657.12
Other Equity	14	1,97,079.86	2,17,165.44
<b>Equity attributable to Owners</b>		<b>2,18,736.98</b>	<b>2,38,822.56</b>
Non Controlling Interest		6,769.01	7,201.37
		<b>2,25,505.99</b>	<b>2,46,023.93</b>
<b>(2) Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	1,94,451.22	2,03,759.68
Other Financial Liabilities	16	6,198.30	8,681.10
Provisions	17	30.70	35.27
Deferred Tax Liabilities (net)	18	67.11	82.56
		<b>2,00,747.33</b>	<b>2,12,558.61</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	19	3,700.00	9,032.64
Trade Payables	20		
(i) Due to Micro and Small Enterprise			
(ii) Due to others		1,903.35	1,825.57
Other Current Financial Liabilities	21	1,07,011.81	84,562.68
Other Current Liabilities	22	45,994.44	41,156.19
Provisions	23	74.11	57.36
		<b>1,58,683.71</b>	<b>1,36,634.43</b>
	<b>TOTAL</b>	<b>5,84,937.04</b>	<b>5,95,216.97</b>
Significant Accounting Policies	1		

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

Nikhil Gandhi  
Chairman  
DIN : 00030560

Saurabh Chouhan  
Partner  
Membership No. 167453

Shekhar Gandhi  
CFO

Date: 28-05-2019  
Place: Mumbai

Nilesh Mehta  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Revenue</b>			
Net Revenue from Operations	24	3,117.89	2,213.00
Other Income	25	2,679.69	274.31
Total Revenue		<u>5,797.58</u>	<u>2,487.31</u>
<b>Expenses</b>			
Employee Benefits Expenses	26	1,030.82	827.30
Finance Costs	27	29,478.12	29,207.57
Depreciation and Amortisation Expenses	2	313.13	272.02
Other Expenses	28	3,788.90	7,127.96
Total Expenses		<u>34,610.97</u>	<u>37,434.85</u>
<b>Loss before Exceptional Items and Tax</b>		(28,813.39)	(34,947.56)
<b>Exceptional Items</b>		7,869.05	(8,305.18)
<b>Profit / (Loss) Before Tax</b>		(20,944.34)	(43,252.74)
Tax Expense - Current Tax		-	-
- Deferred Tax Credit		8.02	9.34
- Income Tax for Earlier Years		-	-
		<u>8.02</u>	<u>9.34</u>
<b>Loss for the year</b>		(20,952.36)	(43,243.40)
Share of Net Loss of Associates			
Non Controlling Interest		2.73	2.00
<b>Net Loss attributable to the owners of the Company</b>		(20,949.63)	(43,241.40)
<b>Other Comprehensive Income to be reclassified to profit and loss in subsequent year</b>			
Fair Valuation of Non Current Investment		(134.32)	(7,582.55)
Income Tax relating to Other Comprehensive Income			-
<b>Other Comprehensive Income not to be reclassified to profit and loss in subsequent year</b>			
Actuarial gains/(losses) on defined benefit plans		3.28	1.09
Income Tax relating to Other Comprehensive Income			-
<b>Other Comprehensive Income for the year</b>		<u>(131.04)</u>	<u>(50,822.84)</u>
<b>Total Comprehensive Income for the year</b>		<u>(21,080.68)</u>	<u>(50,822.84)</u>
<b>Profit/Loss attributable to:</b>			
a Owners of the Company		(20,952.36)	(43,243.40)
b Non Controlling Interest		2.73	2.00
<b>Other Comprehensive Income attributable to:</b>			
a Owners of the Company		(131.04)	(7,581.45)
b Non Controlling Interest		-	-
<b>Total Comprehensive Income attributable to:</b>			
a Owners of the Company		(21,083.40)	(50,824.85)
b Non Controlling Interest		2.73	2.00
Earnings per Equity Share of Rs. 10/- each	30		
- Basic (In Rupees)		(9.73)	(23.47)
- Diluted (In Rupees)		(9.73)	(23.47)
Significant Accounting Policies	1		

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Reg. No. 112318W

Nikhil Gandhi  
Chairman  
DIN : 00030560

Saurabh Chouhan  
Partner  
Membership No. 167453

Shekhar Gandhi  
CFO

Date: 28-05-2019  
Place: Mumbai

Nilesh Mehta  
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	2018-19	2017-18
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Loss before Tax	(20,944.34)	(43,252.75)
	Adjustments for :-		
	Depreciation and Amortisation Expenses	313.13	272.02
	Interest Income	(15.76)	(48.09)
	Dividend on Current Investments	(0.32)	(0.29)
	Loss on Sale of Investment	2,477.70	14,623.53
	Fair Valuation on Current Investment	(791.48)	-
	Finance Costs	29,478.12	29,207.57
	Actuarial gains/(losses) on defined benefit plans	3.28	1.09
	Balances Written off/back (net)	(1,828.75)	(200.00)
	<b>Operating profit/(loss) before working capital changes</b>	<b>8,695.08</b>	<b>603.12</b>
	<b>Adjusted for</b>		
	Trade and Other Receivables	392.58	(18,570.25)
	Trade and Other Payables	6,763.93	(13,481.24)
	<b>Cash Used in Operations</b>	<b>15,851.60</b>	<b>(31,448.37)</b>
	Direct Taxes (Paid) / Refund	(0.01)	(0.61)
	<b>Net Cash Used in Operating Activities</b>	<b>15,851.59</b>	<b>(31,448.97)</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of Property, plant and equipment and Capital Work in Progress	(2,372.02)	19,975.65
	Sale of Property, plant and equipment	-	17,632.75
	Advance to Related Parties (Net)	(131.65)	9,164.66
	Loan to Others	7,640.36	(21,020.12)
	Interest Received	15.76	48.09
	Sale of Investments	3,165.75	50,872.89
	Dividend Received on Current Investments	0.32	0.29
	<b>Net Cash (used in)/Generated from Investing Activities</b>	<b>8,315.03</b>	<b>76,674.21</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from Long Term Borrowings	(6,707.53)	1,424.75
	Repayment of Long Term Borrowings	-	-
	Short Term Borrowings (Net)	(7,815.44)	(18,338.74)
	Interest Paid	(9,629.90)	(28,464.30)
	Margin Money (Net)	934.47	980.12
	Dividend Paid	-	0.65
	<b>Net Cash Flow Generated from Financing Activities</b>	<b>(23,218.40)</b>	<b>(44,397.52)</b>
	<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>948.22</b>	<b>827.72</b>
	Cash and Cash Equivalents - Opening balance	2,359.92	1,532.20
	Cash and Cash Equivalents - Closing balance	3,308.14	2,359.92

**Change in Liability arising from financing activities**

Rs in Lakhs

S. no	Particulars	As at March 31, 2019		As at March 31, 2018	
		Long Term Borrowings	Short Term Borrowings	Long Term Borrowings	Short Term Borrowings
1	Opening Balance	2,42,191.68	9,032.64	2,71,541.71	27,371.38
2	Net Cash Flow as above	(6,707.53)	(7,815.44)	1,424.75	(18,338.74)
3	Non Cash Changes	4,356.95	2,482.8	(30,774.78)	-
4	Closing Balance	2,39,841.10	3,700.00	2,42,191.68	9,032.64

**Notes:**

- (1) The above cash flow statement has been prepared under the "indirect method" as set out in Ind-AS 7 - Cash flow Statement.
- (2) Figures in brackets indicate outflow.
- (3) Previous Year figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.

**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

For Kailash Chand Jain & Co.

Nikhil Gandhi

Chartered Accountants

Chairman

Firm Reg. No. 112318W

DIN : 00030560

Saurabh Chouhan

Shekhar Gandhi

Partner

CFO

Membership No. 167453

Date: 28-05-2019

Nilesh Mehta

Place: Mumbai

Company Secretary

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019****A Equity Share Capital***Rs in Lakhs*

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of Shares	Amount	No of Shares	Amount
Equity Shares at the beginning of the year	21,65,71,232	21,657.12	21,65,71,232	21,657.12
Add: Shares Issued during the year	-	-	-	-
Equity Shares at the end of the year	21,65,71,232	21,657.12	21,65,71,232	21,657.12

**B Other Equity**

Particulars	Reserve and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Other Reserve	Statutory Reserve	Retained Earning	Foreign Currency Translation Reserve	Other items of Comprehensive Income	
<b>As at April 1, 2017</b>	2,44,333.30	9,441.56	1,03,849.28	68.53	(1,30,835.26)	974.10	(215.03)	2,27,616.48
<b>Add/(Less):</b>								
Loss for the year	-				(43,241.39)			(43,241.39)
Adjustment on dilution of Control			-		40,371.80			40,371.80
Other Comprehensive Income							(7,581.45)	(7,581.45)
<b>As at March 31, 2018</b>	<b>2,44,333.30</b>	<b>9,441.56</b>	<b>1,03,849.28</b>	<b>68.53</b>	<b>(1,33,704.85)</b>	<b>974.10</b>	<b>(7,796.48)</b>	<b>2,17,165.44</b>
Loss for the year					(20,949.63)			(20,949.63)
Adjustment on dilution of Control								-
Other Comprehensive Income							(131.04)	(131.04)
Addition						995.08		995.08
Transfer					(7,794.78)		7,794.78	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,744.41)</b>	<b>995.08</b>	<b>7,663.74</b>	<b>(20,085.59)</b>
<b>As at March 31, 2019</b>	<b>2,44,333.30</b>	<b>9,441.56</b>	<b>1,03,849.28</b>	<b>68.53</b>	<b>(1,62,449.26)</b>	<b>1,969.18</b>	<b>(132.74)</b>	<b>1,97,079.86</b>

**AS PER OUR REPORT OF EVEN DATE****FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 112318W**

**Nikhil Gandhi**  
**Chairman**  
**DIN : 00030560**

**Saurabh Chouhan**  
**Partner**  
**Membership No. 167453**

**Shekhar Gandhi**  
**CFO**

**Date: 28-05-2019**  
**Place: Mumbai**

**Nilesh Mehta**  
**Company Secretary**

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

### Note - 1

#### General Information

SKIL Infrastructure Limited is a company limited by shares, incorporated and domiciled in India. The registered office of the company is located at SKIL House, 209 Bank Street Cross Lane, Fort , Mumbai 400023). The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is Infrastructure Company developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors

These Consolidated Financial statements of the Company for the year ended March 31, 2019 were authorised for issue by board of directors on May 28, 2019. Pursuant to the provisions of the section 130 of the Act, the Central Government, Income Tax Authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the board of directors of the Company have power to amend/re-open the Financial statements approved by the board/adopted by the members of the Company.

#### Significant Accounting Policies

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

##### a Basis of Preparation of Consolidated Financial Statements:

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] on accrual basis and other relevant provisions of the Act. Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III, applicable Ind AS, other applicable pronouncements and regulations.

##### b Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- i Certain financial assets and liabilities that are measured at fair value;
- ii Defined benefit plans - plan assets measured at fair value; and
- iii Assets held for sale – measured at fair value less cost to sell;

##### c Principles of Consolidation:

The consolidated financial statements relate to the SKIL Infrastructure Limited ('the Company') and its subsidiary companies & associate company. The consolidated financial statements have been prepared on the following basis:

- i. The consolidated financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra - group balances and intra - group transactions in accordance with Ind - AS 110 "Consolidated Financial Statements".
- ii. Subsidiaries are the entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.
- iii. In case of a foreign subsidiary, being non integral operations, revenue items are consolidated at the average rate prevailing during the year. All the assets and liabilities are converted at the rates prevailing at the end of the year. The resultant translation exchange differences have been transferred to foreign currency translation reserves through other comprehensive income.
- iv. **Non-controlling interests (NCI):**  
NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.
- v. **Transactions eliminated on consolidation:**  
Intra - group balances and transactions and any unrealised income and expenses arising from intra-group transactions, net of deferred taxes, are eliminated.
- vi. As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- vii. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries are recognized in the Consolidated Financial Statements as Goodwill, which is not being amortised but tested for impairment periodically.
- viii. Investments in Associate Company have been accounted under the equity method as per Ind - AS 28 "Investments in Associates and Joint Ventures".

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

- ix. The differences between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in associate are identified in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be.

**d Functional and Presentation Currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the functional currency for the Company.

**e Use of Estimates:**

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised and if material, their effects are disclosed in the notes to the Financial Statements.

**Estimates and assumptions are required in particular for:**

- i. Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

**ii. Recognition and measurement of defined benefit obligations**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

**iii. Recognition of deferred tax assets**

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

**iv. Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

**v. Discounting of long-term financial liabilities**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

**vi. Determining whether an arrangement contains a lease**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

**vii. Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives include Foreign Currency Forward Contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts is determined using the rates published by Reserve Bank of India (RBI). Fair value of Interest Rate Swaps is determined with respect to current market rate of interest.

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**f Current Versus Non Current Classification:**

**i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset is current when it is:**

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
- 2 Held primarily for the purpose of trading
- 3 Expected to be realised within twelve months after the reporting period, or
- 4 Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**ii A liability is current when it is:**

- 1 Expected to be settled in normal operating cycle
- 2 Held primarily for the purpose of trading
- 3 Due to be settled within twelve months after the reporting period, or
- 4 There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

**g Other Significant Accounting Policies:**

**I Property, Plant and Equipments:**

- i. The Company has measured all of its Property, Plant and Equipments historical cost at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date.
- ii. Property, Plant and Equipments are stated at cost net of cenvat / value added tax less accumulated depreciation and impairment loss, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use are capitalised as part of total cost of assets.
- iii. Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

**II Depreciation:**

- i. Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful life specified in Schedule II to the Companies Act, 2013.
- ii. In respect of additions/extensions forming an integral part of existing assets, depreciation has been provided over residual life of the respective assets. Significant additions which are required to be replaced/performed at regular interval are depreciated over the useful life of their specific life.
- iii. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

**III Borrowing Costs:**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

**IV Intangible Assets:**

Intangible Assets having finite life are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 5 years.

**V Fair Value Measurement:**

Fair value is the price that would be received to sell an assets or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an assets or liability is measured using the assumptions that market participants would use when pricing the assets or liability, acting in their best economic interest. The fair value of plant and equipments as at transition date to Ind- AS have been taken based on valuation performed by an independent technical expert. The Company used valuation techniques which were appropriate in circumstances and for which sufficient data were available considering the expected loss/profit in case of financial assets or liabilities.



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019****VI Revenue Recognition:**

- i Revenue from operation include income from sale of goods, services and service tax/Goods and Service Tax and is net of value added tax and sales tax recovered.
- iii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established. Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

**VII Foreign Currency Transactions:**

- i. Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are re measured at the exchange rate prevailing on the balance sheet date.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

**VIII Financial Instruments:**

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.

**Financial Assets****i Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**ii Initial recognition and measurement**

All financial assets are recognised initially 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.

**iii Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit or Loss. This category generally applies to trade and other receivables.

**iv Financial Assets measured at fair value through other comprehensive income (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**v Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

**vi Investment in Subsidiary and Associates:**

The Company has measured all of its Investment in equity instruments of Subsidiaries, Associates and Joint Ventures at fair value at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date. Subsequently, these Investment in equity instruments of Subsidiaries, Associates and Joint Ventures are measured at deemed cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment which is other than temporary.

**vii Investment in Equity Instruments:**

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from other comprehensive income to profit or loss

**viii Investment in Debt Instruments:**

A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. Debt instruments included with in the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**ix Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**x 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 financial assets which are not valued through Profit and Loss.

**Financial Liabilities**

**i Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**ii Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**iii Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**iv Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**v Derecognition of Financial Liabilities**

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

**vi Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**IX Leases:**

**i Lease payments**

Payments made under operating leases are recognised in Statement of Profit and Loss. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**ii Lease assets**

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

**X Employee Benefits:****i Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**ii. Defined benefit plans**

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 defined benefit obligations 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. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement 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 recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

**iii. Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement is recognised in Statement of Profit and Loss in the period in which they arise.

**XI Provision for Current and Deferred Tax:**

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- 1 has a legally enforceable right to set off the recognised amounts; and
- 2 intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**ii. Deferred Tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rate and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction.

**Deferred tax assets and liabilities are offset only if:**

- 1 entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 2 deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**XII Impairment of Assets:**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**XIII Provision, Contigent Liabilites and Contigent Assets:**

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

**XIV Earnings per share**

- i Basic earnings per share: Basic earnings per share is calculated by dividing:
  - 1 the profit attributable to owners of the Company
  - 2 by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
- ii Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
  - 1 the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
  - 2 the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**i Subsidiary/Associate/Joint Venture Companies considered in the Consolidated Financial Statements:**

**a Subsidiary Companies**

Name of the Subsidiary	Nature of Business	Country of Incorporation	Proportion of Ownership Interest
SKIL-Himachal Infrastructure & Tourism Limited	Infrastructure Development	India	100%
SKIL Shipyard Holdings Private Limited		India	100%
SKIL (Singapore) Pte Limited of Singapore		Singapore	100%
SKIL Advanced Systems Private Limited		India	100%
Metrotech Technology Park Pvt Ltd		India	100%
Chiplun FTWZ Private Limited		India	52%
Pipavav Electronic Warfare Systems Pvt. Ltd		India	100%
Gujarat-Dwarka Portwest Limited		India	73.60%

**b Associate Company**

Name of the Associate	Country of Incorporation and place of business	Proportion of Ownership Interest
Rosoboronservice (India) Limited	India	20.00%
Urban Infrastructure Holdings Private Limited	India	35.00%

**c Joint Venture**

Name of the Company	Country of Incorporation and place of business	Proportion of Ownership Interest
Sohar Free Zone LLC	Sultanate of Oman	33.34%

- c The carrying amount of investment in associate includes Goodwill of Rs. 110.21 Lakhs.

## Note 2: Property, plant and equipment

Rs in Lakhs

Particulars	Tangible Assets					Tangible Total	Intangible Assets Computer Software
	Freehold Land	Building	Furniture and fixtures	Office equipment	Vehicles		
Gross Block							
Balance at 1 April 2017	40,997.23	3,206.05	116.06	204.36	1,367.21	45,890.90	22.85
Additions	-		-	3.36	-	3.36	-
Disposals	17,764.95		12.50	8.06	6.23	17,791.74	0.32
Foreign Exchange Adj		(192.92)				(192.92)	
Balance at 31 March 2018	23,232.28	3,013.13	103.56	199.66	1,360.98	27,909.60	22.53
Additions	-			1.99		1.99	
Disposals	-					-	
Additions on Change in Control		442.44				442.44	
Foreign Exchange Adj		407.55				407.55	
Balance at 31 March 2019	23,232.28	3,863.12	103.56	201.65	1,360.98	28,761.58	22.53
Accumulated depreciation							
Balance at 1 April 2017	-	699.99	110.85	196.03	1,230.59	2,237.46	19.12
Depreciation charge for the year	-	235.77	0.98	1.85	32.52	271.12	3.31
Disposals	-		10.44	1.26	0.56	12.26	-
Foreign Exchange Adj		(34.47)	-	0.02	-	(34.45)	0.10
Balance at 31 March 2018	-	901.29	101.39	196.64	1,262.55	2,461.87	22.53
Depreciation for the year	-	291.03	0.48	1.97	19.65	313.13	
Disposals	-		-	-	-	-	-
Foreign Exchange Adj	-	156.22				156.22	
Balance at 31 March 2019	-	1,348.54	101.87	198.61	1,282.20	2,931.22	22.53
Net Book Value							
<b>Balance at 31 March 2019</b>	<b>23,232.28</b>	<b>2,514.58</b>	<b>1.69</b>	<b>3.04</b>	<b>78.78</b>	<b>25,830.36</b>	<b>-</b>
Balance at 31 March 2018	23,232.28	2,111.84	2.17	3.02	98.43	25,447.73	-
Balance at 1 April 2017	40,997.23	2,506.06	5.21	8.33	136.62	43,653.44	3.73

In accordance with the Ind-AS 36 on "Impairment of Assets", the Management has during the year carried out an exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.

## Note 3: Capital Work in Progress

	Balance as at 31.03.2019	Balance as at 31.03.2018
Capital work in Progress	70,430.05	62,616.21

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 4**

**Non-Current Investments**

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Long Term Trade Investments (Unquoted and fully paid up)- Financial Assets measured at cost</b>						
<b>In Equity Instruments of Associate Companies - Unquoted</b>						
Rosoboronservice (India) Limited	20.00%	100	13,500	13,500	81.00	81.00
Urban Infrastructure Holdings Private Limited	35.00%	10	12,41,56,500	12,41,56,500	3,17,850.15	3,17,850.15
<b>In Equity Instruments - Quoted(FVTOCI)</b>						
Everonn Education Ltd.	6.94%	10	16,69,565	16,69,565	204.44	204.44
Fastlane Distriparks & Logistics Limited's Trust	2.74%	10	59,34,328	59,34,328	593.43	593.43
Horizon Country Wide Logistics Limited's Trust	4.30%	10	93,08,160	93,08,160	930.82	930.82
Reliance Naval and Engineering Limited	2.38%	10	-	1,85,39,230	-	5,107.55
<b>In Equity Instruments - Unquoted(FVTOCI)</b>						
Mumbai SEZ Limited	6.49%	10	14,64,08,090	14,64,08,090	14,333.35	14,333.35
Donyi Polo Petrochemicals Limited	11.26%	10	26,25,500	26,25,500	42.85	247.86
Karanja Terminal & Logistics Pvt. Ltd.	0.12%	10	24,500	24,500	2.45	2.45
Shriram New Horizons Ltd.	18.52%	10	50,00,000	50,00,000	500.00	500.00
Navi Mumbai SMART CITY Infrastructure Ltd.	6.75%	10	10,12,783	10,12,783	121.53	50.84
<b>Total</b>					<b>3,34,660.04</b>	<b>3,39,901.89</b>

**4.1 Details of shares pledged :**

- Investment in Everonn Education Limited includes 16,69,565 (Previous Year 16,69,565) shares pledged with the lenders of one of the subsidiary company.
- Investment in Reliance Naval and Engineering Ltd. includes
  - NIL ( Previous Year 1,85,39,230) shares pledged with the lenders of Company and its subsidiary,
- Investment in Urban Infrastructure Holdings Pvt. Ltd. pledged with lenders of the Company.
- Refer note no 15 for details of Investments pledged with Lenders for loan facilities availed by the Company

**4.2 Aggregate amount of Non Current Investments.**

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	1,728.69	1,728.69	6,836.24	6,836.24
Unquoted Investments	3,32,931.33	-	3,33,065.65	-

**Note 5**

**Other Financial Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits with Related Parties	54.02	54.02
Others		
- Considered goods	1,351.85	1,357.38
- Considered doubtful	-	150.00
	1,405.87	1,561.40
Less Provision on Impairment of assets	-	150.00
	1,405.87	1,411.40
Loan to Body Corporates- Considered Good	-	21,468.55
<b>Total</b>	<b>1,405.87</b>	<b>22,879.95</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## Note 6

## Other Non- Current assets

(Unsecured and considered good)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	14,854.84	20,460.88
Advance income Tax (Net)	1,780.60	1,780.60
<b>Total</b>	<b>16,635.44</b>	<b>22,241.48</b>

## Note 7

## Current Investments

Particulars	Numbers		Amount	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>In Equity Shares -Financial Assets carried at fair value through profit &amp; loss</b>				
<b>Quoted Fully Paid up</b>				
Varun Industries Ltd. of Rs. 10 each	1,105	1,105	0.03	0.03
<b>Total A</b>			<b>0.03</b>	<b>0.03</b>
<b>In Units -Financial Assets carried at fair value through profit &amp; loss</b>				
<b>Quoted Fully Paid up</b>				
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan -				
Wholesale -Daily Dividend of Rs. 10 each	47927	47927	4.87	4.87
Retail -Daily Dividend of Rs. 10 each	16590	16590	2.00	1.68
<b>Unquoted Fully Paid up</b>				
Urban Infrastructure Opportunities Fund (Face Value Rs 1 Lakhs)	2750	2750	417.09	161.87
<b>Total B</b>			<b>424.00</b>	<b>168.44</b>

## 7.1 Aggregate amount of Non Current Investments

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	6.87	6.87	6.55	6.55
Unquoted Investments	417.09	-	161.87	-

## Note 8

## Trade Receivables (Unsecured)

Particulars	As at March 31, 2019	As at March 31, 2018
Considered Good	724.26	669.76
Considered Doubtful	5,940.68	5,940.68
	6,664.94	6,610.44
Less: Provision for Impairment	5,940.68	5,940.68
<b>Total</b>	<b>724.26</b>	<b>669.76</b>

8.1 Trade receivables are non - interest bearing and receivable in normal operating cycle

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 9**

**Cash and Cash Equivalents**

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks In Current Accounts	3,279.50	2,139.06
Cash on hand	11.62	7.75
Fixed Deposit with Banks ( Less than three months)	17.00	213.11
<b>Total</b>	<b>3,308.13</b>	<b>2,359.93</b>

**Note 10**

**Other Bank Balances**

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with Banks in dividend account	0.45	1.44
Fixed Deposits with Banks	-	933.48
<b>Total</b>	<b>0.45</b>	<b>934.92</b>

**Note 11**

**Other Current Financials Assets**

**(Unsecured & considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Loans &amp; Advances</b>		
Related Parties	1,028.55	943.00
Directors and other officers	-	0.60
Others ( Refer Note No. 11.2 below)	67,540.73	1,16,609.69
<b>Total</b>	<b>68,569.28</b>	<b>1,17,553.29</b>

**11.1 Details of Loans given pursuant to regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

Company Name	Closing Balance	
	As at March 31, 2019	As at March 31, 2018
<b>Associate</b>		
Rosoboronservice (India) Limited	1,028.55	943.00
<b>Directors and Key Managerial Persons</b>		
Nilesh Mehta	-	0.60

- All the above Loans are given for meeting working capital requirements.
- Loans to employee and reimbursement of expenses are not considered for this clause.
- There are no investments by the Loanees at March 31, 2019 in the shares of the Company and Subsidiary Companies.

**11.2** The above advances includes Rs. 50,653.15 Lakhs receivable from RNEL and its subsidiaries mainly on account of invocation of RNEL shares owned by us, by the Lenders of RNEL and its subsidiaries. These shares were pledged as securities to the lenders of RNEL and its subsidiaries when the company was promoter of RNEL. The Company is ceased to be the promoter of RNEL and its Subsidiaries since January 2016. The Company has filed claim against Promoters of RNEL for the said invocation under the Arbitration Proceedings. The Company has also challenged this invocation and the matter is sub-judice.

**Note 12**

**Other Current Assets**

**(Unsecured & considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
Other Advances (Refer Note No. 12.1 below)	62,947.35	440.89
Deposits	-	-
Prepaid expenses	1.82	2.48
<b>Total</b>	<b>62,949.17</b>	<b>443.37</b>

**12.1** The above advance s includes 20,796.22 Lakhs receivable from RNEL and it's subsidiaries.



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## Note 13

## Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b>		
91,00,00,000 (Previous Year: 91,00,00,000) Equity Shares of Rs. 10/- each	91,000.00	91,000.00
<b>Issued, Subscribed and fully paid up</b>		
21,65,71,232 (Previous Year: 21,65,71,232) Equity Shares of Rs. 10/- each fully paid up	21,657.12	21,657.12
<b>Total</b>		

## 13.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Shares at the beginning of the year	21,65,71,232	21,65,71,232
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>21,65,71,232</b>	<b>21,65,71,232</b>

## 13.2 Shareholders holding more than 5% Shares in the Company:

Shares held by	As at March 31st, 2019		As at March 31st, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Metropolitan Industries	7,70,72,724	35.59	8,27,43,840	38.20
Montana Infrastructure Ltd	5,00,65,611	23.12	3,23,98,791	14.96
Ashoka Investment Holdings Private Ltd	1,12,76,659	5.21	1,12,76,659	5.21
SREI Infrastructure Finance Limited	-	-	1,76,66,820	8.16

## 13.3 Terms and Rights attached to Equity Shares

The Company has only one class of Equity Share having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity share holders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

## Note 14

## OTHER EQUITY

Particulars	As at March 31st, 2019		As at March 31st, 2018	
<b>Capital Reserve</b>				
Opening Balance	2,44,333.30		2,44,333.30	
Additions during the year	-	2,44,333.30	-	2,44,333.30
<b>Securities Premium Account</b>				
Opening Balance	9,441.56		9,441.56	
Add :- On Issue of Shares	-	9,441.56	-	9,441.56
<b>Other Reserve</b>				
Opening Balance	1,03,849.28		1,03,849.28	
Additions during the year	-	1,03,849.28	-	1,03,849.28
<b>Statutory Reserve</b>				
Opening Balance	68.53		68.53	
Additions during the year	-	68.53	-	68.53
<b>Retained Earnings</b>				
Opening Balance	(1,33,704.84)		(1,30,835.26)	
Transfer from OCI	(7,794.78)		-	
Adjustment on dilution of Control	-		40,371.81	
Add:- Profit(loss) for the year as per profit or loss statement	(20,949.63)	(1,62,449.24)	(43,241.39)	(1,33,704.84)

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

Particulars	As at March 31st, 2019		As at March 31st, 2018	
<b>Foreign Currency Translation Reserve</b>				
Opening Balance	974.10		974.10	
Additions during the year	995.08	1,969.18	-	974.10
<b>Other Comprehensive Income</b>				
Opening Balance	(7,796.48)		(215.03)	
Transfer to Retained Earnings	7,794.78			
Add: Movement During the year (net)	(131.04)	(132.74)	(7,581.45)	(7,796.48)
		<b>1,97,079.86</b>		<b>2,17,165.44</b>

Capital Reserve: Created pursuant to amalgamation of the Company as per order of High Court Mumbai in the financial year 2011 - 2012. The same can be utilised as per provision of the Act.

Securities Premium Account: This reserve is created to record premium on issue of shares. The same can be utilised in accordance with the provision of the Act.

Other Reserves: Other Reserve was created pursuant to first time adoption of Ind-AS as at April 01, 2016. and not available for distribution as dividend

**Note 15**

**Long Term Borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured Loans</b>		
<b>Rupee Term Loans from:</b>		
Banks	32,973.50	38,145.10
Financial Institutions	54,170.00	66,170.00
Body Corporates	23,021.38	23,021.38
<b>Vehicle Loans</b>	2.73	15.44
<b>Redeemable Non Convertible Bonds</b>		
175 Nos.(previous year 175 Nos) 0.01% (PY 3%)Redeemable Non Convertible Bonds of Rs.1 Crore Each	12,916.72	11,430.73
829 Nos.(previous year 829 Nos) 0% Redeemable Non Convertible Bonds of Rs. 1 Crore Each	54,148.99	47,919.46
<b>275 Nos (previous year 275 no) 14% NCD of Rs 100 Lakhs Each</b>	8,211.72	9,087.50
<b>Inter Corporate Deposits from:</b>		
Related Parties	9,006.19	7,970.07
Body Corporates		
<b>Total Secured Loans</b>	<b>1,94,451.22</b>	<b>2,03,759.68</b>

**15.1** Term loan from Bank / Financial Institution referred to above and Rs 20,252.14 Lakhs included in current maturities of long term debt in Note No. 22 are secured as under:

- i) Term loan from Union Bank of Rs.564.14 Lakhs and accrued interest of Rs.177.37 Lakhs is outstanding as on 31-03-2019. The amount is outstanding with Union Bank for more than 12 months. The loan is secured by first charge on mortgage of immovable properties held by other body corporates along with corporate guarantee given by the same companies. The above loan is secured by Personal Guarantee of one director of the Company.
- ii) Term loan of Rs.37,058.95 Lakhs from Yes Bank is secured by :
  - First and Exclusive charge on the entire moveable and immovable assets,current assets of the Company both present &future related to CFS project.
  - Exclusive charge on immovable property of other body corporate.
  - Pledge of 58,00,000 shares of the Company held by others.
  - Pledge of 10,64,00,000 shares & NDU on 1,77,56,500 shares of Urban Infrastructure Holdings Pvt. Ltd. held by Company. - Pledge of 2,04,00,000 shares of Company and NDU held by Promoters of the Company..
  - First pari-passu charge on immovable property of subsidiary company and NDU for the same subsidiary.

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

- Corporate Guarantee given by subsidiary, promoter firm and other body corporates.
  - Personal guarantee given by two directors of the Company
- iii) Term loan of Rs.3,336.99 Lakhs from IDBI Bank is secured by :
- First mortgage and charge on all immovable and moveable properties of the Company (related to erstwhile Horizon Infrastructure Ltd) , both present and future project.
  - Exclusive charge on immovable property of Subsidiary.
  - Pledge of investment of Shares in Subsidiary.
  - Pledge of 68,80,657 shares of Company held by others.
  - Personal guarantee given by two Director of the Company The said term loan and accrued interest of Rs. 1,299.44 Lakhs is outstanding as on 31.03.2019.
- iv) Rs.24,870.00 Lakhs from a Financial Institution is secured by: - pledge of 2,62,11,397 shares of Company held by promoter - 2nd charge over land mortgaged with Union Bank of India held by other body corporates along with corporate guarantee given by the same companies. - mortgage of immovable properties held by other body corporates. - These securities are held Pari Paasu with Loans availed by Gujarat- Dwarka Port West Ltd & SKIL- Himachal Infrastructure & Tourism Ltd. (subsidiaries of the Company) from the said financial institution. - Personal Guarantee given by two directors of the company.
- v) Loan of Rs. 9,802 Lakhs is secured by pledge 94,41,726 shares of the Company held by others
- vi) 0.01% RNCB of Rs.12,916.72 Lakhs and Rs.54,148.99 Lakhs are secured by creating pledge ( on First and Exclusive charge basis as well as on (sub-servient / residual charge basis) on SKIL Share holding in various Companies.
- Pledge of some of investment of Company on first charge and some investment of Company on Second charge / residual charge. - Creating hypothecation (on Subservient/Residual Charge basis) on all SKIL Assets such as land, tangible assets (including all current, fixed and moveable assets) and all receivables, cash and bank balances
- vii) Inter Corporate Deposit of Rs. 78.43 Lakhs are secured by way of equitable mortgage of land owned by other Body Corporate.
- viii) During the year Company has partly redeemed 275 No's of NCD by Rs. 3,18,464 Per NCD resulting in reduction of Face Value of Rs. 33.05 Lakhs to Rs.29.86 Lakhs per NCD. The same are secured by First Charge on immovable properties of other company, Pledge of 2,57,68,234 Shares of the Company held by Promoters, pledge of 3,85,629 Shares of Montana Infrastructure limited held by others, pledge of 1950 Units of Urban Infrastructure Opportunities Fund held by Holding Company, Corporate Guarantee of Holding Company and Personal Guarantee of two of the Directors
- ix) Secured loans of Rs. 23,021.38 Lakhs is secured by way of hypothecation of Book debts and other movable properties of a subsidiary company.
- x) An amount of Rs. 32,823.38 lakhs shown as received from Reliance Commercial Finance Ltd., a part of ADAG Group Company, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, are not payable till such time a sum of Rs. 71,449.37 lakhs shown as receivable / recoverable under the head "Other Advances" in Other Current Financial Assets and Other Current Assets , from ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani are received and the obligations in accordance with the Purchase Agreement dated 4th March, 2015 signed between the Company, SKIL Shipyard Holdings Pvt. Ltd. & others with the ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, viz, Reliance Infrastructure Limited and Reliance Defence Systems Pvt. Ltd. are fulfilled by ADAG Group Companies. Its a part of composite transaction emanating from and in connection with the sale of Pipavav Defence project to ADAG Group in accordance with the said Purchase Agreement and also based on the facts, circumstances and documents available on record. In view of above, the Company and SKIL Shipyard Holdings Pvt. Ltd. do not acknowledge or accept the liability of Reliance Commercial Finance Ltd.
- 15.2 Term loan from Bank / Financial Institution referred to above and Rs. 38,257.98 Lakhs included in current maturities of long term debts are guaranteed by one/two of the Directors of the Company in his/their personal capacity, carry interest rates ranging from 13.00% to 17.50%. and are to be repaid as under :

Year	Amt. in Lakhs		Amt. in Lakhs
		Sohar Free Zone LLC	
2019-20	38,257.98	1 Year	933.58
2020-21	92,045.37	two to five year	1,002.44
2021-22	6,642.27	after five year	1,367.28
2022-23	7,666.09		
2023-24	9,655.88		

15.3 Vehicles Loans referred to above and Rs.15.40 Lakhs included in current maturities of long term debts are secured by way of the

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

hypothecation of the specific vehicles financed. The loans are repayable in 36 to 60 monthly installments (Including interest) as per repayment schedule.

**15.4**As on March 31st 2019, the Company has overdue of Rs. 25758.18 Lakhs and Rs.6328.70 Lakhs towards principal and interest amount respectively.

**Note 16**

**Other Financial Liabilities**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Loan from Others	6,198.30	8,681.10
<b>Total</b>	<b>6,198.30</b>	<b>8,681.10</b>

**Note 17**

**Non Current Provisions**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Provision for Employee Benefits	30.70	35.27
<b>Total</b>	<b>30.70</b>	<b>35.27</b>

**Note 18**

**Deferred Tax (NET)**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Opening Balance	82.56	97.75
<b>Tax Expenses (Income) recognised in:</b>		
Disallowance in income tax	(15.45)	(15.19)
Closing Balance	<b>67.11</b>	<b>82.56</b>

**18.1**

**Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate:**

Since the Company has incurred loss during the year ended March 31, 2019 and previous year, hence no tax is payable for these years as per provisions of Income Tax Act, 1961, the calculation of effective tax rate is not relevant and hence not given.

**Note 19**

**Short Term Borrowings**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Short Term Loans from:</b>		
Banks	-	-
Body Corporates	3,300.00	3,300.00
<b>Unsecured Loans from:</b>		
Others	-	2,502.40
Related Party	-	2,830.24
Body Corporates	400.00	400.00
<b>Total</b>	<b>3,700.00</b>	<b>9,032.64</b>

19.1 Inter Corporate Deposit of Rs. 3,300 Lakhs are secured by way of equitable mortgage of land owned by other Body Corporate. 2,57,68,234 Equity Shares of Company held by Promoters of the Company and 3,85,629 Shares of Montana Infrastructure Ltd held by other. These securities are held on pari passu for loan availed by subsidiary of the Company.

**Note 20**

**Trade Payables**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Micro and Small Enterprises		
Others	1,903.35	1,825.57
<b>Total</b>	<b>1,903.35</b>	<b>1,825.57</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

20.1 All trade payables are non interest bearing and payable or settled with in normal operating cycle of the Company.

20.2 Micro and Small Enterprises under the Micro and Small Enterprises Development Act, 2006 have been determined based on the information available with the Company

**Note 21****Other Current Financial Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long Term Debts	39,191.57	29,750.90
Interest accrued and due on borrowings	28,323.23	15,024.39
Interest accrued but not due on borrowings	2,610.54	2,900.93
Redemption Premium Payable on Redeemable Non Convertible Bonds	36,886.47	36,886.46
<b>Total</b>	<b>1,07,011.81</b>	<b>84,562.68</b>

**Note 22****Other Current Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from Related parties	31,497.84	28,738.57
Unpaid Dividend	0.45	1.44
Statutory Dues		
TDS	1,017.82	1,303.64
Provident Fund	0.54	0.25
Other statutory dues	2,768.64	3,004.54
Other Payables	10,709.15	8,107.75
<b>Total</b>	<b>45,994.44</b>	<b>41,156.19</b>

**Note 23****Current Provisions**

Particulars	As at March 31, 2019	As at March 31, 2018
for Employee Benefits	15.55	50.15
for Wealth Tax (net)	-	3.60
for expenses	58.57	3.61
<b>Total</b>	<b>74.11</b>	<b>57.36</b>

**Note 24****Revenue from Operations**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Operating Revenue	3,117.89	2,213.00
<b>Total</b>	<b>3,117.89</b>	<b>2,213.00</b>

**Note 25****Other Income**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income	15.76	48.09
FV on Current Investment	791.48	-
Profit on Sale of Investment (net)	-	25.93
Dividend on Current Investments	0.32	0.29
Miscellaneous Income	43.38	-
Sundry Balances written back	1,828.75	200.00
<b>Total</b>	<b>2,679.69</b>	<b>274.31</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 26**

**Employee Benefits Expenses**

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Salaries, Wages and Allowances	1,026.88	815.53
Contribution to Provident and Other Funds	1.64	11.04
Staff Welfare Expenses	2.30	0.73
<b>Total</b>	<b>1,030.82</b>	<b>827.30</b>

**26.1 Employee Benefits**

**a Defined Benefit Plan- Gratuity**

The Company has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company provides for the liability in its books of accounts based on the actuarial valuation. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans. The present value of the obligation is determined based on actuarial valuation using Projected Units Credit Method, which recognizes each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to buildup the final obligation.

**i) Reconciliation of opening and closing balances of the present value of the defined gratuity benefit obligation.**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Defined Benefit Obligation at beginning of the year	77.98	69.30
Current Service Cost	2.12	0.91
Past Service Cost	-	8.78
Current Interest Cost	4.07	2.96
Actuarial (Gain) / Loss	(3.28)	(1.09)
Benefits paid	-	(2.87)
Defined Benefit Obligation at end of the year	80.90	77.98

**ii) Reconciliation of Present Value of Obligation and Fair Value of Plan Assets**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	80.90	77.98
Liabilities / (Assets) recognised in the Balance Sheet- Current	50.20	50.15
Liabilities / (Assets) recognised in the Balance Sheet- Non Current	30.70	27.83

**iii) Expenses recognised during the year**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Current Service Cost	2.12	0.91
Past Service Cost	-	8.78
Interest Cost	-	2.96
Expected Return on Plan Assets	4.07	-
Net Cost Recognised in profit or loss	6.20	12.65
Actuarial (Gain) / Loss recognised in other comprehensive income	(3.28)	(1.09)

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## iv) Assumptions used to determine the defined benefit obligations

Particulars	2018-19	2017-18
Mortality Table (LIC)	Indian Assured lives Mortality (2006-08)	Indian Assured lives Mortality (2006-08)
Discount Rate (p.a.)	7.60%	7.70%
Retirement age	60 Years	60 Years
Expected Rate of increase in Salary (p.a.)	7.00%	7.00%

The estimates of rate of increase in salary are considered in actuarial valuation, taking into account, inflation, seniority, promotion, attrition and other relevant factors including supply and demand in the employment market. The above information is certified by Actuary.

## v) Sensitivity Analysis:

Particulars	Changes in assumptions		Effect on Gratuity Obligation Increase/(Decrease)	
	2018-19	2017-18	2018-19	2017-18
Discount Rate	0.50%	0.50%	5.32	5.06
Salary Growth Rate	0.50%	0.50%	5.78	5.57

The above sensitivity analysis is based on an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the Balance Sheet.

## vi) Risk Exposure :

- Investment Risk: The Present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of reporting period on government bonds
- Interest Risk: A decrease in the bond interest rate will increase the plan liability: however, this will be partially offset by an increase in the return on the plan debt investment.
- Liquidity Risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
- Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

vii) Details of Asset-Liability Matching Strategy :- Gratuity benefits liabilities of the company are unfunded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

## viii) The expected payments towards to the gratuity in future years :

Particulars	2018-19	2017-18
with in one year	50.20	50.15
1-5 years	25.11	22.76
More than 5 years	5.59	5.06

The average duration of the defined benefit plan obligation as at March 31, 2019 is 5.89 years (March 31, 2018:5.89 years)

## Note 27

## Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses	29,478.12	27,704.54
Redemption Premium	-	1,442.58
Other Borrowing Cost	-	60.45
<b>Total</b>	<b>29,478.12</b>	<b>29,207.57</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 28**

**Other Expenses**

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Advertisement & Business Promotion Expenses	255.84	4.44
Bank Charges & Commission	0.62	0.27
Donation	0.10	
Rent	270.84	4.77
Rates and Taxes	15.88	6.54
Printing and Stationery	1.61	1.41
Postage, Courier & Communication Expenses	11.61	11.09
Repair and Maintenance - Other	45.48	22.10
Manpower & Security Charges	18.81	3.17
Travelling, Conveyance & Vehicle Expenses	74.57	29.52
Legal and Professional Charges	322.77	417.95
Loss on Sale of Investment	2,477.70	6,344.30
Administrative, Office Expenses & Other expenses	80.00	56.18
Payment to Auditors (Refer Note No.29.1)	31.37	24.78
Other Miscellaneous expenses	0.17	49.46
Sitting Fees to Directors	9.47	9.89
Insurance Charges	1.01	1.05
Sundry Balance Written off (Net)	-	-
Interest on TDS & Service Tax	25.10	3.18
Penalty on Mvat	0.40	137.86
Provision for Doubtful Debts	145.58	-
<b>Total</b>	<b>3,788.90</b>	<b>7,127.96</b>

**Payment to Auditors includes:**

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Audit Fees	27.24	20.65
Tax Audit Fees	2.95	2.95
Other Matters	1.18	1.18
<b>Total</b>	<b>31.37</b>	<b>24.78</b>

**Note 29**

**Earnings Per Share (Basic and Diluted)**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Loss attributable to the Equity Shareholders	(21,080.67)	(50,822.84)
Amount available for calculation of Basic and Diluted EPS	(a) (21,080.67)	(50,822.84)
Weighted Average No. of Equity Shares outstanding for Basic and Diluted EPS	(b) 21,65,71,232	21,65,71,232
Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.)	(a) / (b) (9.73)	(23.47)



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 30****Contingent Liabilities and Commitments****30.1 Contingent Liabilities**

(No Cash Outflow is expected except as stated otherwise and not likely to have any material impact on financial position of the Company)

Sr. No.	Particulars	MARCH 31, 2019	MARCH 31, 2018
a)	Corporate Guarantee (Given to Banks, Financial Institutions and Body Corporates for credit facilities taken by subsidiary and other companies)	1,65,800.00	79,800.00
b)	Demands not acknowledged as Debts (net)		
i)	Income Tax Majorly the tax demand due to disallowances under the Income tax Act	9,051.34	3,002.11
ii)	Suits filed against Company not acknowledge as debt	2,126.49	2,126.49

**Note:**

The Company has filed a suit in the Commercial court Ahmedabad against the lenders of RNEL for illegally/unlawfully enforcing/invoking the securities furnished by the Company including the Corporate Guarantee. These securities were created in favour of the lenders of RNEL when the Company was promoter of RNEL. The Company is ceased to be the promoter of RNEL and its Subsidiaries since January 2016. As the matter is sub-judice, no accounting effect has been given in the Financial Statements for Corporate Guarantees invoked of Rs. 12,87,028.00 Lakhs. The RNEL Lenders have also filed recovery proceedings against the Company on account of corporate guarantee in DRT and the same is also challenged by the Company. The Company has filed claim against the Promoters of RNEL under the Arbitration Proceedings for the said invocation.

**Note 31****Fair Value Measurements**

The fair value of the financial assets and liabilities are included at the amount that would be received on sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribable under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by the Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and Mutual Fund are valued using the Closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value and instruments are observable, the instrument is included in level 2. Instruments in the level 2 category for the company include forward exchange contract derivatives

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in this level. Instruments in level 3 category for the Company include unquoted equity shares and FCCDs, unquoted units of mutual funds and unquoted units of venture capital funds.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**a) Financial Instrument by Category**

**Financial Assets**

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Non Current Investments in Equity Instrument		16,728.87			21,970.74	
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	423.96			168.42		
Trade Receivables			724.26			669.76
Cash and Cash Equivalants			11.62			2,359.93
Other Bank Balances			3,296.51			934.92
Other Non Current Financials Assets			1,405.87			22,879.95
Other Current Financials Assets			68,569.28			1,17,553.29
	<b>423.99</b>	<b>16,728.87</b>	<b>74,007.55</b>	<b>168.44</b>	<b>21,970.74</b>	<b>1,44,397.85</b>

The carrying amount of Financial Assets carried at amortised cost is reasonably approximate to its fair value.

**Financial Liabilities**

The Liability in case of Redeemable Non Convertible Bonds and Long Term Inter Corporate Deposit from related parties are initially recognised on fair value and the difference between fair value and transaction price is considered as Other Income. Subsequently the liability is measured at amortised cost using the effective interest rate. The impact on this account has been recognised as other income on the transaction date and subsequent impact are recognised as finance cost in the Statement of Profit and Loss.

The carrying amount of all other Financial Liabilities is reasonably approximate to its fair value. The fair values disclosed above are based on discounted cash flows using current borrowing rate. These are classified at level 2 fair values in the fair value hierarchy due to the use of observable inputs.

During the years mentioned above, there have been no transfers amongst the levels of the hierarchy.

**b) Valuation process**

The Company evaluates the fair value of the financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also the Company internally evaluates the valuation process periodically

**c) Fair value hierarchy**

Particulars	As at March 31, 2019			As at March 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Current Investments in Equity Instrument	1,728.69		15,000.18	6,836.24		15,134.50
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	6.87	417.09		6.55	161.87	
	<b>1,735.59</b>	<b>417.09</b>	<b>15,000.18</b>	<b>6,842.82</b>	<b>161.87</b>	<b>15,134.50</b>

**d) Discription of the inputs used in the fair value measurement:**

Particulars	As at March 2018	Valuation Techniques	Input Used	Sensitivity
Financial Assets designated at fair value through profit or loss		Book Value	Financial Statement	No Material Impact on Fair Valuation
Unlisted Equity Instrument				

**e) Reconciliation of fair value measurement categorised with in level 3 of the fair value hierarchy:**

Particulars	Amount Rs in Lakhs
Fair Value as at April 1, 2017	15,209.30
Loss on Fair Valuation	74.20
Sale of Shares	(149.00)
Fair Value as at March 31, 2018	15,134.50
Loss on Fair Valuation	134.32
Fair Value as at March 31, 2019	<b>15,000.18</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 32****Financial Risk Management Obejective and Policies**

The Company's principal financial liabilities comprise loans & borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects under implementation. The Company's principal financial assets include Investment, loans and advances, trade and other receivables and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors, reviews and agrees policies for managing each of these risks, which are summarised below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial assets will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

**I Interest rate exposure profile appended in the table below**

<b>Borrowings</b>	<b>MARCH 31, 2019</b>	<b>MARCH 31, 2018</b>
Floating Rate Loans	1,34,081.44	1,04,315.10
Fixed Rate Loans	1,03,261.36	1,38,228.12
<b>Total</b>	<b>2,37,342.80</b>	<b>2,42,543.22</b>

**II Interest Risk Sensitivity**

With all other variable held constant the following table reflects the impact of borrowing cost on floating rate portion of total Debt

<b>Risk Exposure</b>	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
Effect on profit/ (loss) before tax due to following change in interest rates	20 basis Points Increase	20 basis Points Decrease	20 basis Points Increase	20 basis Points Decrease
On Floating Rate Loans	268.16	268.16	208.63	208.63

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in Foreign Currency is not material

**Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

**Liquidity risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank Overdrafts, Letter of Credit and Working Capital Limits.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

The below table summarizes the maturity profile of the company's financial liability based on contractual undiscounted cash flows:

<b>Liquidity Profile</b>	<b>Less than 1 year</b>	<b>1-3 Year</b>	<b>3-5 Year</b>	<b>More than 5 Year</b>	<b>Total</b>
<b>As at March 31, 2019</b>					
Non Current Borrowings	39,191.57	99,690.08	84,387.68	1,367.28	2,24,636.61
Current Borrowings	3,700.00	-	-	-	3,700.00
Other financial liabilities	30,933.77	6,198.30	36,886.47	-	74,018.53
Trade Payables	1,903.35	-	-	-	1,903.35
<b>Total</b>	<b>75,728.69</b>	<b>1,05,888.38</b>	<b>1,21,274.15</b>	<b>1,367.28</b>	<b>3,04,258.49</b>
<b>As at March 31, 2018</b>					
Non Current Borrowings	29,750.90	82,714.08	18,608.36	9,627.77	1,40,701.11
Current Borrowings	9,032.64	-	-	-	9,032.64
Other financial liabilities	54,811.76	8,681.10	76,407.76	-	1,39,900.62
Trade Payables	1,825.57	-	-	-	1,825.57
<b>Total</b>	<b>95,420.87</b>	<b>91,395.18</b>	<b>95,016.12</b>	<b>9,627.77</b>	<b>2,91,459.94</b>

**Note 33**

**Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

**Note 34**

**Segment Reporting**

**Segment information as per Ind AS - 108 on Operating Segment :**

The risk - return profile of the Company's business is determined predominantly by the nature of its products. The Company is engaged in the business of Infrastructure development. Further based on the organisational structure and internal management reporting system, there are no separate reportable segments.

**Note 35**

**Post Reporting Events**

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## Note 36

## Related Party Disclosures

## a) List of Related parties

## 1 Associates

Urban Infrastructure Holding Private Limited

Rosonboronservice (India) Limited

## 2 Joint Ventures

Sohar Free Zone LLC

## 3 Key Managerial Personnel

Mr.Nikhil P. Gandhi

Mr.Bhavesh P.Gandhi

Mr Shankar Agarwal

Mr. Nilesh Mehta

Mr. Shekhar Gandhi

## 4 Other Related Parties

Grevek Investment and Finance Private Limited

Awaita Properties Private Limited

Nikhil P. Gandhi HUF

Bhavesh P. Gandhi HUF

Metropolitan Industries

## b) Terms and Conditions of transactions with related parties

The Transactions with related parties are at arm's length price and in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest have been accounted on market rate except the advances given. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

## c) 1 Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Associate Companies

i Investment at the end of the year	2018-19	2017-18
Urban Infrastructure Holdings Pvt. Ltd.	3,17,850.15	3,17,850.15
Rosoboronservice (India) Limited	81.00	81.00
<b>ii Advances Given</b>		
Rosoboronservice (India) Limited	85.55	-
<b>iii Advances received back</b>		
Rosoboronservice (India) Limited	-	-
<b>iv Advance Receivable at the end of the year</b>		
Rosoboronservice (India) Limited	1,028.55	943.00

## c) 2 Transactions with related parties for the year ended March 31, 2018 (for the period of relationship exist)- Joint Ventures

i Investment purchased/allotted during year	2018-19	2017-18
Sohar Free Zone LLC		461.26
<b>ii Investment at the end of the year</b>		
Sohar Free Zone LLC	1,360.66	899.40

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

<b>c) 3</b>	<b>Transactions with related parties for the year ended March 31, 2018 (for the period of relationship exist)- Other Related Parties</b>		
<b>i</b>	<b>Loan Received</b>	<b>2018-19</b>	<b>2017-18</b>
	Grevek Investment & Finance Pvt.Ltd.	5,277.54	7,328.85
	Awaita Properties Pvt.Ltd.		14.15
	Metropolitan Industries	1,112.50	2.23
<b>iii</b>	<b>Repayment of Loan</b>		
	Grevek Investment & Finance Pvt.Ltd.	924.25	522.29
	Awaita Properties Pvt.Ltd.	-	1.03
	Metropolitan Industries	-	0.64
<b>iv</b>	<b>Balances of Loan at the end of year</b>		
	Grevek Investment & Finance Pvt.Ltd.	28,436.80	24,083.51
	Awaita Properties Pvt.Ltd.	-	1.03
	Metropolitan Industries	1,114.09	1.59
<b>vii</b>	<b>Deposit Given</b>		
	Awaita Properties Pvt.Ltd.		54.02
<b>ix</b>	<b>Redeemable Non convertible Bonds at the end of the year</b>		
	Grevek Investments & Finance Pvt.Ltd.	59,350.19	59,350.19
<b>x</b>	<b>Redemption Premium Payable</b>		
	Grevek Investments & Finance Pvt.Ltd.	67,065.71	36,886.46
<b>xi</b>	<b>Inter-Corporate Deposit</b>		
	Grevek Investments & Finance Pvt.Ltd.	9,006.19	7,053.16
<b>xi</b>	<b>Interest Expenses</b>		
	Grevek Investments & Finance Pvt.Ltd.	12.55	3.38
<b>c) 4</b>	<b>Transactions with related parties for the year ended March 31, 2018 (for the period of relationship exist)- Key Managerial Persons</b>		
<b>i</b>	<b>Managerial Remuneration-Short Term Employee Benefits</b>	<b>2018-19</b>	<b>2017-18</b>
		122.00	98.83
<b>ii</b>	<b>Advance Receivable at the end of the year</b>		
	Mr. Nilesh Mehta	-	0.60
<b>d)</b>	<b>Details of Loans given, investment made and Guarantee given, covered u/s 186(4) of the Companies Act, 2013</b>		
<b>i</b>	Loan given and investment made are given under the respective head		
<b>ii</b>	Corporate Guarantee have been issued on behalf of related parties, details of which are given in related party transactions above		

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 37****Jointly Controlled Entity**

Name	Country of Incorporation	Ownership interest	
		As at December 31, 2018	As at December 31, 2017
Sohar Free Zone LLC	Sultanate of Oman	33.34%	27.18%

Particulars	As at December 31, 2018	As at December 31, 2017
<b>Assets</b>		
- Long Term Assets	5,034.83	3,344.97
- Current Assets	3,967.79	3,637.57
<b>Liabilities</b>		
- Non Current Liabilities	2,436.82	2,557.83
- Current Liabilities & Provisions	2,654.13	2,014.14
<b>Income</b>	3,128.84	2,236.90
<b>Expenses</b>	2,003.30	1,449.57

**Note 38**

The Company along with other past promoters of RNEL have filed Claim of approximately over Rs. 10,500 crore against Reliance Group viz. Reliance Defence Systems Pvt. Ltd. ("RDSPL") and Reliance Infrastructure Limited ("R-Infra") the current promoters of RNEL on account of invocation of shares, invocation of Guarantees etc. in accordance with the terms and conditions of the Share Purchase Agreement dated 4th March 2015.

The Current promoters of Reliance Naval and Engineering Limited ("RNEL") viz. Reliance Defence Systems Private Limited and Reliance Infrastructure Limited have filed a Arbitration case with Singapore International Arbitration Centre ("SIAC") on 07/03/2018 and a claim of Rs. 5440.38 crores is raised on the Company and all the other past promoters of RNEL including Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, . The said claim has been raised towards breach of the terms and conditions of the Share Purchase Agreement dated 4th March, 2015. The Company has denied any breach of the said terms and conditions of the Purchase Agreement and has decided to effectively defend itself during the process of Arbitration.

**Note 39**

Previous year figures regrouped/rearranged wherever necessary.

**AS PER OUR REPORT OF EVEN DATE**

**For Kailash Chand Jain & Co.**  
Chartered Accountants  
Firm Reg. No. 112318W

**Saurabh Chouhan**  
Partner  
Membership No. 167453

Date: 28-05-2019  
Place: Mumbai

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Nikhil Gandhi**  
Chairman  
DIN : 00030560

**Shekhar Gandhi**  
CFO

**Nilesh Mehta**  
Company Secretary

**Form AOC-1**

(Pursuant to first provision to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement Containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**PART "A" SUBSIDIARIES**

**Summary of Financial information of Subsidiary Companies for the year ended March 31, 2019**

(Rs. in Lakhs)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital (paid up)	Reserve & Surplus	Total Assets	Total Liabilities	Details of Investment (Except in Subsidiary)	Turnover	Profit/ (Loss) Before Tax	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	Country
1	SKIL-Himachal Infrastructure & Tourism Limited	INR	5,000.00	(160.69)	10,887.71	10,887.71	-	-	(8.89)	-	(8.89)	-	India
2	SKIL Shipyard Holdings Private Limited	INR	5.00	(27,190.61)	20,927.42	20,927.42	-	-	(4,670.26)	-	(4,670.26)	-	India
3	SKIL (Singapore) Pte Limited	INR	50.25	(126.57)	12,520.59	12,520.59	-	-	(124.97)	-	(124.97)	-	Singapore
		SGD MN	0.16	2.55	244.27	244.27	-	-	(0.25)	-	(0.25)	-	
4	SKIL Advanced Systems Private Limited	INR	5.00	(19.43)	441.99	441.99	-	-	(0.42)	-	(0.42)	-	India
5	Gujarat-Dwarka Portwest Limited (Earlier Known as Gujarat Positra Port Company Limited)	INR	9,556.60	1,606.87	78,142.95	78,142.95	-	-	(2.27)	-	(2.27)	-	India
6	Metrotech Technology Park Private limited	INR	20.00	(111.49)	2,462.98	2,462.98	-	-	(57.48)	-	(65.50)	-	India
7	Chiplun FTWZ Private limited	INR	9,000.00	(124.30)	11,957.01	11,957.01	-	-	(4.43)	-	(4.43)	-	India

**PART "B" : ASSOCIATES AND JOINT VENTURES**

Sr No.	Name of associates/Joint Venture	Shares of Associates/Joint Ventures held by the company on the year end					Profit/ Loss for the year		
		Latest Audited Balance sheet	No.	Amount of Investment in Associates/Joint Venture	Extent of Holding%	Description of how there is significant influence	Networth attributable to Shareholding as per latest audited Balance Sheet	Considered in Consolidation	Not considered in Consolidated
	<b>Associates:</b>								
	<b>Joint Venture:</b>								
1	Sohar Free Zone LLC	December 31,2018	10,11,886	1,360.66	33.34%	Note A	2,563.48	1,125.54	2,285.19



**SKIL INFRASTRUCTURE LIMITED**

CIN: L36911MH1983PLC178299;

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023;

Tel: +91-22-6619000; Fax: +91-22-22696023; E-mail: contact@skilgroup.co.in; Website: www.skilgroup.co.in

**36<sup>th</sup> Annual General Meeting – Monday, September 30, 2019**

**ATTENDANCE SLIP**

Name:.....

DP ID No. / Client ID No.: .....(for investors holding shares in electronic form)

Ledger Folio No.:.....

No. of Shares:.....

I hereby record my presence at the 36<sup>th</sup> Annual General Meeting of the Members of the Company held on Monday, September 30, 2019 at 1430 Hours at Babasaheb Dahanukar Hall, Oricon House, 12, K. DubhashMarg, Kala Ghoda, Fort, Mumbai - 400 001.

Signature

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

TEAR HERE

**PROXY FORM**

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

**SKIL Infrastructure Limited**

CIN: L36911MH1983PLC178299;

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023;

Tel: +91-22-6619000; Fax: +91-22-22696023; E-mail: contact@skilgroup.co.in; Website: www.skilgroup.co.in

**36<sup>th</sup> Annual General Meeting – Monday, September 30, 2019**

Name of Member(s)	
Registered Address	
E-mail ID	
Folio No./Client ID	
DP ID	

I/We, being the Member (s) of .....shares of the above named company, hereby appoint

1. Name : .....

Address : .....

E-mail ID : ..... Signature : ....., or falling him/her

2. Name : .....

Address : .....

E-mail ID : ..... Signature : ....., or falling him/her

3. Name : .....

Address : .....

E-mail ID : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, September 30, 2019 at 1430 Hours at Babasaheb Dahanukar Hall, Oricon House, 12, K. DubhashMarg, Kala Ghoda, Fort, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	RESOLUTIONS	Optional*		
		For	Against	Abstain
1.	Ordinary Resolution for Audited Financial Statements (Including the Consolidated Financial Statements) of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.			
2.	Ordinary Resolution for re-appointment of Mr. Bhavesh Gandhi (DIN 00030623), who retires by rotation and being eligible, offers himself for re-appointment.			
3.	Special Resolution for re-appointment of Mr. V. Ramanan as an Independent Director of the Company.			
4.	Special Resolution for re-appointment of Ms. Gayathri Ramachandran as an Independent Director of the Company.			
5.	Ordinary Resolution for appointment of Mr. Bhavesh Gandhi as Whole Time Director of the Company.			

Signed this ..... day of ....., 2019

Signature of Shareholder : .....

Signature of Proxy holder(s) : .....

Affix  
Revenue  
Stamp

**Note:**

1. 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.

2. For the resolutions, explanatory statements and Notes please refer to the Notice of 36<sup>th</sup> Annual General Meeting.

3. It is optional to put your preference in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.





If undelivered, please return to:

**Link Intime India Private Limited**

(Unit- SKIL Infrastructure Limited)

Link Intime India Private Limited

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

Vikhroli (West)

Mumbai Maharashtra- 400 078.