

SKIL INFRASTRUCTURE LIMITED

40th ANNUAL REPORT

2022-2023

40th ANNUAL GENERAL MEETING

DATE	: September 29, 2023
DAY	: Friday
TIME	: 14:00 Hours
PLACE	: Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate, Mumbai- 400020.

BOARD OF DIRECTORS

Mr. Nikhil Gandhi	Chairman
Mr. Bhavesh Gandhi	Vice Chairman and Whole Time Director
Mr. Rakesh Mohan	Independent Director
Mr. V. Ramanan	Independent Director
Mr. Rakesh Bajaj	Independent Director
Ms. Priyanka Gandhi	Director

CHIEF FINANCIAL OFFICER

Mr. Shekhar Gandhi

COMPANY SECRETARY

Mr. Nilesh Mehta

AUDITORS

M/s GPS & Associates.,
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 Email: contact@skilgroup.co.in
Website: 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

INDEX

Notice	1
Directors' Report.....	7
Corporate Governance Report.....	23
Management Discussion and Analysis.....	38
Standalone Auditors' Report.....	41
Standalone Financial Statement.....	50
Consolidated Auditors' Report.....	80
Consolidated Financial Statements.....	86

NOTICE

NOTICE is hereby given that the 40th Annual General Meeting ('AGM') of the Members of SKIL Infrastructure Limited ('Company') will be held on Friday, September 29, 2023, at 14:00 hours at Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate, Mumbai- 400020 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, 2023, 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. To consider to re- appointment of Mr. Bhavesh Gandhi as a Whole-Time Director:

To consider and if thought fit, to pass the following resolution as an 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 re-appointment of Mr. Bhavesh Gandhi (DIN: 00030623) as a Whole Time Director ('WTD') of the Company without any remuneration for a period of five years with effect from August 13, 2023, 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

E-mail: contact@skilgroup.co.in

Place: Mumbai

Date: August 10, 2023

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 set out at Item No. 3 of this Notice is annexed herewith. The relevant details, as required under Regulation 2(4) and 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations') and Secretarial Standards on General Meeting ('SS-2') issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/ re- appointment/fixing of remuneration is annexed as Annexure I.

2. PROXIES

- a. **A member entitled to attend and vote at the Annual General Meeting ('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 the conclusion of the AGM, to inspect at the Registered Office of the Company the proxies lodged, at any time between 1000 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 on their behalf at the AGM.
4. In the 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 Saturday, September 23, 2023, to Friday, September 29, 2023, 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. Members seeking to inspect such documents can send an email to contact@skilgroup.co.in.
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 with Company's Registrar and Share Transfer Agent at rnt.helpdesk@linkintime.co.in so that they can receive the Annual Report and other communication from the Company in electronic form. For any such communication, the Members may also send requests to the Company's investor email id: contact@skilgroup.co.in.
11. Copies of the Annual Report for FY 2022-23 including therein the Notice of the 40th 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 and who have not registered their email addresses physical copies are being sent to them in permitted mode. The Annual Report is 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 of Friday, September 01, 2023. However, if such a person is not a Member on the cut-off date of Friday, September 22, 2023, 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.
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 the venue of the AGM ('remote e-voting') will be provided by Central Depository Services (India) Limited ('CSDL'). 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 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015.
15. As per the provisions of Section 72 of the Act, the facility for making nominations is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form.

16. In line with the Ministry of Corporate Affairs ('MCA') Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.skilgroup.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India at www.nseindia.com and the same is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
17. To facilitate other shareholders whose email id are not registered, to receive this notice electronically and cast their vote electronically, a special arrangement has been made with its RTA for registration of email addresses in terms of the General Circular No. 17/2020 & 20/2020 issued by MCA dated April 13, 2020, & May 05, 2020, respectively. The process for registration of email addresses is as under: Pursuant to the aforesaid Circular issued by MCS, shareholders who have not registered their email address may contact Company's RTA, Linkintime India Private Limited at rnt.helpdesk@linkintime.co.in and also to Company at contact@skilgroup.co.in.
18. SEBI vide its notification dated 24 January 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA i.e. Link Intime India Private Limited, for assistance in this regard.
19. Members should notify the changes in their address immediately to the RTA of the Company/Depository Participants (DP) as the case may be. Members who are holding shares in Dematerialised form (Demat) are requested to keep their Bank Account details including IFSC and/or MICR updated with their respective DPs (Depository Participants) and those members who are holding shares in physical form, by sending a request to the Registrar and Transfer Agent by quoting their Folio No, PAN along with a canceled cheque or other acceptable Bank Account proof.

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

- (i) The voting period begins on Tuesday, September 26, 2023, at 0900 hours and ends on Thursday, September 28, 2023, at 1700 hours. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as of the cut-off date (record date) of Friday, September 22, 2023, 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.
- (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 and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first-time user, follow the steps given below:

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

- (vii) After entering these details appropriately, click on the "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach the '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 the company opts for e-voting through the

CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the Electronic Voting Sequence Number (EVSN: 230825010) of SKIL Infrastructure Limited.
- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If the 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.
- (xvii) 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.
- (xviii) 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 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.
 - 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 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under the help section or write an email to helpdesk.evoting@cdslindia.com. You may also contact Email id: helpdesk.evoting@cdslindia.com , Phone number: 1800225533

In case a person acquires shares and becomes a 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

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 proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date i.e. Friday, September 22, 2023.

The Company has appointed M/s. Sandeep Dar & Co. (Membership No. FCS 3159) 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 favor 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 and on the website of CDSL immediately after the declaration of the 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

The Board of Directors of the Company on the basis of the recommendation of the Nomination and Remuneration Committee ('NRC') re-appointed Mr. Bhavesh Gandhi, Vice Chairman as Key Managerial Personnel under the category of Whole Time Director ('WTD') in its meeting held on August 10, 2023 w.e.f August 13, 2023 without any remuneration for a period of five years starting from August 13, 2023 to August 12, 2028. The brief terms and conditions of his appointment are given below:

- a. Remuneration: Nil
- b. The WTD shall have the 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 the 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).
- e. The appointment can be terminated by Mr. Bhavesh Gandhi or the Company, by one party giving to the other 3 (three) calendar months' notice in writing.

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 reappointment. 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. A brief profile of Mr. Bhavesh Gandhi and additional details have 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. 3 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 and Ms. Priyanka Gandhi.

EXHIBIT TO NOTICE

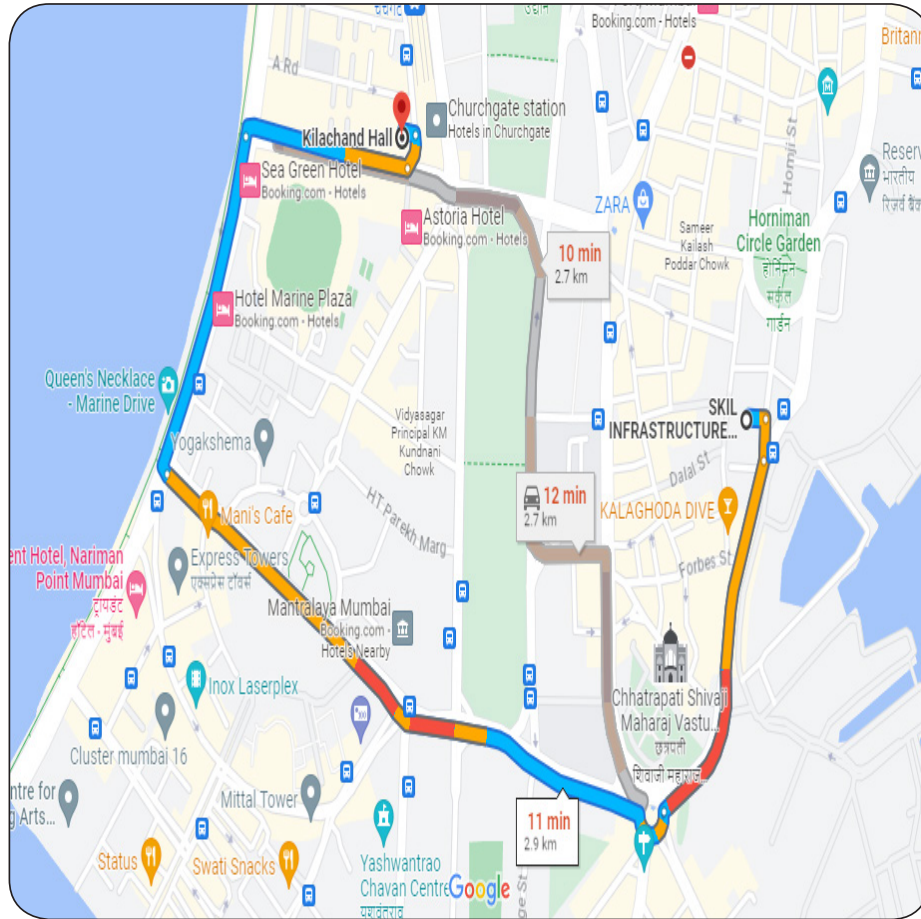
Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and SS-2, the following information is furnished in respect of the Director proposed to be appointed/re-appointed:

Annexure I

Name of the Director (DIN)	: Mr. Bhavesh Gandhi (00030623)
Designation	: Vice Chairman & Whole Time Director
Date of Birth	: January 21, 1966
Age	: 57 years
Nationality	: Indian
Qualification	: B. Com
Date of First Appointment on the Board	: January 05, 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 the 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 2022-23	: 5
Remuneration	: -
Memberships/ Chairmanships of committees (includes only Audit and Shareholders /investors Grievance / Shareholders Relationship Committee) of other public companies as on March 31, 2023	
a) Audit Committee	: Nil
b) Stakeholder Relationship Committee	: Nil
Directorships held in other companies as on March 31, 2023	: 1. Urban Infrastructure Holdings Private Limited 2. SKIL Shipyard Holdings Private Limited
Number of shares held in the Company as on March 31, 2023	: Individually holds 11,75,000 Equity Shares.
Inter-se relationship with other Directors and KMPs	: Brother of Mr. Nikhil Gandhi and uncle of Ms. Priyanka Gandhi

Route Map for Venue of the 40th Annual General Meeting

Address: Kilachand Conference Room, IMC Bldg., IMC Marg, Churchgate, Mumbai- 400020.



DIRECTORS' REPORT

Your Directors are pleased to present the 40th 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, 2023.

Financial Highlights (Standalone)

The financial performance of the Company for the financial year ended March 31, 2023 is summarized below:

(Rupees in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total Income	1,171.33	6,585.77
Less: Expenditure	6,196.91	22,816.61
Profit/(Loss) before Depreciation & Taxation	(5,025.58)	(16,230.84)
Less: Depreciation	1.43	3.40
Exceptional Items	33,852.80	-
Profit/(Loss) before taxation	28,825.80	(16,234.24)
Less: Provision for Tax / Deferred Tax	-	160.20
Profit/(Loss) after tax	28,825.80	(16,074.04)
Fair valuation of non-current investment	47.85	(820.90)
Actual Gain/(Loss) on defined benefit plans.	4.20	(4.09)
Total Comprehensive Income of the Year	28,877.85	(16,899.04)
Add: Balance brought forward from the previous year	(350,159.75)	(3,33,260.71)
Balance Profit / (Loss) carried forward to the next year	(321,281.90)	(3,50,159.75)

State of Company's Affairs

Currently, the Company is making all out efforts to ensure reduction of its debts/liabilities through various means available to it including asset monetization, settlement/one time settlement with lenders, recovery of its claims from various debtors etc. Based on the degree of success of such debt reduction efforts, the Company shall revive its business model of conceptualization and development of infrastructure projects in strategic partnerships with investors/associates etc.

Future Outlook

FY 2022-23 witnessed a challenging operating environment marked by geopolitical conflict in Europe resulting into disruptions in the global supply chain and an unprecedented high-inflation with food and energy crisis in Europe. In addition to that, most of the central banks world over resorted to aggressive monetary tightening measures which put the emerging economies under pressure. All these posed major challenges for India too. However, against such challenging backdrop, India remained and continues to remain as a bright spot in the global economy and making its mark at a fast pace as one of the leading economies in the world. It recently became the 5th largest economy in the world with the goal to achieve US\$5 trillion Gross Domestic Product (GDP) mark.

India is undergoing a very rapid social and economic transformation that is unmatched in history whereby it is moving from traditional linear value chain to a web of ecosystems. The country's strong and vast talent pool of young workforce brimming with ideas of cutting-edge technologies and tools has put India at the forefront of its digitisation journey and putting it at par with global standards. Evolving demographics such as rising affluence, large young and educated working population, urbanisation and increasing adoption of technology is rapidly changing India's economic horizon paving the way for India's sustainable and inclusive growth.

In view of such conducive business environment, the Company is optimistic about its asset monetization, which, upon realization, will enable the Company to meet its legitimate liabilities and also to protect the interest of its stakeholders.

Dividend

In view of losses incurred by the Company, your Directors do not recommend dividend for the financial year ended March 31, 2023.

Details of Subsidiaries and Associates

As on March 31, 2023, the Company has two subsidiaries namely SKIL Shipyard Holdings Private Limited and SKIL Advanced Systems Private Limited. Besides the same, there are two Associate Companies as on March 31, 2023, Rosoboronservice (India) Limited and Urban Infrastructure Holdings Private Limited.

As required under SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, ('SEBI Regulations') and the applicable Accounting Standards, the Consolidated Financial Statements of the Company and its subsidiaries form part of this Annual Report. For purpose of consolidation, Un-Audited Financials of the Company's erstwhile subsidiaries namely SKIL (s'pore) Pte Ltd., Gujarat Dwarka Portwest Ltd. (GDPL) and Chiplun FTWZ Pvt. Ltd. (CFTWZ) have been considered till the period the same were the subsidiaries of the Company. However, the Financial Statements of Associate Companies were not available for consolidation.

The performance and financial position of each of the Subsidiaries 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 and can be accessed at http://www.skilgroup.co.in/investor_pdf/Policy-on-Material-Subsidiaries.pdf.

Current status of litigations against the Company

As informed earlier, 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 is under an obligation to ensure release of all the securities, i.e; Corporate Guarantees, Undertakings, Pledge of shares, Personal Guarantees furnished by the Company and its Promoters to the 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. 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 the lenders of RNEL invoked the Corporate Guarantee of the Company and 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 had 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. The Company has also filed a Civil Appeal in the Supreme Court challenging the National Company Law Appellate Tribunal (NCLAT) order rejecting the Company's claim on RNEL as a Financial Creditor.

Pursuant to invocation of the Corporate Guarantee and the Personal Guarantees by RNEL lenders, recovery proceedings against the Company have been filed which are being contested.

Financial institutions have filed applications for claims amounting to Rs. 11,170.53 crores approx. in judicial fora against the Company (in respect of Corporate Guarantees provided by the Company) alleging default in respect of the said claim amount. In this regard, the Company has taken appropriate steps to defend itself in respect of these litigations and the same are sub-judice.

In addition to above, some financial institutions have filed applications for claims amounting to Rs. 966.48 crores approx. in judicial fora against the Company (as the Borrower) alleging default in respect of the said claim amount. Out of this, in the matter of recovery proceedings initiated by IL&FS Financial Services Limited (IFIN) against SKIL Infrastructure Limited (Company) in Hon'ble High Court, Mumbai for recovery of their alleged outstanding dues of Rs. 314.19 crores, Hon'ble High Court, Mumbai granted conditional leave to the Company to defend its case against IFIN subject to deposit of Rs. 233.16 crores with Hon'ble High Court, Mumbai. The Company had filed Appeal against the said order with the Division Bench of Hon'ble High Court, Mumbai which has been dismissed by the Hon'ble High Court, Mumbai. However, the Company is considering the option of challenging the said dismissal of its appeal in the Hon'ble Supreme Court. In this regard, the Company had also filed criminal complaint against IFIN and others with the Economic Offences Wing (EoW), Mumbai, for wrongful recovery of its alleged dues. EoW, after carrying out investigation, registered an FIR against IFIN and others. Apart from this, the Company has taken appropriate steps to defend itself in respect of these litigations and the same are sub-judice.

Amongst the claims filed against the Company as the Corporate Guarantor, one financial institution had filed application against the Company (as Corporate Guarantor) for an amount of USD 609,15,708 (approx. INR 506.27 Crores as on 21 August, 2023) in a UK court which passed an order against the Company. The Company believes that it has reasonable ground to defend itself and has taken appropriate steps with regards to process of appeal.

In the matter of Stamp Duty on account of Scheme of Amalgamation & Arrangement, the Revenue Authority had initiated recovery proceedings against the Company. However, the Company is exploring suitable and appropriate legal recourse available to it to challenge the said levy of stamp duty.

In the matter of an application/petition seeking to initiate Corporate Insolvency Resolution Process (CIRP) proceedings against the Company's subsidiary SKIL Shipyard Holdings Pvt. Ltd. (SSHPL) filed before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench by IDBI Trusteeship Services Ltd. (ITSL) acting as the Debenture Trustee for and on behalf of the Debenture Holder namely Edelweiss Asset Reconstruction Company Limited (EARC) acting in its capacity as the Trustee of the EARC Trust – SC 428 in whose favour the Non-Convertible Debentures (NCDs) issued by E Cap Equities Limited (the Original Debenture Holder) to SSHPL were assigned, the Hon'ble NCLT admitted the said application/petition vide its order dated 9th May, 2023 to initiate CIRP proceedings against SSHPL and appointed an Interim Resolution Professional (IRP) to carry out the resolution process and vested the management of SSHPL with the said IRP.

Invocation of Securities

During the year under review, the Company has received intimation on 2nd December, 2022 from Grevek Investments & Finance Pvt Ltd. (Grevek) for its invocation of 2,46,81,804 equity shares of SKIL (s'pore) Pte. Ltd. (SSPL), 7,03,33,314 equity shares of Gujarat Dwarka Portwest Ltd. (GDPL) and 4,67,99,970 equity shares of Chiplun FTWZ Pvt. Ltd. (CFTWZ) with immediate effect against the Company's default in repayment of its dues to Grevek amounting to approx. Rs. 1,435 crs. (includes interest & other payables) Hence on account of said invocation, SSPL, GDPL and CFTWZ ceased to be the Subsidiaries of the Company with effect from 2nd December, 2022. The Company has reduced its liability towards Grevek to the extent of the total valuation of all those invoked shares.

The Company has also received a Possession Notice from IDBI Bank Ltd. informing the Company that they have taken possession of certain land parcel mortgaged in their favour by a third party for the loan availed by the Company from IDBI bank.

Material Changes and Commitments

No other new material changes and commitments have occurred between the end of financial year 2022-23 of the Company and the date of this report affecting the financial position of the Company.

Extract of Annual Return

In view of the amendments to Section 92 and Section 134 of the Act, an extract of Annual Return in the prescribed Form MGT-9 is not required to be published, if the Annual Return of the Company is placed on its website. The Company has placed the Annual Return of the Company on its website www.skilgroup.co.in and accordingly, the extract is not being published in Annual Report.

Details of Directors

The Composition of the Board is in accordance with the provisions of the Act and SEBI Regulations. Appointment of Directors on the Board is based on the recommendations of the 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, and background with due regard for the benefits of diversifying the Board.

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. A brief profile of the Director proposed to be re-appointed is provided in the Exhibit to the Notice of ensuing AGM. The Board of Directors recommends the reappointment at the ensuing AGM.

Further, Mr. Bhavesh Gandhi, on the recommendation of NRC and on the approval of Board has been re-appointed as the Whole time Director under the category of key Managerial personnel of the Company w.e.f. August 13,2023 for a tenure of five years subject to the approval of the shareholders at the forthcoming AGM.

At the 39th AGM, Mr. Rakesh Bajaj was appointed as Independent Director, and Mr. Rakesh Mohan was re-appointed for a second term as Independent Director to hold the office commencing from February 14, 2022 and November 14, 2022 respectively for a period of 5 (five) years. At the same AGM, Ms. Priyanka Gandhi was appointed as Director under the category of Woman Director (Non Independent, Non-Executive).

Key Managerial Personnel ('KMP')

In terms of provisions of Section 203 of the Act, Mr. Bhavesh Gandhi, Whole-time Director, 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.

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 disclosed in Annual Return as well in Corporate Governance Report.

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. V. Ramanan, Mr. Rakesh Mohan and Mr. Nikhil Gandhi members of NRC 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, 2023 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 Act, for safe guarding 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 Director shad 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 Auditor

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

During the Financial Year 2022-23, the Independent Directors, Mr. Rakesh Mohan, Mr. V. Ramanan and Mr. Rakesh Bajaj met without the attendance of Non- Independent Directors and the members of the Management. However Company secretary of the Company was involved in coordinating the meeting as per the advice of the Independent Directors. 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 2022-23, five meetings of the Board of Directors of the Company were held on May 30, 2022, August 12, 2022, (including adjourned meeting), November 11, 2022, December 3, 2022 and February 13, 2023. 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 five 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. Rakesh Mohan, Mr.Rakesh Bajaj and Mr. Bhavesh Gandhi as Members and Mr. Shekhar Gandhi, CFO is Permanent Invitee. 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. Rakesh Mohan, Mr.V.Ramanan and Mr. Nikhil Gandhi 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 I**".

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), Ms. Gayathri Ramachandran and Mr V. Ramanan , members. On cessation of Ms. Gayathri Ramachandran as a Director w.e.f September 08, 2021, CSR committee didn't reconstituted. 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. The statutory disclosure with respect to the CSR Committee and an Annual Report on CSR Activities is annexed to this Report as " **Annexure II**".

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 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 programs 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

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

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 Auditor

M/s GPS & Associates., Chartered Accountants (Registration No. 121344W) have been appointed as Statutory Auditors of the Company at the 39th AGM held on December 30, 2022 for a period of 3 years i.e. from the conclusion of 39thAGM until the conclusion of 42nd AGM to be held in the calendar year 2025. 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 40th AGM notice.

Auditor

The Auditors' Report to the Members on the Accounts of the Company for the financial year ended March 31, 2023, contains qualified opinion. The details of Auditors qualification and management explanation/ views thereon are given below.

Basis for Qualified Opinion (Standalone)

- a. Attention is drawn towards the Note No. 15.2.(vii) of the standalone financial statements in case of Reliance Commercial Finance Ltd., which company has disputed and based on that, the Company, during the year ended 31st March, 2023 has not accounted interest (excluding penal interest) of Rs. 1,988.15 lakhs on the loan taken from Reliance Commercial Finance Ltd. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- b. Attention is drawn towards the Note No. 15.2.(iv) & 15.2.(vi) of the standalone financial statements in case of disputed borrowings with certain lenders including IL&FS, and based on that, the Company, during the year ended March 31, 2023 has not accounted interest (excluding penal interest) of Rs. 6,520.43 lakhs. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- c. Attention is drawn towards the Note No. 15.2.(ii) of the standalone financial statements in case of borrowings with Yes Bank which has been assigned to J. C. Flowers Asset Reconstruction Pvt. Lid, the Company, has not accounted interest (excluding penal interest) ascertained Rs.1,444.00Lakhs. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified hereinabove.

- d. The impact of the penal interest, compounding interest and other charges, if any, on the borrowings mentioned in point (a) (b) & (c) above is not ascertainable by the Group due to lack of confirmation from lenders and cannot be commented upon.
- e. The outstanding balances in the books of Holding Company of borrowings of the following banks are subject to confirmation:

Sr. No.	Name of Lender	Principal	Interest
<i>(Amount in Rupees lakhs as on 31/03/2023)</i>			
1.	IDBI Bank	3,337.00	5,013.64
2.	Union Bank	564.14	541.20
3.	J. C. Flowers Assets Reconstruction Pvt. Ltd.	37,058.95	1,330.76

- f. The impact relating to point (a) to (e) mentioned above with respect to effect of tax laws which may arise out of such accounting adjustments, if any, is not ascertainable and cannot be commented upon.

Explanation where audit qualification is quantified

On account of disputed loans, the Company has not booked interest on balances shown as outstanding in current borrowings.

Explanation where audit qualification is not quantified

- I. The impact of penal interest on the borrowings mentioned in point d above is not ascertainable by the Company due to lack of confirmation from lenders and can not be commented upon.
- II. As the Company has not received confirmations from Banks, the Management is not able to quantify the impact of the same.
- III. Management's estimation on the impact of audit qualification: Unascertainable
- IV. If management is unable to estimate the impact, reasons for the same:
As the Company has not received confirmation from lenders, the management is not able to quantify the impact of the same.
- V. Auditor's comment on iii & iv above : Not applicable

Basis for Qualified Opinion (Consolidated)

Basis for Qualified Opinion

- a. Attention is drawn towards the Note No. 16.2.iv of the consolidated financial statements in case of Reliance Commercial Finance Ltd. & Reliance Infrastructure Ltd., and based on that the Group, during the year ended 31st March, 2023 has not accounted interest (excluding penal interest) of Rs. 7263.25 Lakhs. Had this been accounted, the Consolidated Loss for the year and the Liabilities would have increased to the extent of the amount specified above.
- b. Attention is drawn towards the Note No. 16.2.vii & 16.2.xii of the consolidated financial statements in case of disputed borrowings with certain lenders including IL&FS Financial Services Ltd., and based on that the Group, during the year ended 31st March, 2023 has not accounted interest (excluding penal interest) of Rs. 6520.43 Lakhs. Had this been accounted, the Loss for the year and the Liabilities would have increased to the extent of the amount specified above.
- c. In case of outstanding loan of Yes Bank which has been assigned to J. C. Flowers Asset Reconstruction Pvt. Ltd, the Company, during the year ended on March 31, 2023, has not accounted interest (excluding penal interest) ascertained Rs. 1,444.00 Lakhs respectively. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified hereinabove.
- d. The impact of the penal interest on the borrowings mentioned in point (a) (b) & (c) above is not ascertainable by the Group due to lack of confirmation from lenders and cannot be commented upon.
- e. The outstanding balances in the books of Holding Company of borrowing of the following banks are subject to confirmation:

Sr. No.	Name of Lender	Principal	Interest
<i>(Amount in Rupees lakhs as on 31/03/2023)</i>			
1.	IDBI Bank	3,337.00	5,013.64
2.	Union Bank	564.14	541.20
3.	J. C. Flowers Assets Reconstruction Pvt. Ltd.	37,058.95	1,330.76

- f. The impact relating to point (a) to (e) mentioned above with respect to effect of tax laws which may arise out of such accounting adjustments, if any, is not ascertainable and cannot be commented upon.

Explanation where audit qualification is quantified

On account of disputed loans, the Company has not booked interest on balances shown as outstanding in current borrowings.

Explanation where audit qualification is not quantified

- I. The impact of penal interest on the borrowings mentioned in point d above is not ascertainable by the Company due to lack of confirmation from lenders and can not be commented upon.
- II. As the Company has not received confirmations from Banks, the Management is not able to quantify the impact of the same.
- III. Management's estimation on the impact of audit qualification: Unascertainable
- IV. If management is unable to estimate the impact, reasons for the same: As the Company has not received confirmation from lenders, the management is not able to quantify the impact of the same.
- V. Auditor's comment on iii & iv above : Not applicable

Internal Auditor

M/s. RSVA & Co. the Internal Auditor of the Company for F.Y. 2022-23, have conducted the Internal Audit of the Company. M/s. SPAK & Co., Chartered Accountants, Mumbai, have been appointed as Internal Auditors for conducting internal audit of the Company for the financial year 2023-24. 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 Act, the Board has appointed M/s. Jaisal Mohatta and Associates., Practising Company Secretary, Mumbai, as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023, is annexed to this report as "Annexure III". As specified in the said report, there has been a delay/non-filing of form/returns due to unavailability of requisite information/technical issues/ documents. The delayed shall be avoided in future. With respect to other observation, the Secretarial Audit Report is self-explanatory.

Particulars of Contracts or Arrangements with Related Parties

In line with the requirements of the Act and Listing 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. 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 Listing 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.

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 IV**”. 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, 2023. 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 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 V**”.

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.

Listing Arrangement

The Company is yet to pay annual listing fee (ALF) to NSE for the financial year 2020-21 onwards and to BSE for the financial years 2021-22 onwards due to some unavoidable circumstances and the company is hopeful to clear the said dues in the near future. In this matter, company along with its promoter received notice from NSE and BSE for the payment of ALF and on non-payment of ALF Stock Exchanges shall take appropriate action under the applicable statute.

Further, the company along with its promoters had also received the Notices from the NSE and BSE for non-compliance with certain listing and/or Depository Regulations. Further as per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 specifying standard operating procedure for imposing fines and suspension of trading in case of Non-compliant with listing and/or depository regulations. The company has yet to pay the fines imposed by the NSE and BSE and accordingly the said circular the entire shareholding of the promoter(s) in the company has been frozen.

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 hardcopy 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
SKIL Infrastructure Ltd

Place: Mumbai

Date: August 10, 2023

Nikhil Gandhi
Chairman

ANNEXURE I 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, circulations 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.

ANNEXURE II 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

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), and Mr. V. Ramanan as Members. The Company is yet to restructure the Committee after the resignation of Ms. Gayathri Ramachandran.
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	-	-	-	-	-	-

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.

6. 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

ANNEXURE III

Form MR-3

Secretarial Audit Report

for the Financial Year Ended 31st March, 2023

[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, 2023** 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, 2023** 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;
- (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;
 - 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 my 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, I am not in a position to identify and report the same in my report.

I 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).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned;

There were few delayed Compliance

(i) As per Regulation 14 of SEBI LODR, 2015, listing fees of Company is still payable to NSE and BSE (ii) Filing of Disclosure under Regulation 13(3) of SEBI (LODR) 2015 for the Quarter ended on June 2022, (iii) Filing of Disclosure under Regulation 27(2) of SEBI (LODR) 2015 for the Quarter ended on June 2022, (iv) Filing of Disclosure under Regulation 31 of SEBI (LODR) 2015 for the Quarter ended on June 2022 and September 2022, (v) Filing of Initial Disclosure of Large Corporate as per SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144A (vi) Filing of Quarterly Disclosure by listed entities of defaults on payment of interest/repayment of principal amount on loans from banks/financial institutions as per C2 of SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2019/140 for the Quarter ended on September 2022 (vii) Appointment of Women Director as per Regulation 17 of SEBI (LODR) 2015 and pursuant to Section 149 (1) of Companies Act, 2013 read with Rule 3 of Companies (Appointment & Qualifications of Director) rule 2014

Few Compliances are yet to be done

(viii) E-Form DPT-3 (Return of Deposit) to Registrar of Companies (ROC) Pursuant to rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 (ix) Annual Return on Foreign Liabilities and Assets (FLA) to Reserve Bank of India (RBI) Specified under FEMA, 1999 (x) Form BEN-2 [Pursuant to section 90(4) to ROC pursuant to companies Act, 2013 and rule 4 and rule 8 of the Companies (Significant Beneficial Owners) Rules, 2018 (xi) Annual Performance Review (APR) to RBI Specified under FEMA 1999 (xii) Filing of Structured Digital Database ("SDD") Compliance Certificate of all the quarters to NSE and BSE, pursuant to provisions of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015 and to place the mechanism of SDD (xiii) Filing of Form CHG-4 (Satisfaction of Charge) pursuant to Pursuant to section 82(1) of the Companies Act, 2013 and Rule 8(1) and 13 of the Companies (Registration of charges) Rules 2014] on account of Invocation of Equity shares of Sohar Freezone LLC, Anushka & Ansh Gandhi Private Trust and Grevek Investment & Finance Private Limited. (xiv) Pursuant to Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22 2020, due to Non-Compliance with provisions of Listing Regulations entire shareholding of Promoters in the Company has been frozen (xv) NSE and BSE has levied Certain fines for few Non-Compliances of Listing Regulations, same amount is yet to be paid.

I further report that I have relied 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 my audit period, and I 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 based on the review of the Compliance mechanism established by the Company and on the basis of Compliance Certificates issued by the Chairman and taken in record by the Board of Directors at their meetings, I am of the opinion 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.

- Company has appointed Mrs. Priyanka Nikhil Gandhi as Women Director w.e.f. 30th May 2022.

For Jaisal Mohatta & Associates

Company Secretaries

ICSI Identification No.: S2016GJ378500

Surat, August 10, 2023

UDIN: A035017E000738643

Peer Review Certificate No. 2372/2022

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Note: This report is to be read with my 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 my 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. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jaisal Mohatta & Associates
Company Secretaries
ICSI Identification No.: S2016GJ378500

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Surat, August 10, 2023

UDIN: A035017E000738643

Peer Review Certificate No. 2372/2022

ANNEXURE IV 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 2022-23 and the percentage increase in remuneration of each Director and KMP in the financial year 2022-23:**

Name	Designation	Ratio of remuneration of each Director to the median remuneration of Employees	Percentage increase/ decrease in remuneration during FY 22
Mr. Nikhil Gandhi	Chairman	-	--
Mr. Bhavesh Gandhi	Whole Time Director	-	-
Mr. Shekhar Gandhi	Chief Financial Officer	NA	-
Mr. Nilesh Mehta	Company Secretary	NA	-

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:** 7 Employees as on March 31, 2023
- (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:** N.A..
- (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 V TO THE DIRECTORS' 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, 2023 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, 2023, the board consists of six directors including one non-executive chairman, one Whole Time Director, one woman director and three independent directors. 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 ('Act') and the SEBI Regulations. 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 Act and that none of the independent directors of the Company are serving as an Independent Director in more than seven listed companies. Independent directors endeavor 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, 2023, are given below:

Name of the Director	Category of Directorship	Designation	Other Directorships as on March 31, 2023. [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, Executive, Non-Independent	Vice Chairman & Whole Time Director	0	--	--
Ms Priyanka Gandhi	Non-Executive, Non Independent	Woman Director	2	--	
Mr. V. Ramanan	Non-Executive, Independent	Independent Director	4	2	5
Mr. Rakesh Mohan	Non-Executive, Independent	Independent Director	4	2	5
Mr. Rakesh Bajaj	Non-Executive Independent	Independent Director	3	--	4

Note: (i) Other Directorships excludes Directorship in Foreign Companies, Private Limited Companies, Companies under Section 8 of the Act 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 Director

During the financial year 2022-23, five Meetings of the Board of Directors were held on May 30, 2022, August 12, 2022(including Adjourned Meeting), November 11, 2022, December 3, 2022 and February 13, 2023. The attendance of each Director at the said Board Meetings and at the 39th Annual General Meeting ('AGM') held on December 30, 2022 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	5	2	No
Mr. Bhavesh Gandhi	5	5	No
Mr. V. Ramanan	5	5	No
Mr. Rakesh Mohan	5	4	Yes
Mr. Rakesh Bajaj	5	5	No
Ms. Priyanka Gandhi	5	2	No

Note: (i) No. of Board Meetings held reflects the no. of meetings held in the tenure of the concerned Director in financial year 2022-23.

(iii) Directorship in Other Listed Companies

Name of the Director	Listed Entity	Category of Directorship
Mr. V. Ramanan	1. JPT Securities Limited	1. Independent, Non-Executive
	2. KLG Capital Services Limited	2. Independent, Non-Executive
Mr. Rakesh Mohan	1. AKG Exim Limited	1. Independent, Non-Executive
	2. Sunil Healthcare Limited	2. Independent, Non-Executive
Mr. Rakesh Bajaj	1. JPT Securities Limited	1. Independent, Non-Executive
	2. KLG Capital Services Limited	2. Independent, Non-Executive

Disclosure of relationship between Directors Inter-se

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

(iv) Skills/Expertise/Competence of the Board

SKILL	DESCRIPTION
1. Leadership	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 Organization and facilitated team-building.
2. Knowledge	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.
3. Diligence & Participation	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 judgment 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.
4. Strategy Formulation & Execution	Develop clear mission statements, policies and strategic plans, identified and analyzed problems and issues confronting the Company and accurately determined key success factors. Establish an effective organization structure ensuring focus on key functions and delegated work.
5. Financial Planning & Performance	Financial management skills with an understanding of accounts and financial statements.
6. Personal Qualities	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.
7. Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

(iv) Areas of Skill/Expertise

Name of Director	Leadership	Knowledge	Diligence & Participation	Strategy Formulation & Execution	Financial Planning & Performance	Personal Qualities	Risk Management
Mr. Nikhil Gandhi (Chairman)	✓	✓	✓	✓	✓	✓	✓
Mr. Bhavesh Gandhi (WTD & Vice Chairman)	✓	✓	✓	✓	✓	✓	✓
Mr. V. Ramanan (Independent Director)	✓	✓	✓		✓	✓	✓
Mr. Rakesh Mohan (Independent Director)	✓	✓	✓	✓	✓	✓	✓
Mr. Rakesh Bajaj (Independent Director)	✓	✓	✓	✓	✓	✓	✓
Priyanka Gandhi	✓	✓	✓	✓		✓	

Note: Absence of any skill does not necessarily mean that the Director does not possess the skill.

(v) 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.

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

No Independent Director was resigned from the office before the expiry of his tenure.

3. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in accordance with the provisions of Section 177 of the Act 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, 2023, the Audit Committee comprises of four members i.e Mr. V. Ramanan (Chairman), Mr. Rakesh Bajaj, Mr. Rakesh Mohan and Mr. Bhavesh Gandhi. Mr. Rakesh Bajaj, independent director was inducted in the Audit committee w.e.f. August 12, 2022. All the members of the Committee have relevant experience in financial matters. Mr. Shekhar Gandhi, Chief Financial Officer, act as permanent invitee of Audit Committee.

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 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 external auditors, without the presence of Management representatives.

Meetings and Attendance

During the financial year 2022-23, five meetings of the members of audit committee were held on May 30, 2022, August 12, 2022, November 11, 2022, December 3, 2022 and February 13, 2023. 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	5	5
2.	Mr. Rakesh Bajaj	5	5
3.	Mr. Rakesh Mohan	5	4
4.	Mr. Bhavesh Gandhi	5	5

Note: (i) No. of Meetings held reflects the no. of meetings held in the tenure of the concerned Director in financial year 2022-23.

(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 Act 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.
- 1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
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.

(ii) Composition, Name of Members and Chairperson

As on March 31, 2023, the Nomination and Remuneration committee comprises three members, viz. Mr. Nikhil Gandhi, Mr. V. Ramanan and Mr. Rakesh Mohan as Members. The Chairman of the Committee is elected at the time of each meeting. Mr. V. Ramanan was elected as Chairman of the meeting held at May 30, 2022 and November 11, 2022. The Company Secretary of the Company is the Secretary to the Committee.

(iii) Meetings and Attendance

During the financial year 2022-23, two Meetings of the Members of Nomination and Remuneration Committee on May 30, 2022 and November 11, 2022 were held.

Sr. No.	Name of the Members	No. of Meetings	
		Held [Refer Note (i)]	Attended
1.	Mr. Nikhil Gandhi	2	1
2.	Mr. V. Ramanan	2	2
3.	Mr. Rakesh Mohan	2	2

Note: (i) No. of Meetings held reflects the no. of meetings held in the tenure of the concerned Director in financial year 2022-23.

(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. STAKEHOLDERS RELATIONSHIP COMMITTEE:

(i) 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.

(ii) Composition

As on March 31, 2023, the Stakeholders Relationship Committee comprises of three members viz. Mr. Nikhil Gandhi, Mr. Rakesh Mohan and Mr. V. Ramanan as a members. The Chairman of the Committee is elected at the time of each meeting.

One meeting of the Stakeholder Relationship Committee was held on November 11, 2022 where all three members were present and Mr. Nikhil Gandhi was elected as Chairman of the meeting.

(iii) Name and Designation of Compliance Officer

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

Details of shareholders complaints/queries received and resolved during the year ended March 31, 2023

Pending as on April 1, 2022	Received during the year	Resolved during the year	Pending as on March 31, 2023
Nil	Nil	Nil	Nil

5 A) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee of the Company is constituted in accordance with the provisions of Section 135 of the Act, 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 Act and rules made there under, as amended from time to time.

(ii) Composition

As on March 31, 2023, the Corporate Social Responsibility Committee comprises of two Directors, viz. Mr. Nikhil Gandhi (Chairman), and Mr. V. Ramanan as a members. The committee is yet to restructure after resignation of Ms. Gayathri Ramachandran from the directorship of company w.e.f. September 08, 2021.

(iii) Meetings and Attendance

During the financial year 2022-23, 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.

5 B) INDEPENDENT DIRECTORS COMMITTEE:

As on March 31, 2023, the Independent Directors Committee (IDC) comprises of Mr. V. Ramanan, Mr. Rakesh Mohan and Mr. Rakesh Bajaj as a members.

Pursuant to the provisions of Schedule IV to the Act and Regulation 25 of SEBI Regulations, a separate meeting of the Independent Directors of the Company was convened on November 11, 2022 without the presence of Non- Independent Directors and Members of Management. However Company Secretary of the Company was involved in coordinating the meeting as per the advice of the Independent Directors.

The committee meeting dated November 11, 2022; all three independent directors i.e. Mr. V. Ramanan, Mr. Rakesh Mohan and Mr. Rakesh Bajaj were present as members.

5 C) FINANCE COMMITTEE:

As on March 31, 2023, the Finance Committee comprises of two Directors, viz. Mr. Nikhil Gandhi (Chairman), Mr. Bhavesh Gandhi. On cessation of Mr. J.Alexander as director of company due to death on January 14, 2022, Committee was not reconstituted. No meeting of the Finance Committee was held in the year 2022-2023.

5 D) FAMILIARISATION PROGRAMME:

In accordance with the requirement of 25(7) of SEBI Regulations and the provisions of the Act, 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>.

6. REMUNERATION OF DIRECTORS:

Details of remuneration to the Directors of the Company during the year ended March 31, 2023, 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. Rakesh Mohan	1,60,000	-	1,60,000
4.	Mr. V. Ramanan	2,80,000	-	2,80,000
5.	Mr. Rakesh Bajaj	2,40,000	-	2,40,000
6.	Ms. Priyanka Gandhi	-	-	-

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, Priyanka Gandhi is the daughter of Mr. Nikhil Gandhi and the niece of Mr. Bhavesh Gandhi and they are Promoters of the Company.

(i) 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 Act and Regulation 25(3) of the SEBI Regulations. The sitting fees being paid is within the limit prescribed under the Act.

(ii) Employee Stock Option Scheme

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

(iii) Shareholding of Directors as on March 31, 2023

None of the Directors held any Equity Shares in the Company except Mr. Nikhil Gandhi holds 11,77,757 Equity Shares and Mr. Bhavesh Gandhi holds 11,75,000 Equity Shares.

7. GENERAL BODY MEETINGS:

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

Financial Year	Location	Date	Time
2021-22	20 Downtown Conference Hall, 2nd Floor, South-West Wing, Cambata Building, 42, M. Karve Road, Churchgate, Mumbai- 400020	30.12.2022	14:30 Hours
2020-21	Babasaheb Dahanukar Hall, Oricon House, 12, K.Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001	29.09.2021	14:30 Hours
2019-20	Babasaheb Dahanukar Hall, Oricon House, 12, K.Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001	30.12.2020	14:30 Hours

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

Date of AGM	Special Resolution passed
30.12.2022	(i) Appointment of Mr. Rakesh Bajaj (DIN: 02894631) as an Independent Director of the Company (ii) Re-Appointment of Mr. Rakesh Mohan (DIN: 07352915) as an Independent Director (iii) Reclassification of Promoters of the Company as Public Shareholders.
29.09.2021	No Special Resolution had been passed
30.12.2020	No Special Resolution had been passed

Special Resolution passed during the financial year 2021-22 through Postal Ballot – details of voting pattern

No Postal Ballot was conducted during the year 2021-22. No Special Resolution is proposed through Postal Ballot at the ensuing AGM.

8. 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 usually 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.

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 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.

9. GENERAL SHAREHOLDER INFORMATION:**(i) 40th Annual General Meeting**

Date :	Friday, September 29, 2023
Time:	1400 Hours
Venue:	Kilachand Conference Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate, Mumbai- 400020

(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, 2024, are as follows:

	Event	Tentative Dates
1	Financial reporting for the quarter ended June 30, 2023	On or before August 14, 2023
2	Financial reporting for the quarter ended September 30, 2023	On or before November 14, 2023
3	Financial reporting for the quarter ended December 31, 2023	On or before February 14, 2024
4	Financial reporting for the quarter and year ended March 31, 2024	On or before May 30, 2024
5	Annual General Meeting ending for the year March 31, 2024	On or before September 30, 2024

(iii) Dividend Payment Date: Not Applicable**(iv) Listing on Stock Exchanges**

The Equity Shares of the Company are listed on (i) National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 4000 051 and (ii) BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

The Company is yet to pay annual listing fee (ALF) to NSE for the financial year 2020-21 onwards and to BSE for the financial year 2021-22 onwards due to some unavoidable circumstances and the company is hopeful to clear the said dues in near future. In this matter, company along with its promoter received notice from NSE and BSE for the payment of ALF and on non-payment of ALF Stock Exchanges will take appropriate action under the applicable statute.

The company alongwith its promoters had also received the notices from the NSE and BSE for non-compliance with certain listing and/or Depository Regulations. Further as per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 specifying standard operating procedure for imposing fines and suspension of trading in case of Non-compliant with listing and/or depository regulations. According to the said circular the entire shareholding of the promoter(s) in the company has been frozen.

(v) Stock Code/ ISIN Number

(a) NSE: Scrip Code - SKIL

(b) BSE: Scrip Code –539861

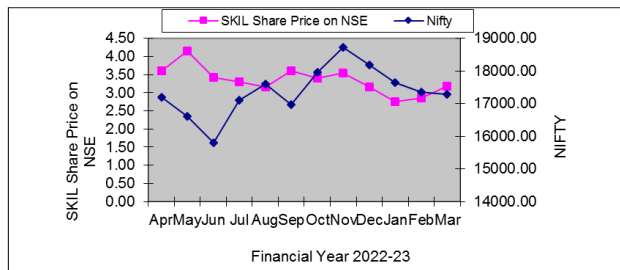
(c) Demat ISIN Number – for NSDL / CDSL: ISIN INE429F01012

(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, 2022	3.60	3.60	3.75	2.95
May, 2022	4.35	3.95	4.53	3.91
June, 2022	3.45	3.40	4.00	3.26
July, 2022	3.45	3.15	3.55	3.23
August, 2022	3.30	3.00	3.45	2.85
September, 2022	3.65	3.35	3.49	3.17
October, 2022	3.55	3.25	3.57	3.15
November, 2022	3.70	3.40	3.70	3.33
December, 2022	3.25	3.05	3.84	3.00
January, 2023	2.85	2.65	3.25	2.62
February, 2023	2.85	2.85	3.13	2.57
March, 2023	3.30	3.05	3.43	2.97

(vii) Stock Performance in comparison to Nifty



(viii) Registrar & 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 1st 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) Distribution of Shareholding as on March 31, 2023

Sr.no.	Shareholding of Shares			Shareholder	% of Total	Total Shares	% of Total
1	1	to	500	5,385	60.68	7,20,208	0.33
2	501	to	1000	1,118	12.60	9,94,650	0.46
3	1001	to	2000	671	7.56	10,94,319	0.51
4	2001	to	3000	316	3.56	8,37,963	0.39
5	3001	to	4000	179	2.02	6,55,563	0.30
6	4001	to	5000	243	2.74	11,79,542	0.54
7	5001	to	10000	392	4.42	31,55,858	1.46
8	10001	to	*****	570	6.42	20,79,33,129	96.01
Total				8,874	100.00	21,65,71,232	100.00

(xi) Shareholding Pattern (categories of shareholders) as on March 31, 2023

Category	No. of Shares held	% of Total shareholding
Promoters	11,43,53,201	52.80
Foreign Venture Capital Investors/Foreign Company/ Overseas Bodies Corporate/NRI	1,47,59,290	6.81
Bodies Corporate	2,13,84,422	9.87
Indian Public	5,54,96,091	25.63
Others	1,05,78,228	4.98
Total	21,65,71,232	100.00

(xii) Dematerialization of Shares and Liquidity

Out of 21,65,71,232 Equity Shares, 21,65,68,614 Equity Shares (i.e. 99.99%) are in electronic/dematerialization form with the Depositories i.e. NSDL and CDSL, as on March 31, 2023. The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Equity Shares of the Company are traded on NSE & BSE however due to non payment of ALF, NSE & BSE has taken appropriate action as per the SEBI Circular in case of non compliant Company.

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

(xiv) **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.

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

(xvi) **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

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 mobilization of funds, whether in India or abroad. Therefore, it was not required to obtain any credit ratings during the year.

10. 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 of the Act 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 SEBI Regulations, 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

(ii) Details of non-compliance

As per SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 (hereinafter referred to as SOP Circular'), specifying Standard Operating Procedure for imposing fines and suspension of trading in case of Non-compliance with listing Regulations. The Company has made certain non-compliances due to delay in certain filings of SEBI Regulations. NSE has levied fines on the Company for the same which is approximate amount of Rs. 13,16,880 including GST. The company has expected that approximately same amount of fines shall be levied by BSE, as no confirmation has been received from BSE regarding the same.

(iii) Whistle Blower Policy

Pursuant to the provisions of Regulation 22 of SEBI Regulations and Section 177 of the Act, 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 Chairman 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

(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 Regulations, 2015 relating to Corporate Governance. In addition to it, the Company has also complied with non-mandatory requirement such as

- (i) Audit Qualification and its explanation is mentioned in the report of Board of Directors.
- (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

(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

(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.

(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, SKIL Advanced Systems Pvt Ltd., SKIL Shipyard Holdings Pvt. Ltd., on a consolidated basis is Rs. 7.08 Lakhs (Including GST) to the Statutory Auditor.

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

Number of complaints filed during the financial year 2022-2023	Number of complaints disposed during the financial year 2022-2023	Number of complaints pending as on March 31, 2023
NIL	NIL	NIL

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

11. 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 Listing Regulations.

12. 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.

13. 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, 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.

14. 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 https://www.skilgroup.co.in/investor_pdf/Code%20of%20Practices%20and%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf

15. 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.

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

I 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 my opinion and to the best of my 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, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 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 Prataprai Gandhi	00030560
2.	Mr. Bhavesh Prataprai Gandhi	00030623
3.	Mrs. Priyanka Nikhil Gandhi	07428192
4.	Mr. Rakesh Bajaj	02894631
5.	Mr. Rakesh Mohan	07352915
6.	Mr. Ramanan	02754562

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my 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, 2023.

For Jaisal Mohatta & Associates

Company Secretaries

ICSI Identification No.: S2016GJ378500

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Surat, August 10, 2023

UDIN: A035017E000738161

Peer Review Certificate No. 2372/2022

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

- A) We, Bhavesh Gandhi, 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 in violation 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 25, 2023

Bhavesh Gandhi

Shekhar Gandhi

Place: Mumbai

Whole time Director

Chief Financial Officer

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, 2023 has been confirmed by the Board Members and Senior Management Personnel of the Company.

Date: May 25, 2023

Bhavesh Gandhi

Place: Mumbai

Whole time Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined the compliance of the conditions of Corporate Governance by SKIL Infrastructure Limited (**'the Company'**) for the year ended on March 31, 2023, 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**").

Management Responsibility

The compliance of the conditions of Corporate Governance is the responsibility of the management. My 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.

Auditors' Responsibility

Pursuant to the requirements of the Listing Regulations, my responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. my responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In my opinion and to the best of my information and according to the explanations given to us, and the representations made by the Directors and the management, I certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023 except to the extent as mentioned:

- (i) There was delay in filing in Corporate Governance Disclosure under Regulation 27(2) of SEBI (LODR) 2015 for the Quarter ended on June 2022 (ii) There was delay in appointment of Women Director as per Regulation 17 of (LODR) 2015.

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.

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For Jaisal Mohatta & Associates
Company Secretaries
ICSI Identification No.: S2016GJ378500

(Jaisal Mohatta)

Proprietor

ACS - 35017, COP – 16090

Surat, August 10, 2023

UDIN: A035017E000738126

Peer Review Certificate No. 2372/2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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:

Infrastructure is the key to the success of Indian economy. Creating time bound world class infrastructure as well as upgrading and augmenting existing infrastructure will act as a catalyst to propel the economic growth and to ensure the country's goal of becoming a US\$ 5 trillion economy. Infrastructure at par with global standards is crucial for cost and efficiency benefits and therefore, investment in this sector is the need of the hour. However, this sector being extremely capital intensive coupled with long gestation period, it requires low-cost funding in addition to skilled yet cost-effective labor force, latest equipment, industry friendly regulations/reforms, strong and seamless technology/digital platforms to achieve completion targets expeditiously.

To address all these issues, the government is relentlessly pursuing private investment in infrastructure sector apart from launching a slew of initiatives including the US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, to usher in systemic and effective reforms in the sector. 102 critical projects under this masterplan worth US\$7.67 billion are to be completed by 2024, making 2023 a critical year for effective execution. Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure. Global investment and partnerships in infrastructure, such as the India-Japan forum for development in the Northeast are also indicative of more investments. In Union Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP. India plans to spend US\$ 1.4 trillion on infrastructure through 'National Infrastructure Pipeline' in the next five years. (**Source: India Brand Equity Foundation Report 2023**).

In view of above, India is fully poised to take quantum leap to expand its infrastructure horizon in terms of volume, network, quality and timelines which makes it believable that Indian infrastructure sector/industry is well set for a prospective future ahead.

OPPORTUNITIES & THREATS:

The infrastructure sector is being given the top priority and focus by the government as is evident from the initiatives and policy reforms which are being brought in and implemented across the sector such as sector friendly policies, reforms related to ease of doing business, liberal FDI regulations, expeditious dispute resolutions in public private partnerships, faster land acquisition process, massive budgetary allocation. Rising demand for quality infrastructure along with all these favourable factors provide huge and excellent opportunities to domestic as well as foreign investors/players to participate in India's infrastructure development boom which makes it the world's 3rd largest construction market.

Notwithstanding the opportunities at hand, the most important success factor is timely completion of projects, especially the greenfield projects which are invariably delayed due to negative mindset of land owners that prolongs land acquisition. In addition to it, other factors such as cost/budget compliant execution, strict adherence to execution schedule, seamless coordination and expeditious decision making amongst all the stakeholders are required to be closely monitored to strike the right balance between planning and actual result. To create such ideal and hassle-free atmosphere is indeed a huge challenge which needs to be mitigated to ensure that maximum benefits are derived from the available opportunities.

SEGMENT-WISE or PRODUCT-WISE PERFORMANCE:

The Company, with its track record of having successfully developed greenfield iconic infrastructure projects, continues to explore various infrastructure development activities.

OUTLOOK:

Global

Infrastructure spending has begun to rebound from the global financial crisis and is expected to grow significantly over the coming decade. Accelerated infrastructure spending will drive economic growth, create employment and deliver vital services in a cost efficient manner. One of the most important drivers of infrastructure spending, of course, will be financing, which presents vast opportunities for the billions of dollars of private capital available for investment. Dedicated infrastructure funds, pension funds, and other types of investors are looking forward to invest in projects around the world. Private investment in capital projects can free up public sector budgets and also provide more revenue to the government in form of tax collection. Emerging economies represent the biggest opportunities for infrastructure development and investment. As the global economy regains strength and emerging nations continue their rapid development, there's little doubt that the next decade will be favorable for capital project and infrastructure spending.

India

The infrastructure led development as envisioned in the 2023 Union Budget is beneficial not just for the infrastructure sector alone but is rather favourable for the holistic growth of the entire economy. The Indian economy has already risen from tenth to fifth in the world in terms of size and during times of adverse global economic setting. A 33 per cent rise in infrastructure investment capital spending, or Rs. 10 lakh crores for 2023–24, or 3.3 per cent of GDP, is unprecedented in India's economic history and will substantially improve the economy by opening up new avenues of employment for 600 million population that are in employable age of 18 to 35. Infrastructure-infused development is a crucial component for lowering delivery costs, facilitating physical mobility for both people and things, removing productivity barriers, and boosting competitiveness. A paradigm shift in India's demographic trend leading to rapid urbanisation has created huge demand for megacities which is expected to create enormous need for new infrastructure. The outlook for such infrastructure development—and the economic growth it will foster—is encouraging.

Your Company

It is imperative to note that although the domestic and global economic scenario is forward looking, any unforeseen and/or any adverse event can have resultant effect on your Company's efforts in monetization/divestment of its assets.

RISKS & CONCERNS:

Apart from various other factors, the challenging external environment marked by global supply chain disruptions from two years of pandemic and the geopolitical conflict in Europe are the main concerns world over. However, as far as India is concerned, government's strong emphasis on infrastructure development, huge domestic demand driven market, international players coming to the fore, massive workforce, increasing urbanisation etc. are favourable factors that will help the country to resiliently navigate through turbulent uncertainties that the other countries are facing.

DISCUSSION ON RESULTS OF OPERATIONS:

There is no operating revenue during this year. The amount of Rs.1,171.34 lakhs (PY Rs. 6,585.77 lakhs) reflected as credit to profit and loss account mainly consist of amounts written back and other such accounting entries. The loss before exceptional items and tax is Rs. 5,026.99 lakhs for the FY 2022-23 as against loss of Rs. 16,234.24 lakhs for the previous financial year. The net loss during the financial year 2022-23 was mainly due to finance cost.

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

There is significant change in Interest Coverage Turnover (calculated by dividing earnings before interest, taxes & depreciation by the interest expense and principal repayment of long term debt) which was 0.02 in FY 2021-22 in comparison to NIL in FY 2022-23. This was due to increase in Income (Other) and reduction in expenses.

The Current Ratio (proportion of the Company's current assets to its current liabilities) remained unchanged at 0.01% in FY 2022-23.

There is significant change in Debt Equity Ratio (calculated by dividing the Company's total Debt by its shareholder equity) which was 5.25 in FY 2021-22 as compared to 2.67 in FY 2022-23. This was mainly on account of accumulated interest.

As far as Debtors Turnover Ratio, Inventory Turnover Ratio, Operating Profit Margin and Net Profit Margin are concerned, the Company did not have the same either in FY 2021-22 or in FY 2020-21.

With regards to Return on Net Worth (calculated by dividing the Company's net income by shareholders' equity; net income used is for past 12 months), the Company did not have Net Income either in 2021-22 or in 2020-21 and therefore there is no Return on Net Worth.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

In line with the regulatory and business requirements, the management has formulated various policies, procedures and guidelines and the Company's internal financial control framework is based on the same. The management, the Statutory Auditors and the Internal Auditors, from time to time, examine and test those policies, procedures and guidelines to check its efficacy.

The Company has set up following Committees as part of the Company's internal control systems:

1. Audit Committee of the Board
2. Nominations and Remuneration Committee
3. Stake Holder's Relationship Committee
4. Independent Director's Committee
5. Security Allotment and Transfer Committee

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Company is making conscious efforts in continuous improvement of its work culture amongst the employees and for that purpose, the Company strives to imbibe work values of accountability, upgradation of skill-sets and adaptability to the ever-evolving digital transformation leading to all-round growth.

CAUTIONARY STATEMENT:

Forward-looking Statement in this Annual Report, particularly those that relate to the Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, generally identified by words such as 'may', 'believe', 'outlook', 'plan', 'anticipate', 'continue', 'estimate', and 'expect', may constitute forward-looking statements within the meaning of applicable laws and regulations. Such statements are necessarily dependent on projection and trends and constitute our current expectations based on reasonable assumptions. However, the actual results might differ from those expressed or implied in such forward-looking statements due to risks, uncertainties, and other external factors.

SUBSIDIARY COMPANIES AND THEIR ROLE AND INPUTS:

Currently, the Company has one subsidiary namely SKIL Advanced Systems Pvt. Ltd. (SASPL). It was formed with a view to tap the defense sector potential business. However, due to various reasons/factors, there has been no business so far. Currently, the Company is exploring the option of either closing down SASPL subject to fulfilment of all statutory requirements or to rope in suitable buyer from the defense sector to take over SASPL subject to mutually agreed terms and conditions.

STANDALONE AUDITOR'S REPORT

To the Members of SKIL Infrastructure Limited

Report on Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the standalone Ind AS financial statements of SKIL Infrastructure Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2023, 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, except for the effects of the matter described in the **Basis for Qualified Opinion** section of our report, 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, 2023, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a. Attention is drawn towards the Note No. 15.2.(vii) of the standalone financial statements in case of Reliance Commercial Finance Ltd., which company has disputed and based on that, the Company, during the year ended 31st March, 2023 has not accounted interest (excluding penal interest) of Rs. 1,988.15 lakhs on the loan taken from Reliance Commercial Finance Ltd. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- b. Attention is drawn towards the Note No. 15.2.(iv) & 15.2.(vi) of the standalone financial statements in case of disputed borrowings with certain lenders including IL&FS, and based on that, the Company, during the year ended March 31, 2023 has not accounted interest (excluding penal interest) of Rs. 6,520.43 lakhs. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- c. Attention is drawn towards the Note No. 15.2.(ii) of the standalone financial statements in case of borrowings with Yes Bank which has been assigned to J. C. Flowers Asset Reconstruction Pvt. Lid, the Company, has not accounted interest (excluding penal interest) ascertained Rs.1,444.00Lakhs. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified hereinabove.
- d. The impact of the penal interest on the borrowings mentioned in point (a), (b) & (c) above is not ascertainable by the company due to lack of confirmation from lenders and cannot be commented upon.
- e. The outstanding balances of borrowing of the following lenders are subject to confirmation:

(Rs. in Lakhs)

Sr. No.	Name of Lender	Principal	Interest
1	IDBI Bank	3,337.00	5,013.64
2	Union Bank	564.14	541.20
3	J C Flower Asset Reconstruction Pvt. Ltd.	37,058.95	1,330.76

- f. The impact relating to point tax laws which may arise of (a) to (e) mentioned above with respect to effect of out of such accounting ascertainable and cannot be commented upon.

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 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

- a. We draw attention to the Note No. 34 of the standalone financial statements with respect to continuous losses, reduced net worth and default on its repayment of borrowings and preparation of the financial statements on going concern assumption, based on the reasons and assumptions stated in the aforesaid note. The Company's ability to continue as a going concern is dependent on its ability to raise additional funds as required and successful negotiations with lenders for continued support and generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

- b. We draw attention towards Note No. 15.2.(viii) of the standalone financial statements with respect to short payment of the agreed dues as per the settlement agreement.

Our opinion is not modified in respect of the same.

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 24 – “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.

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 auditors’ 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 27 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
 - iv.
 - a) The Company has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts.
 - b) The Company has represented that no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts.
 - c) Based on audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
 - v. The company has not declared and paid any dividend during the financial year accordingly the provisions of section 123 is not applicable.

For GPS & Associates
Chartered Accountants
Firm’s Registration No: 121344W

Shripad Chauhan
Partner
Membership No: 600372

Place: Mumbai
Date: 25th May, 2023
UDIN: 23600372BGZMWW8083

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SKIL Infrastructure Limited of even date)

- (i) In respect of Company’s Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanations given to us, the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The Company did not own any immoveable property during the financial year ended March 31, 2023 and accordingly the said clause is not applicable.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) The Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity and the details are as follows:

(Rs. In Lakhs)

Name of Party	Guarantees	Security	Loans	Advances in nature of loan
Aggregate amount granted/ provided during the year				
- Subsidiaries				248.05
- Joint Venture				-
- Associates				-
- Others				
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	27,500		-	5,810.43
- Joint Venture	-			-
- Associates	-			-
- Others	1,38,300			0.74

- (b) As per the information and explanation given to us, and based on the documents examined by us, prima facie, the terms and conditions in respect of investment made, guarantees provided, security given and grant of all loans and advances in the nature of loans are not prejudicial to the company’s interest.
- (c) The loans and advances in nature of loan are repayable on demand and hence clause 3(iii)(c) is not applicable.
- (d) As informed by the management of the Company, the company has not demanded these loans and hence clause 3(iii)(d) is not applicable.
- (e) According to the information and explanation provided to us, no loans and advances have fallen due during the year and hence this clause is not applicable to the company.
- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(Rs. in lakhs)

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits from the public and therefore the provisions of the Clause 3(v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were in arrears as on 31st March, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the details of statutory dues of income tax, sales tax, service tax or custom duty, excise duty or value added tax, which have not been deposited on account of appeal are given as under:

Name of the Statue	Nature of the dues	Year	Amount	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Regular assessment dues	A.Y. 2005-06	6,135.29	Mumbai High Court
Income Tax Act, 1961	Penalty u/s 271 C	A.Y.2006-07	2,923.58	Mumbai High Court
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2010-11	166.74	Mumbai High Court
Income Tax Act, 1961	Income Tax Regular assessment dues	A.Y. 2010-11	292.28	Mumbai High Court
Income Tax Act, 1961	Income tax block assessment dues	A.Y. 2011-12	230.16	Mumbai High Court
Income Tax Act, 1961	U/s. 144 r.w.s.147	A.Y. 2011-12	138.26	Mumbai High Court
Income Tax Act, 1961	Income Tax Regular assessment dues	A.Y.2012-13	308.15	Mumbai High Court
Income Tax Act, 1961	Income Tax Regular assessment dues	A.Y.2013-14	430.52	Mumbai High Court
Income Tax Act, 1961	Income Tax regular Assessment dues	A.Y.2014-15	705.75	Mumbai High Court
Income Tax Act, 1961	U/s. 144 r.w.s.147	A.Y.2015-16	5,400.73	CIT – (A)
Income Tax Act, 1961	201(1)/201(1A)	A.Y.2015-16	1,631.67	CIT- (A)
Income Tax Act, 1961	201(1)/201(1A)	A.Y.2016-17	1,310.83	CIT- (A)
Maharashtra Stamp Act	Penalty on Stamp Duty	2015-16	4,804.00	Mumbai High Court
Total			24,477.96	

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the records of the company examined by us, and information and explanations given to us the company we are of the opinion that as on March 31, 2023, the Company has defaulted in repayment of dues to banks, financial institutions. The details of the same are tabulated as under:

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	541.20	Apr-17
2	Loan from J. C. Flowers Assets Reconstruction Pvt. Ltd.	37,058.95	Dec -18	1,330.76	Dec-18
3	Loan From IDBI Bank	3,337.00	Nov-16	5,013.64	Apr-17

Sr. no.	Particulars	Principal Default	Period of default since	Interest Default (except Penal Interest)	Period of default since
4	Loan from IL&FS	24,870.00	Sept-18	3,881.17	July-18
5	Loan from Reliance Commercial Finance Limited	9,802.00	Feb-19	191.00	Feb-19
6	Loan from Religare Finvest Limited	78.43		17.07	
	Total	75,710.52		10,974.84	

According to the information and explanation provided to us, Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

- (b) According to the records of the company examined by us, company has not borrowed any term loan during the year and hence this clause is not applicable.
- (c) According to the records of the company examined by us, company has not borrowed any short-term loan during the year and hence this clause is not applicable.
- (d) The company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures, therefore this clause is not applicable to company.
- (e) During the year under review, the Company has not raised any Loan against securities pledged by its subsidiaries, joint ventures or associate companies and hence this clause is not applicable.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans taken during the year were applied for the purpose for which they were raised.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As per information and explanations given to us, the Company has not received any whistle blower complaints during the year (and upto the date of this report). Hence, reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) As per information and explanations given to us the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) As explained to us, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 as this is not applicable to the Company. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditor during the year, and hence this clause is not applicable to the company.

(xix) As referred to Point (a) of Emphasis of Matter paragraph in our main audit report and as disclosed in Note 35 to the financial statements which also includes the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that the Company may not be capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For GPS & Associates

Chartered Accountants

Firm's Registration No: 121344W

Shripad Chauhan

Partner

Membership No: 600372

Place: Mumbai

Date: 25th May, 2023

UDIN: 23600372BGZMWV8083

Annexure - B to the Independent Auditors' Report of even date on the Standalone financial statements Skil 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 **Skil Infrastructure Limited** ("the Company") and its subsidiaries companies, which are companies incorporated in India, as of March 31, 2023 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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.

Auditors' 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, 2023 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.

For GPS & Associates

Chartered Accountants

Firm's Registration No: 121344W

Shripad Chauhan

Partner

Membership No: 600372

Place: Mumbai

Date: 25th May, 2023

UDIN: 23600372BGZMWV8083

BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I ASSETS			
(1) Non Current Assets			
Property, Plant and Equipment	2	1.35	2.41
Financial Assets			
Investments in Subsidiaries and joint venture	3	-	-
Investments- Others	4	3,18,375.93	3,18,328.08
Other Financial Assets	5	55.26	55.26
Other Non Current Assets		-	-
		<u>3,18,432.54</u>	<u>3,18,385.75</u>
(2) Current Assets			
Financial Assets			
Current Investments	6	8.32	137.05
Trade Receivables	7	-	-
Cash and Cash Equivalents	8	3.32	4.29
Other Current Financials Assets	9	1,538.45	1,811.60
Other Current Assets	10	0.50	0.67
		<u>1,550.59</u>	<u>1,953.61</u>
TOTAL		<u>3,19,983.13</u>	<u>3,20,339.36</u>
II EQUITY AND LIABILITIES			
(1) Equity			
Share Capital	11	21,657.12	21,657.12
Other Equity	12	41,843.90	12,966.04
		<u>63,501.02</u>	<u>34,623.16</u>
(2) Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings		-	-
Provisions	13	25.67	25.87
Deferred Tax Liabilities (net)	14	-	-
		<u>25.67</u>	<u>25.87</u>
Current Liabilities			
Financial Liabilities			
Borrowings	15	1,69,663.73	1,81,692.33
Other Current Financial Liabilities	16	64,559.01	58,953.65
Other Current Liabilities	17	22,121.49	44,966.18
Provisions	18	112.22	78.16
		<u>2,56,456.45</u>	<u>2,85,690.32</u>
TOTAL		<u>3,19,983.13</u>	<u>3,20,339.36</u>
Significant Accounting Policies	1		
Accompanying notes forms an integral part of Financial Statements			

AS PER OUR REPORT OF EVEN DATE

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Shripad Chauhan
Partner
Membership No. 600372

Date: May 25, 2023
Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nikhil Gandhi
Chairman
DIN : 00030560

Shekhar Gandhi
CFO

Nilesh Mehta
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue			
Revenue from Operations		-	-
Other Income	19	1,171.34	6,585.77
Total Revenue		1,171.34	6,585.77
Expenses			
Employee Benefits Expenses	20	109.03	113.96
Other Expenses	21	481.55	170.44
Finance Costs	22	5,606.33	20,624.98
Depreciation and Amortisation Expenses	2	1.43	3.40
Loss on Sale of Investment		-	1,907.23
Total Expenses		6,198.34	22,820.01
Profit/(Loss) before Exceptional Items and Tax		(5,027.00)	(16,234.24)
Exceptional Gain/(Loss)	31/32	33,852.80	-
Profit / (Loss) Before Tax		28,825.80	(16,234.24)
Tax Expense			
Current Tax		-	-
Deferred Tax Credit		-	-
Income Tax for Earlier Years		-	160.20
		-	160.20
Profit/(Loss) for the year		28,825.80	(16,074.04)
Other Comprehensive Income			
Item to be reclassified to profit and loss			
Fair Valuation of Non Current Investment		-	6.90
Mark to Market Gain/(loss) on Non Current Investment		47.85	(827.81)
Income Tax relating to Other Comprehensive Income			
Item not to be reclassified to profit and loss			
Actuarial gains/(losses) on defined benefit plans		4.20	(4.09)
Income Tax relating to Other Comprehensive Income		-	-
Other Comprehensive Income for the year		52.05	(825.00)
Total Comprehensive Income for the year		28,877.85	(16,899.04)
Earnings per Equity Share of Rs. 10/- each	23		
- Basic (In Rupees)		13.33	(7.80)
- Diluted (In Rupees)		13.33	(7.80)
Significant Accounting Policies	1		

Accompanying notes forms an integral part of Financial Statements

AS PER OUR REPORT OF EVEN DATE

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Shripad Chauhan
Partner
Membership No. 600372

Date: May 25, 2023
Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nikhil Gandhi
Chairman
DIN : 00030560

Shekhar Gandhi
CFO

Nilesh Mehta
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	Cash Flow from Operating Activities		
	Net Loss before Tax	28,825.80	(16,234.24)
	Adjustments for :-		
	Depreciation and Amortisation Expenses	1.43	3.40
	Dividend on Current Investments	(0.35)	(0.28)
	Gain/Loss on sale of Investment	-	1,907.23
	Finance Costs	5,606.33	20,624.98
	Actuarial gains/(losses) on defined benefit plans	4.20	(4.09)
	Balances Written back	(1,052.14)	(81.89)
	Loss on sale/discard of Property, plant and equipments	0.74	(0.61)
	Exceptional Item	-	-
	Provision for Impairment Written Back	(46,271.29)	(6,502.83)
	Fair Value on Current Investment	-	-
	Investment Written off	285.44	42.85
	Balances Written off	1,305.40	-
	Operating profit/(loss) before working capital changes	(11,294.44)	(245.49)
	Adjusted for		
	Decrease /(Increase) in Current Assets	196.77	1.58
	Decrease /(Increase) in non Current Assets	-	-
	Increase /(Decrease) in Current Liabilities	(16,187.20)	222.70
	Increase /(Decrease) in non Current Liabilities	34.06	-
	Cash Used in Operations	(27,250.78)	(21.21)
	Direct Taxes (Paid) / Refund	-	160.20
	Net Cash Used in Operating Activities	(27,250.78)	138.99
B	Cash Flow from Investing Activities		
	Purchase of Property, plant and equipment and Capital Work in Progress	(1.09)	-
	Sale of Property, plant and equipment including refund of Capital advance	-	0.77
	Advance to Related Parties (Net)	-	58.01
	Loan to Others	-	(42.12)
	Redemption of Current Investment	128.72	146.37
	Profit/(Loss) on investments written off (Net of Provisions)	44,757.00	-
	Sale of Investments on account of invocation (Net of Provision written back)	12,554.76	5,600.20
	Dividend Received on Current Investments	(0.35)	-
	Net Cash (used in)/Generated from Investing Activities	57,439.04	5,763.23
C	Cash Flow from Financing Activities		
	Proceeds from Long Term Borrowings	-	-
	Repayment of Long Term Borrowings	-	(5,600.20)
	Short Term Borrowings (Net)	(30,189.23)	(90.00)
	Interest Paid	-	(215.85)
	Net Cash Flow Generated from Financing Activities	(30,189.23)	(5,906.05)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	(0.97)	(3.83)
	Cash and Cash Equivalents - Opening balance (Refer note no 8)	4.29	8.12
	Cash and Cash Equivalents - Closing balance (Refer note no 8)	3.32	4.29

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 GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Shripad Chauhan
Partner
Membership No. 600372

Date: May 25, 2023
Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nikhil Gandhi
Chairman
DIN : 00030560

Shekhar Gandhi
CFO

Nilesh Mehta
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

A Equity Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	Retained Earning		
As at April 1, 2021	3,15,530.25	9,400.17	38,195.37	(3,33,130.23)	(130.48)	29,865.11
Add/(Less):						
Loss for the year				(16,074.04)		(16,074.04)
Other Comprehensive Income					(825.00)	(825.00)
As at March 31, 2022	3,15,530.25	9,400.17	38,195.37	(3,49,204.27)	(955.48)	12,966.07
Loss for the year				28,825.80	-	28,825.80
Other Comprehensive Income	-	-	-	-	52.05	52.05
Transfer to Retained Earnings				-	-	-
Total	-	-	-	28,825.80	52.05	28,877.85
As at March 31, 2023	3,15,530.25	9,400.17	38,195.37	(3,20,378.46)	(903.43)	41,843.90

AS PER OUR REPORT OF EVEN DATE

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Shripad Chauhan
Partner
Membership No. 600372

Date: May 25, 2023
Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nikhil Gandhi
Chairman
DIN : 00030560

Shekhar Gandhi
CFO

Nilesh Mehta
Company Secretary

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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, 2023 were authorised for issue by board of directors on May 25, 2023. 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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- 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.

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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 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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

XV Recent accounting pronouncements

The Ministry of Corporate Affairs (“MCA”) has notified new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, which are as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments has narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(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	
Gross Block							
Balance at April 1, 2021	-	88.34	178.26	1,127.11	1,393.73	7.38	7.38
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance at March 31, 2022	-	88.34	178.26	1,127.11	1,393.73	7.38	7.38
Additions	-	-	1.09	-	1.09	-	-
Disposals	-	-	-	-	-	-	-
Balance at March 31, 2023	-	88.34	179.35	1,127.11	1,394.83	7.38	7.38
Accumulated depreciation							
Balance at April 1, 2021	-	88.32	174.96	1,124.49	1,387.77	7.38	7.38
Depreciation charge for the year	-	0.01	1.72	1.67	3.40	-	-
Disposals	-	-	0.15	-	0.15	-	-
Balance at March 31, 2022	-	88.33	176.82	1,126.16	1,391.32	7.38	7.38
Depreciation for the year	-	0.00	1.18	0.24	1.43	-	-
Disposals	-	-	0.03	0.71	0.74	-	-
Balance at March 31, 2023	-	88.33	178.03	1,127.11	1,393.48	7.38	7.38
Net Block							
Balance at March 31, 2023	-	0.01	1.33	-	1.35	-	-
Balance at March 31, 2022	-	0.01	1.45	0.95	2.41	-	-
Balance at March 31, 2021	-	0.02	3.30	2.62	5.96	-	-

- 2.1 Property, Plant and Equipment of the Company are provided as security against the secured borrowings of the Company as detailed in Note 15 to the standalone financial statements.
- 2.2 All property, plant and equipment are held in the name of the Company.
- 2.3 No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2.4 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.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 3

Investments in Subsidiaries and Joint venture

(Rs. in Lakhs)

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Long Term Trade Investments (Unquoted and fully paid up unless specified)- Financial Assets measured at cost						
In Equity Instruments of Subsidiary Companies						
SKIL Shipyard Holdings Private Limited	100.00%	₹ 10	50,000	50,000	12,015.41	12,015.41
SKIL (Singapore) Pte Limited of Singapore	100.00%	SGD 1	-	2,46,81,804	-	10,869.76
SKIL Advanced Systems Private Limited	100.00%	₹ 10	50,000	50,000	5.00	5.00
Gujarat-Dwarka Portwest Limited	73.60%	₹ 10	-	7,03,33,314	-	38,426.48
Chiplun FTWZ Private Limited	52.00%	₹ 10	-	4,67,99,970	-	27,484.63
					12,020.41	88,801.28
Less: Provision for Impairment					Total	12,020.41
						88,801.28

3.1 Refer Note no. 15 for details of Investments pledged with Lenders for the Loans availed by Company

Note 4

Non-Current Investments- Others

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Long Term Trade Investments (Unquoted and fully paid up)- Financial Assets measured at cost						
In Equity Instruments of Associate Companies - Unquoted						
Rosoboronservice (India) Limited	20.00%	100	13,500	13,500	-	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
In Equity Instruments - Quoted(FVTOCI)						
Everonn Education Ltd.	6.94%	10	16,69,565	16,69,565	-	204.44
Fastlane Distriparks & Logistics Limited's Trust	2.74%	10	42,09,328	58,09,328	143.12	130.49
Horizon Country Wide Logistics Limited's Trust	4.30%	10	76,08,160	92,08,160	258.68	223.45
In Equity Instruments - Unquoted(FVTOCI)						
Mumbai SEZ Limited	6.49%	10	14,64,08,090	14,64,08,090	14,333.35	14,333.35
Karanja Terminal & Logistics Pvt. Ltd.	0.12%	10	24,500	24,500	2.45	2.45
Navi Mumbai SMART CITY Infrastructure Ltd	6.75%	10	10,12,783	10,12,783	121.53	121.53
					Total	3,32,709.28
						3,32,946.87
Less: Provision for Impairment					Total	14,333.35
						14,618.79
					Total	3,18,375.93
						3,18,328.08

4.1 Refer Note no. 15 for details of Investments pledged with Lenders for the Loans availed by Company.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 5

Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits with		
Related Parties	54.02	54.02
Others		
- Considered good	1.24	1.24
- Considered doubtful	294.48	294.48
	349.74	349.74
Less Written off	-	-
Less Provision for Impairment	294.48	294.48
Total	55.26	55.26

Note 6

Current Investments

Particulars	Numbers		Amount	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
In Equity Shares -Financial Assets carried at fair value through profit & loss				
Quoted Fully Paid up				
Varun Industries Ltd. of Rs. 10 each	1,105	1,105	0.03	0.03
Total A			0.03	0.03
In Units -Financial Assets carried at fair value through profit & loss				
Quoted Fully Paid up				
Investment in HDFC Cash Mgmt. Fund - Low Duration Plan Wholesale -Daily Dividend of Rs. 10 each	81,811	78,402	8.30	7.95
Unquoted Fully Paid up				
Urban Infrastructure Opportunities Fund (FV Rs 1 Lakh)	-	1950	-	129.07
Total B			8.30	137.02
Total A+B			8.32	137.05

Note 7

Trade Receivables (Unsecured)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered Good- - Undisputed		
Considered Doubtful- Undisputed	5,940.68	5,940.68
	5,940.68	5,940.68
Less: Provision for Impairment	5,940.68	5,940.68
Total	-	-

Trade Receivables are due for more than 3 years and fully provided for.

Note 8

Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks In Current Accounts	0.86	0.86
Cash in hand	2.45	3.42
Total	3.32	4.29

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 9

Other Current Financials Assets

(Unsecured & considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans and Advances		
- Related Parties (Refer Note 9.1 below)		
Considered Good	513.28	793.88
Considered Doubtful	6,326.45	27,330.92
	6,839.73	28,124.80
Less: Written off	1,028.55	40.75
Provision for Doubtful Debts	5,297.90	27,290.17
	513.28	793.88
- Others (Refer Note 9.2 below)		
Considered Good	1,025.17	1,017.72
Considered Doubtful	51,930.00	51,929.85
	52,955.17	53,208.89
Less: Written off	276.85	-
Less: Provision for Doubtful Debts	51,653.15	51,929.85
	1,025.17	1,279.04
Total	1,538.45	2,072.92

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

Company Name	Closing Balance As at March 31, 2023	Closing Balance As at March 31, 2022
Subsidiary Company		
SKIL Advanced Systems Private Limited	512.54	652.38
SKIL Shipyard Holdings Private Limited	5,297.89	5,049.84
Associate		
Rosoboronservice (India) Limited	-	1,028.55
Other Related Party		
Awatia Properties Limited	0.74	0.74

9.2 Other Current financial assets include amount recoverable from Reliance Group comprising of Reliance Naval and Engineering Ltd., Reliance Marine & Offshore Ltd., Reliance Engineering & Defence Services Ltd. and E Complex Pvt. Ltd. amounting to Rs. 50,653.15 Lakhs. The appropriate legal proceedings are underway for recovery of said the amount and the Company is hopeful of recovery. However, on prudent conservative basis, the impairment is made.

9.3 Loans and advances made to subsidiaries and associates are unsecured, non interest bearing and are repayable on demand

9.4 Type of Borrower	Amount of Loan or advance in the nature of loan Outstanding (without impairment)	Percentage to the total Loans and Advances in the nature of Loans
Promoters	0.74	0.01%
Directors	-	
KMP's	-	
Related Parties	5,810.43	99.99%
Total :	5,811.17	100.00%

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 10

Other Current Assets

(Unsecured & considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	0.50	0.67
Total	0.50	0.67

Note 11

Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
91,00,00,000 (Previous Year: 91,00,00,000) Equity Shares of Rs. 10/- each	91,000.00	91,000.00
Issued, Subscribed and fully paid up		
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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the year	21,65,71,232	21,65,71,232
Add: Issued during the year	-	-
Equity Shares at the end of the year	21,65,71,232	21,65,71,232

11.2 Shareholders holding more than 5% Shares in the Company:

Shares held by	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Metropolitan Industries	6,70,45,793	30.96	6,70,45,793	30.96
Montana Infrastructure Ltd	2,98,43,611	13.78	2,98,43,611	13.78
Ashoka Investment Holdings Private Ltd	1,12,76,659	5.21	1,12,76,659	5.21
Dilip Thakkar	1,34,30,092	6.20	1,23,30,475	5.69

11.3 Promoters Holding

Shares held by Promoters as at March 31, 2023

Sl. No.	Promoter Name	No of Shares	% Total of Shares	% Change during the year	At the beginning of the year
1	Metropolitan Industries	6,70,45,793	30.96%	-	6,70,45,793
2	Nikhil Prataprai Gandhi	11,77,757	0.54%	-	11,77,757
3	Bhavesh Prataprai Gandhi	11,75,000	0.54%	-	11,75,000

Shares held by Promoters as at March 31, 2022

Sl. No.	Promoter Name	No of Shares	% Total of Shares	% Change during the year	At the beginning of the year
1	Metropolitan Industries	6,70,45,793	30.96%	3.45	7,45,11,618
2	Nikhil Prataprai Gandhi	11,77,757	0.54%	-	11,77,757
3	Bhavesh Prataprai Gandhi	11,75,000	0.54%	-	11,75,000

11.4 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.

11.5 Details of Promoter Group Shareholding is not disclosed above

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 12

OTHER EQUITY

Particulars	As at March 31, 2023		As at March 31, 2022	
Capital Reserve				
Opening Balance	3,15,530.25		3,15,530.25	
Additions during the year	-	3,15,530.25	-	3,15,530.25
Securities Premium Account				
Opening Balance	9,400.17		9,400.17	
Add :- On Issue of Shares	-	9,400.17	-	9,400.17
Other Reserve				
Opening Balance	38,195.37		38,195.37	
Additions during the year	-	38,195.37	-	38,195.37
Retained Earnings				
Opening Balance	(3,49,204.27)		(3,33,130.23)	
Add:- Transfer from OCI to Retained Earning			-	
Add:- Profit(loss) for the year as per profit or loss statement	28,825.80	(3,20,378.46)	(16,074.04)	(3,49,204.27)
Other Comprehensive Income				
Opening Balance	(955.48)		(130.48)	
Less: Transfer to Retained Earnings	-		-	
Add: Movement During the year (net)	52.05	(903.43)	(825.00)	(955.48)
		41,843.90		12,966.04

Note 13

Non Current Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits	25.67	25.87
Total	25.67	25.87

Note 14

Deferred Tax (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Tax Expenses (Income) recognised in:		
Disallowance in income tax	-	-
Closing Balance	-	-

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

Since the Company has incurred loss before exceptional items (loss as per Income Tax) during the year ended March 31, 2023 and previous year, 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 15

Short Term Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term Loans from:		
Banks	3,901.14	40,960.09
Body Corporates	1,65,762.59	1,40,250.24
Total	1,69,663.73	1,81,210.33

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

15.1 Short term borrowings amounting to Rs. 1,69,663.73 Lakhs carry the interest rate ranging from 0.01% to 17%.

15.2 Borrowings from Banks/Financial Institutions as referred above are secured as under:

- i Term loan from Union Bank of Rs. 564.14 Lakhs 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 assigned by Yes Bank Limited to J C Flowers ARC is secured by :
 - During the year, the loan of Yes Bank has been transferred by the Bank to J C Flower Assets Reconstruction Pvt. Ltd.
 - Exclusive charge on immovable property of other body corporates.
 - Pledge of 55,75,000 shares of the Company held by others.
 - Pledge of 10,64,00,000 shares of the Company and NDU on 1,77,56,500 shares of Urban Infrastructure Holding Pvt. Ltd. held by the Company.
 - Pledge of 1,03,78,000 Shares of the Company held by the Promoters of the Company.
 - Corporate Guarantee given by subsidiary and other body corporates.
 - Personal Guarantee given by two directors of the Company
 - UDC by the Company, Personal Guarantors & Corporate Guarantors
 - This liability of Yes Bank has been disputed on account of various reasons including non-fulfilment of commitment by the Lender
 - Company has not booked any interest in the quarter ended March 23 on this disputed liability on account of above mentioned dispute.
- iii Term loan of Rs. 3,336.99 Lakhs from IDBI Bank is secured by:
 - First mortgage and charge on all immoveable & moveable properties of the Company (related to erstwhile Horizon Infrastructure Ltd) , both present and future project.
 - Exclusive charge on immovable property of other Body Corporates.
 - Pledge of 68,80,657 shares of the Company held by others.
 - Personal guarantee given by two Directors of the Company.
 - PDC & Demand Promissory Note by the Company
- iv Rs. 24,870.00 Lakhs from IL&FS Financial Services Ltd.(IFIN) 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 is 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. from IFIN.
 - Personal Guarantee given by one director of the Company.
 - ECS Mandate and Demand Promissory Note by the Company

This liability of IFIN has been disputed on account of various reasons.

On account of on-going dispute with IL&FS and considering the facts, the circumstances, the documents and particular nature of the transactions, the Company has not booked any interest on amount of Rs. 24,870 Lakhs shown as received from IFIN. The matter is under litigation and pending with appropriate judicial forum.
- v 0.01% RNCB of Rs.16,619.80 Lakhs and Rs. 77,333.40 Lakhs are secured by
 - Pledge on first and exclusive charge basis on the Company's 13,500 equity shares of Rosoboronservice (India) Limited; 14,64,08,090 equity shares of Mumbai SEZ Limited;
 - Pledge on Subservient/Residual Charge basis on the Company's 12,41,56,500 equity shares of Urban Infrastructure Holdings Private Limited and 16,69,565 equity shares of Everonn Education Limited.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

- Way of 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
- vi Loan from Religare Finvest Ltd. for Rs. 78.43 Lakhs is secured by way of equitable mortgage of land owned by other Body Corporate. This loan is under dispute/arbitration.
- vii Rs. 9,802.00 lakhs received from Reliance Commercial Finance Ltd. is secured by pledge of 94,41,726 shares of the company held by others and Demand Promissory Note of the Company. An amount of Rs. 9,802 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", 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. Reliance Commercial Finance Limited has filed an appeal before Hon'ble National Company Law Appealate Tribunal (NCLAT), Delhi against the dismissal of their petition filed against the company before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai.
- viii Based on certain development, the Company is evaluating the possibility of exploring legal remedy in the matter of Amluckie Investment Co. Limited.

15.3 During the year, the Company is not declared willful defaulter by any bank, financial institution or any other lender.

15.4 The Company has not taken any new term loan during the year.

Note 16

Other Current Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued and due on borrowings	27,672.55	22,067.19
Redemption Premium Payable on Redeemable Non Convertible Bonds	36,886.46	36,886.46
Total	64,559.01	58,953.65

Note 17

Other Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from Related Parties	1,114.09	3,404.87
Advances from others		
Secured	4,800.00	4,800.00
Unsecured	12,545.01	33,591.40
Statutory Dues		
TDS	187.68	182.74
Provident Fund	0.57	0.24
Other statutory dues	2,543.04	2,534.21
Other Payables	931.10	804.89
Total	22,121.49	45,318.34

Note 18

Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
for Employee Benefits	76.43	74.56
for Wealth Tax (net)	3.60	3.60
for expenses	32.19	-
Total	112.22	78.16

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 19**Other Income**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Misc. Income	-	0.77
Gain on Sale of Investment	118.85	-
Interest on IT Refund	-	-
Dividend on Current Investments	0.35	0.28
Sundry Balances written back	1,052.14	81.89
Reversal of Expected Credit Loss - Investments	-	6,502.83
Total	1,171.34	6,585.77

Note 20**Employee Benefits Expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and Allowances	107.32	112.19
Contribution to Provident and Other Funds	1.50	1.66
Staff Welfare Expenses	0.21	0.11
Total	109.03	113.96

20.1 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.

Particulars	2022-23	2021-22
Defined Benefit Obligation at beginning of the year	100.43	90.41
Current Service Cost	1.47	1.83
Past Service Cost	-	-
Current Interest Cost	4.39	4.11
Actuarial (Gain) / Loss	(4.20)	4.09
Benefits paid	-	-
Defined Benefit Obligation at end of the year	102.09	100.43

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

Particulars	2022-23	2021-22
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	102.09	100.43
Liabilities / (Assets) recognised in the Balance Sheet- Current	76.43	74.56
Liabilities / (Assets) recognised in the Balance Sheet- Non Current	25.66	25.87

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

iii) Expenses recognised during the year

Particulars	2022-23	2021-22
Current Service Cost	1.47	1.83
Past Service Cost	-	-
Interest Cost	4.39	4.11
Expected Return on Plan Assets		
Net Cost Recognised in profit or loss	5.86	5.93
Actuarial (Gain) / Loss recognised in other comprehensive income	(4.20)	4.09

iv) Assumptions used to determine the defined benefit obligations

Particulars	2022-23	2021-22
Mortality Table (LIC)	Indian Assured Lives Mortality (2012-14)	
Discount Rate (p.a.)	7.35%	6.95%
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)	
	2022-23	2021-22	2022-23	2021-22
Discount Rate	0.50%	0.50%	6.94	7.22
Salary Growth Rate	0.50%	0.50%	7.29	7.17

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	2022-23	2021-22
with in one year	76.43	74.56
1-5 years	23.38	29.61
More than 5 years	2.28	6.59

The average duration of the defined benefit plan obligation as at March 31, 2023 is 4.65 years (March 31, 2022: 6.19 years)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 21

Other Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertisement & Business Promotion Expenses	0.36	3.07
Bank Charges & Commission	0.00	0.90
Rates and Taxes	7.27	12.82
Printing and Stationery	1.65	0.79
Postage, Courier & Communication Expenses	6.88	7.53
Repair and Maintenance - Other	8.58	13.12
Manpower & Security Charges	-	0.90
Travelling, Conveyance & Vehicle Expenses	19.77	34.16
Legal and Professional Charges	126.32	31.90
Administrative, Office Expenses & Other expenses	10.56	7.16
Payment to Auditors (Refer Note No.21.1)	6.49	6.49
Investment Written off	285.44	42.85
Sitting Fees to Directors	2.12	7.79
Sundry Balances written off	1,305.40	-
Less: Reversal of Impairment	(1,302.25)	-
Insurance Charges	-	0.90
Interest on TDS & GST	2.94	0.05
Total	481.55	170.43

21.1 Payment to Auditors includes:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit Fees	6.49	6.49
Tax Audit Fees	-	-
Other Matters	-	-
Total	6.49	6.49

Note 22

Finance Costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expenses	5,606.33	20,624.98
Other Borrowing Cost	-	-
Total	5,606.33	20,624.98

Note 23

Earnings per share (EPS)

Particulars	As at March 31, 2023	As at March 31, 2022
Face value per equity share (Rs.)	10.00	10.00
Weighted average no. of equity shares outstanding (Nos.)	21,65,71,232	21,65,71,232
(Loss)/Profit for the year in Lakhs	28,877.85	(16,899.04)
Basic and diluted earnings per share	13.33	(7.80)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 24

Contingent Liabilities and Commitments

24.1 Contingent Liabilities

Sr. Particulars No.	March 31, 2023	March 31, 2022
a) Corporate Guarantee (Given to Banks, Financial Institutions and Body Corporates for credit facilities taken by subsidiary & erstwhile subsidiary companies)	1,65,800.00	1,65,800.00
b) Demands not acknowledged as Debts (net)		
i) Income Tax	19,673.96	18,363.14
Other (Stamp Duty)	4,804.00	4,804.00
ii) Suits filed against Company not acknowledge as debt	2,126.49	2,126.49

24.2 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 promoter of RNEL. The Company 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. RNEL Lenders have also filed recovery proceedings against the Company on account of corporate guarantee and the same is also challenged by the Company. The Company has filed claims against the Promoters of RNEL and also RNEL on account of claims arising out of indemnity provided by them under the Purchase Agreement dated 4th March, 2015.

Note 25

Fair Value Measurements

The fair value of the financial assets and liabilities are included at the amount that would be received on sale of 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 prescribe 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

a) Financial Instrument by Category

Financial Assets

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Non Current Investments in Equity Instrument		525.78	3,17,850.15		477.93	3,17,850.15
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	8.30			137.02		
Trade Receivables						
Cash and Cash Equivalents			3.32			4.29
Other Bank Balances						
Other Non Current Financials Assets			55.26			55.26
Other Current Financials Assets			1,538.45			2,072.92
	8.33	525.78	3,19,447.18	137.05	477.93	3,19,982.62

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, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Current Investments in Equity Instrument	401.80		123.98	353.95		123.98
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	8.30	-		7.95	129.07	
	410.13		123.98	361.92	129.07	123.98

d) Description of the inputs used in the fair value measurement:

Particulars	As at March31, 2023	Valuation Techniques	Input Used	Sensitivity
Financial Assets designated at fair value through profit or loss	123.98	Book Value	Financial Statement	No Material Impact on Fair Valuation
Unlisted Equity Instrument				

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

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

Particulars	Amount
Fair Value as at April 1, 2021	123.98
Loss on Fair Valuation	-
Fair Value as at March 31, 2022	123.98
Loss on Fair Valuation / Provision for impairment	-
Fair Value as at March 31, 2023	123.98

Note 26

Financial Risk Management Objective 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

Borrowings	March 31, 2023	March 31, 2022
Floating Rate Loans	3,901.14	40,960.09
Fixed Rate Loans	1,65,762.59	1,40,732.24
	1,69,663.73	1,81,692.33

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

Risk Exposure	As at March. 31, 2023		As at March 31, 2022	
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	(7.80)	7.80	(81.92)	81.92

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, 2023

(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:

Liquidity Profile	Less than 1 year	1-3 Year	3-5 Year	More than 5 Year	Total
As at march 31, 2023					
Non Current Borrowings	-	-	-	-	-
Current Borrowings	1,69,663.73	-	-	-	1,69,663.73
Other financial liabilities	64,559.01	-	-	-	64,559.01
Total	2,34,222.73	-	-	-	2,34,222.73
As at March 31, 2022					
Non Current Borrowings	-	-	-	-	-
Current Borrowings	1,81,210.33	-	-	-	1,81,210.33
Other financial liabilities	58,953.65	-	-	-	58,953.65
Total	2,40,163.98	-	-	-	2,40,163.98

Note 27**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 28**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 29

Post Reporting Events

SKIL Shipyard Holdings Pvt Ltd. wholly owned subsidiary of the Company is admitted in NCLT for Corporate Insolvency Resolution Process ("CIRP") on 9th May 2023, Since the value of the subsidiary is fully impaired in the books of accounts, the management of the Company does not expect any major impact of the same on the financial statements of the Company.

Note 30

Related Party Disclosures

a) List of Related parties

1 Subsidiary Companies

SKIL Shipyard Holdings Private Limited
SKIL Singapore Pte Limited of Singapore (Upto 2nd Dec. 2022)
SKIL Advanced Systems Private Limited
Chiplun FTWZ Pvt. Ltd. (upto 2nd Dec. 2022)
Gujarat Dwarka Portwest Company Limited (upto 2nd Dec. 2022)

2 Associates

Urban Infrastructure Holding Private Limited
Rosonboronservic (India) Limited

3 Key Managerial Personnel

Mr.Nikhil P. Gandhi
Mr.Bhavesh P.Gandhi
Mr. Nilesh Mehta
Mr. Shekhar Gandhi

4 Other Related Parties

Awaita Properties Pvt. Ltd.
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, 2023 (for the period relationship exists) - Subsidiary Companies

i	Investment at the end of the year	2022-23	2021-22
	SKIL Shipyard Holdings Private Limited of	12,015.41	12,015.41
	SKIL (Singapore) Pte Limited of Singapore	-	10,869.76
	SKIL Advanced Systems Private Limited	5.00	5.00
	Gujarat-Dwarka Portwest Limited	-	38,426.48
	Chiplun FTWZ Private Limited	-	27,484.63
ii	Loans and Advances Repayment		
	Chiplun FTWZ Private Limited	0.02	-
iii	Balances at the end of the Year		
	Chiplun FTWZ Private Limited	2290.77	2290.78

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

	2022-23	2021-22
iv Given		
SKIL Shipyard Holdings Pvt. Ltd.	248.05	68.25
SKIL Advanced Systems Private Limited	-	15.11
v Received back		
SKIL Shipyard Holdings Pvt. Ltd.	-	0.26
SKIL Advanced Systems Private Limited	139.84	113.40
Gujarat Dwarka Portwest Pvt. Ltd.	21,344.86	-
vi Receivable at the end of the year		
SKIL Shipyard Holdings Pvt. Ltd.	5,297.88	5,049.83
SKIL Advanced Systems Private Limited	512.54	652.38
Gujarat Dwarka Portwest Pvt. Ltd.	-	21,344.86
SKIL Singapore Pte Ltd.	7.67	7.67
vii Corporate Guarantee Given		
SKIL Shipyard Holdings Pvt. Ltd.	27,500.00	27,500.00
c) 2 Transactions with related parties for the year ended March 31, 2023 (for the period relationship exists)- Associate Companies		
i Investment at the end of the year	2022-23	2021-22
Urban Infrastructure Holdings Pvt. Ltd.	3,17,850.15	3,17,850.15
Rosoboronservice India Limited	-	81.00
ii Advance Receivable at the end of the year		
Rosoboronservice India Limited	-	1,028.55
c) 3 Transactions with related parties for the year ended March 31, 2023 (for the period of relationship exist)- Other Related Parties		
Loans and Advances	2022-23	2021-22
Given		
i Awatia Properties Pvt. Ltd.	-	0.74
ii Receivable at the end of the year		
Awatia Properties Pvt. Ltd.	0.74	0.74
iii Received		
Metropolitan Industries	-	-
Awatia Properties Pvt. Ltd.	-	-
iv Repayment		
Metropolitan Industries	-	0.01
Awatia Properties Pvt. Ltd.	-	2.41
v Balances of at the end of year		
Metropolitan Industries	1,114.07	1,114.07
Awatia Properties Pvt. Ltd.	-	-
vi Deposit Given		
Awatia Properties Pvt Ltd.	54.02	54.02
c) 4 Transactions with related parties for the year ended March 31, 2023 (for the period of relationship exist)- Key Managerial Persons		
	2022-23	2021-22
i Managerial Remuneration-Short Term Employee Benefits	62.00	62.00
d) Details of Loans given, investment made and Guarantees given, covered u/s 186(4) of the Companies Act, 2013		
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		

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 31

Gujarat Dwarka Portwest Limited, Chiplun FTWZ Pvt Ltd. and SKIL Singapore Pte. Ltd. have ceased to be the subsidiaries on account of the Company's Investment (in the said subsidiaries) in the form of their equity shares invoked by a lender. The Company has now reversed/written back the Provision for impairment made on the said Investment and advances made to subsidiaries earlier and has shown this reversal/writing back under the head "Exceptional Income".

Note 32

During the year a lender has invoked various securities pledged with the lender. Difference between Book Value and value realised is shown as under the head "Exceptional Income"

Note 33

During the year, Company has written off its Investment / advances in Everonn Education Limited and Rosobornservic India Limited as these companies are in the process of Dissolution. Since, the investments/advance in these companies were fully impaired, there is no financial impact of the same in the current year.

Note 34

With regards to the Company's going concern status, the Company expects to generate cash flow through divestment/monetization of its assets and recovery of its claims. The Company is also pursuing settlement of its dues/borrowings with its lenders. The Company believes that all these efforts will help in meeting its legitimate liabilities. As such, the Company continues to be a going concern and accordingly the financial statement has been prepared on that basis.

Note 35

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 claims arising out of indemnity provided by them under the 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 claim of Rs. 5440.38 crores on account of issues arising out of the Purchase Agreement dated 4th March, 2015. The Company has denied the said claim and is defending the same appropriately.

Note 36

Key Financial Ratios

Sl	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance in %
1	Current Ratio (In times)	Current Assets	Current Liabilities	0.01	0.01	-
2	Debt-Equity Ratio (in times)	Total Debts	Total Equity	2.67	5.25	49.09
3	Debt Service Coverage Ratio (In times)	Earnings before Interest, Tax, depreciation & amortisation and exceptional items	Interest and Principal Repayment of Long Term Debt within one year	0.00	0.02	86.42
4	Return on Equity Ratio (in %)	Profit for the year	Total Equity	0.45	(0.46)	197.78
5	Inventory turnover ratio (In times)	Revenue from Operation	Average Inventory	Not Applicable	-	-
6	Trade Receivables turnover ratio (In times)	Revenue from Operation	Average Trade Receivable	Not Applicable	-	-
7	Trade payables turnover ratio (In times)	Total Credit Purchase	Average Trade Payable	Not Applicable	-	-
8	Net capital turnover ratio (In times)	Revenue from Operation	Working Capital	Not Applicable	-	-
9	Net profit ratio (in %)	Profit after Tax	Revenue from Operation	Not Applicable	-	-
10	Return on Capital employed (in %)	Profit before tax and Finance Cost	Capital Employed	0.00	0.02	87.76

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Explanation for variance more than 25%: Lower expenses and decrease in loss during the current year as compare to previous year.

Note 37**Additional Regulatory Information**

- 1 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of Account. Further the Company does not have any unrecorded income and assets related to previous years which are required to recorded during the year
- 2 During the year, the Company has not entered, with any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013.
- 3 The Company has complied with the provision of section 2(87) of the Companies Act, 2013 read with the Companies (Restrictions on number of layers) Rules, 2017.
- 4 No Fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall land or invest in party indentified by or on behalf of the Company ('ultimate beneficiaries'). The Company has not received any funds from the any party with the understanding that the Company shall whether, directly or indirectly lend or invest in other person or entities identified by or on behalf of the Company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 5 The Code on Social Security, 2020 relating to employee benefits during employment and post- employment benefits has received presidential assent. However the effective date of the code and final rules are yet to be notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.
- 6 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 38

Previous year's figures have been regrouped/rearranged/reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Nikhil Gandhi
Chairman
DIN : 00030560

Shripad Chauhan
Partner
Membership No. 600372

Shekhar Gandhi
CFO

Date: May 25, 2023
Place: Mumbai

Nilesh Mehta
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SKIL Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of SKIL Infrastructure Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income/Expense), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements:

- i. includes the results of the following subsidiaries:
 - a. Skil Shipyard Holdings Private Limited – Wholly Owned Subsidiary
 - b. SKIL (Singapore) Pte Limited - Wholly Owned Subsidiary upto 02/12/2022
 - c. SKIL Advanced Systems Private Limited - Wholly Owned Subsidiary
 - d. Chiplun FTWZ Private Limited –Subsidiary upto 02/12/2022
 - e. Gujarat Dwarka Portwest Limited –Subsidiary upto 02/12/2022
- ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- iii. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the **Basis for Qualified Opinion** section of our report, the aforesaid consolidated 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, 2023, 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 Qualified Opinion

- a. Attention is drawn towards the Note No. 16.2.iv of the consolidated financial statements in case of Reliance Commercial Finance Ltd. & Reliance Infrastructure Ltd., and based on that the Group, during the year ended 31st March, 2023 has not accounted interest (excluding penal interest) of Rs. 7263.25 Lakhs. Had this been accounted, the Consolidated Loss for the year and the Liabilities would have increased to the extent of the amount specified above.
- b. Attention is drawn towards the Note No. 16.2.vii & 16.2.xii of the consolidated financial statements in case of disputed borrowings with certain lenders including IL&FS Financial Services Ltd., and based on that the Group, during the year ended 31st March, 2023 has not accounted interest (excluding penal interest) of Rs. 6520.43 Lakhs. Had this been accounted, the Loss for the year and the Liabilities would have increased to the extent of the amount specified above.
- c. In case of outstanding loan of Yes Bank which has been assigned to J. C. Flowers Asset Reconstruction Pvt. Ltd, the Company, during the year ended on March 31, 2023, has not accounted interest (excluding penal interest) ascertained Rs. 1,444.00 Lakhs respectively. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified hereinabove.
- d. The impact of the penal interest on the borrowings mentioned in point (a) (b) & (c) above is not ascertainable by the Group due to lack of confirmation from lenders and cannot be commented upon.
- e. The outstanding balances in the books of Holding Company of borrowing of the following banks are subject to confirmation:

Rs. In Lakhs

Sr. No.	Name of Lender	Principal	Interest
1.	IDBI Bank	3,337.00	5,013.64
2.	Union Bank	564.14	541.20
3.	J. C. Flowers Assets Reconstruction Pvt. Ltd.	37,058.95	1,330.76

- f. The impact relating to point (a) to (e) mentioned above with respect to effect of tax laws which may arise out of such accounting adjustments, if any, is not ascertainable and cannot be commented upon.

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

- a. Attention is drawn to Note No. 34 of the consolidated financial statements with respect to continuous losses, reduced net worth and default on its repayment of borrowings and preparation of the financial statements on going concern assumption, based on the reasons and assumptions stated in the aforesaid note. The Group's ability to continue as a going concern is dependent on generation of expected cash flows to be able to meet its obligations as and when they arise.
- b. Attention is drawn to Note No. 16.2.viii the Consolidated Financial Results with respect to short payment of the agreed dues as per the settlement agreement by the Holding Company.
- c. Attention is drawn to note no 30 of the Consolidated Financial Statements with respect to admission of CIRP proceedings of SKIL Shipyard Holdings Pvt. Ltd. (WOS) by the NCLT vide order dated 09/05/2023. Since the board of directors of the company stands dissolved, the financial statements of the company are considered on a provisional basis for the purpose of consolidation.

Our opinion is not modified in respect of the matters reported above.

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 25 – "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

Due to unavailability of financials statements of Urban Infrastructure Holdings Private Limited, 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 financial statements / financial information certified by the Management.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility 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 preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are 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 management 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 financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial controls 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 subsidiary companies which are companies incorporated in India, has adequate internal financial controls system 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 ability of the Group 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 Group 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.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - iv. A. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- B. The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- C. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in the financial statements
- (a) The company has not declared any Final Dividend during the previous year.
- (b) There was no interim dividend declared by the Company during the year.
- (c) The Board of Directors of the Company have not proposed final dividend for the year.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports other than those already highlighted / considered in the consolidated financial statements.

For GPS & Associates
Chartered Accountants
Firm's Registration No: 121344W

Shripad Chauhan
Partner

Place: Mumbai.
Date: 25th May 2023.

Membership No: 600372
UDIN: 23600372BGZMWW8004

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting of **SKIL INFRASTRUCTURE LIMITED** ("the Holding Company") and its subsidiary company which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, 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 the 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 issued by the ICAI and the Standards of Auditing prescribed under

Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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, to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor, as referred to in the Other Matters paragraph, the Holding Company and its subsidiary which is incorporated in India, have, 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, 2023, 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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to consolidated/standalone financial statements of its subsidiary which is a company incorporated in India, is based on the corresponding reports of the auditor of such company.

For GPS & Associates
Chartered Accountants
Firm's Registration No: 121344W

Shripad Chauhan
Partner

Place: Mumbai.
Date: 25th May 2023.

Membership No: 600372
UDIN: 23600372BGZMWW8004

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I ASSETS			
(1) Non Current Assets			
Property, Plant and Equipment	2	1.75	3.07
Capital Work in Progress		-	-
Intangible Assets		-	-
Financial Assets			
Investments	3	3,18,375.93	3,18,328.08
Other Financial Assets	4	55.26	55.26
Other Non Current Assets	5	-	4,000.00
		3,18,432.94	3,22,386.41
(2) Current Assets			
Financial Assets			
Current Investments	6	8.33	137.05
Trade Receivables	7	-	-
Cash and Cash Equivalants	8	16.06	18.96
Other Current Financials Assets	9	1,025.91	12,514.66
Other Current Assets	10	30.97	31.14
		1,081.27	12,701.81
TOTAL		3,19,514.21	3,35,088.22
II EQUITY AND LIABILITIES			
(1) Equity			
Share Capital	11	21,657.12	21,657.12
Other Equity	12	(3,607.91)	(66,560.77)
Equity attributable to Owners		18,049.21	(44,903.65)
Non Controlling Interest		-	1,593.70
		18,049.21	(43,309.95)
(2) Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings		-	-
Other Financial Liabilities	13	8,068.72	8,068.72
Provisions	14	25.67	25.87
Deferred Tax Liabilities (net)	15	-	-
		8,094.39	8,094.59
Current Liabilities			
Financial Liabilities			
Borrowings	16	1,98,131.99	2,46,960.59
Trade Payables			
(i) Due to Micro and Small Enterprise			
(ii) Due to others		-	-
Other Current Financial Liabilities	17	72,086.48	74,394.12
Other Current Liabilities	18	23,039.92	48,870.72
Current Provisions	19	112.22	78.16
		2,93,370.60	3,70,303.58
TOTAL		3,19,514.21	3,35,088.22
Significant Accounting Policies	1		

Accompanying notes forms an integral part of Financial Statements

AS PER OUR REPORT OF EVEN DATE

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Shripad Chauhan
Partner
Membership No. 600372

Date: May 25, 2023
Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nikhil Gandhi
Chairman
DIN : 00030560

Shekhar Gandhi
CFO

Nilesh Mehta
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Particulars	Notes	For the period ended March 31, 2023	For the year ended March 31, 2022
Revenue			
Net Revenue from Operations		-	-
Other Income	20	1,171.33	6,585.87
Total Revenue		1,171.33	6,585.87
Expenses			
Employee Benefits Expenses	21	109.03	113.96
Other Expenses	22	495.22	180.74
Finance Costs	23	5,606.33	20,624.98
Depreciation and Amortisation Expenses	2	1.69	3.56
Loss on Sale of Investment		-	1,907.23
Total Expenses		6,212.27	22,830.47
Loss before Exceptional Items and Tax		(5,040.94)	(16,244.60)
Exceptional Items	32	1,16,736.35	-
Profit / (Loss) Before Tax		1,11,695.41	(16,244.60)
Tax Expense - Current Tax		-	-
- Deferred Tax Credit		-	-
- Income Tax for Earlier Years		-	160.20
		-	160.20
Loss for the year		1,11,695.41	(16,084.40)
Share of Net Loss of Associates			
Non Controlling Interest		-	0.43
Net Loss attributable to the owners of the Company		1,11,695.41	(16,083.97)
Other Comprehensive Income to be reclassified to profit and loss in subsequent year			
Fair Valuation of Non Current Investment		-	6.90
Mark to Market Gain / (loss) on non current investment		47.85	(827.81)
Income Tax relating to Other Comprehensive Income			-
Other Comprehensive Income not to be reclassified to profit and loss in subsequent year			
Actuarial gains/(losses) on defined benefit plans		4.20	(4.09)
Income Tax relating to Other Comprehensive Income			-
Other Comprehensive Income for the year		52.05	(825.00)
Total Comprehensive Income for the year		1,11,747.46	(16,908.97)
Profit/Loss attributable to:			
a Owners of the Company		1,11,695.41	(16,084.40)
b Non Controlling Interest		-	0.43
Other Comprehensive Income attributable to:			
a Owners of the Company		52.05	(825.00)
b Non Controlling Interest		-	-
Total Comprehensive Income attributable to:			
a Owners of the Company		1,11,747.46	(16,909.40)
b Non Controlling Interest		-	0.43
Earnings per Equity Share of Rs. 10/- each	24		
- Basic (In Rupees)		51.60	(7.81)
- Diluted (In Rupees)		51.60	(7.81)
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 GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Nikhil Gandhi
Chairman
DIN : 00030560

Shripad Chauhan
Partner
Membership No. 600372

Shekhar Gandhi
CFO

Date: May 25, 2023
Place: Mumbai

Nilesh Mehta
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Sr. No.	Particulars	For the Period ended March 31, 2023	For the Period ended March 31, 2022
A	Cash Flow from Operating Activities		
	Net Loss before Tax	1,11,695.41	(16,244.60)
	Adjustments for :-	-	-
	Depreciation and Amortisation Expenses	1.69	3.56
	Interest Income	-	-
	Dividend on Current Investments	-	(0.28)
	Loss on Sale of Investment	(118.85)	1,907.23
	Residual Value written off	-	-
	Finance Costs	-	20,624.98
	Actuarial gains/(losses) on defined benefit plans	-	-
	Balances Written off/back (net)	(1,052.14)	(81.89)
	Impact on dilution of subsidiaries (Exceptional item)	(1,16,736.35)	42.85
	Loss on sale/discard of Property, plant and equipments	-	(0.61)
	Exceptional Item	-	-
	Provision for Impairment Written back	-	-
	Fair Value on Current Investment	-	(6,502.83)
	Operating profit/(loss) before working capital changes	(6,210.24)	(251.59)
	Adjusted for		
	Trade and Other Receivables /assets	15,490.44	37.22
	Trade and Other Payables / liabilities	(28,104.58)	161.29
	Cash Used in Operations	(18,824.38)	(53.08)
	Direct Taxes (Paid) / Refund	-	160.20
	Net Cash Used in Operating Activities	(18,824.38)	107.12
B	Cash Flow from Investing Activities		
	Purchase of Property, plant and equipment and Capital Work in Progress	(0.37)	0.66
	Sale of Property, plant and equipment including refund of Capital advance	-	0.77
	Advance to Related Parties (Net)	-	-
	Loan to Others	-	(42.12)
	Interest Received	-	-
	Impact of dilution of subsidiaries (Exceptional item net off permanent adjustments)	66,400.10	-
	Sale of Investments	-	5,600.20
	Redemption of Current Investment	198.22	146.37
	Dividend Received on Current Investments	-	-
	Net Cash (used in)/Generated from Investing Activities	66,597.94	5,705.88
C	Cash Flow from Financing Activities		
	Proceeds from Issue of Equity Share Capital	-	-
	Proceeds from Issue of Preference Share Capital	-	-
	Proceeds from Issue of Non Convertible Debentures	-	-
	Proceeds from Long Term Borrowings	-	-
	Repayment of Long Term Borrowings	(47,776.46)	(5,600.20)
	Short Term Borrowings (Net)	-	(60.00)
	Interest Paid	-	(215.85)
	Net Cash Flow Generated from Financing Activities	(47,776.46)	(5,876.05)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	(2.90)	(63.05)
	Cash and Cash Equivalents - Opening balance (Refer note no 8)	18.96	54.18
	Less: Adjustment on account of Dilution of Subsidiaries	-	(10.09)
	Cash and Cash Equivalents - Closing balance (Refer note no 8)	16.06	18.96

AS PER OUR REPORT OF EVEN DATE

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Shripad Chauhan
Partner
Membership No. 600372

Date: May 25, 2023
Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Nikhil Gandhi
Chairman
DIN : 00030560

Shekhar Gandhi
CFO

Nilesh Mehta
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**A Equity Share Capital***Rs in Lakhs*

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	Retained Earning	Foreign Currency Translation Reserve		Other items of Comprehensive Income
As at April 1, 2021	2,44,333.30	9,441.56	1,03,849.28	(4,09,699.93)	2,454.39	(130.48)	(49,751.88)
Add/(Less):							
Loss for the year	-	-	-	(16,084.40)	-	-	(16,084.40)
Adjustment on dilution of Control	-	-	-	-	100.51	(825.00)	(724.49)
Other Comprehensive Income	-	-	-	-	-	-	-
Addition During the year	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-
As at March 31, 2022	2,44,333.30	9,441.56	1,03,849.28	(4,25,784.33)	2,554.90	(955.48)	(66,560.77)
Profit During the year	-	-	-	1,11,695.41	-	-	1,11,695.41
Addition During the year	-	-	-	-	-	52.05	52.05
Adjustment on dilution of Control	-	-	-	(46,239.68)	(2,554.90)	-	(48,794.58)
Other Comprehensive Income	-	-	-	-	-	-	-
Total	-	-	-	65,455.73	(2,554.90)	52.05	62,952.88
As at March 31, 2023	2,44,333.30	9,441.56	1,03,849.28	(3,60,328.60)	-	(903.43)	(3,607.91)

AS PER OUR REPORT OF EVEN DATE**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W

Nikhil Gandhi
Chairman
DIN : 00030560

Shripad Chauhan
Partner
Membership No. 600372

Shekhar Gandhi
CFO

Date: May 25, 2023
Place: Mumbai

Nilesh Mehta
Company Secretary

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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, 2023 were authorised for issue by board of directors on May 25, 2023. 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. These Financial Statements are the Company's first Ind AS Financial Statements and as covered by Ind AS 101, 'First-time adoption of Indian Accounting Standard'. For all periods up to and including the year ended March 31, 2015, the Company has prepared its Financial Statements in accordance with Indian GAAP, including accounting standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), which is considered as "Previous GAAP". An explanation of how the transition to Ind-AS has affected the Company's equity and its net profits/losses is provided in note no 40.

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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- 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".
- 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

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

f Recent Accounting Pronouncements

The Ministry of Corporate Affairs ("MCA") has notified new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, which are as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments has narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

g 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023
h 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.

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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**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.

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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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.

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

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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 Shipyard Holdings Private Limited	Infrastructure	India	100%
SKIL Advanced Systems Private Limited		India	100%
Chiplun FTWZ Pvt. Ltd. (upto 2nd Dec. 2022)		India	52%
Guarat Dwarka Portwest Ltd. (upto 2nd Dec. 2022)		India	73.60%
SKIL Singapore Pte. Ltd. (upto 2nd Dec. 2022)		Singapore	100%

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 2: Property, plant and equipment

Particulars	Tangible Assets					Tangible Total
	Freehold Land	Building	Furniture and fixtures	Office equipment	Vehicles	
Gross Block						
Balance at 1 April 2021	1,286.89	-	101.69	200.47	1,252.38	2,841.43
Additions	-	-		0.82		0.82
Disposals	-		-	-	-	-
Additions in change of Control	(1,286.89)	-	(13.35)	(16.32)	(96.09)	(1,412.65)
Foreign Ex. Adjustments						
Balance at 31 March 2022	-	-	88.34	184.97	1,156.29	1,429.60
Additions	-			1.91		1.91
Disposals	-					
Foreign Ex. Adjustments						
Adjustments in change of Control						-
Balance at 31 March 2023	-	-	88.34	186.88	1,156.29	1,431.51
Accumulated depreciation						
Balance at 1 April 2021	-	-	101.67	197.17	1,249.72	1,548.56
Depreciation charge for the year	-	-	0.01	1.88	1.67	3.56
Disposals	-			0.15	-	0.15
Additions in change of Control		-	(13.35)	(16.32)	(96.06)	(125.73)
Balance at 31 March 2022	-	-	88.33	182.87	1,155.33	1,426.53
Depreciation for the year	-		0.00	1.44	0.24	1.69
Disposals	-		-	0.83	0.72	1.55
Additions in change of Control						-
Balance at 31 March 2023	-	-	88.33	185.14	1,156.29	1,429.77
<u>Net Book Value</u>						
Balance at 31 March 2023	-	-	0.01	1.74	-	1.75
Balance at 31 March 2022	-	-	0.01	2.09	0.96	3.07
Balance at 1 April 2021	1,286.89	-	0.02	3.30	2.66	1,292.87

- 2.1 Property, Plant and Equipment of the Company are provided as security against the secured borrowings of the Company as detailed in Note 18 to the standalone financial statements.
- 2.2 All property, plant and equipment are held in the name of the Company.
- 2.3 No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2.4 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 3

Non-Current Investments

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Long Term Trade Investments (Unquoted and fully paid up)- Financial Assets measured at cost						
In Equity Instruments of Associate Companies - Unquoted						
Rosoboronservice (India) Limited	20.00%	100	13,500	13,500	-	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
In Equity Instruments - Quoted(FVTOCI)						
Everonn Education Ltd.	6.94%	10	16,69,565	16,69,565	-	204.44
Fastlane Distriparks & Logistics Limited's Trust	2.74%	10	58,09,328	58,09,328	143.12	130.49
Horizon Country Wide Logistics Limited's Trust	4.30%	10	92,08,160	92,08,160	258.68	223.45
In Equity Instruments - Unquoted(FVTOCI)						
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
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
Navi Mumbai SMART CITY Infrastructure Ltd.	20.15%	10	10,12,783	10,12,783	121.53	121.53
		Total			3,32,709.28	3,32,946.87
Less: Provision for Impairment					14,333.35	14,618.79
		Total			3,18,375.93	3,18,328.08

3.1 Details of shares pledged :

(a) Refer Note no 16 for details of Investments pledged with Lenders for Loan facilities availed by the Company

Note 4

Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits with		
Related Parties	54.02	54.02
Others		
- Considered goods	1.24	1.24
- Considered doubtful	294.48	294.48
	349.74	349.74
Less Provision on Impairment of assets	294.48	294.48
Total	55.26	55.26

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 5

Other Non- Current assets

(Unsecured and considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances		
Considered goods	-	4,000.00
Considered doubtful	-	7,265.00
	-	11,265.00
Less : Provision on impairment of assets	-	7,265.00
Total	-	4,000.00

Note 6

Current Investments

Particulars	Numbers		Amount	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
In Equity Shares -Financial Assets carried at fair value through profit & loss				
Quoted Fully Paid up				
Varun Industries Ltd. of Rs. 10 each	1,105	1,105	0.03	0.03
Total A			0.03	0.03
In Units -Financial Assets carried at fair value through profit & loss				
Quoted Fully Paid up				
Investment in HDFC Cash Mgmt. Fund - Low Duration Plan	81,811	78,402	8.30	7.95
Wholesale -Daily Dividend of Rs. 10 each				
Unquoted Fully Paid up				
Urban Infrastructure Opportunities Fund (Face Value Rs 1 Lakhs)	-	1,950	-	129.07
Total B			8.30	137.02
Total A+B			8.33	137.05

Aggregate amount of Current Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	8.33	8.33	7.98	7.98
Unquoted Investments	-	-	129.07	-

Note 7

Trade Receivables (Unsecured)

Particulars	As at March 31, 2023	As at March 31, 2022
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
Total	-	-

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

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 8

Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks In Current Accounts	10.93	8.53
Cash on hand	5.13	10.43
Fixed Deposit with Banks (Less than three months)	-	-
Total	16.06	18.96

Note 9

Other Current Financials Assets

(Unsecured & considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to Related Parties	1,029.29	1,028.55
Less: Written off	1,028.55	1,028.55
	0.74	-
Loans to Directors and other officers	-	-
Loans to Others		
Considered Good (Refer Note 9.2 below)	1,025.17	12,514.66
Considered Doubtful	72,726.07	1,00,487.39
	73,751.24	1,13,002.05
Less: Written Off	276.85	
Less: Provision for Impairment	72,449.22	1,00,487.39
Total	1,025.91	12,514.66

9.1 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, 2023	As at March 31, 2022
Associate		
Rosoboronservice (India) Limited	-	1,028.55

9.2 Other Current financial assets include amount recoverable from Reliance Group comprising of Reliance Naval and Engineering Ltd., Reliance Marine & Offshore Ltd., Reliance Engineering & Defence Services Ltd. and E Complex Pvt. Ltd. amounting to Rs. 71,449.37 Lakhs. The appropriate legal proceedings are underway for recovery of said the amount and the Company is hopeful of recovery. However, on prudent conservative basis, the impairment is made.

9.3 Type of Borrower	Amount of Loan or advance in the nature of loan Outstanding (without impairment)	Percentage to the total Loans and Advances in the nature of Loans
Promoters	-	-
Directors	-	-
KMP's	-	-
Related Parties	0.74	100.00%
Total :	0.74	100.00%

- 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, 2023 in the shares of the Company and Subsidiary Companies.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 10

Other Current Assets

(Unsecured & considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Advances	30.47	30.47
Prepaid expenses	0.50	0.67
Total	30.97	31.14

Note 11

Share Capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
91,00,00,000 (Previous Year: 91,00,00,000) Equity Shares of Rs. 10/- each	91,000.00	91,000.00
Issued, Subscribed and fully paid up		
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

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

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the year	21,65,71,232	21,65,71,232
Add: Issued during the year	-	-
Equity Shares at the end of the year	21,65,71,232	21,65,71,232

11.2 Shareholders holding more than 5% Shares in the Company:

Shares held by	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Metropolitan Industries	6,70,49,753	30.96	6,70,49,753	30.96
Montana Infrastructure Ltd	2,98,43,611	13.78	2,98,43,611	13.78
Ashoka Investment Holdings Private Ltd	1,12,76,659	5.21	1,12,76,659	5.21
Dilip Thakkar	1,34,30,092	6.20	1,23,30,475	5.69

11.3 Promoters Holding

Shares held by Promoters as at March 31, 2023

Sl. No.	Name of Promoter	No of Shares	% Total of Shares	% Change during the year	At the beginning of the year
1	Metropolitan Industries	6,70,45,793	30.96%	-	6,70,45,793
2	Nikhil Prataprai Gandhi	11,77,757	0.54%	-	11,77,757
3	Bhavesh Prataprai Gandhi	11,75,000	0.54%	-	11,75,000

Shares held by Promoters as at March 31, 2022

Sl. No.	Name of Promoter	No of Shares	% Total of Shares	% Change during the year	At the beginning of the year
1	Metropolitan Industries	6,70,45,793	30.96%	3.45%	7,45,11,618
2	Nikhil Prataprai Gandhi	11,77,757	0.54%	-	11,77,757
3	Bhavesh Prataprai Gandhi	11,75,000	0.54%	-	11,75,000

11.4 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.

11.5 Details of Promoter Group Shareholding is not disclosed above

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 12

OTHER EQUITY

Particulars	As at March 31, 2023		As at March31, 2022	
Capital Reserve				
Opening Balance	2,44,333.30		2,44,333.30	
Additions during the year	-	2,44,333.30	-	2,44,333.30
Securities Premium Account				
Opening Balance	9,441.56		9,441.56	
Add :- On Issue of Shares	-	9,441.56	-	9,441.56
Other Reserve				
Opening Balance	1,03,849.28		1,03,849.28	
Additions during the year	-	1,03,849.28	-	1,03,849.28
Statutory Reserve				
Opening Balance	-		-	
Additions during the year	-	-	-	-
Retained Earnings				
Opening Balance	(4,25,784.33)		(4,09,699.93)	
Transfer from OCI	-		-	
Adjustment on dilution of Control	(46,239.68)		-	
Add:- Profit(loss) for the year as per profit or loss statement	1,11,695.41	(3,60,328.60)	(16,084.40)	(4,25,784.33)
Foreign Currency Translation Reserve				
Opening Balance	2,554.91		2,454.39	
Additions during the year	(2,554.91)	-	100.52	2,554.91
Other Comprehensive Income				
Opening Balance	(955.48)		(130.48)	
Transferred to Retain Earnings	-		-	
Add: Movement During the year (net)	52.05	(903.43)	(825.00)	(955.48)
		(3,607.91)		(66,560.77)

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 13

Other Financial Liabilities

Particulars	As at March 31, 2023		As at March31, 2022	
Loan from Others		8,068.72		8,068.72
Total		8,068.72		8,068.72

Note 14

Non Current Provisions

Particulars	As at March 31, 2023		As at March 31, 2022	
Provision for Employee Benefits		25.67		25.87
Total		25.67		25.87

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 15

Deferred Tax (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Tax Expenses (Income) recognised in:		
Disallowance in income tax	-	-
Closing Balance	-	-

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

Since the Company has incurred loss before exceptional items (loss as per Income Tax) during the year ended March 31, 2023 and previous year, 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 16

Short Term Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Short Term Loans from:		
Banks	3,901.14	40,960.79
Body Corporates	1,94,230.85	2,05,717.80
Unsecured Loans from:		
Others	-	-
Related Party	-	-
Body Corporates	-	282.00
Total	1,98,131.99	2,46,960.59

16.1 Short term borrowings amounting to Rs. 1,98,131.99 carry the interest rate ranging from 0.01% to 17%.

16.2 Borrowings from Banks/Financial Institutions as referred above are secured as under:

- i) Term loan from Union Bank of Rs. 564.14 Lakhs 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 assigned by Yes Bank Limited to J C Flowers ARC is secured by :
 - During the year, the loan of Yes Bank has been transferred by the Bank to to J C Flower Assets Reconstruction Pvt. Ltd.
 - Exclusive charge on immovable property of other body corporates.
 - Pledge of 55,75,000 shares of the Company held by others.
 - Pledge of 10,64,00,000 shares of the Company and NDU on 1,77,56,500 shares of Urban Infrastructure Holding Pvt. Ltd. held by the Company.
 - Pledge of 1,03,78,000 Shares of the Company held by the Promoters of the Company.
 - Corporate Guarantee given by subsidiary and other body corporates.
 - Personal Guarantee given by two directors of the Company
 - UDC by the Company, Personal Guarantors & Corporate Guarantors
 - This liability of Yes Bank has been disputed on account of various reasons including non-fulfilment of commitment by the Lender
 - Company has not booked any interest in the quarter ended March 23 on this disputed liability on account of abovementioned dispute.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- iii) Term loan of Rs. 3,336.99 Lakhs from IDBI Bank is secured by:
- First mortgage and charge on all immovable & moveable properties of the Company (related to erstwhile Horizon Infrastructure Ltd) , both present and future project.
 - Exclusive charge on immovable property of other Body Corporates.
 - Pledge of 68,80,657 shares of the Company held by others.
 - Personal guarantee given by two Directors of the Company.
 - PDC & Demand Promissory Note by the Company
- iv) An amount of Rs. 32,829.78 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", 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 and has not booked any interest on the same.
- v) Term Loan of Rs.24,870.00 Lakhs by Company , from a Financial Institution is secured by pledge of 2,62,11,397 shares of Company held by promoter and further secured by extension of mortgage of immovable properties held by other body corporates, 2nd Charge over land mortgaged with Union Bank of India held by other body corporates along with corporate guarantee given by the same companies and Personal Guarantee of two of the Directors of Holding Company. On account of ongoing dispute with IL&FS considering facts, circumstances, documents and particular nature of transactions the CompanIES has not booked any interest on amount of Rs. 24,870.00 Lakhs shown as received from IL&FS. The matter is under litigation and pending with appropriate judicial forum.
- vi) 0.01% RNCB of Rs.16,619.80 Lakhs and Rs. 77,333.40 Lakhs are secured by
- Pledge on first and exclusive charge basis on the Company's 13,500 equity shares of Rosoboronservice (India) Limited; 14,64,08,090 equity shares of Mumbai SEZ Limited;
 - Pledge on Subservient/Residual Charge basis on the Company's 12,41,56,500 equity shares of Urban Infrastructure Holdings Private Limited and 16,69,565 equity shares of Everonn Education Limited.
 - Way of 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
- vii) Loan from Religare Finvest Ltd. for Rs. 78.43 Lakhs is secured by way of equitable mortgage of land owned by other Body Corporate. This loan is under dispute/arbitration.
- viii) Based on certain development, the Company is evaluating the possibility of exploring legal remedy in the matter of Amluckie Investment Co. Limited.
- ix) 275 Nos. of NCD having FV of Rs. 100 lakhs each aggregate value of Rs. 27500.00 Lakhs and current outstanding of Rs. 4797.00 Crs. are secured by First Charge on immovable properties of other company, 2.42 Crores Shares of 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.
- x) SKIL Shipyard Holdings Pvt Ltd. (WOS) is admitted in NCLT for CIRP on 9th May 2023. As per Order of NCLT a liability of Rs. 14,219.00 lakhs is payable by this subsidiary to its financial creditor as against the liability of Rs. 5,000.00 Lakhs outstanding in the books of accounts of the subsidiary as per earlier settlement agreement.
- xii) On account of on-going disputes with various lenders including IL&FS, considering the facts, circumstances, documents and particular nature of transactions, the Holding Company alongwith its subsidiaries and has not booked any interest on amount of Rs. 62,148.43 Lakhs.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 17

Other Current Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued and due on borrowings	35,200.02	37,507.66
Redemption Premium Payable on Redeemable Non Convertible Bonds	36,886.46	36,886.46
Total	72,086.48	74,394.12

Note 18

Other Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from Related parties	1,114.09	1,114.08
Statutory Dues		
TDS	469.46	868.56
Provident Fund	0.57	0.24
Other statutory dues	2,572.97	2,564.14
Advances from Others		
Secured	4,800.00	4,800.00
Unsecured	12,768.75	38,622.61
Other Payables	1,314.08	901.10
Total	23,039.92	48,870.72

Note 19

Current Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
for Employee Benefits	76.43	74.56
for Wealth Tax (net)	3.60	3.60
for expenses	32.19	-
Total	112.22	78.16

Note 20

Other Income

Particulars	for the year ended March 31, 2023	for the year ended March 31, 2022
Profit on Sale of Investment	118.85	-
Dividend on Current Investments	0.35	0.28
Miscellaneous Income	-	1.02
Sundry Balances written back	1,052.14	112.35
Provision for Impairment written back	-	6,472.22
Total	1,171.33	6,585.87

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 21

Employee Benefits Expenses

Particulars	for the year ended March 31, 2023	for the year ended March 31, 2022
Salaries, Wages and Allowances	107.32	112.19
Contribution to Provident and Other Funds	1.50	1.66
Staff Welfare Expenses	0.21	0.11
Total	109.03	113.96

21.1 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.

Particulars	2022-23	2021-22
Defined Benefit Obligation at beginning of the year	100.43	90.41
Current Service Cost	1.47	1.83
Past Service Cost	-	-
Current Interest Cost	4.39	4.11
Actuarial (Gain) / Loss	(4.20)	4.09
Benefits paid	-	-
Defined Benefit Obligation at end of the year	102.09	100.43

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

Particulars	2022-23	2021-22
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	102.09	100.43
Liabilities / (Assets) recognised in the Balance Sheet- Current	76.43	74.56
Liabilities / (Assets) recognised in the Balance Sheet- Non Current	25.66	25.87

iii) Expenses recognised during the year

Particulars	2022-23	2021-22
Current Service Cost	1.47	1.83
Past Service Cost	-	-
Interest Cost	4.39	4.11
Expected Return on Plan Assets	-	-
Net Cost Recognised in profit or loss	5.86	5.93
Actuarial (Gain) / Loss recognised in other comprehensive income	(4.20)	4.09

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

iv) Assumptions used to determine the defined benefit obligations

Particulars	2022-23	2021-22
Mortality Table (LIC)	Indian Assured Lives Mortality (2012-14)	
Discount Rate (p.a.)	7.35%	6.95%
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)	
	2022-23	2021-22	2022-23	2021-22
Discount Rate	0.50%	0.50%	6.94	7.22
Salary Growth Rate	0.50%	0.50%	7.29	7.17

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 to the gratuity in future years :

Particulars	2022-23	2021-22
with in one year	25.66	25.87
1-5 years	23.38	29.61
More than 5 years	2.28	6.59

The average duration of the defined benefit plan obligation as at March 31, 2023 is 4.65 years (March 31, 2022: 6.19 years)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 22

Other Expenses

Particulars	for the year ended March 31, 2023	for the year ended March 31, 2022
Advertisement & Business Promotion Expenses	0.36	3.07
Bank Charges & Commission	0.05	1.43
Rates and Taxes	9.37	12.82
Printing and Stationery	1.65	0.79
Postage, Courier & Communication Expenses	6.88	7.53
Repair and Maintenance - Other	8.58	13.12
Manpower & Security Charges	-	0.90
Travelling, Conveyance & Vehicle Expenses	19.77	34.16
Legal and Professional Charges	136.39	35.49
Sundry Balances Written off	1,305.40	-
Less: Reversal of Impairment	(1,302.25)	-
Administrative, Office Expenses & Other expenses	11.38	9.93
Payment to Auditors (Refer Note No.22.1)	7.08	9.16
Other Miscellaneous expenses	-	0.05
Sitting Fees to Directors	2.18	8.19
Insurance Charges	-	0.90
Investment Written off	285.44	42.85
Interest on TDS & Service Tax	2.94	0.34
Total	495.22	180.74

22.1 Payment to Auditors includes:

Particulars	for the year ended March 31, 2023	for the year ended March 31, 2022
Audit Fees	7.08	9.16
Tax Audit Fees	-	-
Other Matters	-	-
Total	7.08	9.16

Note 23

Finance Costs

Particulars	for the year ended March 31, 2023	for the year ended March 31, 2022
Interest Expenses	5,606.33	20,624.98
Total	5,606.33	20,624.98

Note 24

Earnings Per Share (Basic and Diluted)

Particulars	2022-23	2021-22
Loss attributable to the Equity Shareholders	1,11,747.46	(16,908.97)
Amount available for calculation of Basic and Diluted EPS (a)	<u>1,11,747.46</u>	<u>(16,908.97)</u>
Weighted Average No. of Equity Shares outstanding for Basic and Diluted EPS (b)	<u>21,65,71,232</u>	<u>21,65,71,232</u>
Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.) (a) / (b)	<u>51.60</u>	<u>(7.81)</u>

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 25

Contingent Liabilities and Commitments

Contingent Liabilities

25.1 (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, 2023	MARCH 31, 2022
a)	Corporate Guarantee (Given to Banks, Financial Institutions and Body Corporates for credit facilities taken by subsidiary companies & Reliance ADAG Group to the extent such facilities outstanding)	1,65,800.00	1,65,800.00
b)	Demands not acknowledged as Debts (net)		
i)	Income Tax Majorly the tax demand due to disallowances under the Income tax Act	19,673.96	18,363.14
ii)	Others Stamp Duty	4,804.00	4,804.00
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 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 promoter of RNEL. The Company 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. RNEL Lenders have also filed recovery proceedings against the Company on account of corporate guarantee and the same is also challenged by the Company. The Company has filed claims against the Promoters of RNEL and also RNEL on account of claims arising out of indemnity provided by them under the Purchase Agreement dated 4th March, 2015.

Note 26

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, 2023

(Rs. in Lakhs)

a) Financial Instrument by Category

Financial Assets

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Non Current Investments in Equity Instrument		525.78	3,17,850.15		477.93	3,17,850.15
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	8.30			137.02		
Trade Receivables			-			-
Cash and Cash Equivalants			16.06	-		18.96
Other Bank Balances			-	-		-
Other Non Current Financials Assets			55.26			55.26
Other Current Financials Assets			1,025.91			12,514.66
	8.33	525.78	3,18,947.38	137.05	477.93	3,30,439.03

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, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Current Investments in Equity Instrument	401.80		123.98	353.94		123.98
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	8.30	-		7.95	129.07	
	410.13	-	123.98	361.92	129.07	123.98

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

Particulars	As at March 2023	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	-			

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

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, 2021	123.98
Loss on Fair Valuation through profit or loss	
Fair Value as at March 31, 2022	123.98
Loss on Fair Valuation through profit or loss	-
Sale of Shares	-
Fair Value as at March 31, 2023	123.98

Note 27

Financial Risk Management Objective 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

Borrowings	MARCH 31, 2023	MARCH 31, 2022
Floating Rate Loans	3,901.14	40,960.09
Fixed Rate Loans	1,94,230.85	2,06,000.50
Total	1,98,131.99	2,46,960.59

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

Risk Exposure	As at March 31, 2023		As at March 31, 2022	
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	7.80	7.80	81.92	81.92

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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:

(Rs. in Lakhs)

Liquidity Profile	Less than 1 year	1-3 Year	3-5 Year	More than 5 Year	Total
As at March 31, 2022					
Non Current Borrowings	-	-	-	-	-
Current Borrowings	2,46,960.59	-	-	-	2,46,960.59
Other financial liabilities	37,507.66	44,955.18	-	-	82,462.84
Trade Payables	-	-	-	-	-
Total	2,84,468.25	44,955.18	-	-	3,29,423.42
As at March 31, 2023					
Non Current Borrowings	-	-	-	-	-
Current Borrowings	1,98,131.99	-	-	-	1,98,131.99
Other financial liabilities	72,086.48	8,068.72	-	-	80,155.20
Trade Payables	-	-	-	-	-
Total	2,70,218.46	8,068.72	-	-	2,78,287.18

Note 28**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. The Company monitors capital using a gearing ratio.

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 29**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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Note 30

Post Reporting Events

SKIL Shipyard Holdings Pvt Ltd. wholly owned subsidiary of the Company is admitted in NCLT for Corporate Insolvency Resolution Process ("CIRP") on 9th May 2023, Since the value of the subsidiary is fully impaired in the books of accounts, the management of the Company does not expect any major impact of the same on the financial statements of the Company.

Note 31

Related Party Disclosures

a) List of Related parties

1 Associates

Urban Infrastructure Holding Private Limited

2 Key Managerial Personnel

Mr.Nikhil P. Gandhi

Mr.Bhavesh P.Gandhi

Mr. Nilesh Mehta

Mr. Shekhar Gandhi

3 Other Related Parties

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, 2023 (for the period of relationship exist)- Associate Companies

	2022-23	2021-22
i Investment at the end of the year		
Urban Infrastructure Holdings Pvt. Ltd.	3,17,850.15	3,17,850.15
Rosoboronservic India Limited	-	81.00
ii Advances Given	-	-
iii Advances received back	-	-
iv Advance Receivable at the end of the year		
Rosoboronservic India Limited	-	1,028.55

c) 2 Transactions with related parties for the year ended March 31, 2023 (for the period of relationship exist)- Other Related Parties

i Loan Received		
Awaita Properties	-	-
ii Repayment of Loan		
Awaita Properties	-	2.41
Metropolitan Industries	-	0.01
iii Balances of Loan at the end of year		
Metropolitan Industries	1,397.47	1,397.47
Awaita Properties Pvt Ltd.	0.74	0.74
iv Deposit Given		
Awaita Properties Private Limited	54.02	54.02

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

c) 3 Transactions with related parties for the year ended March 31, 2023 (for the period of relationship exist)- Key Managerial Persons

i Managerial Remuneration-Short Term Employee Benefits	62.00	62.00
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d) Details of Loans given, investment made and Guarantee given, covered u/s 186(4) of the Companies Act, 2013

- i Loan 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 32

Gujarat Dwarka Portwest Limited, Chiplun FTWZ Pvt Ltd. and SKIL Singapore Pte. Ltd. have ceased to be the subsidiaries on account of the Company's Investment (in the said subsidiaries) in the form of their equity shares invoked by a lender. The Company has now reversed/written back the Provision for impairment made on the said Investment and advances made to subsidiaries earlier and has shown this reversal/writing back under the head "Exceptional Income".

Note 33

During the year under review, the Company has written off its investment & advances given to Rosoboronservice India Ltd & Everonn Education Ltd. Since the values of these subsidiaries were impaired in the books of accounts, there is no major impact of the same on the financial statements.

Note 34

With regards to the Company's going concern status, the Company expects to generate cash flow through divestment/monetization of its assets and recovery of its claims. The Company is also pursuing settlement of its dues/borrowings with its lenders. The Company believes that all these efforts will help in meeting its legitimate liabilities. As such, the Company continues to be a going concern and accordingly the financial statement has been prepared on that basis.

Note 35

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 claim of Rs. 5440.38 crores on account of issues arising out of the Purchase Agreement dated 4th March, 2015. The Company has denied the said claim and is defending the same appropriately.

Note 36

Ratio	Numerator	Denominator	As at	As at	Variance in %
			March 31, 2023	March 31, 2022	
Current Ratio (In times)	Current Assets	Current Liabilities	0.37%	3.43%	-89.25%
Debt-Equity Ratio (in times)	Total Debts	Total Equity	10.98	-5.70	-292.51%
Debt Service Coverage Ratio (In times)	Earnings before Interest, Tax, depreciation & amortisation and exceptional items	Interest and Principal Repayment of Long Term Debt within one year	0.43	0.01	3652.15%
Return on Equity Ratio (in %)	Profit for the year	Total Equity	618.84%	37.14%	1566.37%
Inventory turnover ratio (In times)	Revenue from Operation	Average Inventory	Not Applicable		
Trade Receivables turnover ratio (In times)	Revenue from Operation	Average Trade Receivable	Not Applicable		
Trade payables turnover ratio (In times)	Total Credit Purchase	Average Trade Payable	Not Applicable		

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Lakhs)

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance in %
Net capital turnover ratio (In times)	Revenue from Operation	Working Capital	Not Applicable		
Net profit ratio (in %)	Profit after Tax	Revenue from Operation	Not Applicable		
Return on Capital employed (in %)	Profit before tax and Finance Cost	Capital Employed	54.26%	2.17%	2402.93%

Explanation for variance more than 25%:

- 1 Lower expenses and decrease in loss during the current year as compare to previous year.
- 2 Dilution of three subsidiaries whose assets & liabilities are not included in current year.

Note 37

Additional Regulatory Information

- 1 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of Account. Further the Company does not have any unrecorded income and assets related to previous years which are required to recorded during the year
- 2 During the year, the Company has not entered, with any scheme of arrangements in terms of section 230 to 237 of the Companies Act, 2013.
- 3 The Company has complied with the provision of section 2(87) of the Companies Act, 2013 read with the Companies (Restrictions on number of layers) Rules, 2017.
- 4 No Fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall land or invest in party indentified by or on behalf of the Company ('ultimate beneficiaries'). The Company has not received any funds from the any party with the understanding that the Company shall whether, directly or indirectly lend or invest in other person or entities identified by or on behalf of the Company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 5 The Code on Social Security, 2020 relating to employee benefits during employment and post-employment benefits has received presidential assent. However the effective date of the code and final rules are yet to be notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.
- 6 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 38

Previous year's figures have been regrouped/rearranged/reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**For GPS & Associates
Chartered Accountants
Firm Reg. No. 121344W**

**Nikhil Gandhi
Chairman
DIN : 00030560**

**Shripad Chauhan
Partner
Membership No. 600372**

**Shekhar Gandhi
CFO**

**Date: May 25, 2023
Place: Mumbai**

**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, 2023****(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 Shipyard Holdings Private Limited*	INR	5.00	(50,028.91)	13.87	13.87	-	-	(3.17)	-	(3.17)	-	India
2	SKIL Advanced Systems Private Limited	INR	5.00	(732.82)	29.76	29.76	-	-	(2.73)	-	(2.73)	-	India

Note : Financial Figures of 3 Subsidiaries namely Chiplun FTWZ Pvt Ltd., Gujarat Dwarka Portwest Ltd., SKIL Singapore Pte. Ltd. which were considered upto 2nd December, 2022 in the financials are not shown above as the same were reversed as per Accounting standard of Consolidated Accounting IND-AS 110

* Provisional Figures

SKIL INFRASTRUCTURE LIMITED

CIN: L36911MH1983PLC178299;

Registered Office: SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai – 400 023;

Tel: 022-6619 9000; Fax: 022-2269 6024; E-mail: contact@skilgroup.co.in; Website: www.skilgroup.com

40th Annual General Meeting – Friday, September 29, 2023**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 40th Annual General Meeting of the Members of the Company being held on Friday, September 29, 2023 at 1400 hours at Kilachand Conference Room, IMC Bldg., IMC Marg, Churchgate, Mumbai- 400020.

Member's/Proxy's 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: +91-22-22696024; E-mail: contact@skilgroup.co.in; Website: www.skilgroup.co.in

40th Annual General Meeting – Friday, September 29, 2023

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

- Name :
Address :
E-mail ID : Signature :, or falling him/her
- Name :
Address :
E-mail ID : Signature :, or falling him/her
- 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 40th Annual General Meeting of the Company, to be held on Friday, September 29, 2023 at 1400 hours at Kilachand Conference Room, IMC Bldg., IMC Marg, Churchgate, Mumbai- 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	RESOLUTIONS	Optional*		
		For	Against	Abstain
Ordinary Business				
1.	Ordinary Resolution for adoption of Audited Standalone Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended March 31, 2023 and the Reports of the Auditors and Directors 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.	Ordinary Resolution for Re-Appointment of Mr. Bhavesh Gandhi as A Whole-Time Director.			

Signed this day of, 2023

Signature of Shareholder :

Signature of Proxy holder(s) :

Affix
Revenue
Stamp**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the resolutions, explanatory statements and Notes please refer to the Notice of 40th Annual General Meeting.
- 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.

TEAR HERE

If undelivered, please return to:

SKIL Infrastructure Limited

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