

August 06, 2020



To,
The Manager,
Listing Department,
National Stock Exchange of India Ltd.
Exchange Plaza, BandraKurla Complex,
Bandra (East), Mumbai – 400 051

NSE Symbol: SKIL

Dear Sir,

Sub: Clarification for Financial Results for the quarter and year ended March 31, 2020.

This has reference to your email dt. July 24, 2020 on captioned subject, we would like to clarify that the Company has submitted Statement of Impact of Audit Qualification with Modified Opinion for Standalone and Consolidated Financial Results.

Kindly note that the Audit Committee Meeting & Board Meeting was held on July 09, 2020 through Audio-Visual means due to CoVID-19 pandemic situation. Mr. V. Ramanan, Independent director (Chairman of Audit Committee) had attended Audit Committee Meeting and Board Meeting through Audio-Visual Means from Chennai so that in place of his signature Sd is mentioned on Impact of Audit Qualification with Modified Opinion for Standalone and Consolidated Financial Results.

Mr. Bhavesh Gandhi, Whole Time director has attended Board Meeting through Audio Visual means from Mumbai thus with his signature (in place of Sd in earlier submission) in lieu of Chief Executive Officer, we are submitting revised Statement of Impact of Audit Qualification with Modified Opinion for Standalone and Consolidated Financial Results.

After, the above submission, we once again received email dt. August 02, 2020 regarding Clarification for Financial Results for the quarter and year ended March 31, 2020. In this matter, we further submit that Mr. Bhavesh Gandhi, Whole Time director of the Company who is authorised by the Board of directors to sign the Impact of Audit Qualification with Modified Opinion for Standalone and Consolidated Financial Results in lieu of Chief Executive Officer.

Kindly take the same on your records.

Thanking you,

SKIL Infrastructure Limited

SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai -400 023. Tel.: +91 022 6619 9000, Fax : +91 022 2269 6023
E-mail: skil@skilgroup.co.in, website: www.skilgroup.co.in, CIN No. L36911MH1983PLC178299



Yours truly,

For **SKIL Infrastructure Limited**

Sd/-

Nilesh Mehta

Company Secretary

SKIL Infrastructure Limited

SKIL House, 209, Bank Street Cross Lane, Fort, Mumbai -400 023. Tel.: +91 022 6619 9000, Fax .: +91 022 2269 6023
E-mail: skil@skilgroup.co.in, website: www.skilgroup.co.in, CIN No. L36911MH1983PLC178299

ANNEXURE I

Statement on impact of Audit Qualification (for Audit Report with modified opinion) submitted along-with Annual Audited Financial Results- (Standalone)

Statement on impact of Audit Qualification for Financial Year ended March 31, 2020 (See Regulation 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)
(Rs. In lacs)

I.	SI No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualification)
	1	Turnover / Total Income	1.03	1.03
	2	Total Expenditure	1,41,167.07	1,52,743.59
	3	Net Profit / (Loss)	(1,41,166.04)	(1,52,742.56)
	4	Earning Per Share	(65.18)	(70.53)
	5	Total Assets	3,75,345.89	3,75,345.89
	6	Total Liabilities	2,73,223.94	2,84,800.46
	7	Net Worth	1,02,121.95	90,545.43
	8	Any Other Financial item(s) (as felt appropriate by the management)	-	

II. Audit Qualification (each audit qualification separately)

- a **Details of Audit Qualification:**
- (i) Attention is drawn towards the Note No. 3 in case of Reliance Commercial Finance Ltd. stated below the standalone financial results, and based on that, the Company, during the year ended 31st March, 2020 has not accounted interest of Rs. 5647.49 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.
- (ii) Attention is drawn towards the Note No.5 in case of IL&FS Financial Services Ltd. stated below the standalone financial results, and based on that, the Company, during the year ended 31st March, 2020 has not accounted interest of Rs. 5167.59 lakhs on the loan taken from IL&FS Financial Services Ltd. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- (iii) During the year, the Company has not accounted interest of Rs. 744.53 lakhs on Current Borrowings of Rs. 3700 lakhs. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- (iv) Current Maturities of Long Term Debt include a loan amounting to Rs. 78.42 lakhs on which interest amounting to Rs. 16.91 lakhs has not been accounted during the year. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- b **Type of Audit Qualification :** Qualified Opinion
- c **Frequency of Qualification :** Second time
- d **For Audit Qualification(s) where the impact is quantified by the auditor, Management views**
- 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 head "Other Advances", from ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani are received in obligations in accordance with the Purchase Agreement dated 4th March, 2015 signed between the Company, SKIL Shipyard Holdings Pvt. Ltd. with the ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, viz, Reliance Infrastructure Limited, Reliance Defence Systems Pvt. Ltd. are fulfilled by ADAG Group Companies. It is 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 circumstances and documents available on record. In view of above, the Company does not acknowledge or accept the liability of Reliance Commercial Finance Ltd.
- On account of on-going disputes with IL&FS, considering the facts, circumstances, documents and particular nature of transactions, the Company has not booked any interest on amount of Rs. 24,870 Lakhs shown as received from IL&FS.
- On account of on-going disputes with various other lenders, the Company does not accept their outstanding and has not booked interest on amount of Rs. 3778.42 lakhs.
- e **For Audit qualification(s) where the impact is not quantified by the Auditor :** Not Applicable
- (i) Management's estimation on the impact of audit qualification: Not Applicable
- (ii) If management is unable to estimate the impact, reasons for the same: Not Applicable
- (iii) Auditor's Comments on (i) or (ii) above : Not Applicable

As per our report of even date
For Kailash Chand Jain & Co.
Chartered Accountants
Firm Reg. No. 112318W

SAURABH CHOUHAN
N

Saurabh Chouhan
Partner
Membership No. 167453

Date: 09-07-2020
Place: Mumbai

For and on behalf of the Board
Sd/-
Bhavesh Gandhi
Whole Time Director

Sd/-
V. Ramanan
Chairman of the Audit Committee
Shekhar Gandhi
CFO

ANNEXURE I

Statement on impact of Audit Qualification (for Audit Report with modified opinion) submitted along-with Annual Audited Financial Results- **(CONSOLIDATED)**

Statement on impact of Audit Qualification for Financial Year ended March 31, 2020 (See Regulation 33/52 of SEBI (LODR) (Amendment) Regulations, 2016)

(Rs. In lacs)				
I.	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualification)
	1	Turnover / Total Income	3,277.04	3,277.04
	2	Total Expenditure	2,01,081.03	2,20,525.98
	3	Net Profit / (Loss)	(1,97,803.99)	(2,17,248.94)
	4	Minority	5,175.49	5,175.49
	5	Net Profit / (Loss) to the Company	(1,92,628.50)	(2,12,073.45)
	6	Earning Per Share	(91.33)	(100.31)
	7	Total Assets	4,00,134.45	4,00,134.45
	8	Total Liabilities	3,73,677.66	3,93,122.61
	9	Net Worth	26,456.79	7,011.84
	10	Any Other Financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately)**a Details of Audit Qualification:**

- (i) Attention is drawn towards the Note No. 3 in case of Reliance Commercial Finance Ltd. & Reliance Infrastructure Ltd. stated below the consolidated financial results, and based on that, the Company, during the year ended 31st March, 2020 has not accounted interest of Rs. 8266.89 Lakhs on the loan taken from Reliance Commercial Finance Ltd. and Reliance Infrastructure. Had this been accounted, the Loss for the year and the Liabilities would have increased to the extent of the amount specified above.
- (ii) Attention is drawn towards the Note No. 5 in case of IL&FS Financial Services Ltd. stated below the consolidated financial results, and based on that, the Company, during the year ended 31st March, 2020 has not accounted interest of Rs. 10130.00 Lakhs on the loan taken from IL&FS Financial Services Ltd. Had this been accounted, the Loss for the year and the Liabilities would have increased to the extent of the amount specified above.
- (iii) Attention is drawn towards the Note No. 10 stated below the consolidated financial results, and based on that, the Company, during the year ended 31st March, 2020 has not accounted for an interest of Rs.286.62 lakhs on 14% Non-convertible debentures issued to E Cap Equities Limited. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- (iv) During the year, the Company has not accounted interest of Rs. 744.53 lakhs on Current Borrowings of Rs. 3700.00 lakhs. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- (v) Current Maturities of Long Term Debt include a loan amounting to Rs. 78.42 lakhs on which interest amounting to Rs. 16.91 lakhs has not been accounted during the year. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.

b Type of Audit Qualification : Qualified Opinion**c Frequency of Qualification : Second time****d For Audit Qualification(s) where the impact is quantified by the auditor, Management views**

An amount of Rs. 33,473.38 lakhs shown as received from Reliance Commercial Finance Ltd., & Reliance Infrastructure 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

On account of on-going disputes with IL&FS, considering the facts, circumstances, documents and particular nature of transactions, the Company and has not booked any interest on amount of Rs. 66,170 Lakhs shown as received from IL&FS.

On account of on-going disputes with various other lenders, the Company does not accept their outstanding and has not booked interest on Loan amount aggregating to Rs. 3778.42 lakhs.

Company has not booked interest on 14% NCD as Company is in negotiation with NCD holders for One time settlement of their outstanding Dues

e For Audit qualification(s) where the is not quantified by the Auditor : Not Applicable

- (i) Management's estimation on the impact of audit qualification: Not Applicable
- (ii) If management is unable to estimate the impact, reasons for the same: Not Applicable
- (iii) Auditor's Comments on (i) or (ii) above : Not Applicable

As per our report of even date
For Kailash Chand Jain & Co.
Chartered Accountants
Firm Reg. No. 112318W

SAURABH CHOUHAN
Digitally signed by
SAURABH CHOUHAN
Date: 2020.07.09
16:53:40 +05'30'

Saurabh Chouhan
Partner
Membership No. 167453

Date: 09-07-2020
Place: Mumbai

For and on behalf of the Board

Sd/-
Bhavesh Gandhi
Whole Time Director

Sd/-
V. Ramanan
Chairman of the Audit Committee
Shekhar Gandhi
CFO