



HORIZON INFRASTRUCTURE LIMITED
30th Annual Report

2012-2013



ADJOURNED ANNUAL GENERAL MEETING

DATE : December 26, 2013
DAY : Thursday
TIME : 1500 Hours
PLACE : Bombay Club Suite,
Royal Bombay Yacht Club,
Chhatrapati Shivaji Maharaj Marg,
Apollo Bunder, Near Taj Mahal Hotel,
Mumbai - 400 001

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BOARD OF DIRECTORS

Mr. Nikhil Gandhi	Chairman & Whole-time Director
Mr. Bhavesh Gandhi	Vice Chairman
Mr. J. Alexander	Director
Ms. Gayathri Ramachandran	Director
Mr. V. Ramanan	Director
Mr. Ajay Khera	Director

COMPANY SECRETARY

Mr. Nilesh Mehta

AUDITORS

Bharat Shah & Associates,
Chartered Accountants.

BANKERS

IDBI Bank Limited
Central Bank of India
Union Bank of India

REGISTERED & CORPORATE OFFICE

SKIL House,
209, Bank Street Cross Lane,
Fort, Mumbai - 400023.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400 078.
Tel. No. +91-22- 25963838
Fax No. +91-22- 25946969
E-mail: rnt.helpdesk@linkintime.co.in



NOTICE OF ADJOURNED ANNUAL GENERAL MEETING

NOTICE is hereby given that the adjourned 30th Annual General Meeting ("AGM") of the Members of Horizon Infrastructure Limited will be held on Thursday, December 26, 2013 at 1500 Hours at Bombay Club Suite, Royal Bombay Yacht Club, Chhatrapati Shivaji Maharaj Marg, Apollo Bunder, Near Taj Mahal Hotel, Mumbai - 400 001, to transact the following business:

ORDINARY BUSINESS:

1. Item no. 1 of the Original Notice - "To receive, consider and adopt the Audited Balance Sheet as on March 31, 2013 and the Profit and Loss Account for the year ended on that date, together with the Reports of Directors and Auditors thereon."

Registered Office

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

By Order of the Board of Directors

Place: Mumbai

Date: November 26, 2013

Nilesh Mehta

Company Secretary

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.**
- 2) Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of Board Resolution on the letterhead of the Company, signed by one of the Directors or Company Secretary or any other authorized signatory and/ or duly notarized Power of Attorney, authorizing their representatives to attend and vote on their behalf at the Meeting.
- 3) The Members / Proxies are requested to bring their copy of Annual Report and duly filled Attendance Slips for attending the Meeting.
- 4) Members holding shares in physical form are requested to immediately notify change in their address, if any, to the Registrar and Share Transfer Agents, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078, quoting their Folio Number(s).
- 5) Members desirous of obtaining any information concerning the accounts of the Company are requested to address their queries to the Company Secretary atleast seven days in advance of the Meeting so that the information required can be readily made available at the Meeting.
- 6) All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during anytime between 1000 Hours to 1200 Hours on all days except Saturdays, Sundays and Public holidays, upto the date of the Annual General Meeting.
- 7) Members are requested to quote the Ledger Folio or Client ID and DP ID numbers in all communications with the Company.
- 8) Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
- 9) Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividends amounts lying with the Company as on September 28, 2012 (date of last Annual General Meeting) on the website of the Company (www.horizoninfra.com), and also on the Ministry of Corporate Affairs website. Further, the said unpaid and unclaimed dividends amounts will be transferred to the Investor Education and Protection Fund as per provisions of the Section 205A of the Companies Act, 1956.



ANNEXURE TO NOTICE:

At the 30th AGM held on Monday, September 30, 2013, Members were informed that the Hon'ble High Court of Judicature at Bombay had passed an Order on September 20, 2013, approving the Scheme of Amalgamation and Arrangement between SKIL Infrastructure Limited ("SKIL"), Horizon Country Wide Logistics Limited ("HCWLL") and Fastlane Distriparks & Logistics Limited ("FDLL") with the Company (hereinafter referred to as "the Scheme") which became effective from September 28, 2013. The Members were also informed that the appointed date of the Scheme was April 1, 2011 and Registrar of Companies, Mumbai, Maharashtra, had granted approval for extension of time for holding of 30th AGM by three months.

Further, the proposal was put up before the Members, to consider adjournment of 30th AGM sine die, for the purpose of adopting the financials of the merged entity (i.e., after giving effect of the merger of SKIL, HCWLL and FDLL with the Company) and for considering declaration of dividend if any.

The Members considered the matter and unanimously resolved to adjourn 30th AGM sine die so as to consider and adopt the Audited Accounts for the year March 31, 2013 of the merged entity in the adjourned AGM and consider declaration of dividend or otherwise as per the recommendation of the Board of Directors.

Accordingly, after transacting all other business listed in the Original Notice dated August 27, 2013, the 30th AGM was adjourned sine die.

Registered Office

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

By Order of the Board of Directors

Place: Mumbai

Date: November 26, 2013

Nilesh Mehta
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 30th Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2013.

At the outset, your Directors want to inform that 2013 marked a turning point for the Company as Hon'ble High Court of Judicature at Bombay approved the Scheme of Amalgamation and Arrangement between SKIL Infrastructure Limited ("SKIL"), Horizon Country Wide Logistics Limited ("HCWLL") and Fastlane Distriparks & Logistics Limited ("FDLL") (collectively referred to as "Transferor Companies") with the Company (hereinafter referred to as "the Scheme") on September 20, 2013, which became effective from September 28, 2013.

In view of the Scheme coming into effect and with the approval of Members of the Company, the 30th AGM held on September 30, 2013, was adjourned sine-die for adoption of merged Audited Accounts, together with the Reports of Directors and Auditors thereon.

FINANCIAL RESULTS:

As the appointed date of the Scheme was April 1, 2011 and it became effective from September 28, 2013, the standalone financial results of your Company as on March 31, 2013, include the operations of Transferor Companies along with Company. The results for the year ended March 31, 2013 are, therefore, not comparable with the results of the previous year which were prepared on standalone basis.

	(₹ In Lacs)	
Particulars	2012-2013	2011-2012
Net Income	47059.90	33406.76
Less: Expenditure	67195.97	32356.68
Profit before Depreciation & Taxation	(20136.07)	1050.09
Less: Depreciation	104.85	25.26
Profit before Tax	(20240.92)	1024.83
Provision for Tax / Deferred Tax	0.00	354.04
Profit after Tax	(20240.92)	670.78
Balance carried forward to Balance Sheet	0.00	1992.04

DIVIDEND:

In view of the mega exercise undertaken for merger and plans of expansion, it has been planned to deploy funds for taking up the opportunities for further growth of the Company and hence there will be a need to conserve the funds. Hence, your Board of Directors do not recommend dividend for the financial year ended March 31, 2013.

REVIEW OF OPERATIONS:

It may be observed from the above that, while 2011-2012 financials are the standalone financial results of the Company, 2012-13 results are the merged financials of four Companies and are not comparable.

The Company is into Engineering, Procurement and Construction (EPC) business. Three Companies, which were merged have different activities but have synergies to enable the various activities to be brought under a single umbrella.

FDLL was hitherto developing a State of the Art Container Freight Stations (CFS) in an area of 73.15 acres near Jawahar Nehru Port, Navi Mumbai. First phase of construction is in progress.

HCWLL on the strength and experience accumulated over the last two decades, by the Promoter Company, had embarked upon an ambitious, Pan-India and Multi-segment Operations in the logistic field. HCWLL had plans to be a pioneer in the infrastructure development facilities across the country starting integrated logistic hub at various locations in India and creating a Pan-India network of CFS and Inland clearance depots, etc. including Free Trade Warehousing Zone.

SKIL, which has been a Holding Company of the Group, was conducting business through its subsidiaries and affiliates.

The finance cost in the Companies, on account of borrowings, can be taken as the sole reason for the losses during the year 2012-13.

INCREASE IN AUTHORISED SHARE CAPITAL:

Your Directors inform that as per the Scheme, the Authorized Share Capital of the Company, after the Scheme coming into effect, shall be ₹ 9,100,000,000/- divided into 910,000,000 Equity Shares of ₹10/- each.

ISSUE OF SHARES PURSUANT TO THE SCHEME:

Your Directors inform that as per the Scheme, 205,831,232 Equity Shares of ₹ 10/- each fully paid-up in the Company shall be issued and allotted to the shareholders of SKIL, HCWLL and FDLL, after the Scheme coming into effect, in the following manner:



- (i) 174,358,814 Equity Shares of ₹ 10/- to the shareholders of SKIL in the ratio of 11 Equity Shares of ₹ 10/- each of the Company for every 19 Equity Shares of ₹ 10/- each held by the shareholders in SKIL;
- (ii) 20,060,249 Equity Shares of ₹ 10/- to the shareholders of HCWLL in the ratio of 10 Equity Shares of ₹ 10/- each of the Company for every 68 Equity Shares of ₹ 10/- each held by the shareholders in HCWLL; and
- (iii) 11,412,169 Equity Shares of ₹ 10/- to the shareholders of FDLL in the ratio of 10 Equity Shares of ₹ 10/- each of the Company for every 65 Equity Shares of ₹ 10/- each held by the shareholders in FDLL.

Upon Scheme coming into effect, so far as the equity shares of HCWLL held by SKIL and the equity shares of FDLL held by HCWLL are concerned, the said equity shares of HCWLL and FDLL shall not get cancelled but shall, pursuant to the Scheme, stand transferred to and vested in the Trusts i.e. the HCWLL Trust and FDLL Trust respectively and continued to be held by the HCWLL Trust and FDLL Trust on the record date. The Company shall, without any further application, act, instrument or deed, issue new equity Shares of Company in lieu of HCWLL and FDLL Shares in the exchange ratio specified herein to the HCWLL Trust and FDLL Trust, as per the Scheme.

Since the Scheme has become effective, the Company shall, after the Authorised Share Capital of the Company is increased, make the aforesaid allotment.

After the allotment of shares as aforesaid, the Issued, Subscribed and Paid-up Capital of the Company shall increase from ₹ 1,074.00 Lacs to ₹ 21,657.12 Lacs.

CHANGE OF NAME:

Pursuant to and as envisaged in the Scheme, the name of the Company shall change from 'Horizon Infrastructure Limited' to 'SKIL Infrastructure Limited'. The Company is in the process of changing the name, as per statute.

DIRECTORS:

The Members at the 30th AGM held on September 30, 2013, approved the retirement of Mr. M. P. Vora as the Director of the Company and the appointment of Mr. C.S. Sanghavi as Whole-time Director of the Company for a period of six months w.e.f. August 27, 2013.

Pursuant to and as envisaged in the Scheme, the Board of Directors of the Company, in the Meeting held on November 14, 2013, appointed Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi as Chairman and Vice Chairman of the Company respectively w.e.f. November 15, 2013.

Mr. C. S. Sanghavi resigned as the Director and Whole-time Director of the Company w.e.f. closure of working hours on November 14, 2013. The Board places on record, its appreciation for the valuable services rendered by him during his tenure as Whole-Time Director of the Company.

Mr. Nikhil Gandhi was appointed as a Whole-time Director of the Company w.e.f. November 15, 2013, subject to the approval of the Members.

Ms. Gayathri Ramachandran and Mr. Ajay Khera were appointed as an Additional Directors of the Company at the Board Meeting held on November 14, 2013 and November 26, 2013, respectively. Further, Mr. Ajay Khera was appointed as a Managing Director and Chief Executive Officer of the Company w.e.f. November 27, 2013 at the Board Meeting held on November 26, 2013, subject to the approval of the Members.

Consequent upon the appointment of Mr. Ajay Khera, as the Managing Director and Chief Executive Officer of the Company w.e.f. November 27, 2013; Mr. Nikhil Gandhi resigned as Whole-time Director w.e.f. closure of working hours on November 26, 2013.

The appointment of Ms. Gayathri Ramachandran and Mr. Ajay Khera as Directors shall be put up to Members at 31st AGM .

SUBSIDIARY COMPANIES:

Consequent to the merger of SKIL, HCWLL, FDLL with the Company, SKIL's and HCWLL's Subsidiary Companies have become Subsidiaries of Company. Since the Appointed Date of Merger is April 1, 2011, the subsidiaries of the Company as on March 31, 2013 were:

- Mahakaleshwar Knowledge Infrastructure Private Limited
- Metrotech Technology Park Private Limited
- Varahi Infrastructure Private Limited
- SKIL-Himachal Infrastructure & Tourism Limited
- Energy India Corporation Limited
- Gujarat Positra Port Company Limited
- SKIL Shipyard Holdings Private Limited
- SKIL Karnataka SEZ Limited
- Pipavav Electronic Warfare Systems Private Limited
(Formerly Known as SKIL Strategic Deterrence Systems Private Limited)

- SKIL Advanced Systems Private Limited
- SKIL Midivisana Engineering Private Limited
- Pipavav Aero Infrastructure Private Limited
- SKIL Vision Aerial Solutions Private Limited
- Chiplun FTWZ Private Limited
- SKIL (Singapore) Pte. Limited (Foreign Company)

As per the provisions of Section 212 of the Companies Act, 1956 ("the Act"), the Holding Company is required to attach the Balance Sheet of all the Subsidiary Companies in the Annual Report of the Holding Company.

Pursuant to the General Circular No. (s) 2/2011 and 3/2011 dated February 8, 2011 and February 21, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Board of Directors of your Company has given its consent for not attaching the Balance Sheets of all its subsidiaries along with the Annual Report of the Company.

As the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet, the Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any Member of the Company who may be interested in obtaining the same. The Audited Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective Subsidiary Companies. The Audited Consolidated Financial Statements of your Company along with the Auditors' Report have been annexed to this Annual Report. Further, the financial information for each Subsidiary Company, as per the requirement of the said Circular, is annexed to the Consolidated Financial Statements.

PARTICULARS OF LOANS/ADVANCES GIVEN TO SUBSIDIARY COMPANIES:

Pursuant to Clause 32 of the Listing Agreement, the particulars of loans/advances given to Subsidiary, Associates, etc. of the merged entity have been disclosed in the Audited Accounts of the Company for the year March 31, 2013.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public or shareholders during the year.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from Mr. Virendra G. Bhatt, Practicing Company Secretary, confirming compliance forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Act, your Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to the material departures.
- b) the selected accounting policies were applied consistently and the Directors 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, 2013 and of the loss of the Company for the year ended on that date.
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the annual accounts have been prepared on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report of the merged entity, as stipulated in Clause 49 of the Listing Agreement is given in a separate section forming part of the Directors' Report in this Annual Report.

LISTING AGREEMENT COMPLIANCES:

The Company's equity shares are listed on the National Stock Exchange of India Limited and on The Calcutta Stock Exchange Limited. The Company has paid the annual listing fees for the year 2013-14 and has complied with the conditions of the Listing Agreement.

AUDITORS:

M/s. Bharat Shah & Associates, Chartered Accountants, Mumbai, bearing ICAI Registration No. 101249W, have been appointed as Statutory Auditors of the Company in the 30th AGM held on September 30, 2013. They shall hold office until the conclusion of 31st AGM.



AUDITOR'S REPORT:

The Auditors' Report to the shareholders on the Accounts of the Company for the financial year ended March 31, 2013, does not contain any qualification.

INTERNAL AUDITORS:

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

AUDIT COMMITTEE:

The composition of the Audit Committee is in compliance with Section 292A of the Act and Clause 49 of the Listing Agreement. The present Audit Committee comprises Mr. V. Ramanan as Chairman, Mr. J. Alexander and Mr. Nikhil Gandhi as Members. The Audit Committee has reviewed the Audited Accounts of the merged Company for the year ended March 31, 2013, annexed to this Report.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 219(1)(b)(iv) of the Act, the Directors Report and Accounts are being sent to all the Members of the Company, excluding the statement of particulars of the employees under Section 217(2A) of the Act. In accordance with the provisions of Section 217(2A) of the Act and the rules framed there under i.e. the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees as required to be set out in the annexure to the Director's Report is available for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company.

PERSONNEL:

The industrial relations of the Company remained cordial and peaceful throughout the year.

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

Considering the nature of the 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 Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, during the year under review.

Further, the Foreign Exchange Earnings during the year under review is Nil and the Foreign Exchange Outgo is ₹ 12.06 Lacs.

GREEN INITIATIVES IN CORPORATE GOVERNANCE:

The 'Green Initiative in Corporate Governance' program was introduced by the Ministry of Corporate Affairs vide Circulars 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively, whereby Companies are permitted to send notices, documents including Annual Report, etc. in electronic mode. This reduces paper consumption to a great extent and allows Members to contribute towards a Greener Environment.

In this regard, Company had already issued a letter to all the Members giving them an advance opportunity to register their email address (and changes therein from time to time) with the Company so that the documents can be sent to them in the electronic mode. Accordingly, the Company has arranged to send the soft copies of these documents to the e-mail address of Members, wherever applicable. In case any of the Members would like to receive physical copies of these documents, the same shall be forwarded, free of cost, on written request to the Registrar and Share Transfer Agent of the Company i.e., Link Intime India Private Limited.

APPRECIATION:

The amalgamation of SKIL, HCWLL and FDLL with the Company would not have been possible without the support of shareholders, banking and investment community, financial institutions, stock exchanges and the regulating agencies, for which the Company is grateful. Your Directors take this opportunity to express sincere thanks to its clients and customers for their continued co-operation. The Directors express deep sense of appreciation to all the employees who continue to display their commitment towards the Company. Finally, the Directors wish to express their gratitude to the Members for their continued trust and support in new initiatives being taken by the Management.

Registered Office

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

For and on behalf of the Board of Directors

Place: Mumbai

Date: November 26, 2013

Nikhil Gandhi
Chairman and Whole-time Director

REPORT ON CORPORATE GOVERNANCE

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance is set out 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 by putting in place a sound internal control system, timely disclosures and accurate information dissemination, for understanding risk profile and monitoring at every stage of the Company's operations.

2. BOARD OF DIRECTORS (the "Board"):

(i) Composition and Category of the Board & Number of other Directorship and Membership on other Board Committees as on March 31, 2013:

The composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that at least one-third of the Board should comprise Independent Directors, if the Chairman of the Board is a Non-Executive Director.

As on March 31, 2013, the Board comprised Six Directors. Out of the Six Directors, one is Executive Director and the other five are Non- Executive Directors including two Independent Directors. The Chairman of the Board is a non-executive, Independent Director.

As mandated by Clause 49 of the Listing Agreement none of the Directors of the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees. All the Directors have made requisite disclosures regarding Board and Committee Memberships held by them in other Companies and the same have been duly recorded by the Board in its meetings from time to time. None of the Directors of the Company are inter-se related to each other except Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, who are brothers.

A detailed chart showing the names and categories of the Directors on the Board, number of other Directorships in Indian Public Limited Companies and Membership of the Committees of the Boards of such companies is given below. Other Directorships excludes Alternate Directorships, Indian Private Limited Companies, Section 25 Companies and Foreign Companies. Memberships/ Chairmanship of Board Committees include only Audit Committee and Shareholders'/ Investors' Grievance Committee:

Name of the Directors	Category of Directorship	Designation	Other Directorships as on March 31, 2013	Memberships/ Chairmanship in Committees of Board of other Public Companies as on March 31, 2013	
				Chairman	Member
Mr. J. Alexander	Non-Executive, Independent	Chairman	4	-	1
Mr. V. Ramanan	Non-Executive, Independent	Director	-	-	-
Mr. C. S. Sanghavi	Executive, Non Independent	Whole-time Director	1	-	1
Mr. Nikhil Gandhi	Promoter, Non Executive, Non independent	Director	10	1	4
Mr. Bhavesh Gandhi	Promoter, Non Executive, Non Independent	Director	6	1	3
Mr. M. P. Vora	Non Executive, Non Independent	Director	-	-	-

Note: Since the Corporate Governance Report is pertaining to the year ended March 31, 2013, any change in the composition of Board or Board Committees after the said date has not been incorporated in this Report.

(ii) Meetings and Attendance during the year ended March 31, 2013:

During the year 5 (Five) Board Meetings were held on May 30, 2012, May 31, 2012 (Adjourned Meeting of May 30, 2012), August 14, 2012, September 10, 2012, November 8, 2012 and January 22, 2013. The attendance of each Director at the said Board Meetings and at the 29th Annual General Meeting held on September 28, 2012, is given below:

Name of the Directors	No. of Board Meetings held during the period*	No. of Board Meetings attended	Attendance at the last AGM
Mr. J. Alexander	4	4	Y
Mr. V. Ramanan	4	4	Y
Mr. C. S. Sanghavi	5	4	Y
Mr. Nikhil Gandhi	5	3	N
Mr. Bhavesh Gandhi	5	0	N
Mr. M. P. Vora	5	0	N
Mr. S. Sundar \$	1	1	N
Mr. Dinkar Samant \$	0	0	N
Mr. Ajai Vikram Singh \$	1	1	N
Mr. A. Prasad \$	1	1	N
Mr. K. R. Chabria \$	1	0	N
Mr. S. A. Peeran \$	3	1	N



Note: - * No. of Board Meetings held during the period reflects the No. of Meetings held in the tenure of the concerned Director in Financial Year 2012-2013

\$ Mr. S. Sundar, Mr. Dinkar Samant, Mr. Ajai Vikram Singh, Mr. A. Prasad, Mr. K.R. Chabria and Mr. S.A. Peeran were ceased to be Directors with effect from June 25, 2012, April 27, 2012, June 25, 2012, July 19, 2012, July 23, 2012 and September 29, 2012, respectively.

3. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in accordance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

(i) Brief description of terms of reference:

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

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible information is disclosed.
2. Recommending to the Board the appointment, re-appointment and removal of the statutory auditors, fixation of audit fee and also approval for payment for other services.
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 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 (2AA) of Section 217 of the Companies Act, 1956;
 - 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. Qualifications 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, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems.
8. 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.
9. Discussion with internal auditors any significant findings and follow up thereon.
10. 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.
11. 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.
12. 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.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
16. Carrying out any other function as may from time to time be required under any statutory, contractual or other regulatory requirement.

Review of information by Audit Committee:

1. Management Discussion & Analysis of financial condition and results of operations.
2. Statement of significant related party transactions, 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
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

Further, Audit committee has been granted powers as prescribed under Clause 49 (II)(C) of the Listing Agreement.

(ii) Composition as on March 31, 2013:

As on March 31, 2013, the Audit Committee comprised three Members, viz. Mr. V. Ramanan (Chairman), Mr. J. Alexander and Mr. C.S. Sanghavi.

(iii) Meetings and Attendance during the year ended March 31, 2013:

The Committee met four times during the year 2012-2013 on May 29, 2012, August 14, 2012, November 8, 2012 and January 22, 2013. Required quorum was present at all the Meetings. The details of the Members of the Committee attendance at the above Meetings are given below:

Sr. No.	Name of the Members	Meetings	
		Held*	Attended
1	Mr. V. Ramanan	2	2
2	Mr. J. Alexander	3	3
3	Mr. C.S. Sanghavi	3	3
4	Mr. A. Prasad \$	1	1
5	Mr. K. R. Chabria \$	1	1
6	Mr. M.P. Vora \$	1	0
7	Mr. S. A. Peeran \$	2	2

Notes: -

*No. of Meetings held during the period reflects the No. of Meetings held during the tenure of the concerned Member in Financial Year 2012-2013.

\$ Mr. A. Prasad, Mr. K.R. Chabria, Mr. M. P. Vora and Mr. S.A. Peeran were ceased to be Members of the Committee with effect from July 19, 2012, July 23, 2012, August 6, 2012 and September 29, 2012, respectively.

The Meetings of the Audit Committee were attended as Invitees by the Chief Financial Officer, Statutory Auditors, Internal Auditors and senior officials as and when necessary. The Company Secretary of the Company is the Secretary to the Committee.

4. COMPENSATION / REMUNERATION COMMITTEE:

(i) Brief descriptions of terms of reference:

- 1) Recommending to the Board, the remuneration packages of the Company's Managing Director /Joint Managing Director /Deputy Managing Director /Whole-time Director /Executive Director, including all elements of remuneration package (i.e., salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.).
- (2) Implementing, supervising and administering any share or stock option policy or any other scheme formulated by the Company.
- (3) Establishing and administering any employee compensation and benefit plans.
- (4) Carrying out other functions as may from time to time be required under any statutory, contractual or other regulatory requirement.

(ii) Composition as on March 31, 2013:

As on March 31, 2013, the Compensation / Remuneration Committee comprised three Members viz. Mr. V. Ramanan (Chairman), Mr. Nikhil Gandhi and Mr. C.S. Sanghavi.

(iii) Meetings and Attendance during the year ended March 31, 2013:

During the year under review, no Committee Meeting was held.

(iv) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its Compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and Economic Value Analysis based variable pay. Individual performance pay is determined by business performance and the performance of individuals measured through the annual appraisal process.

(v) Remuneration to the Directors for the financial year ended March 31, 2013:

The Non-Executive Independent Directors are paid sitting fees of ₹ 5000/- for attending each Meeting of the Board of Directors and ₹ 2500/- for attending each Meeting of the Board Committees, which is within the limits prescribed under the Companies Act, 1956. Remuneration has been paid to Mr. M.P. Vora as per the Agreement entered with him. Details of the remuneration paid to the Directors of the Company during the year ended March 31, 2013, are as follows:



(Amount in ₹)

Sr. No.	Name of Director	Sitting Fees	Salary & Perquisites	Total
1.	Mr. J. Alexander	27500	-	27500
2.	Mr. V. Ramanan	27500	-	27500
3.	Mr. C. S. Sanghavi	-	8750000*	8750000*
4.	Mr. M. P. Vora	-	800000**	800000**
5.	Mr. Nikhil Gandhi	-	-	-
6.	Mr. Bhavesh Gandhi	-	-	-
7.	Mr. S. Sundar	5000	-	5000
8.	Mr. Dinkar Samant	-	-	-
9.	Mr. Ajai Vikram Singh	5000	-	5000
10.	Mr. A. Prasad	7500	-	7500
11.	Mr. K. R. Chabria	2500	-	2500
12.	Mr. S.A. Peeran	10000	-	10000

*During the financial year under review, a remuneration of ₹ 87,50,000 was paid to Mr. C. S. Sanghavi from HCWLL. As the account of merged entity is being presented, the said remuneration paid to Mr. C. S. Sanghavi from HCWLL is shown in the above table.

**The Remuneration was paid to Mr. M.P. Vora for the month of April and May 2012, as during the financial year he was the Managing Director of the Company for the tenure.

Pecuniary relationship of Non-Executive Directors with the Company:

None of the Non-Executive Directors having 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 are the Promoters of the Company.

Employee Stock Option Scheme:

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

Shareholding of Non-Executive Directors as on March 31, 2013:

None of the Non-Executive Directors held any Equity Shares in the Company except Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, who holds 11,75,000 Equity Shares, each.

5. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

The Company has constituted a Shareholders/ Investors Grievance Committee to deal with supervising and ensuring : (i) Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.(ii) Review of cases for refusal of transfer/transmission of shares and debentures;(iii) Reference to statutory and regulatory authorities regarding investor grievances; and (iv) Timely attendance and redressal of investor queries and grievances and to carry out any other function as may be required from time to time under any statutory, contractual or other regulatory requirement.

(i) Composition of Shareholders / Investors' Grievance Committee is as follows:

As on March 31, 2013, the Shareholders / Investors' Grievance Committee comprised three Members viz. Mr. V. Ramanan (Chairman), Mr. Nikhil Gandhi and Mr. C.S. Sanghavi.

(ii) The Name and Designation of Compliance Officer as on March 31, 2013:

Name of the Compliance Officer	Designation
Mr. Neeraj Rai	Company Secretary

(iii) Details of shareholders complaints received and resolved during the year ended March 31, 2013:

Pending as on April 1, 2012	Received during the year	Resolved during the year	Pending as on March 31, 2013
Nil	Nil	Nil	Nil

6. GENERAL BODY MEETINGS:

(i) Location and time of last Three Annual General Meetings:

Year	Location	Date	Time
2012-2013 *	Bombay Club Suite, Royal Bombay Yacht Club, Chhatrapati Shivaji Maharaj Marg, Apollo Bunder, Near Taj Mahal Hotel, Mumbai - 400 001	30.09.2013	1430 hours
2011-2012	Bombay Club Suite, Royal Bombay Yacht Club, Chhatrapati Shivaji Maharaj Marg, Apollo Bunder, Near Taj Mahal Hotel, Mumbai - 400 001	28.09.2012	1400 hours
2010-2011	Babasaheb Dahanukar Hall, Oricon House, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai 400 001.	12.08.2011	1500 hours
2009-2010	M. C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20, K. Dubhash Marg, Kala Ghoda, Mumbai 400 001.	11.08.2010	1500 hours

* The 30th AGM for the year 2012-2013 was adjourned sine die and the same will now be held on December 26, 2013.

- (ii) **Special Resolutions passed during the previous three AGMs:** No Special resolutions were passed during previous three AGMs. However, under the directions of Hon'ble High Court of Judicature at Bombay, on December 27, 2012, following resolutions were passed in the respective Meetings for the purpose of approving the Amalgamation and Arrangement embodied in the Scheme of Amalgamation and Arrangement between SKIL Infrastructure Limited, Horizon Country Wide Logistics Limited and Fastlane Distriparks & Logistics Limited with the Company.

Sr. No.	Details of the Meetings	Nature of the Resolutions
1.	Extra-Ordinary General Meeting of the Company held on January 21, 2013 at 1215 hours	A Special Resolution under Sections 78 and 100 to 103 of the Companies Act, 1956 for reduction of Securities Premium Account to the extent available on the effective date, if required, for the purpose of adjusting the losses, if any, of each of the Transferor Companies up to the effective date pursuant to and in accordance with the terms of the scheme.
2.	Court Convened Meeting of the Equity Shareholders of the Company held on January 21, 2013 at 1100 hours	A resolution was passed for approval of Scheme of Amalgamation and Arrangement of the Company under Section 391 to 394 read with Section 78 and 100 to 104 of the Companies Act, 1956.
3.	Court Convened Meeting of the Secured Creditors of the Company held on January 21, 2013 at 1400 hours	A resolution was passed for approval of Scheme of Amalgamation and Arrangement of the Company under Section 391 to 394 read with Section 78 and 100 to 104 of the Companies Act, 1956.

- (iii) **Special Resolution passed during the Financial Year 2012-13 through the Postal Ballot:** No
 (iv) **Person who conducted the postal ballot exercise:** Not Applicable
 (v) **Whether any special resolution is proposed to be conducted through postal ballot:** No
 (vi) **Procedure for postal ballot:** Not Applicable, as no Resolution was passed through Postal Ballot during the last year

7. DISCLOSURES:

(i) Related Party Transactions:

Transactions with related parties entered into by the Company in the normal course of business were placed before the Audit Committee. Details of related party transactions are included at Note No. 32 in Notes to Accounts of Audited Standalone Accounts; there were no related party transaction of material nature that may have a potential conflict with the interests of the Company.

The Company has followed the Accounting standards notified by The Companies (Accounting Standards) Rules, 2006, as amended from time to time, in preparation of its financial statements, including the related party transactions.

(ii) Details of non-compliance:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

(iii) Whistle Blower Policy:

Your Company at present does not have a Whistle Blower Policy. However any employee, if he / she desires, has free access to meet or communicate with the Audit Committee and report any matter of concern.

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

There has been complete compliance with mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance. As a part of adoption of non-mandatory requirements, the Company has set up a Remuneration Committee the details of which have been provided earlier in this Report, under the heading Remuneration Committee.

8. MEANS OF COMMUNICATION:

In accordance with Clause 54 of the Listing Agreement, the Company has maintained a functional website at www.horizoninfra.com containing basic information about the Company viz. financial information, shareholding pattern, compliance with corporate governance, etc. The contents of the said website are updated from time to time.

The quarterly, half yearly and Annual financial results are sent to the Stock Exchange in terms of the requirement of Clause 41 of the Listing Agreement and are published in Free Press Journal (English) and Navshakti (Marathi), which are national and local dailies, respectively and also displayed on the Company's website www.horizoninfra.com for the benefit of the public at large. For the benefit of the shareholders, a separate email id has been created for shareholder correspondence viz., investor_info@horizoninfra.com

9. GENERAL SHAREHOLDER INFORMATION:

(i) 30th Annual General Meeting:

The 30th Annual General Meeting of the Company was held on Monday, September 30, 2013 at 1430 hours at Bombay Club Suite, Royal Bombay Yacht Club, Chhatrapati Shivaji Maharaj Marg, Apollo Bunder, Near Taj Mahal Hotel, Mumbai - 400 001. The said AGM was adjourned sine die for the purpose of adopting the financials of the merged entity (i.e., after



giving effect of the merger of SKIL, HCWLL and FDLL with the Company) and for considering declaration of dividend, if any. The adjourned 30th AGM is scheduled to be held as follows:

Date:	December 26, 2013
Time:	1500 Hours
Venue:	Bombay Club Suite, Royal Bombay Yacht Club, Chatrapati Shivaji Maharaj Marg, Apollo Bunder, Near Taj Mahal Hotel, Mumbai - 400 001

(ii) Financial Year:

The financial year of the Company covers the financial period from April 1 to March 31. The tentative date of the Board Meetings for consideration of financial results during the year 2013-2014 are as follows:

Tentative Schedule		Tentative Dates
1.	Financial reporting for the quarter ended June 30, 2013	On or before August 14, 2013
2.	Financial reporting for the quarter ended September 30, 2013	On or before November 14, 2013
3.	Financial reporting for the quarter ended December 31, 2013	On or before February 14, 2014
4.	Financial reporting for the year ended March 31, 2014	On or before May 30, 2014
5.	Annual General Meeting for the year ending March 31, 2014	On or before September 30, 2014

(iii) Date of Book Closure:

The Register of Members and the Share Transfer books of the Company were closed from Wednesday, September 25, 2013 to Monday, September 30, 2013 (both days inclusive) for the purpose of 30th AGM held on September 30, 2013.

(iv) Dividend Payment Date:

In order to conserve resources for future growth of the Company, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2013.

(v) Listing on Stock Exchanges:

The Equity Shares of the Company are listed with National Stock Exchange of India Limited ("NSE") and The Calcutta Stock Exchange Limited ("CSE"). The Company has paid annual listing fees for the year 2013-2014 to the Stock Exchanges.

The Company has paid custodial fees for the year 2013-2014 to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") on the basis of number of beneficial accounts maintained by them as on March 31, 2013.

(vi) Stock Code/ ISIN Number:

- (a) NSE: Scrip Code - HORIZONINF
- (b) CSE: Scrip Code - 18039
- (c) Demat ISIN Number – for NSDL / CDSL: ISIN INE429F01012

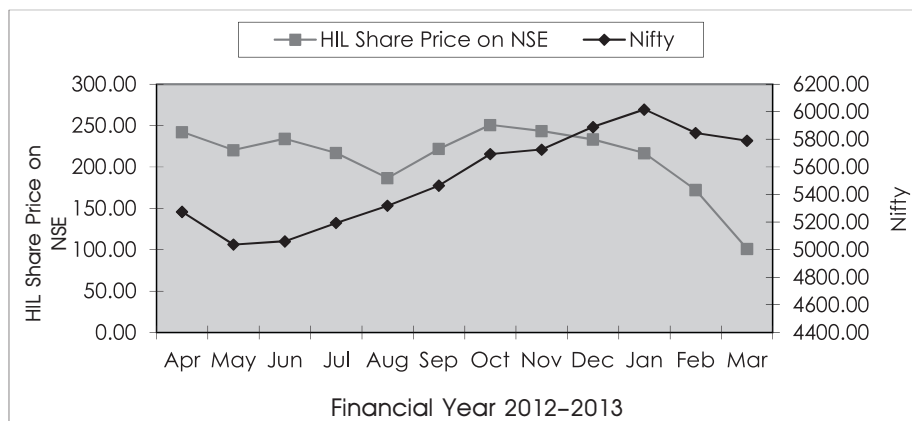
(vii) Stock Market price data relating to Equity Shares listed on NSE and CSE:

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

Month & Year	High (₹)	Low (₹)
April 2012	261.05	223.00
May 2012	247.05	193.60
June 2012	243.70	224.25
July 2012	232.00	201.35
August 2012	213.05	160.00
September 2012	244.25	199.25
October 2012	270.55	230.95
November 2012	258.10	228.35
December 2012	246.40	219.90
January 2013	223.20	209.90
February 2013	218.80	125.15
March 2013	112.65	89.65

During the financial year under review, there was no trading in the Equity Shares of the Company at CSE.

(viii) Stock Performance in comparison to Nifty:



(ix) Registrar & Share Transfer Agents:

Link Intime India Private Limited,
C - 13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400 078.
Ph. : +91-22-2596 3838
Fax : +91-22-2594 6969
E-mail: rnt.helpdesk@linkintime.co.in

(x) Share Transfer System:

The Company has appointed Link Intime India Private Limited as its Registrar & Share Transfer Agents. All share transfer and related operations are conducted by Link Intime India Private Limited.

(xi) (a) Distribution of Shareholding as on March 31, 2013:

No. of Shares	No. of Shareholders	% of Shareholders	Shares	% to Total
1 - 500	2090	86.79	132073	1.23
501 - 1000	120	4.98	97638	0.91
1001 - 2000	65	2.70	98400	0.92
2001 - 3000	25	1.04	64352	0.60
3001 - 4000	11	0.46	39566	0.37
4001 - 5000	16	0.66	75107	0.70
5001 - 10000	21	0.87	157368	1.47
10001 & above	60	2.49	10075496	93.81
Total	2408	100.00	10740000	100.00

(b) Shareholding Pattern (categories of shareholders) as on March 31, 2013:

Category	No. of Shares held	% of Total shareholding
Promoters	5623589	52.36
Bodies Corporate	3437627	32.01
NRI	5862	0.05
Others	1672922	15.58
Total	10740000	100.00

(xii) Dematerialization of Shares and Liquidity:

As on March 31, 2013, 10537819 equity shares i.e., 98.12% (approx) of the total equity shares of the Company are in electronic/dematerialization form with the Depositories i.e. NSDL and CDSL. The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Equity Shares of the Company are traded on NSE which ensures good liquidity for the investors.



(xiii) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:

Not applicable

(xiv) Plant location/ Location of Works:

During the financial year the Company has executed work contracts in various parts of Country particularly in the states of Maharashtra, Karnataka and Nagaland.

(xv) Address for Investor Correspondence:

For transfer/dematerialization of Shares, payment of dividend on shares, corporate actions or change of address or any query relating to the shares of the Company or any other query, the shareholders are requested to contact:

Registrar & Share Transfer Agents:

Link Intime India Private Limited

C – 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West),

Mumbai 400 078

Ph. : +91-22-2596 3838;

Fax : +91-22-2594 6969

E-mail: rnt.helpdesk@linkintime.co.in

10. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL 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 Personnel 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 is annexed to the Annual Report.

11. CEO AND CFO CERTIFICATION:

In accordance with requirement of Corporate Governance Clause 49(V) of the Listing Agreement, the Board of Directors of the Company have been furnished with the requisite certificate from the Whole-time Director and from Chief Financial Officer (CFO) of the Company, which is annexed to the Annual Report.

12. CERTIFICATE ON CORPORATE GOVERNANCE:

A Certificate dated August 14, 2013, was obtained from Mr. Virendra G. Bhatt, Practising Company Secretary, regarding compliance of the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement, for the year ended March 31, 2013 and the same was sent to the shareholders along with the 30th Annual Report of the Company for the year 2012-13. However, the 30th AGM held on September 30, 2013, was adjourned sine die for adoption of the merged financial after giving effect of the Scheme of Amalgamation and Arrangement between SKIL, HCWLL and FDLL with the Company. Accordingly, the Board of Directors of the Company at its Meeting held on November 26, 2013, approved the merged financials to lay before the adjourned AGM to be held on December 26, 2013. Thus, a fresh certificate on Corporate Governance dated November 26, 2013, received from Mr. Virendra G. Bhatt is being sent along with the Annual Report for convening the adjourned AGM.

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT

This is to affirm that the Board of Directors of Horizon Infrastructure Limited has adopted a Code of Conduct for its Board Members and Senior Management Personnel in compliance with the provisions of Clause 49 (1)(D) of the Listing Agreement with the Stock Exchanges and Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended March 31, 2013.

Place: Mumbai

Date: May 29, 2013

C. S. Sanghavi

Whole-time Director

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members of
Horizon Infrastructure Limited

We have examined the compliance of Corporate Governance by Horizon Infrastructure Limited for the year ended March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor expression of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations, made by the Directors and the Management, we are in opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

Place: Mumbai
Date: November 26, 2013

Virendra Bhatt
Practicing Company Secretary
A.C.S No: 1157, C.P No: 124

Note: A Certificate of Corporate Governance dated August 14, 2013, was issued regarding compliance of the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement, for the year ended March 31, 2013. However, the 30th AGM held on September 30, 2013, was adjourned sine die for the purpose of adopting the financials of the merged entity (i.e. after giving effect of the merger of SKIL Infrastructure Limited, Horizon Country Wide Logistics Limited and Fastlane Distriparks & Logistics Limited with the Company as per the Scheme of Amalgamation and Arrangement approved by the Hon'ble High Court of Judicature at Bombay vide order dated September 20, 2013) and thus, a revised certificate on Corporate Governance dated November 26, 2013, is being issued.

CERTIFICATE FROM THE WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS UNDER CLAUSE 49(V) OF THE LISTING AGREEMENT

We, Nikhil Gandhi, Whole-time Director and Sudipan Bhaduri, Chief Financial Officer of Horizon infrastructure Limited, to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements, along with the Cash flow statements of Horizon Infrastructure Limited for the year ended March 31, 2013 and to the best of our knowledge and belief that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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 under review which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee:
 - (i) There were no significant changes in internal control over financial reporting during the year;
 - (ii) There were no significant changes made in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee who have a significant role in the Company's internal control systems over financial reporting;

Place: Mumbai
Date: November 26, 2013

Sudipan Bhaduri
Chief Financial Officer

Nikhil Gandhi
Whole-time Director



MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMIC OVERVIEW

While India's recent slowdown is partly rooted in external causes, domestic causes are also important. The strong post-financial-crisis stimulus led to stronger growth in 2009-10 and 2010-11. However, the boost to consumption, coupled with supply-side constraints, led to higher inflation. Monetary policy was tightened, even as external headwinds to growth increased. The consequent slowdown facing Indian economy, especially in 2012-13, extended to 2013-14 with growth in Q1 falling to 17-quarter low. The growth slowdown was broad-based reflecting moderation in services and agriculture sector, and contraction in the industrial sector. Falling savings without a commensurate fall in aggregate investment have led to a widening current account deficit (CAD). Wholesale price index (WPI) inflation started coming down. However, food inflation, after a brief slowdown, continues to be higher than overall inflation. Given the higher weightage to food in consumer price indices (CPI), CPI inflation has remained close to double digits. Another consequence of the slowdown has been lower-than-targeted tax and non-tax revenues. The situation warranted urgent steps to reduce government spending so as to contain inflation. Also required were steps to facilitate corporate and infrastructure investment so as to ease supply. Several measures announced during the year were aimed at restoring the fiscal health and shrinking the CAD as also improving the growth rate. (Source: <http://indiabudget.nic.in> & RBI Macroeconomic Monetary Developments Second Quarter Review 2013-14)

OUTLOOK AND PROSPECTS

Global growth continues to be sluggish, as reflected in the downward revisions in projections by various international agencies. Notwithstanding a distinct improvement in growth in advanced economies, as also some key emerging market and developing economies, new risk to global recovery have arisen from fiscal discord in the US and uncertainties arising from expectations related to withdrawal from unconventional monetary easing by advanced economies. The global inflation remains benign with slackness in labor markets, expected stable commodity price on the back of improved capacities and receding geo-political risks. However, financial markets could be disrupted again when extraordinary monetary accommodation in the advanced economies is withdrawn. (Source: RBI Macroeconomic Monetary Developments Second Quarter Review 2013-14)

Aggregate demand of the economy remained weak. Private consumption decelerated, while fixed investment contracted. There has been sharp fall in fresh investment proposals from private corporate sector. The trajectory of softening WPI inflation reversed in Q2 of 2013-14 mainly due to an increase in food and fuel inflation. Vegetable prices increased sharply, impacting food inflation, while exchange rate depreciation and rise in crude oil prices led to a rebound in fuel inflation. However, manufactured non-food inflation remained subdued. Modest improvement in growth is likely in H2 of 2013-14 on the back of a good monsoon and consequent encouraging crop prospects. This is expected to shore up rural demand. There has been some improvement in industrial growth. The recent uptick in exports, if sustained, could provide added momentum.

Over the last few months, exceptional measures were put in place by the Reserve Bank of India to maintain liquidity conditions such that the volatility in the forex market is contained. The Government has also, adopted a number of measures to stabilize the economy by containing fiscal and current account deficit. It has also taken measures to improve industry and investment sentiments while promising to address other bottlenecks. These stability measures are very likely to ensure that economic growth will steadily return. We thus expect 2013-2014, to be a year of economic stability, while growth at higher trajectory may return only in 2014-2015.

RISKS AND CONCERNS

Your Company has established a standard and strong risk management structure in the company. Under this structure, on continual basis, the risks are identified across all business processes of the organization. Your Company endeavors to mitigate the risks by an in-depth SWOT analysis. This is being achieved by evaluating the progress of the projects being undertaken on a regular basis.

- **Liquidity Risk:** The Company is into a highly capital intensive industry segment. Non availability of funds or increased cost of funding will result in pressurized margins. The Company requires a substantial amount of long term/short term funds to meet its requirement for various Infrastructure/Construction projects. To manage this, the Company proactively manages the debt levels from banks to provide adequate liquidity for its operations.
- **Government Policy Risk:** There could be unfavorable regulatory measures in government policies towards the infrastructure industry and may impact the long term planning of the Company. However, your Company has a robust order book and is confident of maintaining the present level of operations.
- **Competition Risk:** To mitigate this, your Company ensures that it is constantly moving up the value chain by taking up contracts of larger ticket size, thus ensuring that it is operating amidst fewer players.

EMERGING BUSINESS OPPORTUNITIES

Tourism Sector:

Tourism has played an important role in the development of the Indian economy. It is a service-oriented sector which not only generates foreign exchange earnings for the government, but creates substantial job opportunities and income for millions of Indians. The Indian tourism industry involves a plethora of service providers in both organized and un-organized sectors which include travel agents, tour operators, guides, hotels, guest houses, inns, restaurants and other allied services. Fiscal year 2013 was profitable for the Indian Tourism industry owing to the increasing numbers of tourist arrivals and receipts. However, the depreciation of the Indian

Rupee during the year affected the foreign exchange earnings in dollar terms. A challenging global economic environment and a high-base growth in the previous year slowed down growth in FY2013. Domestic tourism continued its growth trend recording a double digit growth in spending. With the rising per capita income of Indians, outbound tourism has also witnessed a period of rapid growth in the last Five Years. India's growing young population and rising per capita consumption, coupled with the improvement in infrastructure and facilities bode well for the tourism sector. (Source:<http://www.emergingmarketsdirect.com/asia/india/india-tourism-industry>).

In tandem with above, your company is pursuing opportunities for creating high-end health and wellness tourism facilities in the States of Himachal Pradesh and Maharashtra, in the country.

EPC Contracts:

Engineering, Procurement and Construction (EPC) contracts are omnipresent in India today. The Government's role in infrastructure creation is inevitable. Over the years, liberalization of regulations and the planned strategy of the Government to promote infrastructure development have spelt opportunities for EPC companies. Realizing that planned infrastructure creation cannot succeed without the participation of the private sector, the Government has created a policy framework that is conducive to private investments and offers attractive opportunities for PPPs. As part of its policy reforms, the Government has been continuously attempting to simplify the approval process, easing out credit generation for the infrastructure sector and setting up agencies to expedite growth through a planned release of projects.

Your Company has ventured into EPC contracting as the future is expected to be bright and challenging. Challenges are inevitable in the current EPC market scenario, but the approach of management to such challenges will be the key to continued success. Your Company is fully aware of these and has steadfastly geared itself to meet and overcome such challenges.

Logistics Sector:

The logistic sector today has become an area of priority. One prime reason, stems from the reason that years of high growth in Indian Economy have resulted in a significant rise in the volume of freight traffic. This large volume of traffic has provided for growth opportunities in all facets of logistics including transportation, warehousing, freight forwarding, express cargo delivery, container services, shipping services etc. The growth path has also meant that increase demand is being placed on the sector to provide the solutions required for supporting future growth. Various estimates put the market size of the logistics sector to be between USD 90-125 billion. Given that the Indian economy has grown to over USD 1.73 trillion, these estimates be well below the actual size of the industry. Sources also estimate that the industry employs over 45 million people and is growing at the rate of 15% with sub-sector growing at even 30-40% per annum. Due to current growth and its future growth potential the Indian logistics sector is viewed as one of the most attractive in the world. (Source: Deloitte presentation: Logistic sector and way forward)

COMPANY'S OVERVIEW

Your Company is striving to secure high value contracts so as to increase the focus and improve on the operating margins. The Company is also making efforts to win new projects with in-built clause for price escalation so as to protect the margins and mitigate the impact of inflation. The strong order book position coupled with thrust given by the government for infrastructure sector augurs well for the Company. Your Company has successfully maintained its operating efficiencies and has constantly improved its financial performance.

To strengthen the company and to exploit the Group's rich exposure and its pioneering role in developing large infrastructure projects in the country, to combine the synergies of different but related companies, a move for consolidation had been initiated. The company is happy to announce that, three companies viz. SKIL Infrastructure Ltd, Fastlane Distriparks and Logistics Ltd and Horizon Country Wide Logistics Limited stand merged with our company, with the approval of Honorable High Court vide Order dated the 20th September 2013. Merger has no doubt improved the balance sheet /size of the company and its ability to scale up the activity levels in the Logistics Sector, Tourism, Industrial Parks, as well as Knowledge/Education Sectors

DISCUSSIONS ON RESULTS OF OPERATIONS

It may be observed that, 2011-12 financials are the stand alone financial results of the company, whereas the results of the financial year 2012-13 are the merged financials of Four companies and are therefore not comparable.

Horizon Infrastructure Ltd is into Engineering, Procurement and Construction (EPC) business. Three companies, which were merged have different activities but have synergies to enable the various activities to be brought under a single umbrella

Fastlane Distriparks & Logistics Limited was hitherto developing a State of the Art Container Freight Stations(CFS) in an area of 73.15 acres near Jawahar Nehru Port. Navi Mumbai. First phase of construction is in progress.

Horizon Country Wide Logistics Limited on the strength and experience accumulated over the last two decades, by the promoter company, had embarked upon an ambitious, Pan-India and Multi segment Operations in the logistic field. HCWLL had plans to be a pioneer in the infrastructure development facilities across the country starting integrated logistic hub at various locations in India and creating a pan-India network of CFS and Inland Clearance Depots etc. including Free Trade Warehousing Zone.

SKIL Infrastructure Limited, which has been a holding company, has been conducting business through its subsidiaries and affiliates. The finance cost in the companies on account of borrowings, can be taken as the sole reason for the losses during the year 2012-13.



CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company remains steadfast in its objective of pursuing holistic growth with responsibility towards the people and the environment. All efforts are made to ensure that the business values and operations meet the expectations of shareholders, customers, employees, suppliers and the communities living around.

HUMAN RESOURCES

Human resources management is an important function in your Company. Your Company's aim is to create a working environment that attracts and retains the best people, enhances their flexibility, capability and motivation and encourages them to be involved in the growth of the Company. Industrial relations during the year continued to be cordial and peaceful.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate 'Internal Audit System' that promotes reliable financial reporting, safeguards assets, propagates ethical conduct and encourages adherence to fair management policies. The strong Internal Control Systems have been designed in a way that they not only prevent fraud and misuse of the Company's resources but also protect shareholders' interest. The Audit Committee of the Board of Directors, on regular intervals and in co-ordination with Internal and Statutory Auditors, review the adequacy of Internal Control Systems within the Company. The internal audit focuses on compliance as well as on robustness of various business processes. A feedback on non-conformities along with recommendation for process improvements is directly provided to the top management of the Company. Compliance on audit findings and tracking of process improvements is regularly carried out.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report contains forward looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the government policies, etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially vary from those expressed or implied in the report.

INDEPENDENT AUDITOR'S REPORT

To the Members of Horizon Infrastructure Limited

Report on the Merged Financial Statements

We have audited the accompanying merged financial statements of **Horizon Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 accounting principles generally accepted in India:

- (a) in the case of the Merged Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Merged Statement of Profit and Loss, of the Loss of the Company for the year ended on that date, and
- (c) in the case of the Merged Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have 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 Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2013 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

FOR BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 101249W

BHARAT A. SHAH

Proprietor

Membership No.32281

Place : Mumbai

Date : November 26, 2013



ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 1 of Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of Section 227 (4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we further report that:-

- i. In respect of its fixed assets:
 - a. According to the information & explanation given to us, the fixed assets register of the company showing full particulars including quantitative details and situation of fixed assets, is in the process of updation.
 - b. As explained to us, during the year, the Company has physically verified all the fixed assets. The reconciliation of assets so verified with the book records was in process as at the balance sheet date and the differences, if any, will be dealt with on the completion of such exercise.
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii. In respect of inventories:
 - a. The inventories have been physically verified during the period by the Management. In our opinion, the frequency of verification is reasonable.
 - b. The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt within the books of accounts.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956:
 - a. The Company has given loans to twelve companies covered under section 301. In respect of the said loans the maximum amount outstanding at any time during the year is ₹ 32895.48 Lacs and year end balance is ₹ 27875.38 Lacs
 - b. In our opinion and according to the information and explanation given to us, the rate of interest, wherever applicable and other terms and conditions, are not prima facie prejudicial to the interest of the Company.
 - c. The principal amounts, are repayable on demand and there is no repayment schedule.
 - d. In respect of said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise.
 - e. The Company has taken loans from four parties covered under section 301. In respect of which maximum amount outstanding any time during the year is ₹ 57374.15 Lacs and the year-end balance is ₹ 6031.47.Lacs
 - f. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - g. As per the information and explanations given to us, the above interest free loans are repayable on demand and therefore the question of overdue amount of principle and interest does not arise.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of investments and fixed assets and also for the sale of investments and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transaction in pursuance of contract or agreement, entered in the register maintained under section 301 of the Companies Act, 1956 & exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time, where such market prices are available.
- vi. According to information and explanations given to us, the Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable for the year under audit.
- vii. In our opinion the Company has an internal audit system commensurate with the size and nature of the business of the company.
- viii. The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of the services provided by the Company. Therefore, the provisions of clause (viii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, are not applicable.

ix. According to the information and explanations given to us in respect of statutory dues:

- The company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Cess and any other statutory dues with the appropriate authorities during the year except in certain cases. As informed to us, Custom duty, excise duty and Investor Education and Protection Fund are not applicable to the company at present.
- According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at March 31, 2013, for a period of more than six months from the date they became payable except Income Tax TDS of ₹ 1309.77 Lacs.
- The disputed statutory dues aggregating to ₹ 1143.59 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the Dues	Year	Amount (₹ in Lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Assessment Year 2008-09	247.38	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	Assessment Year 2009-10	306.72	CIT (Appeal) Mumbai
Income Tax Act, 1961	Income Tax	Assessment Year 2008-09	15.07	CIT (Appeal) Mumbai
Income Tax Act, 1961	Income Tax Asst. Dues	Assessment Year 2010-11	401.93	CIT (Appeal) Mumbai
Income Tax Act, 1961	Income Tax Asst. Dues	Assessment Year 2010-11	172.49	CIT (Appeal) Mumbai
Total			1143.59	

- The Company has accumulated losses as on March 31, 2013, which is less than fifty percent of its net worth and has incurred cash losses during the financial year.
- As per the information and explanation given to us by the Management and considering the extension letters received from the lenders we are of the opinion that as on March 31, 2013, the Company has not defaulted in repayment of dues to banks, financial institutions and debenture/ bond holders except for amount payable to Bank of aggregating ₹ 1035.28 Lacs which has since been paid & Amount payable to Financial Institution aggregating of ₹ 11961.03 Lacs of which ₹ 87.67 Lacs has since been paid.
- In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003, is not applicable to the Company.
- The Company has maintained proper records of transactions and contracts in respect of trading in shares and mutual funds and timely entries have been made therein. The investments are held by the Company in its own name.
- The Company has given Corporate Guarantees aggregating to ₹ 889437.39 Lacs for loans taken by its Subsidiary, Associates and other parties from Banks and Financial Institutions as at March 31, 2013. The Management is of the opinion that the terms and conditions thereof are not prejudicial to the interest of the Company. We are, however, unable to comment on the same.
- To the best of our knowledge and belief and according to information and explanations given to us, the term loans raised have prima facie been applied for the purposes for which they were raised.
- On the basis of review of utilization of funds, which is based on overall examination of the Balance Sheet of the Company as at March 31, 2013, related information as made available to us and as represented to us by the management we are of the opinion, that funds raised on short term basis aggregating to ₹ 12852.75 Lacs have been utilized for long term investment purposes.
- The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- During the year the Company have issued unsecured debentures/ bonds and hence question of creating security does not arise.
- During the year covered by our report the Company has not raised any money by public issue.
- To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

FOR BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 101249W

BHARAT A. SHAH

Proprietor

Membership No.32281

Place : Mumbai

Date : November 26, 2013



MERGED BALANCE SHEET AS AT MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	As At March 31, 2013	As At March 31, 2012
I. EQUITY AND LIABILITIES			
SHAREHOLDERS FUND			
Share Capital	2	21,657.12	1,074.00
Reserves and Surplus	3	<u>361,708.35</u>	<u>2,107.04</u>
		383,365.47	3,181.04
NON CURRENT LIABILITIES			
Long-Term Borrowings	4	184,401.68	4,028.52
Other Non Current Liabilities	5	1,953.29	-
Long-Term Provisions	6	<u>34.53</u>	<u>-</u>
		186,389.50	4,028.52
CURRENT LIABILITIES			
Short-Term Borrowings	7	25,480.43	4,990.13
Trade Payables	8	39,121.95	19,883.51
Other Current Liabilities	9	32,281.51	14,993.90
Short-Term Provisions	10	<u>156.86</u>	<u>124.82</u>
		97,040.75	39,992.36
Total		<u><u>666,795.72</u></u>	<u><u>47,201.92</u></u>
II. ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11	22,777.99	73.30
Intangible Assets		3.72	-
Capital Work in Progress		<u>11,053.32</u>	<u>1,470.94</u>
		33,835.03	1,544.24
Non-Current Investments	12	515,666.15	2,120.85
Long-Term Loans and Advances	13	27,916.26	11,500.00
Other Non current assets	14	43.00	52.00
Deferred Tax Assets	15	<u>-</u>	<u>11.24</u>
		577,460.44	15,228.33
CURRENT ASSETS			
Current Investments	16	3,649.16	-
Trade Receivables	17	42,269.10	23,312.25
Cash and Bank Balances	18	2,365.55	19.63
Short-Term Loans and Advances	19	41,050.88	8,641.71
Other Current Assets	20	<u>0.59</u>	<u>-</u>
		89,335.28	31,973.59
Total		<u><u>666,795.72</u></u>	<u><u>47,201.92</u></u>
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 39		

AS PER OUR REPORT OF EVEN DATE

For BHARAT SHAH & ASSOCIATES

Chartered Accountants

Firm Registration No. 101249W

BHARAT A. SHAH

Proprietor

Membership No. 32281

Date : November 26, 2013

Place : Mumbai

SUDIPAN BHADURI

Chief Financial Officer

NILESH MEHTA

Company Secretary

NIKHIL P. GANDHI

Chairman and Whole-time Director

J. ALEXANDER

Director

MERGED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

				(₹ in Lacs)
Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012	
Revenue				
Revenue from Operations	21	46,888.43	32,002.97	
Other Income	22	171.47	1,403.79	
Total		47,059.90	33,406.76	
Expenses				
Cost of Operations	23	43,798.47	30,541.62	
Employee Benefits Expenses	24	1,540.01	146.26	
Finance Costs	25	21,023.01	1,464.43	
Depreciation and Amortisation Expenses	11	104.85	25.26	
Other Expenses	26	834.48	204.36	
Total		67,300.82	32,381.94	
Loss before Tax		(20,240.92)	1,024.82	
Tax Expenses:				
Current Tax		-	355.13	
Deferred Tax		-	(1.09)	
			354.04	
Loss for the Year		(20,240.92)	670.78	
Earnings Per Share of ₹ 10 each	27			
- Basic and Diluted (₹)		(188.46)	6.25	
Significant Accounting Policies	1			
Notes to Financial Statements	2 to 39			

AS PER OUR REPORT OF EVEN DATE**For BHARAT SHAH & ASSOCIATES**

Chartered Accountants

Firm Registration No. 101249W

BHARAT A. SHAH**Proprietor**

Membership No. 32281

Date : November 26, 2013**Place :** Mumbai**SUDIPAN BHADURI****Chief Financial Officer****NILESH MEHTA****Company Secretary****NIKHIL P. GANDHI****Chairman and Whole-time Director****J. ALEXANDER****Director**



CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON MARCH 31, 2013

Particulars	For the year ended March 31, 2013	(₹ in Lacs) For the year ended March 31, 2012
A Cash Flow From Operating Activities		
Net Profit / (Loss) before tax as per Profit & Loss Account	(20,240.93)	1,024.82
Adjusted for:		
Depreciation	104.85	25.26
Interest Income	(36.56)	(1,403.79)
Dividend Income	(124.69)	-
Interest & Financial Charges	21,023.01	1,464.44
Miscellaneous Expenditure Written Off	9.00	9.00
Miscellaneous Income	-	-
Sundry balances written back (Net)	(0.40)	-
Operating profit before working capital changes	734.28	1,119.73
Adjusted for:		
Trade & Other Receivables	(25,785.37)	(5,981.49)
Trade Payables, Creditors & Provisions	17,343.90	20,832.75
Cash Generated From Operations	(7,707.19)	15,970.99
Direct Tax Paid	(971.09)	(561.70)
Net Cash used in Operating Activities	(8,678.28)	15,409.29
B Cash Flow From Investing Activities		
Proceed of Deposits matured	1,212.02	-
Fixed Deposits placed with Banks	(1,212.02)	(184.75)
Purchase of fixed assets & Capital Work-in-Progress	(5,371.56)	(187.10)
Sale of fixed assets	0.10	-
Purchase of Investments	(3,667.31)	-
Advances towards share application money (Net of Refund Received)	(7,847.77)	-
Dividend Income	124.37	-
Interest Income	36.56	1,403.79
Net Cash Flow used in Investing Activities	(16,725.61)	1,031.94
C Cash Flow From Financing Activities		
Dividend Paid	(106.95)	(160.11)
Tax on Dividend Paid	(17.42)	(26.76)
Proceeds from issue of Bonds	69,700.00	-
Repayment of Long Term Borrowing (Net)	(16,579.34)	(15,033.49)
Short Term Borrowings (Net)	(1,271.82)	-
Interest & Financial Charges	(24,099.24)	(1,464.43)
Net Cash flow from Financing Activities	27,625.23	(16,684.79)
Net increase/ (decrease) in cash & cash equivalents	2,221.34	(243.56)
Cash & Cash equivalents (Opening)	144.21	263.19
Cash & Cash equivalents (Closing)	2,365.55	19.63

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".
- (ii) Figures in brackets indicate outflows.

AS PER OUR REPORT OF EVEN DATE
For BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Registration No. 101249W

BHARAT A. SHAH
Proprietor
Membership No. 32281

SUDIPAN BHADURI
Chief Financial Officer

Date : November 26, 2013
Place : Mumbai

NILESH MEHTA
Company Secretary

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

NIKHIL P. GANDHI
Chairman and Whole-time Director

J. ALEXANDER
Director

NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements are prepared as a going concern under historical cost convention on an accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles ("GAAP") and in compliance with the Accounting Standards referred in Section 211 (3C) and other Requirements of the Companies Act, 1956.

1.2 USE OF ESTIMATES:

The preparation of financial statements in conformity with GAAP requires that the Management of the Company makes estimates & assumptions that affect the reported amounts of income & expenses of the period, the reported balances of assets & liabilities & the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from estimates.

1.3 FIXED ASSETS:

Fixed Assets are stated at cost of acquisition including expenses incidental to their acquisition less accumulated depreciation & impairment.

1.4 DEPRECIATION:

Depreciation on Fixed Assets is provided on the Written Down Value Method, at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.5 INVESTMENTS:

Current investments are carried at the lower of cost & quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the Management.

1.6 BORROWING COST:

Borrowing Cost that are directly attributable to the acquisition or construction of qualifying assets (net of income earned on temporary deployment of funds) are capitalised as part of the cost of such assets. 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 revenue.

1.7 REVENUE RECOGNITION:

- i. Revenues are recognised when it is earned and no significant uncertainty exists as to its ultimate collection and includes, service tax, wherever applicable.
- ii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established.

1.8 INVENTORIES:

Inventories are measured at cost. Cost is determined on weighted average basis.

1.9 EMPLOYEE BENEFITS:

- i. Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit & Loss Account of the year in which relative service is rendered.
- ii. Post employment and other long term employee benefits are recognized as an expense in the Profit & Loss Account for the year in which the employee has rendered services. The expenses are recognized at the present value of the amount payable determined using the actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefit are charged to Profit & Loss Account.

1.10 IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.11 FOREIGN CURRENCY TRANSACTIONS:

- i. 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 restated at year end rates.
- 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 translation is recognised in the Profit & Loss Account

1.12 DERIVATIVE INSTRUMENTS:

Derivative financial instruments are initially recorded at their fair value on the date of the derivative transaction and are re-measured at their fair value at subsequent balance sheet dates. Changes in the fair value of derivatives are recorded in the Profit & Loss Account.



NOTES TO MERGED FINANCIAL STATEMENTS

1.13 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.14 PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

1.15 PRELIMINARY AND ISSUE EXPENSES:

Preliminary and Expenses related to issue of equity and equity related instruments are adjusted against Securities Premium Account.

1.16 INTANGIBLE ASSETS:

Intangible assets are stated at cost of acquisition less accumulated Amortization. Software, which is not integral part of the related hardware, is classified as an intangible asset and is amortized over the useful life of three years. Amortization is done on straight line method.

1.17 LEASES:

Where the Company is lessee:

Leases where the lesser effectively retains substantially all the risk and benefits of ownership of the leased item, are classified as operating leases. Operating Lease payments are recognized as an expenses in the statement of Profit & Loss Account on a straight basis over the lease term.

1.18 EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTE - 2

SHARE CAPITAL

Particulars

	(₹ in Lacs)	
	As At March 31, 2013	As At March 31, 2012
Authorised		
910,000,000 Equity Shares of ₹ 10/- each (Previous Year 75,000,000)	91,000.00	7,500.00
Total	91,000.00	7,500.00
Issued, Subscribed & Paid-up		
10,740,000 Equity Shares of ₹10 each fully paid-up (Previous Year 10,740,000)	1,074.00	1,074.00
Suspense Share Capital - SKIL	17,435.88	-
Suspense Share Capital - HCWLL	2,006.03	-
Suspense Share Capital - FDLL	1,141.22	-
Total	21,657.12	1,074.00

NOTES TO MERGED FINANCIAL STATEMENTS

2.1 Reconciliation of number of Equity shares outstanding at the beginning and at the end of the year

	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
No. of shares at the beginning of the year	10,740,000	107,400,000	10,740,000	107,400,000
Add: Shares issued during the year				
- On Preferential basis	-	-	-	-
No. of shares at the end of the year	<u>10,740,000</u>	<u>107,400,000</u>	<u>10,740,000</u>	<u>107,400,000</u>

2.2 Details of Shareholders, holding more than 5% of Paid up Equity Share Capital of the Company

Name of Shareholders	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rupali B. Gandhi	1,208,000	11.25%	1,208,000	11.25%
Nikhil P. Gandhi	1,175,000	10.94%	1,175,000	10.94%
Bhavesh P. Gandhi	1,175,000	10.94%	1,175,000	10.94%
Neha N. Gandhi	1,168,665	10.88%	1,168,665	10.88%
Krosslink Infrastructure Limited	1,274,834	11.87%	1,274,834	11.87%

2.3 Right to Equity Shareholders :

The Company has only one class of Equity Share having par value of ₹ 10 per share. Each Equity shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the Equity shareholders 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 share held by the shareholders.

NOTE - 3

RESERVES AND SURPLUS

Particulars

	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Securities Premium		
Balance as per last Balance Sheet	35,983.17	-
Add : On issue of Equity Shares	-	-
Less: Share issue Expenses	-	-
Less: Redemption Premium on Redeemable Non Convertible Bonds	<u>(1,050.00)</u>	<u>-</u>
	34,933.17	-
Capital Reserve		
Balance as per last Balance Sheet	347,052.01	115.00
Addition: Due to Scheme of merger	-	-
Less: Losses transferred from Surplus account as per scheme of Merger	<u>(20,276.83)</u>	<u>-</u>
	326,775.18	115.00
Surplus		
Balance as per last Balance Sheet	-	1,446.13
Prior period Items	-	(0.05)
Profit/(Loss) during the year	<u>(20,240.92)</u>	<u>670.78</u>
Amount available for appropriation	(20,240.92)	2,116.86
Less: Appropriations		
Deffered Tax Assets reversed	(11.24)	-
Short Income Tax Provision	(24.66)	-
Final Dividend	-	(107.40)
Dividend Tax	<u>-</u>	<u>(17.42)</u>
	(20,276.83)	1,992.04
Less : Transfer to Capital Reserve as per scheme of Merger	<u>(20,276.83)</u>	<u>-</u>
	-	1,992.04
Total	<u><u>361,708.35</u></u>	<u><u>2,107.04</u></u>



NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 4

LONG TERM BORROWINGS

Particulars	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
SECURED		
Term Loan from Bank	56,956.48	4,000.00
Term Loan from a Financial Institution	23,000.00	-
Vehicle Loans	<u>45.20</u>	<u>28.52</u>
	80,001.68	4,028.52
UNSECURED		
175 Nos. (previous year 175 Nos.) 3% Redeemable Non Convertible Bonds of ₹ 1,00,00,000 Each	17,500.00	-
829 Nos. (previous year NIL) 0% Redeemable Non Convertible Bonds of ₹ 1,00,00,000 Each	82,900.00	-
Inter Corporate Deposits		
- Related Parties	<u>4,000.00</u>	-
	104,400.00	-
Total	<u>184,401.68</u>	<u>4,028.52</u>

4.1 Term loan from Bank / Financial Institution and Inter Corporate Deposits referred to above and ₹ 14,345.24 lacs included in current maturities of long term debt in Note No.9 are secured as under:

- i) ₹ 11,000.00 lacs from a Bank is secured by way of pledge of investments of the company as mentioned in Note No.12.1 and by way of Equitable mortgage of land owned by other Body Corporates.
- ii) Term loan of ₹ 8,790.02 lacs from Bank is secured by :
 - Exclusive pari passu charge on the entire moveable and immovable assets, current assets of the company both present & future.
 - Exclusive charge on immovable property of other body corporate.
 - First pari-passu charge on immovable property of subsidiary company.
 - Corporate Guarantee given by subsidiary and other body corporate
 - Personal guarantee given by a Director"
- iii) Term loan of ₹ 13,264.46 lacs from a Banks are secured by :
 - First pari-passu charge on the entire present & future project moveable and immovable assets and all right, title & interest of the FDLL related to CFS Project of the company.
 - Second charge on present & future current assets of the Company.
 - First pari-passu charge on immovable property of other body corporates, and further secured by personal guarantee given by a Director.
- iv) Term loan of ₹ 5,234.00 lacs from Bank is secured by :
 - First mortgage and charge on all immoveable and moveable properties of the HIL, both present and future.
 - Exclusive charge on immovable property of Subsidiary.
 - Personal guarantee given by a Two Directors of the Company.
- v) Term loan of ₹ 20,000.00 lacs from a Bank is secured by way of Equitable mortgage of land owned by other body corporate and also by corporate guarantee given by the same Company.
- vi) ₹ 23,000.00 lacs from a Financial Institution is secured by way of pledge of investments of the company as mentioned in Note No.12.1 and of investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.) in certain equity shares.
- vii) Term loan of ₹ 13,013.25 lacs is secured by way of- pledge of Investments of the company as mentioned in Note no.12.1 and investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.) in certain equity shares and further secured by way of hypothecation of entire fixed assets of the company & equitable mortgage of land owned by other Body Corporate.

NOTES TO MERGED FINANCIAL STATEMENTS

- 4.2** Term Loans from a Bank, a Financial Institution and Inter Corporate Deposits referred to above and ₹ 14,345.25 lacs included in current maturities of long term debts in Note No.9 are guaranteed by one of the Directors of the company in his personal capacity, carry interest rates ranging from 13.00% to 17.50%. and are to be repaid as under :

Year	Amount in Lacs
2013-14	14,345.25
2014-15	29,332.00
2015-16	22,642.29
2016-17	8,858.57
2017-18	4,810.57
2018-19	5,000.57
2019-20	5,000.57
2020-21	3,379.03
2021-22	932.87

- 4.3** Vehicles Loans referred to above and ₹ 41.18 lacs included in current maturities of long term debts in Note No.9 are secured by way of the hypothecation of the specific vehicles financed. The loans are repayable in 36 to 60 monthly installments (Including interest) as per repayment schedule.
- 4.4** During the year company has issued 829 Nos. 0% Redeemable Non Convertible Bonds (RNCB) having face value of ₹ 1,00,00,000/- each redeemable at a cumulative premium of 45% after 5 years from the date of allotment i.e.132 (RNCB) 29.05.2012. and 697 (RNCB) 31.03.2013.
- 4.5** As on March 31, 2013, the company has overdue interest amounting to ₹ 1,086.19 lacs on the above loans.
- 4.6** Maturity period of term loan from a bank of ₹ 20,000 lacs due for payment during 2013-14 has been extended for further period of 2 years.

NOTE - 5

OTHER NON CURRENT LIABILITIES

Particulars

	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Redemption Premium Payable on Redeemable Non Convertible Bonds	1,953.29	-
	1,953.29	-

NOTE - 6

LONG-TERM PROVISIONS

Provision for Gratuity

	34.53	-
	34.53	-

NOTE - 7

SHORT TERM BORROWINGS

SECURED

-From Bank	1,344.05	990.13
Term Loan:		
-From Financial Institution	11,250.00	-
Inter Corporate Deposits	10,840.75	-
	23,434.80	990.13

UNSECURED

Inter Corporate Deposits		
- Related Parties (Refer Note No.32)	487.75	4,000.00
- Others	1,557.87	-
	2,045.63	4,000.00
Total	25,480.43	4,990.13



NOTES TO MERGED FINANCIAL STATEMENTS

- 7.1 The above Secured Loan from Bank is secured by first charge on all present & future immoveable and moveable properties of the company and Secured Term Loans from a Financial Institution and Inter Corporate Deposits are secured by way of pledge of investments of the company as mentioned in the Note No.12.1 and of investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd) in certain equity shares. Further all the secured loans are guaranteed by one of the directors in his personal capacity. The said loans carry interest rates ranging from 14.50% to 20%.
- 7.2 As on March 31, 2013, the company has overdue of ₹ 11,250.00 Lacs and ₹ 698.46 Lacs towards principal and interest amount respectively.

NOTE - 8

TRADE PAYABLES

Particulars	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Due to Micro, Small and Medium Enterprises	-	-
Due to Others	39,121.95	19,883.51
	39,121.95	19,883.51
	<u>39,121.95</u>	<u>19,883.51</u>

- 8.1 The details of amounts outstanding to Micro, Small and Medium Enterprises under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Sr. No.	Particulars	Amount in ₹ March 31, 2013	Amount in ₹ March 31, 2012
(i)	Principal amount remaining unpaid	Nil	Nil
(ii)	Interest due thereon	Nil	Nil
(iii)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(iv)	Interest due and payable for the year of delay in payment	Nil	Nil
(v)	Interest accrued and remaining unpaid	Nil	Nil
(vi)	Interest remaining due and payable even in succeeding years	Nil	Nil

NOTE - 9

OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debts	14,386.43	-
Advance Received	2,461.58	2,945.96
Interest Accrued & Due on loans	2,023.04	-
Interest Accrued but not due on loans	674.05	-
Other Payables		11,500.00
Salary Payable	-	71.62
-Statutory Dues	2,599.67	-
-Others	10,133.87	-
	12,733.54	473.89
Unpaid Dividend	2.87	2.42
Total	<u>32,281.51</u>	<u>14,993.90</u>

NOTE - 10

SHORT TERM PROVISIONS

Provision for Gratuity	22.61	-
Provision for Income Tax	133.33	-
Provision for Wealth Tax	0.91	-
Proposed Dividend	-	107.40
Provision for Dividend Distribution Tax	-	17.42
Total	<u>156.86</u>	<u>124.82</u>

NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 11

FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
	As at	Additions	Deductions /	As at	Up To	For the	Deductions /	As at	As at
	01.04.2012		Adjustments	31.03.2013	31.03.2012	Period	Adjustments	31.03.2013	31.03.2012
Tangible Assets									
Leasehold Land	534.29	-	-	534.29	21.59	5.40	-	507.31	512.70
Freehold Land	21,945.00	-	-	21,945.00	-	-	-	21,945.00	21,945.00
Furniture & Fixtures	72.91	-	-	72.91	51.36	3.90	-	17.65	21.55
Office Equipments	174.07	3.69	0.10	177.66	111.25	14.22	-	52.19	62.82
Vehicles	1,220.18	18.43	-	1,238.60	897.53	85.23	-	255.85	322.65
Total	23,946.44	22.12	0.10	23,968.46	1,081.72	108.75	-	22,777.99	22,864.72
Intangible Assets									
Computer Softwares*	6.84	-	-	6.84	1.26	1.86	-	3.72	5.58
Total	6.84	-	-	6.84	1.26	1.86	-	3.72	5.58
Grand Total	23,953.29	22.12	0.10	23,975.30	1,082.98	# 110.61	-	22,781.71	22,870.31
Previous Year	23,934.12	37.91	18.74	23,953.29	957.49	141.57	16.08	22,870.31	-

* Other than internally generated

Out of the Depreciation of ₹ 110.61 lacs an Amount of ₹ 5.76 lacs is transferred to Capital Work in Progress & Balance of ₹ 104.85 lacs has been charged to Profit & Loss Account.



NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 12

NON CURRENT INVESTMENTS

Particulars

	Number of shares		As At	
	March 31,2013	March 31,2012	March 31, 2013	March 31, 2012
				(₹ in Lacs)
				As At
Long Term Investment (Trade)				
In Equity shares of Subsidiary Companies				
Unquoted - Fully Paidup				
SKIL - Himachal Infrastructure & Tourism Limited of ₹ 10 Each.	50,000,000	-	6,715.86	-
SKIL Shipyard Holdings Private Limited of ₹ 10 Each	50,000	-	12,015.41	-
SKIL Karnataka SEZ Limited of ₹ 10 Each	50,000	-	5.00	-
SKIL Singapore Pte Limited of Singapore \$ 1 Each	163,322	-	50.25	-
SKIL Advanced Systems Private Limited of ₹ 10 Each	50,000	-	5.00	-
Energy India Corporation Ltd. of ₹ 10 Each	4,002,300	-	400.23	-
Gujarat Positra Port Company Limited of ₹ 10 Each	70,333,314	-	38,426.48	-
Metrotech Technology Park Pvt Ltd of ₹ 10 Each	100,000	100,000	65.70	65.70
Varahi Infrastructure Pvt Ltd of ₹ 10 Each	10,000	10,000	1.00	1.00
Mahakaleshwar Knowledge Infrastructure Pvt Ltd of ₹ 10 Each	2,502,783	2,502,783	250.28	250.28
Chiplun FTWZ Private Limited.of ₹ 10/- each	46,799,940	-	27,484.63	-
Unquoted - Partly Paidup				
SKIL Strategic Deterrence Systems Pvt.Ltd. of ₹ 10 Each, ₹ 2 paidup	50,000	-	1.00	-
Total (A)			85,420.84	316.98
In Equity Shares of Associate Companies				
Quoted Fully Paid up				
Pipavav Defence and Offshore Engineering Co.Ltd. of ₹ 10 Each	263,466,685	-	252,537.19	-
Unquoted Fully Paid Up				
Gujarat Positra Port Company Limited of ₹ 10 Each		17,687,941		1,768.79
Urban Infrastructure Holdings Private Limited of ₹ 10 Each	124,156,500	-	106,365.14	-
Total (B)			358,902.33	1,768.79

NOTES TO MERGED FINANCIAL STATEMENTS

Particulars	Number of Shares		As At	
	March 31,2013	March 31,2012	March 31, 2013	March 31, 2012
(₹ in Lacs)				
In Equity Shares of Joint Venture - Unquoted				
Sohar Free Zone LLC of OMR 1 Each	755,245	-	899.40	-
Total (C)			899.40	-
In Equity Shares of Other Companies- Quoted Fully Paid Up				
Horizon Infrastructure Ltd. of ₹ 10 Each	50,000	-	95.20	-
Everonn Education Ltd. of ₹ 10 Each	4,000,000	-	12,803.98	-
Total (D)			12,899.18	-
In Equity Shares of Other Companies Unquoted Fully Paid Up				
Mumbai SEZ Limited of ₹ 10 Each	146,408,090	-	42,627.11	-
Donyi Polo Petrochemicals Limited of ₹ 10 Each	2,625,500	701,500	227.48	35.08
SKIL Knowledge Cities Pvt. Ltd. of ₹ 10 Each	5,000	-	0.50	-
Karanja Terminal & Logistics Pvt. Ltd. of ₹ 10 Each	24,500	-	2.45	-
Shriram New Horizons Ltd. of ₹ 10 Each (Formerly known as New Horizons India Ltd.)	5,000,000	-	4,500.00	-
Total (E)			47,357.54	35.08
Unquoted Fully Paid Up - Others				
Fastlane Distriparks & Logistics Limited's Trust	5,934,328	-	3,857.31	-
Horizon Country Wide Logistics Limited's Trust	9,308,160	-	6,329.55	-
Total (F)			10,186.86	-
Total (A+B+C+D+E+F)			515,666.15	2,120.85

12.1 Details of shares pledged :

- (a) Investment in Everonn Education Limited includes 3,200,000 (Previous Year 3,200,000) are pledged with the lenders of the other body corporate.
- (b) Investment in Pipavav Defence and Offshore Engineering Co.Ltd. includes 121,650,500 (Previous Year 121,650,500) shares pledged with the lenders of an associate of the Company, 18,333,846 (Previous year NIL) shares pledged with lenders of the Company, 82,266,692 (Previous Year 99,400,538) shares pledged with the lenders of the company and a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.). 33,110,647 (Previous Year NIL) share pledged with lenders of a subsidiary of an associate Company.

12.2 Refer Note No.1.5 for the basis of valuation.**12.3** Aggregate Value of: -

Particulars	As At	
	March 31,2013	March 31,2012
(₹ in Lacs)		
Quoted Investments		
Book Value	265,436.37	-
Market Value	195,775.11	-
Unquoted Investments		
Book Value	250,229.77	2,120.85



NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 13

LONG-TERM LOANS AND ADVANCES

Particulars

	(₹ in Lacs)
	As At
	As At
	March 31,2013
	March 31,2012
Capital Advance	13,207.05
(Unsecured and Considered Good)	-
Advance Given	11,500.00
Deposits	11,500.00
-Others	1,352.45
Advance Tax	1,856.76
	<u>27,916.26</u>
	<u>11,500.00</u>

NOTE - 14

OTHER NON CURRENT ASSETS

Preliminary Expenses

	43.00	52.00
	<u>43.00</u>	<u>52.00</u>

NOTE - 15

DEFERRED TAX LIABILITY/(ASSET)

As required by Accounting Standard 22 on "Accounting for Taxes on Income" Deferred Tax comprises of the following items:

Deferred Tax Liabilities	-	-
Deferred Tax Assets		
- Related to Fixed Assets	-	11.24
	<u>-</u>	<u>11.24</u>

NOTE - 16

CURRENT INVESTMENTS

In Equity Shares

Quoted Fully Paid up

	Number of Shares	As At	(₹ in Lacs)
	March 31,2013	March 31,2012	As At
	March 31,2013	March 31,2012	March 31,2012
Batliboi Ltd. of ₹ 5 each	41,000	-	9.64
B F Utility Ltd. of ₹ 5 each	200	-	1.57
Gajra Bevel Gears Ltd. of ₹ 10 each	19,000	-	0.66
Gujarat Narmada Vally Fertiliser Co. Ltd. of ₹ 10 each	1,000	-	0.96
Gulf Oil Ltd. of ₹ 2 each	7,050	-	5.66
Ramco Systems Ltd. of ₹ 10 each	7,000	-	7.71
Reliance Industrial Infrastructure Ltd. of ₹ 10 each	5,200	-	32.79
Reliance Power Ltd. of ₹ 10 each	10,125	-	13.13
Sahara Hsg. Finance Ltd. of ₹ 10 each	500	-	0.43
BAG Films & Media Ltd. of ₹ 2 each	9,900	-	0.72
Reliance Industries Ltd. of ₹ 10 each	542	-	5.68
Bank of Baroda of ₹ 10 each	5,196	-	50.05
Gitanjali Gems Ltd. of ₹ 10 each	5,311	-	13.18
DSK Developers Ltd. of ₹ 10 each	724	-	0.39
INOX Leisure Ltd. of ₹ 10 each	217	-	0.10
Varun Industries Ltd. of ₹ 10 each	1,105	-	2.03
Rural Electrification Corporation Ltd. of ₹ 10 each	276	-	0.70
B F Investments Ltd of ₹ 5 each	200	-	3.30

NOTES TO MERGED FINANCIAL STATEMENTS

	Number of Shares		As At		(₹ in Lacs)
	March 31,2013	March 31,2012	March 31,2013	March 31,2012	As At
In Units					
Quoted Fully Paid up					
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan -	47,927	-	4.81	-	
Wholesale -Daily Dividend of ₹ 10 each					
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan -	1,248	-	0.13	-	
Retail -Daily Dividend of ₹ 10 each					
Unquoted Fully Paid up					
Urban Infrastructure Opportunities Fund of ₹ 87,500 (Previous Year ₹ 91,500) each	2,750	-	3,495.55	-	
Total			3,649.16	-	

16.1 Refer Note No.1.5 for basis of valuation.

16.2 Aggregate Value of: -

Particulars	As At		(₹ in Lacs)
	March 31,2013	March 31,2012	As At
Quoted Investments			
Book Value	153.61	-	
Market Value	118.74	-	
Unquoted Investments			
Book Value	3,495.55	-	

NOTE - 17**TRADE RECEIVABLES**

(Unsecured & Considered Good)

Outstanding for more than Six months	17,818.00	3,603.91	
Others	24,451.10	19,708.34	
	42,269.10	23,312.25	
	42,269.10	23,312.25	

NOTE - 18**CASH AND BANK BALANCES**

Cash & Cash Equivalents

Balance with Banks in current account

Cash on hand

2,360.94	16.52	
4.61	3.11	
2,365.55	19.63	
2,365.55	19.63	



NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 19

SHORT TERM LOANS & ADVANCES

Particulars

		As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
(Unsecured, Considered Good unless otherwise stated)			
Share Application Money to:			
-Related Parties	20,712.30	-	
-Others	-	-	
Considered Good	656.98	-	
Considered Doubtful	-	-	
	<u>21,369.28</u>	<u>-</u>	
Less : Provision for Doubtful Debts	-		
	<u>21,369.28</u>		-
Other advances recoverable in cash or kind or for value to be received:			
-Related Parties	1,073.52	581.98	
-Directors and Other Relatives	-	13.60	
-Others	-	-	
Considered Good	18,450.60	7,081.81	
Considered Doubtful	31.50	-	
	<u>19,555.63</u>	<u>7,677.39</u>	
Less : Provision for Doubtful Debts	31.50	-	
	<u>19,524.13</u>		7,677.39
Deposits:			
-Related Parties	14.50	-	
-Others	142.97	48.38	
	<u>157.47</u>		48.38
Advance Income Tax (net)			915.94
	<u>41,050.88</u>		<u>8,641.71</u>

19.1 Details of advances or deposits to a director and private limited companies in which some of the directors are interested in the Company as a director or member.

Debts due by	Nature of Relationship	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Deposits			
Awaita Properties Pvt.Ltd.	Private Limited Company in which Directors are interested	5.00	-
Bhavesh Gandhi	Director	9.50	-
Share Application Money			
SKIL Advance Systems Pvt. Ltd.	Subsidiary	295.69	-
SKIL Shipyard Holding Pvt.Ltd.	Subsidiary	3,016.76	-
Pipavav Electronic Warfare Systems Pvt. Ltd.	Subsidiary	30.96	-
		<u>3,357.91</u>	<u>-</u>
Loans & Advances to related parties			
Metrotech Technology Park Pvt. Ltd.	Subsidiary	558.19	558.04
Varahi Infrastructure Pvt. Ltd.	Subsidiary	24.00	23.94
Chiplun FTWZ Pvt. Ltd.	Subsidiary	68.05	-
		<u>650.24</u>	<u>581.98</u>
Loans & Advances to Directors and other Officers			
Mr. M P Vora	Managing Director	-	7.00
Mr. Rakesh Verma	Chief Financial Officer	-	6.60
Mr. Neeraj Rai	Company Secretary	-	0.00
		<u>-</u>	<u>13.60</u>

NOTE - 20

OTHER CURRENT ASSETS

Other Receivables	0.59	-
	<u>0.59</u>	<u>-</u>

NOTES TO MERGED FINANCIAL STATEMENTS

NOTE - 21

REVENUE FROM OPERATIONS

Particulars

	(₹ in Lacs)	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Other Operating Revenue		
Income from Operations	46,888.43	32,002.97
	46,888.43	32,002.97

NOTE - 22

OTHER INCOME

Consultancy Income	9.79	-
Dividend Income from other than Subsidiary on		
-Current investments	124.19	-
-Long term investments	0.50	-
Foreign Exchange Gain	0.04	-
Interest Income	36.56	1,403.79
Sundry Balances Written back (Net)	0.40	-
	171.47	1,403.79

NOTE - 23

COST OF OPERATIONS

Contract Expenses & Hire Charges	43,798.47	30,541.62
Other Operating expenses	-	-
	43,798.47	30,541.62

NOTE - 24

EMPLOYEE BENEFITS EXPENSES

Salaries and Wages	1,538.11	146.19
Contribution to Provident fund and Other Fund	1.76	-
Staff Welfare	0.14	0.07
	1,540.01	146.26

24.1 Employee Benefits:

As per Accounting Standard 15 "Employee Benefits" the disclosure of employee benefits as defined in the accounting standards are given below:

Defined Contribution Plan

Particulars	2012-13	2011-12
Employers Contribution to Provident Fund	1.29	-
Employers Contribution to Pension Fund	0.47	-
	1.76	-

Defined Benefit Plan (Unfunded)

The Employees Gratuity Fund Scheme of the Company is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	2012-13	2011-12
Defined Benefit Obligation at beginning of the year	74.22	-
Current & Past Service Cost	2.53	-
Current Interest Cost	3.34	-
Past Service Cost (Non -vested Benefits)	-	-
Actuarial (Gain) / Loss	(22.94)	-
Benefits paid	-	-
Defined Benefit Obligation at the end of the year	57.14	-



NOTES TO MERGED FINANCIAL STATEMENTS

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

Particulars	2012-13	2011-12
Fair Value of Plan Assets at the end of the year	-	-
Defined Benefit Obligation at end of year	57.14	-
Liabilities recognized in the Balance Sheet	57.14	-

c) Expenses recognized during the year

Particulars	2012-13	2011-12
Current & Past Service Cost	2.53	-
Interest Cost	3.34	-
Past Service Cost (Non -vested Benefits)	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain) / Loss	(22.94)	-
Net Cost Recognised in Profit and Loss Account	(17.08)	-

d) Assumptions used to determine the defined benefit obligations

Particulars	2012-13	2011-12
Mortality Table (LIC)	LIC (1994-96)Ultimate	
Discount Rate (p.a.)	7.85%	
Estimated Rate of Return on Plan Asset	-	-
Expected Rate of increase in Salary (p.a.)	7.00%	

The estimates of rate of increase in salary 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.

NOTE - 25

FINANCE COST

Particulars

	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest Expenses	20,042.08	1,464.43
Other Borrowing Costs	980.93	-
	21,023.01	1,464.43

NOTE - 26

OTHER EXPENSES

	For the year ended March 31, 2013	For the year ended March 31, 2012
Advertisement & Business Promotion Expenses	11.74	2.75
Bank Charges & Commission	0.95	0.37
Rent	162.43	61.68
Rates and Taxes	4.59	1.87
Printing and Stationery	7.95	2.50
Postage, Courier & Communication Expenses	26.66	5.13
Repair and Maintenance - Other	32.12	7.49
Manpower & Security Charges	150.43	3.68
Travelling, Conveyance & Vehicle Expenses	106.65	19.74
Legal and Professional Charges	212.94	22.32
Administrative & Office Expenses	40.36	18.58
Other Miscellaneous Expenses	40.61	-
Payment to Auditors (Refer Note No.26.1)	17.13	5.52
Prior Period Expenses	0.98	-
Donation	5.00	-
Sundry Balance Written off (Net)	-	41.00
Preliminary, Pre-Operative & Share issue expenses written off	9.00	9.00
Sitting Fees to Directors	0.85	0.90
Insurance Charges	1.50	1.85
Interest on TDS	2.60	-
	834.48	204.36
	834.48	204.36

NOTES TO MERGED FINANCIAL STATEMENTS

26.1 Payment To Auditors (Including Service Tax)

(₹ in Lacs)

Particulars

For the year ended
March 31, 2013For the year ended
March 31, 2012

Audit Fees	14.61	4.41
Tax Audit Fees	2.25	0.55
Certification Charges	0.28	-
Other matters	-	0.55
	17.13	5.52

NOTE - 27

EARNINGS PER SHARE (EPS) - BASIC AND DILUTED

Particulars

2012-2013

2011-2012

Net Profit / (Loss) after Tax	(20,240.92)	670.78
Amount available for calculation of Basic & Diluted EPS	(20,240.92)	670.78
Weighted Average No. of Equity Shares outstanding for Basic & Diluted EPS (Nos.)	10,740,000	10,740,000
Basic & Diluted Earnings per share of ₹ 10/- each*	(188.46)	6.25

* Due to impact of the scheme of merger between Company & amalgamating Companies, there is a suspense share capital of 20,58,31,249 number of equity shares which are to be allotted to amalgamating Companies. If these shares would have been allotted, it results in total equity capital of 21,65,71,249 no.of Equity shares and resultant EPS would have been (9.35).

NOTE - 28

CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lacs)

Particulars

2012-2013

2011-2012

a. Contingent Liabilities (To the extent not provided for):

(No Cash Out Flow is expected)

(i) Corporate guarantees given to Bank/Financial Institutions for borrowings taken by

-Joint Venture

-Others

889,437.39

24,500.00

(ii) Income Tax Demands not acknowledged as debts

1,143.59

417.00

b. Uncalled liability on partly paid-up share

4.00

-

c. Capital Commitments:

Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances) as at March 31, 2013 ₹ 1,015.26 lacs (Previous year ₹ Nil). (Cash flow is expected on execution of such Capital Contracts on Progressive basis).

NOTE - 29

The Scheme of Amalgamation and Arrangement between the three Transferor Companies namely 1) SKIL Infrastructure Limited (SKIL), 2) Horizon Countrywide Logistics Limited (HCWLL), 3) Fastlane Distripark and Logistics Limited (FDLL) and Transferee Company namely Horizon Infrastructure Limited had been approved by Hon'ble Bombay High Court u/s 391 to 394 read with section 78 to 103 of the Companies Act, 1956 on September 20, 2013 and upon necessary filing with the Registrar of Companies on September 28, 2013, the scheme has become effective, consequently the Merger of Transferor Companies into Transferee Company has becomes effective from appointed date of April 01, 2011 and hence this merged statement of accounts had been prepared for financial year 2012-2013 after giving effect of the scheme.

NOTE - 30

- In terms of the Scheme, the entire business and the whole of the undertaking of SKIL, HCWLL and FDLL, as a going concern stands transferred to and vested in the Company with effect from April 01, 2011, being the Merger Appointed Date.
- In consideration of the amalgamation of SKIL, HCWLL and FDLL with the Company, the Company would issue 205,831,232 Equity Shares of ₹ 10/- each fully paid-up in the Company, aggregating to Rs. 2,058,312,320 in the following ratio :
 - i) 174,358,814 Equity Shares of ₹ 10/- to the shareholders of SKIL in the ratio of 11 Equity Shares of ₹ 10/- each of the Company for every 19 Equity Shares of ₹ 10/- each held by the shareholders in SKIL;
 - ii) 20,060,249 Equity Shares of ₹ 10/- to the shareholders of HCWLL in the ratio of 10 Equity Shares of ₹ 10/- each of the Company for every 68 Equity Shares of ₹ 10/- each held by the shareholders in HCWLL; and
 - iii) 11,412,169 Equity Shares of ₹ 10/- to the shareholders of FDLL in the ratio of 10 Equity Shares of ₹ 10/- each of the Company for every 65 Equity Shares of ₹ 10/- each held by the shareholders in FDLL.



NOTES TO MERGED FINANCIAL STATEMENTS

Accounting for Amalgamation:

The amalgamation of SKIL, HCWLL and FDLL with the Company is accounted for on the basis of the Purchase Method as envisaged in the Accounting Standard (AS) - 14 on Accounting for Amalgamations specified in the Companies (Accounting Standard) Rules 2006 and in terms of the scheme, as below :

- all the assets and liabilities of all three transferor companies are valued at their fair value as Board Of Directors had decided to follow Amalgamation in nature of Purchase Method and merged with assets and liabilities of transferee company. Suitable effect is given for following uniform accounting policies and methods.
- Aggregate excess of the value of net assets determined as per above, over the shares to be issued and allotted to share-holders of the transferor companies pursuant to the scheme, loss of the transferor companies and stamp duty and other cost incurred towards the scheme is adjusted by transferee company to capital reserve account. The loss of the transferor companies if any upto effective date shall also will be adjusted to the capital reserve as mentioned in the Scheme of Amalgamation and Arrangement.
- The holding of SKIL in HCWLL and HCWLL in FDLL stand transferred to HCWLL and FDLL trust respectively from the effective date and said trusts shall be allotted shares as per the exchange ratio.
- The inter company balances and transactions stood cancelled.
- FDLL was hitherto developing a State of the Art Container Freight Stations(CFS) in an area of 73.15 acres near Jawahar Nehru Port, Navi Mumbai. First phase of construction is in progress.
- HCWLL on the strength and experience accumulated over the last two decades, by the Promoter Company, had embarked upon an ambitious, Pan-India and Multi-segment Operations in the logistic field. HCWLL had plans to be a pioneer in the infrastructure development facilities across the country starting integrated logistic hub at various locations in India and creating a Pan-India network of CFS and Inland clearance depots, etc. including Free Trade Warehousing Zone.
- SKIL, which has been a Holding Company of the Group, was conducting business through its subsidiaries and affiliates.

(₹ in Lacs)

For the year ended **For the year ended**
31st March, 2013 **31st March, 2012**

NOTE - 31

DEFERRED TAX LIABILITY / (ASSET)

As required by Accounting Standard 22 on "Accounting for Taxes on Income" Deferred Tax comprises of the following items:

Deferred Tax Liabilities

Deferred Tax Asset

Related to Fixed Assets

-	-
-	-
2.14	11.24
2.14	11.24

As at March 31, 2013, the Company has Net Deferred Tax Assets of ₹ 2.14 lacs (Previous Year ₹ 11.24 lacs). In the absence of virtual certainty that sufficient future Taxable Income will be available against which Deferred Tax Assets can be realized, the same has not been recognized in the books of account in line with Accounting Standard 22 dealing with accounting for Taxes on Income.

NOTE - 32

RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with related parties as defined in the Accounting Standard are given below:

a. List of related parties where control exists and related parties with whom transaction have taken place and relationships:

Name of the related Party	Relationship
SKIL - Himachal Infrastructure & Tourism Limited	Subsidiaries
SKIL Shipyard Holdings Private Limited	
SKIL Karnataka SEZ Limited	
SKIL Singapore Pte Limited of Singapore	
Pipavav Electronic Warfare Systems Pvt. Ltd. (Formerly Known as SKIL Strategic Deterrence Systems Pvt. Ltd).	
Energy India Corporation Limited	
SKIL Advanced Systems Private Limited	
Chiplun FTWZ Pvt. Ltd.	
Metrotech Technology Park Pvt. Ltd.	
Varahi Infrastrucutre Pvt. Ltd.	
Mahakleshwar Knowledge Infrastructure Pvt. Ltd.	
Gujarat Positra Port Company Limited	

NOTES TO MERGED FINANCIAL STATEMENTS

Pipavav Defence and Offshore Engineering Company Limited Urban Infrastructure Holding Private Limited Montana Infrastructure Limited Metropolitan Industries	Associates
Sohar Free Zone LLC	Joint Venture
Mr.Nikhil P. Gandhi Mr.Bhavesh P. Gandhi Mr. Ajay Khara Mr.C. S. Sanghavi Mr. M.P. Vora	Key Managerial Personnel (KMP)
Matushree Nirmalaben Gandhi Charitable Foundation Grevek Investment & Finance Pvt. Ltd. Rhett Infraprojects Pvt. Ltd. Awaita Properties Pvt. Ltd. E-Complex Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence.

b.Transaction with Related Parties

Nature of Transaction	Subsidiary	Associates / Joint Venture	KMP	Enterprises over which KMP has sig- nificant influence	(₹ in Lacs) Total
Investments					
Investment - purchased during the year	-	-	-	-	-
Investment - sold during the year	-	-	-	-	-
Impairment of Investment	-	-	-	-	-
Investment Written Off	-	-	-	-	-
Balance as at March 31, 2013	57,936.21	359,801.73	-	-	417,737.94
Loans & Advances					
Share Application Money paid	33,016.47	-	-	-	33,016.47
Share Application Received back	20,147.72	-	-	-	20,147.72
Share Application money as at March 31, 2013	20,712.30	-	-	-	20,712.30
Advances Given	14.19	200.00	-	889.58	1,103.77
Advances Received	3.04	156.17	-	30.00	189.20
Advances Written off	-	-	-	-	-
Advances as at March 31, 2013	650.24	383.71	-	4,867.24	5,901.19
Current Liabilities					
Received	30.39	-	-	2,160.01	2,190.40
Refund back	3.90	-	-	2,031.00	2,034.90
Balance as at March 31, 2013	964.59	-	-	1,436.12	2,400.71
Bond Application Money					
Received	-	-	-	69,700.00	69,700.00
Issuance of RNCB	-	-	-	82,900.00	82,900.00
Inter Corporate Deposit					
Received	-	-	-	103.55	103.55
Refund back	-	-	-	738.01	738.01
Balance as at March 31, 2013	-	-	-	4,487.75	4,487.75
Deposits					
Deposit as at March 31, 2013	-	-	9.50	5.00	14.50
Redeemable Non Convertible Bonds					
As At March 31, 2013	-	-	-	100,400.00	100,400.00
Redemption Premium Payable	-	-	-	1,953.29	1,953.29
Interest Expenses	-	-	-	525.00	525.00
Rent	-	-	-	8.00	8.00
Corporate Guarantee Given as at March 31, 2013	48,012.39	798,025.00	-	42,200.00	888,237.39
Managerial Remuneration	-	-	230.17	-	230.17



NOTES TO MERGED FINANCIAL STATEMENTS

c. Details of major transactions with related party

		(₹ in Lacs)	
		For the year ended March 31, 2013	For the year ended March 31, 2012
Investment - Purchased / Allotted during the year		-	-
Investment - sold during the year		-	-
Investment as at March 31, 2013	Pipavav Defence and Offshore Engineering Company Ltd.	252,537.19	-
	Urban Infrastructure Holdings Pvt. Ltd.	106,365.14	-
		-	-
Share Application Money Paid	SKIL Shipyard Holdings Pvt.Ltd.	17,756.08	-
	SKIL Singapore Pte Ltd	15,087.11	-
Share Application Money Received back	SKIL Shipyard Holdings Pvt.Ltd.	20,133.17	-
Share Application Money as at March 31, 2013	SKIL Karnataka SEZ Ltd.	3,397.98	-
	SKIL Singapore Pte Ltd	15,087.11	-
Advances Received	Grevek Investment & Finance Pvt.Ltd.	2,159.01	-
	Mahakaleshwar Knowledge Infrastructure Pvt. Ltd.	30.39	-
	Awaita Properties Pvt.Ltd.	1.00	-
Refund of Advance	Grevek Investment & Finance Pvt.Ltd.	1,682.36	-
	Mahakaleshwar Knowledge Infrastructure Pvt. Ltd.	3.90	-
	Awaita Properties Pvt.Ltd.	348.64	-
Advances as at March 31, 2013	Grevek Investment & Finance Pvt.Ltd.	1,436.12	-
	Mahakaleshwar Knowledge Infrastructure Pvt. Ltd.	834.66	-
	SKIL Himachal Infrastructure & Tourism Ltd.	129.93	-
Bond Application Money Received	Grevek Investments & Finance Pvt.Ltd.	69,700.00	-
Issuance of Bond	Grevek Investments & Finance Pvt.Ltd.	82,900.00	-
Redeemable Non convertible Bonds as at March 31, 2013	Grevek Investments & Finance Pvt.Ltd.	100,400.00	-
Redemption Premium Payable	Grevek Investments & Finance Pvt.Ltd.	1,953.29	-
Inter-Corporate Deposit Received	Awaita Properties Pvt.Ltd.	5.80	-
	Grevek Investments & Finance Pvt.Ltd.	97.75	-
Inter-Corporate Deposit Repayment	Awaita Properties Pvt.Ltd.	738.01	-
Inter-Corporate Deposit as at March 31, 2013	Rhett Infraprojects Pvt.Ltd.	390.00	-
	Grevek Investments & Finance Pvt.Ltd.	4,097.75	-
Advances Given	Pipavav Defence and Offshore Engineering Company Ltd.	200.00	-
	Awaita Properties Pvt.Ltd.	22.34	-
	Metrotech Technology park Pvt. Ltd.	0.16	-
	Varahi Infrastructure Pvt. Ltd.	0.05	-
	Chiplun FTWZ Pvt. Ltd.	13.98	-
	E Complex Pvt. Ltd.	17.24	-
	Grevek Investments & Finance Pvt.Ltd.	850.00	-

NOTES TO MERGED FINANCIAL STATEMENTS**c. Details of major transactions with related party**

		(₹ in Lacs)	
		For the year ended March 31, 2013	For the year ended March 31, 2012
Advances received back	Pipavav Defence and Offshore Engineering Company Ltd.	156.17	-
	Metrotech Technology park Pvt. Ltd.	0.01	-
	Chiplun FTWZ Pvt. Ltd.	3.03	-
	Grevek Investments & Finance Pvt.Ltd.	30.00	-
	E Complex Pvt. Ltd.	17.24	-
Advance Receivable as at March 31, 2013	Pipavav Defence and Offshore Engineering Company Ltd.	383.71	-
	Metrotech Technology park Pvt. Ltd.	558.19	-
	Varahi Infrastructure Pvt. Ltd.	24.00	-
	Chiplun FTWZ Pvt. Ltd.	68.05	-
	Grevek Investments & Finance Pvt.Ltd.	4,850.00	-
Deposit as at March 31, 2013	Mr.Bhavesh P.Gandhi	9.50	-
	Awaita Properties Pvt.Ltd.	5.00	-
Rent	Awaita Properties Pvt.Ltd.	8.00	-
Interest	Grevek Investments & Finance Pvt.Ltd.	525.00	-
Corporate Guarantee as at March 31, 2013	Pipavav Defence and Offshore Engineering Company Ltd.	798,025.00	-
	SKIL Shipyard Holdings Pvt. Ltd.	23,500.00	-
	Mahakaleshwar Knowledge Infrastructure Pvt. Ltd.	24,500.00	-
Managerial Remuneration	Mr. Ajay Khera	134.67	-
	Mr. Chandrakant S. Sanghavi	87.50	-
	Mr. M.P. Vora	8.00	-

Note: Since previous year figures are of Horizon Infrastructure Limited alone and hence they are not comparable and not given.

NOTE - 33**SEGMENT INFORMATION:-**

The Company is mainly engaged in Infrastructure activity in India. All the Activities of the Company revolve around this main Business as such there are no separate reportable Segments as per Accounts Standard on Segment Reporting.

NOTE - 34

On October 12, 2011 the Income Tax authorities carried out search and seizure operations at the company premises. Given the information provided so far and the investigation carried out at the time of this operation, the Company believes that there will be no material tax liability for the year. The amount of tax liability, if any shall be determined upon completion of the process by the Tax Authorities.

NOTE - 35**EXPENDITURE IN FOREIGN CURRENCY :**

		(₹ in Lacs)	
		For the year ended March 31, 2013	For the year ended March 31, 2012
Particulars			
Travelling Expenses		12.06	1.04
Advance towards Professional Fees		-	90.39
Total		12.06	91.44



NOTES TO MERGED FINANCIAL STATEMENTS

NOTE-36

Jointly Controlled Entity :

Name	Country of Incorporation	Ownership interest (₹ in Lacs)	
		As at March 31, 2013	As at March 31, 2012
Sohar Free Zone LLC	Sultanate of Oman	33.33%	

Particulars

	As at December 31, 2012	As at December 31, 2011
Assets		
- Long Term Assets	3,638.87	-
- Current Assets	1,047.13	-
Liabilities		
- Non Current Liabilities	2,788.94	-
- Current Liabilities & Provisions	1,202.92	-
Income	325.50	-
Expenses	319.03	-

NOTE-37

LEASES

The Company has entered into cancellable arrangements for taking on leave and license basis certain office premises, accomodation and guest house. The specified disclosure in respect of these agreements is given below:

	As at March 31, 2013	As at March 31, 2012
Lease payments recognised in statement of profit and loss account for the year	162.43	-

- i) There is no Escalation clause in the lease agreement.
- ii) There is no restriction imposed by lease arrangements.
- iii) There are no subleases.

NOTE-38

CAPITAL WORK IN PROGRESS

	(₹ in Lacs)
Opening Balance	5,698.12
Add : Addition During The Year	5,355.20
Closing Balance	11,053.32

NOTE-39

Previous years & Current year figures are not comparable as previous year figures for FY.2011-2012 are of Horizon Infrastructure Ltd, alone while figure of FY.2012-2013 is of HIL Merged entity.

AS PER OUR REPORT OF EVEN DATE

For BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Registration No. 101249W

BHARAT A. SHAH

Proprietor

Membership No. 32281

SUDIPAN BHADURI

Chief Financial Officer

NIKHIL P. GANDHI

Chairman and Whole-time Director

Date : November 26, 2013

Place : Mumbai

NILESH MEHTA

Company Secretary

J. ALEXANDER

Director

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Auditor's Report on Consolidated Financial Statements

Independent Auditor's Report

To the Board of Directors of Horizon Infrastructure Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Horizon Infrastructure Limited ("the Company"), and its subsidiaries, which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Loss of the Company for the year ended on that date, and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

FOR BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Reg. No. 101249W

BHARAT A. SHAH

Proprietor
Membership No.32281

Place : Mumbai

Date : November 26, 2013



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	As At March 31, 2013	As At March 31, 2012
I. EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	21,657.12	1,074.00
Reserves and Surplus	3	<u>288,838.02</u>	<u>(98.88)</u>
		310,495.14	975.12
Minority Interest		7,280.89	42.87
NON CURRENT LIABILITIES			
Long-Term Borrowings	4	220,866.89	24,028.52
Other Non Current Liabilities	5	1,953.29	-
Long-Term Provisions	6	<u>34.53</u>	<u>-</u>
		222,854.70	24,028.52
CURRENT LIABILITIES			
Short-Term Borrowings	7	25,497.75	4,990.13
Trade Payables	8	39,917.52	19,888.24
Other Current Liabilities	9	69,830.64	19,343.37
Short-Term Provisions	10	<u>156.86</u>	<u>124.82</u>
		135,402.77	44,346.56
Total		<u>676,033.50</u>	<u>69,393.07</u>
II. ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11	41,823.40	18,153.25
Intangible Assets		11.96	-
Capital Work in Progress		<u>55,028.40</u>	<u>7,972.17</u>
		96,863.75	26,125.42
Goodwill on Consolidation			84.94
Non-Current Investments	12	448,794.14	1,803.87
Long-Term Loans and Advances	13	26,311.11	-
Other Non current assets	14	2,308.00	71.52
Deferred Tax Assets	15	<u>-</u>	<u>11.24</u>
		574,277.00	28,097.02
CURRENT ASSETS			
Current Investments	16	3,649.16	-
Trade Receivables	17	42,594.02	23,312.25
Cash and Bank Balances	18	5,319.34	57.33
Short-Term Loans and Advances	19	50,192.96	17,926.48
Other Current Assets	20	<u>1.02</u>	<u>-</u>
		101,756.50	41,296.06
Total		<u>676,033.50</u>	<u>69,393.07</u>

Significant Accounting Policies 1
Notes to Consolidated Financial Statements 2 to 37

AS PER OUR REPORT OF EVEN DATE
For BHARAT SHAH & ASSOCIATES
Chartered Accountants
Firm Registration No. 101249W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

BHARAT A. SHAH
Proprietor
Membership No. 32281

SUDIPAN BHADURI
Chief Financial Officer

NIKHIL P. GANDHI
Chairman and Whole-time Director

Date : November 26, 2013
Place : Mumbai

NILESH MEHTA
Company Secretary

J. ALEXANDER
Director

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
Revenue			
Revenue from Operations	21	47,206.14	32,002.97
Other Income	22	179.46	10.61
Total		47,385.60	32,013.58
Expenses			
Cost of Operations	23	43,798.47	30,541.62
Employee Benefits Expenses	24	1,728.37	146.26
Finance Costs	25	23,394.67	1,464.43
Depreciation and Amortisation Expenses	11	108.72	26.92
Other Expenses	26	1,080.28	206.79
Total		70,110.51	32,386.02
Loss before Tax		(22,724.91)	(372.44)
Tax Expenses:			
Current Tax		-	355.13
Income Tax of earlier year		-	-
Deferred Tax		-	(1.09)
		-	354.04
Share of Minority Interest		6.18	(0.45)
Share of Profit of Associates		1,219.15	-
Loss for the Year		(21,499.58)	(726.03)
Earnings Per Share of ₹ 10 each	27		
- Basic and Diluted (₹)		(200.18)	(6.76)
Significant Accounting Policies	1		
Notes to Consolidated Financial Statements	2 to 37		

AS PER OUR REPORT OF EVEN DATE
For BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Registration No. 101249W

BHARAT A. SHAH
Proprietor
Membership No. 32281

Date : November 26, 2013
Place : Mumbai

SUDIPAN BHADURI
Chief Financial Officer

NILESH MEHTA
Company Secretary

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

NIKHIL P. GANDHI
Chairman and Whole-time Director

J. ALEXANDER
Director



CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2013

(₹ in Lacs)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
A Cash Flow From Operating Activities		
Net Profit /(Loss) before tax as per Profit & Loss Account	(22,724.92)	(372.44)
Adjusted for:		
Depreciation	108.73	26.92
Interest Income	(36.56)	(10.61)
Dividend Income	(124.69)	-
Interest & Financial Charges	23,394.68	1,464.43
Miscellaneous Expenditure Written Off	9.00	9.02
Sundry balances written back (Net)	(0.40)	-
Operating profit before working capital changes	625.84	1,117.33
Adjusted for:		
Trade & Other Receivables	(33,554.80)	(22,559.90)
Trade Payables, Creditors & Provisions	26,982.76	20,505.56
Cash Generated From Operations	(5,946.20)	(937.00)
Direct Tax Paid	(971.09)	(561.70)
Net Cash used in Operating Activities	(6,917.29)	(1,498.70)
B Cash Flow From Investing Activities		
Proceed of Deposits matured	1,212.02	-
Fixed Deposits placed with Banks	(1,212.02)	-
Purchase of fixed assets & Capital Work-in-Progress	(11,165.07)	(2,072.33)
Sale of fixed assets	0.10	-
Purchase of Investments	(6,693.50)	-
Advances towards share application money (Net of Refund Received)	4,608.26	-
Dividend Income	124.37	-
Interest Income	36.56	10.61
Net Cash Flow used in Investing Activities	(13,089.28)	(2,061.72)
C Cash Flow From Financing Activities		
Dividend Paid	(106.95)	(161.10)
Tax On dividend Paid	(17.42)	(26.76)
Proceeds from Loan taken during the year	14,641.16	4,966.51
Proceeds from issue of Bonds	69,700.00	-
Repayment of Long Term Borrowing (Net)	(26,587.13)	-
Short Term Borrowings (Net)	(6,271.82)	-
Interest & Financial Charges	(26,525.51)	(1,464.43)
Net Cash flow from Financing Activities	24,832.33	3,314.22
Net increase/ (decrease) in cash & cash equivalents	4,825.76	(246.20)
Cash & Cash equivalents (Opening)	493.58	303.53
Cash & Cash equivalents (Closing)	5,319.34	57.33

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".

(ii) Figures in brackets indicate outflows.

AS PER OUR REPORT OF EVEN DATE

For BHARAT SHAH & ASSOCIATES

Chartered Accountants

Firm Registration No. 101249W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

BHARAT A. SHAH

Proprietor

Membership No. 32281

SUDIPAN BHADURI

Chief Financial Officer

NIKHIL P. GANDHI

Chairman and Whole-time Director

Date : November 26, 2013

Place : Mumbai

NILESH MEHTA

Company Secretary

J. ALEXANDER

Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE-1

SIGNIFICANT ACCOUNTING POLICIES:

A. GENERAL

- (i) The Consolidated Financial Statements are prepared in accordance with Accounting Standard ("AS") 21 on Consolidated Financial Statements and AS 23 on Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements comprise the merged financial statement of Horizon Infrastructure Limited ("the Company/HIL") and its subsidiaries. The Company and its subsidiaries constitute the HIL Group. Reference in this notes to the Company shall mean to include Horizon Infrastructure Limited or any of its subsidiary consolidated in these financial statements unless otherwise stated.

The list of Subsidiary Companies which is included in consolidation and the Parent Company's holdings therein are as under:

The Subsidiary Companies considered in the consolidated financial statements are:

Name of the Subsidiaries/Fellow Subsidiaries	Country of Incorporation	Proportion of Ownership Interest
SKIL Karnataka SEZ Ltd	India	100.00%
SKIL Advanced Systems Pvt Ltd	India	100.00%
SKIL (Singapore) Pte Ltd.	Singapore	100.00%
SKIL Shipyard Holdings Pvt Ltd	India	100.00%
SKIL Himachal Infrastructure & Tourism Ltd	India	100.00%
Pipavav Electronic Warfare Systems Pvt. Ltd. (Formerly Known as SKIL Strategic Deterrence Systems Pvt. Ltd).	India	100.00%
Energy India Corporation Ltd.	India	99.70%
Gujarat Positra Port Company Ltd	India	73.60%
Metrotech Technology Park Private limited	India	100.00%
Varahi Infrastructure Pvt. Ltd	India	100.00%
Mahakaleshwar Knowledge Infrastructure Pvt. Ltd.	India	84.96%
Chiplun FTWZ Private limited	India	52.00%
Pipavav Aero Infrastructure Pvt. Ltd.	India	100.00%
SKIL Midivisana Engineering Pvt. Ltd.	India	100.00%
SKIL Vision Aerial Solutions Pvt. Ltd.	India	100.00%

The Associates / Joint Venture considered in the consolidated financial statements are:

Name of the company	Associate/ Joint Venture	Country of Incorporation	Proportion of Ownership Interest
Pipavav Defence and Offshore Engineering Company. Ltd.	Associate	India	42.46%
Urban Infrastructure Holding Pvt. Ltd.	Associate	India	35.00%
Sohar Free Zone LLC#	Joint Venture	Sultanate of Oman	33.33%

Joint Venture having 31st December 2012 as reporting date.

- (ii) The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles ("GAAP") & in compliance with the Accounting Standards referred in Section 211 (3C) & other requirements of the Companies Act 1956 and Accounting Standard Rules, 2006.
- (iii) The preparation of financial statements in conformity with GAAP requires that the management of the company makes estimates & assumptions that affect the reported amounts of income & expenses of the period, the reported balances of assets & liabilities & the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from estimates.
- (iv) The financial statements of the Company and its subsidiary Companies have been consolidated on a line – by – line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra – group balances and intra – group transactions resulting in unrealized profits or unrealized cash losses.
- (v) The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the company's separate financial statements.
- (vi) The excess of cost of investment in the Subsidiary Companies over the Company's portion of equity of the Subsidiary at the date of investment made is recognized in the financial statements as goodwill. The excess of Company's portion of equity of the Subsidiary over the cost of the investment therein is treated as Capital Reserve.
- (vii) Minority interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's Shareholders.
- (viii) Minority Interest's share of Net Profit / (Loss) for the year of consolidated subsidiaries identified and adjusted against the profit after tax of the group.
- (ix) Investment in associates where the company directly or indirectly through subsidiaries hold more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for investments in Associates in Consolidated Financial Statement" notified by Companies (Accounting Standard) Rules, 2006 (as amended).



- (x) Interest in joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27- "Financial Reporting of interests in joint Ventures" notified by Companies (Accounting Standard) Rules, 2006 (as amended).

B. VALUATION OF FIXED ASSETS & DEPRECIATION

- a) Fixed Assets are depreciated on the Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- b) Fixed Assets are valued at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses, less accumulated depreciation.
- c) Expenditure related to and incurred during implementation of projects are included under Capital Work-in-progress and the same are capitalized under the appropriate heads on completion of the projects.

C. INVESTMENTS

Current investments are carried at the lower of cost & quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

D. REVENUE RECOGNITION

- i. Revenues are recognised when it is earned and no significant uncertainty exists as to its ultimate collection and includes, service tax, wherever applicable.
- ii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established. Turnover includes sales of goods and services inclusive of applicable taxes and net of trade discounts.

E. INVENTORIES

Inventories are measured at cost. Cost is determined on weighted average basis.

F. EMPLOYEE BENEFITS

- i) Short term employee benefits are recognized as an expenses in the profit and loss account of the year in which the related services is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expenses is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

G. PROVISION FOR CURRENT AND DEFERRED TAXES:

Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rules and laws that are enacted or substantially enacted as on the balance sheet date. The deferred Tax asset is recognised and carry forwards only to the extent there is a virtual certainty that the asset will be realized in future.

H. FOREIGN CURRENCY TRANSACTIONS:

- i) 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 restated at year end rates.
- 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 translation is recognised in the Profit & Loss Account.

I. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements

J. PRELIMINARY AND ISSUE EXPENSES

Preliminary and Expenses related to issue of equity and equity related instruments are amortised over a period of ten years as per Section 35D of Income Tax Act, 1961.

K. INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition less accumulated Amortization. Software, which is not integral part of the related hardware, is classified as an intangible asset and is amortized over the useful life of three years. Amortization is done on straight line method.

L. LEASES

Where the Company is lessee

Leases where the lesser effectively retains substantially all the risk and benefits of ownership of the leased item, are classified as operating leases. Operating Lease payments are recognized as an expenses in the statement of profit and loss account on a straight basis over the lease term.

M. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 2

SHARE CAPITAL

Particulars

	(₹ in Lacs)	
	As At March 31, 2013	As At March 31, 2012
Authorised		
910,000,000 Equity Shares of ₹ 10/- each (Previous year 75,000,000)	91,000.00	7,500.00
Total	91,000.00	7,500.00
Issued and Subscribed & Paid up		
10,740,000 Equity Shares of ₹ 10 each fully paid up (Previous year 10,740,000)	1,074.00	1,074.00
Suspense Share Capital- SKIL	17,435.88	-
Suspense Share Capital- HCWLL	2,006.03	-
Suspense Share Capital- FDLL	1,141.22	-
Total	21,657.12	1,074.00

2.1 Reconciliation of number of Equity shares outstanding at the beginning and at the end of the year

	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	(₹ in Lacs)	No. of Shares	(₹ in Lacs)
No. of shares at the beginning of the year	10,740,000	1,074.00	10,740,000	1,074.00
Add: Shares issued during the year				
- On Preferential basis	-	-	-	-
No. of shares at the end of the year	10,740,000	1,074.00	10,740,000	1,074.00

2.2 Details of Shareholders, holding more than 5% of Paid up Equity Share Capital of the Company

Name of Shareholders	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rupali B Gandhi	1,208,000	11.25%	1,208,000	11.25%
Nikhil P Gandhi	1,175,000	10.94%	1,175,000	10.94%
Bhavesh P Gandhi	1,175,000	10.94%	1,175,000	10.94%
Neha N Gandhi	1,168,665	10.88%	1,168,665	10.88%
Krosslink Infrastructure Limited	1,274,834	11.87%	1,274,834	11.87%

2.3 Right to Equity Shareholders :

The Company has only one class of Equity Share having par value of ₹10 per share. Each Equity shareholder is eligible for one vote per share held. In the event of liquidation of the company, the Equity shareholders 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 share held by the shareholders.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 3

RESERVES AND SURPLUS

Particulars

		As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Securities Premium			
Balance as per last Balance Sheet	36,024.56		21.33
Add : On issue of Equity Shares	-		20.27
Less: Share issue Expenses	-		0.21
Less: Redemption Premium on Redeemable Non Convertible Bonds	<u>1,050.00</u>		<u>-</u>
		34,974.56	41.39
Foreign Currency Translation Reserve			
Balance as per last Balance Sheet	-		-
Add/ Less : During the year	<u>(374.89)</u>		<u>-</u>
		(374.89)	-
Statutory Reserve			
Balance as per last Balance Sheet			
Add/ Less : During the year	<u>0.65</u>		<u>-</u>
		0.65	-
Capital Reserve			
Balance as per last Balance Sheet	347,052.01		115.00
Less: Goodwill	(71,278.82)		-
Less: Losses transferred from Surplus account as per scheme of Merger	<u>(20,240.93)</u>		<u>-</u>
		255,532.27	115.00
Surplus			
Balance as per last Balance Sheet	0.00		595.64
Prior period Items			(0.05)
Profit/(Loss) during the year	<u>(21,499.58)</u>		<u>(726.03)</u>
Amount available for appropriation	(21,499.58)		(130.44)
Less: Appropriations			
Deffered Tax Assets	(11.24)		-
Short Income Tax Provision	(24.66)		-
Final Dividend	-		(107.40)
Dividend Tax	<u>-</u>		<u>(17.42)</u>
	(21,535.48)		(255.27)
Less : Transfer to Capital Reserve as per scheme of Merger	<u>(20,240.93)</u>		<u>-</u>
		(1,294.56)	(255.27)
Total		<u><u>288,838.02</u></u>	<u><u>(98.88)</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 4

LONG TERM BORROWINGS

Particulars

		As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
SECURED			
Term Loan from Bank	79,745.41	24,000.00	
Term Loan from a Financial Institution	23,000.00	-	
Inter Corporate Deposits	12,675.50	-	
Vehicle Loans	45.98	28.52	
		115,466.89	24,028.52
UNSECURED			
175 Nos.(previous year 175 Nos) 3% Redeemable Non Convertible Bonds of ₹ 1,00,00,000 Each	17,500.00	-	
829 Nos.(previous year NIL) 0% Redeemable Non Convertible Bonds of ₹1,00,00,000 Each	82,900.00	-	
Inter Corporate Deposits			
- Related Parties	4,000.00	-	
- Others	1,000.00	-	
		105,400.00	-
Total		220,866.89	24,028.52

4.1 Term loan from Bank / Financial Institution and Inter Corporate Deposits referred to above and ₹ 14,756.68 included in current maturities of long term debt in Note No.9 are secured as under:

- i) ₹ 11000.00 lacs from a Bank is secured by way of pledge of investments of the company as mentioned in Note No.12.1 and by way of Equitable mortgage of land owned by other Body Corporates.
- ii) Term loan of ₹ 8,790.02 lacs from Bank is secured by :
 - Exclusive pari passu charge on the entire moveable and immovable assets, current assets of the company (HCWLL)- both present & future.
 - Exclusive charge on immovable property of other body corporate.
 - First pari-passu charge on immovable property of Subsidiary company.
 - Corporate Guarantee given by associate, subsidiary and other Body Corporates
 - Personal guarantee given by a Director
- iii) Term loan of ₹ 13,264.46 lacs from a Banks are secured by :
 - First pari-passu charge on the entire present & future project moveable and immovable assets and all right, title & interest of the FDLL related to CFS Project of the company.
 - Second charge on present & future current assets of the FDLL.
 - First pari-passu charge on immovable property of other body corporates, Corporate Guarantee given by Holding company
 - Horizon Country Wide Logistics Limited & others and further secured by personal guarantee given by a Director."
- iv) Term loan of ₹ 5,234.00 lacs from Bank is secured by :
 - First mortgage and charge on all immoveable and moveable properties of the HIL, both present and future.
 - Exclusive charge on immovable property of Subsidiary.
 - Corporate Guarantee given by Body Corporates
 - Personal guarantee given by a Director
- v) Term loan of ₹ 20,000.00 lacs from a Bank is secured by way of Equitable Mortgage of land owned by subsidiary and also by corporate guarantee given by the same Company.
- vi) Term loan of ₹ 20,000.00 lacs from Bank is secured by :
 - First pari passu charge on immovable property of Subsidiary i.e. MKIPL.
 - Hypothecation of Plant & Machinery and Equipments. (Upto 50%)
 - Personal guarantee given by a Director"
- vii) ₹ 23,000.00 lacs from a Financial Institution is secured by way of pledge of investments of the company as mentioned in Note No.12.1 and of investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.) in certain equity shares.
- viii) Term loan of ₹ 13,013.25 lacs is secured by way of pledge of Investments of the company as mentioned in Note no.12.1 and investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.) in certain equity shares and further secured by way of hypothecation of entire fixed assets of the company & Equitable Mortgage of land owned by other Body Corporate.
- ix) Term loan of ₹ 8,675.50 lacs is secured by way of pledge of investments of the company as mentioned in Note No.12.1 and of investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.) in certain equity shares.
- x) Term loan of ₹ 4000.00 lacs is secured by way of pledge of Investments of a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.) as mentioned in Note no.12.1 and mortgage of property owned by other entity.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- 4.2 Term Loans from a Bank, a Financial Institution and Inter Corporate Deposits referred to above and ₹ 14,756.68 lacs included in current maturities of long term debts in Note No. 9 are guaranteed by one of the Directors of the company in his personal capacity, carry interest rates ranging from 13.00% to 19.5%. and are to be repaid as under :

Year	Amount
2013-14	14,756.68
2014-15	42,418.93
2015-16	27,953.72
2016-17	14,170.00
2017-18	10,122.00
2018-19	10,312.00
2019-20	5,812.00
2020-21	3,699.38
2021-22	932.87

- 4.3 Vehicles Loans referred to above and ₹ 46.44 lacs included in current maturities of long term debts in Note No.9 are secured by way of the hypothecation of the specific vehicles financed. The loans are repayable in 36 to 60 monthly installments (Including interest) as per repayment schedule.
- 4.4 During the year company has issued 829 Nos. 0% Redeemable Non Convertible Bonds (RNCB) having face value of ₹ 10,000,000/- each redeemable at a cumulative premium of 45% after 5 years from the date of allotment i.e.132 (RNCB) May 31, 2012. and 697 (RNCB) March 31, 2013.
- 4.5 Maturity period of term loan from a bank of ₹ 20000.00 lacs due for payment during 2013-14 has been extended for further period of 2 years.
- 4.6 As on March 31, 2013, the company has overdue interest amounting to ₹ 2,525.28 lacs on the above loans.

NOTE - 5

OTHER NON CURRENT LIABILITIES

Particulars	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Redemption Premium Payable on Redeemable Non Convertible Bonds	1,953.29	-
	1,953.29	-

NOTE - 6

LONG-TERM PROVISIONS

Provision for Gratuity	34.53	-
	34.53	-

NOTE - 7

SHORT TERM BORROWINGS

SECURED

-From Bank	1,344.05	990.13
Term Loan:		
-From Financial Institution	11,250.00	-
-Inter Corporate Deposits	10,840.75	-
	23,434.80	990.13

UNSECURED

Inter Corporate Deposits		
- Related Parties (Refer Note No.31)	487.75	4,000.00
- Others	1,575.20	-
	2,062.95	4,000.00
Total	25,497.75	4,990.13

- 7.1 The above Secured Loan from Bank is secured by first charge on all present & future immoveable and moveable properties of the company and Secured Term Loans from a Financial Institution and Inter Corporate Deposits are secured by way of pledge of investments of the company as mentioned in the Note No.12.1 and of investments of a subsidiary (SKIL Shipyard Holdings Pvt. Ltd) in certain equity shares. Further all the secured loans are guaranteed by one of the director in his personal capacity. The said loans carry interest rates ranging from 14.50% to 20%

Notes forming part of the Consolidated Financial Statements for year ended March 31, 2013

7.2 As on March 31, 2013, the company has overdue of ₹ 11,250.00 lacs and ₹ 698.46 lacs towards principal and interest amount respectively.

NOTE - 8**TRADE PAYABLES****Particulars**

	As At March 31, 2013	(₹ in Lacs) As At March 31, 2012
Due to Micro, Small and Medium Enterprises	-	-
Due to Others	<u>39,917.52</u>	<u>19,888.24</u>
	39,917.52	19,888.24
	<u>39,917.52</u>	<u>19,888.24</u>

8.1 The details of amounts outstanding to Micro, Small and Medium Enterprises under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Sr. No.	Particulars	(₹ in Lacs) March 31, 2013	(₹ in Lacs) March 31, 2012
(i)	Principal amount remaining unpaid	Nil	Nil
(ii)	Interest due thereon	Nil	Nil
(iii)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(iv)	Interest due and payable for the year of delay in payment	Nil	Nil
(v)	Interest accrued and remaining unpaid	Nil	Nil
(vi)	Interest remaining due and payable even in succeeding years	Nil	Nil

NOTE - 9**OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debts	14,803.12	-
Advance Received	37,036.19	7,155.63
Interest Accrued & Due on loans	2,329.46	-
Interest Accrued but not due on loans	691.36	-
Other Payables		-
-Statutory Dues	3,197.00	613.69
-Others	<u>11,770.65</u>	<u>11,571.62</u>
	14,967.65	12,185.32
Unpaid Dividend	2.87	2.42
Total	<u>69,830.64</u>	<u>19,343.37</u>

NOTE - 10**SHORT TERM PROVISIONS**

Provision for Gratuity	22.61	-
Provision for Income Tax	133.33	-
Provision for Wealth Tax	0.91	-
Proposed Dividend	-	107.40
Provision for Dividend Distribution Tax	-	17.42
Total	<u>156.86</u>	<u>124.82</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 12

NON CURRENT INVESTMENTS

Particulars

	Number of shares		As At		(₹ in Lacs)
	March 31,2013	March 31,2012	March 31, 2013	March 31, 2012	As At
Long Term Investment (Trade)					
In Equity Shares of Associate Companies					
Unquoted Fully Paid up					
Urban Infrastructure Holdings Private Limited of ₹ 10 Each	124,156,500	-	106,364.67	-	
Gujarat Positra Port Company Limited of ₹ 10 Each	-	17,687,941	-	1,768.79	
TOTAL (A)			106,364.67	1,768.79	
In Equity Shares of Associate Companies					
Quoted Fully Paid up					
Pipavav Defence and Offshore Engineering Co.Ltd. of ₹ 10 Each	297,758,368	-	271,985.89	-	
Total (B)			271,985.89	-	
In Equity Shares of Other Companies- Quoted Fully Paid Up					
Horizon Infrastructure Ltd. of ₹ 10 Each	50,000	-	95.20	-	
Everonn Education Ltd. of ₹ 10 Each	4,000,000	-	12,803.98	-	
Total (C)			12,899.18	-	
In Equity Shares of Other Companies					
Unquoted Fully Paid Up					
Mumbai SEZ Limited of ₹ 10 Each	146,408,090	-	42,627.11	-	
Donyi Polo Petrochemicals Limited of ₹ 10 Each	2,625,500	701,500	227.48	35.08	
SKIL Knowledge Cities Pvt. Ltd. of ₹ 10 Each	5,000	-	0.50	-	
Karanja Terminal & Logistics Pvt. Ltd. of ₹ 10 Each	24,500	-	2.45	-	
Shriram New Horizons Ltd. of ₹ 10 Each (Formerly known as New Horizons India Ltd.)	5,000,000	-	4,500.00	-	
Total (D)			47,357.54	35.08	
Unquoted Fully Paid Up - Others					
Fastlane Distriparks & Logistics Limited's Trust	5,934,328	-	3,857.31	-	
Horizon Country Wide Logistics Limited's Trust	9,308,160	-	6,329.55	-	
Total (E)			10,186.86	-	
Total (A+B+C+D+E)			448,794.14	1,803.87	

12.1 Details of shares pledged :

- (a) Investment in Everonn Education Limited includes 3,200,000 (Previous Year 3,200,000) are pledged with the lenders of the other body corporate.
- (b) Investment in Pipavav Defence and Offshore Engineering Co.Ltd. includes 121,650,500 (Previous Year 121,650,500) shares pledged with the lenders of an associate of the Company, 18,333,846 (Previous year NIL) shares pledged with lenders of the Company, 112,226,692 (Previous Year 129,360,538) shares pledged with the lenders of the company and a subsidiary (SKIL Shipyard Holdings Pvt.Ltd.). 33,110,647 (Previous Year NIL) share pledged with lenders of a subsidiary of an associate Company. 2,651,302 (Previous Year NIL) shares pledged with lenders of a subsidiary.

12.2 Refer Note No.1C for basis of valuation.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

12.3 Aggregate Value of: -

Particulars	(₹ in Lacs)	
	As At March 31,2013	As At March 31,2012
Quoted Investments		
Book Value	284,885.07	-
Market Value	220,962.35	-
Unquoted Investments		
Book Value	163,909.07	1,803.87

NOTE - 13

LONG-TERM LOANS AND ADVANCES

Capital Advance	23,100.98	-
(Unsecured and Considered Good)		
Deposits		
-Others	1,352.45	-
Advance Tax	1,857.68	-
Total	26,311.11	-

NOTE - 14

OTHER NON CURRENT ASSETS

Preliminary Expenses	43.00	71.52
Advance Given	2,265.00	-
	2,308.00	71.52

NOTE - 15

DEFERRED TAX LIABILITY / (ASSETS)

As required by Accounting Standard 22 on "Accounting for Taxes on Income"

Deferred Tax comprises of the following items:

Deferred Tax Liabilities	-	-
Deferred Tax Assets		
- Related to Fixed Assets	-	11.24
	-	11.24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 16

CURRENT INVESTMENTS

Particulars

	Number of Shares		As At		(₹ in Lacs)
	March 31,2013	March 31,2012	March 31,2013	March 31,2012	As At
In Equity Shares					
Quoted Fully Paid up					
Batliboi Ltd. of ₹ 5 each	41,000	-	9.64	-	
B F Utility Ltd. of ₹ 5 each	200	-	1.57	-	
Gajra Bevel Gears Ltd. of ₹ 10 each	19,000	-	0.66	-	
Gujarat Narmada Vally Fertiliser Co. Ltd. of ₹ 10 each	1,000	-	0.96	-	
Gulf Oil Ltd. of ₹ 2 each	7,050	-	5.66	-	
Ramco Systems Ltd. of ₹ 10 each	7,000	-	7.71	-	
Reliance Industrial Infrastructure Ltd. of ₹ 10 each	5,200	-	32.79	-	
Reliance Power Ltd. of ₹ 10 each	10,125	-	13.13	-	
Sahara Hsg. Finance Ltd. of ₹ 10 each	500	-	0.43	-	
BAG Films & Media Ltd. of ₹ 2 each	9,900	-	0.72	-	
Reliance Industries Ltd. of ₹ 10 each	542	-	5.68	-	
Bank of Baroda of ₹ 10 each	5,196	-	50.05	-	
Gitanjali Gems Ltd. of ₹ 10 each	5,311	-	13.18	-	
DSK Developers Ltd. of ₹ 10 each	724	-	0.39	-	
INOX Leisure Ltd. of ₹ 10 each	217	-	0.10	-	
Varun Industries Ltd. of ₹ 10 each	1,105	-	2.03	-	
Rural Electrification Corporation Ltd. of ₹ 10 each	276	-	0.70	-	
B F Investments Ltd of ₹ 5 each	200	-	3.30	-	
In Units					
Quoted Fully Paid up					
Investment in HDFC Cash Mgmt. Fund - Treasury	47,927	-	4.81	-	
Adavantage Plan -					
Wholesale -Daily Dividend of ₹ 10 each					
Investment in HDFC Cash Mgmt. Fund - Treasury	1,248	-	0.13	-	
Adavantage Plan -					
Retail -Daily Dividend of ₹ 10 each					
Unquoted Fully Paid up					
Urban Infrastructure Opportunities Fund of ₹ 87,500 each	2,750	-	3,495.55	-	
Total			3,649.16	-	

16.1 Refer Note No.1C for basis of valuation.

16.2 Aggregate Value of: -

Particulars

	As At		(₹ in Lacs)
	March 31,2013	March 31,2012	As At
Quoted Investments			
Book Value	153.61	-	
Market Value	118.74	-	
Unquoted Investments			
Book Value	3,495.55	-	



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 17

TRADE RECEIVABLES

Particulars

	As At March 31,2013	(₹ in Lacs) As At March 31,2012
(Unsecured & Considered Good)		
Outstanding for more than Six months	17,818.00	3,603.91
Others	<u>24,776.02</u>	<u>19,708.34</u>
	42,594.02	23,312.25
	<u>42,594.02</u>	<u>23,312.25</u>

NOTE - 18

CASH AND BANK BALANCES

Cash & Cash Equivalents

Balance with Banks in current account	5,296.63	37.81
Cash on hand	<u>22.71</u>	<u>19.52</u>
	5,319.34	57.33
	<u>5,319.34</u>	<u>57.33</u>

NOTE - 19

SHORT TERM LOANS & ADVANCES

(Unsecured, Considered Good unless otherwise stated)

Share Application Money to:

-Others

Considered Good

<u>656.98</u>	-	-
	656.98	-

Other advances recoverable in cash or kind or for value to be received:

-Related Parties

-Directors and Other Relatives

-Others

Considered Good

Considered Doubtful

12,575.00	2,188.46
-	13.60
36,800.52	14,757.94
<u>31.50</u>	-
49,407.02	16,960.00
<u>31.50</u>	-
	49,375.52
	16,960.00

Less : Provision for Doubtful Debts

Deposits:

-Related Parties

-Others

14.50	-
<u>145.96</u>	<u>50.43</u>
	160.46
	50.43
	916.05
	<u>17,926.48</u>

Advance Income Tax (Net)

NOTE - 20

OTHER CURRENT ASSETS

Other Receivables

1.02	-
<u>1.02</u>	<u>-</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 21

REVENUE FROM OPERATIONS

Particulars

	(₹ in Lacs)	
	For the year ended March 31, 2013	For the year ended March 31, 2012
OTHER OPERATING REVENUE		
Income from Operations	47,206.14	32,002.97
	47,206.14	32,002.97

NOTE - 22

OTHER INCOME

Consultancy Income	9.79	-
Dividend Income from other than Subsidiary on		
-Current investments	124.19	-
-Long term investments	0.50	-
Profit on Sale of Investment	0.00	-
Interest Income	36.56	10.61
Sundry Balances Written back (Net)	0.40	-
Miscellaneous Income	8.03	-
	179.46	10.61

NOTE - 23

COST OF OPERATIONS

Contract Expenses & Hire Charges	43,798.47	30,541.62
	43,798.47	30,541.62

NOTE - 24

EMPLOYEE BENEFITS EXPENSES

Salaries and Wages	1,726.45	146.19
Contribution to Provident fund and Other Fund	1.76	-
Staff Welfare	0.16	0.07
	1,728.37	146.26

24.1 Employee Benefits:

As per Accounting Standard 15 "Employee Benefits" the disclosure of employee benefits as defined in the accounting standards are given below:

Defined Contribution Plan

Particulars	2012-13	2011-12
Employers Contribution to Provident Fund	1.29	-
Employers Contribution to Pension Fund	0.47	-
	1.76	-

Defined Benefit Plan (Unfunded)

The Employees Gratuity Fund Scheme of the Company is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Particulars	2012-13	2011-12
Defined Benefit Obligation at beginning of the year	74.22	-
Current & Past Service Cost	2.53	-
Current Interest Cost	3.34	-
Past Service Cost (Non -vested Benefits)	-	-
Actuarial (Gain) / Loss	(22.94)	-
Benefits paid	-	-
Defined Benefit Obligation at the end of the year	57.14	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	2012-13	2011-12
Fair Value of Plan Assets at the end of the year	-	-
Defined Benefit Obligation at end of year	57.14	-
Liabilities recognized in the Balance Sheet	57.14	-

c) Expenses recognized during the year

Particulars	2012-13	2011-12
Current & Past Service Cost	2.53	-
Interest Cost	3.34	-
Past Service Cost (Non -vested Benefits)	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain) / Loss	(22.94)	-
Net Cost Recognised in Profit and Loss Account	(17.08)	-

d) Assumptions used to determine the defined benefit obligations

Particulars	2012-13	2011-12
Mortality Table (LIC)	LIC (1994-96)Ultimate	
Discount Rate (p.a.)	7.85%	
Estimated Rate of Return on Plan Asset	-	-
Expected Rate of increase in Salary (p.a.)	7.00%	

The estimates of rate of increase in salary 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.

NOTE - 25

FINANCE COST

Particulars

	(₹ in Lacs)
	For the year ended March 31, 2013
Interest Expenses	22,413.74
Other Borrowing Costs	980.93
	23,394.67

NOTE - 26

OTHER EXPENSES

	For the year ended March 31, 2013	For the year ended March 31, 2012
Advertisement & Business Promotion Expenses	11.74	2.75
Bank Charges & Commission	1.35	0.66
Rent	164.84	61.68
Rates and Taxes	5.30	2.01
Printing and Stationery	7.98	2.51
Repair and Maintenance - Other	32.12	7.49
Manpower & Security Charges	150.43	1.37
Net loss on Foreign Currency Transaction	0.00	-
Communication Expenses	27.49	5.13
Travelling, Conveyance & Vehicle Expenses	106.78	19.80
Legal and Professional Charges	302.73	22.49
Administrative & Office Expenses	182.07	21.22
Other Miscellaneous Expenses	40.99	-
Payment to Auditors (Refer Note No.26.1)	21.97	6.29
Prior Period Expenses	0.98	-
Donation	5.11	0.21
Sundry Balance Written off (Net)	0.02	41.00
Preliminary, Pre-Operative & Share issue expenses written off	9.00	9.02
Sitting Fees to Directors	1.20	1.30
Insurance Charges	1.50	1.85
Interest on TDS	6.69	-
	1,080.28	206.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

26.1 Payment To Auditors (Including Service Tax)		(₹ in Lacs)
Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Audit Fees	17.48	4.91
Tax Audit Fees	2.25	0.55
Certification Charges	0.28	-
Other matters	1.96	0.83
	21.97	6.29

NOTE - 27**EARNINGS PER SHARE (EPS) - BASIC AND DILUTED**

Net Profit / (Loss) after Tax	(21,499.58)	(726.03)
Amount available for calculation of Basic & Diluted EPS	(21,499.58)	(726.03)
Weighted Average No. of Equity Shares outstanding for Basic & Diluted EPS (Nos.)	10,740,000	10,740,000
Basic & Diluted Earnings per share of ₹ 10/- each	(200.18)	(6.76)

* Due to impact of the scheme of merger between Company & amalgamating Companies, there is a suspense share capital of 205,831,249 number of equity shares which are to be allotted to amalgamating Companies. If these shares would have been allotted, it results in total equity capital of 216,571,249 no. of Equity shares and resultant EPS would have been (9.93)

NOTE - 28**CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	For the year ended March 31, 2013	(₹ in Lacs) For the year ended March 31, 2012
a. Contingent Liabilities (To the extent not provided for):		
(No Cash Out Flow is expected)		
(i) Corporate guarantees given to Bank/Financial Institutions for borrowings taken by		
-Others	841,425.00	-
(ii) Income Tax Demands not acknowledged as debts	1,143.59	417.00
b. Capital Commitments:		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (Net of Advances) as at March 31, 2013 ₹ 1,015.26 Lacs (Previous year ₹ Nil). (Cash flow is expected on execution of such Capital Contracts on Progressive basis).		

NOTE - 29

The Scheme of Amalgamation and Arrangement between the three Transferor Companies namely 1) SKIL Infrastructure Limited (SKIL), 2) Horizon Countrywide Logistics Limited (HCWLL), 3) Fastlane Distripark and Logistics Limited (FDLL) and Transferee Company namely Horizon Infrastructure Limited had been approved by Hon'ble Bombay High Court u/s 391 to 394 read with section 78 to 103 of the Companies Act, 1956 on September 20, 2013 and upon necessary filing with the Registrar of Companies on September 28, 2013, the scheme has become effective, consequently the Merger of Transferor Companies into Transferee Company has become effective from appointed date of April 01, 2011 and hence this merged statement of accounts had been prepared for financial year 2012-2013 after giving effect of the scheme.

NOTE - 30

- In terms of the Scheme, the entire business and the whole of the undertaking of SKIL, HCWLL and FDLL, as a going concern stands transferred to and vested in the Company with effect from April 01, 2011, being the Merger Appointed Date.
- In consideration of the amalgamation of SKIL, HCWLL and FDLL with the Company, the Company would issue 205,831,232 Equity Shares of ₹ 10/- each fully paid-up in the Company, aggregating to ₹ 2,058,312,320 in the following ratio :
 - i) 174,358,814 Equity Shares of ₹ 10/- to the shareholders of SKIL in the ratio of 11 Equity Shares of ₹ 10/- each of the Company for every 19 Equity Shares of ₹ 10/- each held by the shareholders in SKIL;
 - ii) 20,060,249 Equity Shares of ₹ 10/- to the shareholders of HCWLL in the ratio of 10 Equity Shares of ₹ 10/- each of the Company for every 68 Equity Shares of ₹ 10/- each held by the shareholders in HCWLL; and
 - iii) 11,412,169 Equity Shares of ₹ 10/- to the shareholders of FDLL in the ratio of 10 Equity Shares of ₹ 10/- each of the Company for every 65 Equity Shares of ₹ 10/- each held by the shareholders in FDLL.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Accounting for Amalgamation:

The amalgamation of SKIL, HCWLL and FDLL with the Company is accounted for on the basis of the Purchase Method as envisaged in the Accounting Standard (AS) - 14 on Accounting for Amalgamations specified in the Companies (Accounting Standard) Rules 2006 and in terms of the scheme, as below :

- all the assets and liabilities of all three transferor companies are valued at their fair value as Board Of Directors had decided to follow Amalgamation in nature of Purchase Method and merged with assets and liabilities of transferee company. Suitable effect is given for following uniform accounting policies and methods.
- Aggregate excess of the value of net assets determined as per above, over the shares to be issued and allotted to share-holders of the transferor companies pursuant to the scheme, loss of the transferor companies and stamp duty and other cost incurred towards the scheme is adjusted by transferee company to capital reserve account. The loss of the transferor companies if any upto effective date shall also will be adjusted to the capital reserve as mentioned in the Scheme of Amalgamation and Arrangement.
- The holding of SKIL in HCWLL and HCWLL in FDLL stand transferred to HCWLL and FDLL trust respectively from the effective date and said trusts shall be allotted shares as per the exchange ratio.
- The inter company balances and transactions stood cancelled.
- FDLL was hitherto developing a State of the Art Container Freight Stations(CFS) in an area of 73.15 acres near Jawahar Nehru Port, Navi Mumbai. First phase of construction is in progress.
- HCWLL on the strength and experience accumulated over the last two decades, by the Promoter Company, had embarked upon an ambitious, Pan-India and Multi-segment Operations in the logistic field. HCWLL had plans to be a pioneer in the infrastructure development facilities across the country starting integrated logistic hub at various locations in India and creating a Pan-India network of CFS and Inland clearance depots, etc. including Free Trade Warehousing Zone.
- SKIL, which has been a Holding Company of the Group, was conducting business through its subsidiaries and affiliates.

NOTE - 31

RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with related parties as defined in the Accounting Standard are given below:

a. List of related parties where control exists and related parties with whom transaction have taken place and relationships:

Name of the related parties	Relationship
Pipavav Defence and Offshore Engineering Company Limited Urban Infrastructure Holding Private Limited Montana Infrastructure Limited Metropolitan Industries	Associates
Sohar Free Zone LLC	Joint Venture
Mr.Nikhil P. Gandhi Mr.Bhavesh P.Gandhi Mr. Ajay Khara Mr.Chandrakant S. Sanghavi Mr. M.P. Vora	Key Managerial Personnel (KMP)
Matushree Nirmalaben Gandhi Charitable Foundation Grevek Investment & Finance Pvt. Ltd. Rhett Infraprojects Pvt.Ltd. Awaita Properties Pvt. Ltd. E-Complex Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence.

b.Transaction with Related Parties

Nature of Transaction	Associates / Joint Venture	KMP	Enterprises over which KMP has significant influence	(₹ in Lacs) Total
Investments				
Balance as at March 31, 2013	359,801.73	-	-	359,801.73
Loans & Advances				
Advances Given	200.00	-	19,753.58	19,953.58
Advances Received	156.17	-	26,609.25	26,765.42
Advances Written off	-	-	-	-
Advances as at March 31, 2013	383.71	-	35,372.13	35,755.84

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Nature of Transaction	Associates / Joint Venture	KMP	Enterprises over which KMP has significant influence	(₹ in Lacs) Total
Current Liabilities				
Received	-	-	2,160.01	2,160.01
Refund back	-	-	2,031.00	2,031.00
Balance as at March 31, 2013	-	-	1,436.12	1,436.12
Bond Application Money				
Received	-	-	69,700.00	69,700.00
Issuance of RNCB	-	-	82,900.00	82,900.00
Inter Corporate Deposit				
Received	-	-	103.55	103.55
Refund back	-	-	738.01	738.01
Balance as at March 31, 2013	-	-	4,487.75	4,487.75
Deposits				
Deposit as at March 31, 2013	-	9.50	5.00	14.50
Redeemable Non Convertible Bonds				
As At March 31, 2013	-	-	100,400.00	100,400.00
Redemption Premium Payable	-	-	1,953.29	1,953.29
Interest Expenses	-	-	525.00	525.00
Rent	-	-	12.38	12.38
Corporate Guarantee Given o/s as at March 31, 2013	798,025.00	-	42,200.00	840,225.00
Managerial Remuneration	-	222.17	-	222.17

c. Details of major transactions with related party (₹ In Lacs)

	2012-13	2011-12
Investment - Purchased / Allotted during the year	-	-
Investment - sold during the year	-	-
Investment as at March 31, 2013		
Pipavav Defence and Offshore Engineering Company Ltd.	252,537.19	-
Urban Infrastructure Holdings Pvt. Ltd.	106,365.14	-
Share Application Money Paid	-	-
Share Application Money Received back	-	-
Share Application Money as at March 31, 2013	-	-
Advance Received		
Grevek Investments & Finance Pvt.Ltd.	25,863.51	-
Awaita Properties Pvt.Ltd.	1.00	-
Refund of Advance		
Grevek Investments & Finance Pvt.Ltd.	1,682.36	-
Awaita Properties Pvt.Ltd.	348.64	-



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

		2012-13	2011-12
Advance as at March 31, 2013	Grevek Investments & Finance Pvt.Ltd.	1,436.12	-
Bond Application Money Received	Grevek Investment & Finance Pvt.Ltd.	69,700.00	-
Issuance of Bond	Grevek Investment & Finance Pvt.Ltd.	82,900.00	-
Redeemable Non convertible Bonds as at March 31, 2013	Grevek Investment & Finance Pvt.Ltd.	100,400.00	-
Redemption Premium Payable	Grevek Investment & Finance Pvt.Ltd.	1,953.29	-
Inter-Corporate Deposit Received	Grevek Investment & Finance Pvt.Ltd.	97.75	-
	Awaita Properties Pvt.Ltd.	5.80	-
Inter-Corporate Deposit Repayment	Awaita Properties Pvt.Ltd.	738.01	-
Inter-Corporate Deposit as at March 31, 2013	Rhett Infraprojects Pvt.Ltd.	390.00	-
	Grevek Investment & Finance Pvt.Ltd.	4,097.75	-
Advances Given	Pipavav Defence and Offshore Engineering Company Ltd.	200.00	-
	Awaita Properties Pvt.Ltd.	22.34	-
	Grevek Investment & Finance Pvt.Ltd.	19,714.00	-
	E-Complex Pvt. Ltd.	17.24	-
Advances received back	Pipavav Defence and Offshore Engineering Company Ltd.	156.17	-
	Grevek Investment & Finance Pvt.Ltd.	2,904.75	-
	E-Complex Pvt. Ltd.	17.24	-
Advance Receivable as at March 31, 2013	Pipavav Defence and Offshore Engineering Company Ltd.	383.71	-
	Grevek Investment & Finance Pvt.Ltd.	4,850.00	-
Deposit as at March 31, 2013	Mr. Bhavesh P. Gandhi	9.50	-
	Awaita Properties Pvt.Ltd.	5.00	-
Rent	Awaita Properties Pvt.Ltd.	8.00	-
Interest	Grevek Investment & Finance Pvt.Ltd.	525.00	-
Corporate Guarantee Given as at March 31, 2013	Pipavav Defence and Offshore Engineering Company Ltd.	798,025.00	-
	E-Complex Pvt. Ltd.	30,200.00	-
	Grevek Investment & Finance Pvt.Ltd.	12,000.00	-
Managerial Remuneration	Mr. Ajay Khera	134.67	-
	Mr. Chandrakant S. Sanghavi	87.50	-
	Mr. M.P. Vora	8.00	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 32

SEGMENT INFORMATION:-

The Company is mainly engaged in Infrastructure activity in India. All the Activities of the Company revolve around this main Business as such there are no separate reportable Segments as per Accounts Standard on Segment Reporting.

NOTE - 33

EXPENDITURE IN FOREIGN CURRENCY :

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2013	For the year ended March , 2012
Travelling Expenses	12.64	1.04
Salary Expenses	5.16	-
Advance towards Professional Fees	-	90.39
	17.80	91.44

NOTE-34

JOINTLY CONTROLLED ENTITY :

Name	Country of Incorporation	Ownership interest	
		As at March 31, 2013	As at March 31, 2012
Sohar Free Zone LLC	Sultanate of Oman	33.33%	

Particulars	As at December 31, 2012	As at December 31, 2011
Assets		
- Long Term Assets	3,638.87	-
- Current Assets	1,047.13	-
Liabilities		
- Non Current Liabilities	2,788.94	-
- Current Liabilities & Provisions	1,202.92	-
Income	325.50	-
Expenses	319.03	-

NOTE-35

LEASES

The Company has entered into cancellable arrangements for taking on leave and license basis certain office premises, accomodation and guest house. The specified disclosure in respect of these agreements is given below:

	(₹ in Lacs)	
	As at March 31, 2013	As at March 31, 2012
Lease payments recognised in statement of profit and loss account for the year	164.84	-

- i) There is no Escalation clause in the lease agreement.
- ii) There is no restriction imposed by lease arrangements.
- iii) There are no subleases.

NOTE-36

CAPITAL WORK IN PROGRESS

	(₹ in Lacs)
Opening Balance	43,843.81
Add : Addition During The Year	11,184.59
Closing Balance	55,028.40



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE-37

Previous year figures are Consolidated figures of Horizon Infrastructure Limited alone and current year figures are Consolidated figures of merged Horizon Infrastructure Limited entity hence previous year figures are not comparable with current year figures.

AS PER OUR REPORT OF EVEN DATE For BHARAT SHAH & ASSOCIATES

Chartered Accountants
Firm Registration No. 101249W

BHARAT A. SHAH
Proprietor
Membership No. 32281

Date : November 26, 2013
Place : Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SUDIPAN BHADURI
Chief Financial Officer

NILESH MEHTA
Company Secretary

NIKHIL P. GANDHI
Chairman and Whole-time Director

J. ALEXANDER
Director

Summary of Financial information of Subsidiary Companies for the year ended March 31, 2013

(₹ in Lacs)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital (paid up)	Reserve & Surplus	Total Assets	Total Liabilities	Details of Investment (Except in Subsidiary)	Turnover	Profit/ (Loss) Before Tax	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	Country
1	SKIL Himachal Infrastructure & Tourism Limited	INR	5,000.00	-	12,057.84	12,057.84	-	-	-	-	-	-	India
2	SKIL Shipyard Holdings Private Limited	INR	5.00	(6,534.78)	20,270.14	20,270.14	18,229.08	-	(2,446.24)	-	(2,446.24)	-	India
3	SKIL Karnataka SEZ Limited	INR	5.00	(0.92)	3,402.69	3,402.69	-	-	(0.19)	-	(0.19)	-	India
4	SKIL Singapore Pte. Ltd.	INR	71.45	(88.75)	14,674.43	14,674.43	-	-	(14.55)	-	(14.55)	-	Singapore
		SGD MN	0.16	0.20	33.54	33.54	-	-	(0.03)	-	(0.03)	-	
5	Pipavav Electronic Warfare Systems Pvt. Ltd. (Formerly Known as SKIL Strategic Deterrence Systems Pvt. Ltd).	INR	1.00	(0.39)	31.93	31.93	-	-	(0.14)	-	(0.14)	-	India
6	Energy India Corporation Limited	INR	401.43	(6.49)	422.19	422.19	-	-	(1.20)	-	(1.20)	-	India
7	SKIL Advanced Systems Private Limited	INR	5.00	(12.57)	418.13	418.13	-	-	(8.86)	-	(8.86)	-	India
8	Gujarat Positra Port Company Limited	INR	9,556.60	1,643.83	16,340.14	16,340.14	-	-	(8.87)	-	(8.87)	-	India
9	Metrotech Technology Park Private limited	INR	10.00	(5.74)	563.41	563.41	-	-	(0.30)	-	(0.30)	-	India
10	Varahi Infrastructure Pvt. Ltd	INR	1.00	(0.91)	24.20	24.20	-	-	(0.39)	-	(0.39)	-	India
11	Mahakaleshwar Knowledge Infrastructure Pvt. Ltd.	INR	294.58	2.35	46,321.09	46,321.09	-	-	(3.93)	-	(3.93)	-	India
12	Chiplun FTWZ Private limited	INR	9,000.00	(75.05)	9,012.29	9,012.29	-	-	(6.77)	-	(6.77)	-	India

Summary of Financial information of step down Subsidiary Companies for the year ended March 31, 2013

1	Pipavav Aero Infrastructure Pvt.Ltd	INR	1.00	(0.39)	0.92	0.92	-	-	(0.11)	-	(0.11)	-	India
2	SKIL Midivisana Engineering Pvt.Ltd	INR	1.00	(0.14)	0.97	0.97	-	-	(0.08)	-	(0.08)	-	India
3	SKIL Vision Aerial Solutions Pvt.Ltd	INR	1.00	(0.06)	1.00	1.00	-	-	(0.06)	-	(0.06)	-	India

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



ATTENDANCE SLIP

Horizon Infrastructure Limited

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

(Please complete this Attendance Slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the 30th Adjourned Annual General Meeting of the Shareholders of the Company being held on Thursday, December 26, 2013 at 1500 hours at Bombay Club Suite, Royal Bombay Yacht Club, Chhatrapati Shivaji Maharaj Marg, Apollo Bunder, Opp. Gateway of India, Near Taj Mahal Hotel, Mumbai - 400 001.

Folio No. No. _____ of Shares held _____

DP Id. _____ Client Id. _____

Name of the Shareholder: _____

(1st name)

(Joint Holder)

Name of Proxy _____

(To be filled in case of the proxy attends instead of shareholder)

Signature of Shareholder/Proxy*

* Strike out whichever is not applicable

----- TEAR HERE -----



PROXY FORM

Horizon Infrastructure Limited

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

Folio No. _____ No. of Shares held _____

DP Id. _____ Client Id. _____

I/We _____

of _____ being a member/members of Horizon Infrastructure Limited

hereby appoint _____ of or falling him/

her _____ of _____ as my/our proxy

to vote for me/us and on my/our behalf at the 30th Adjourned Annual General Meeting of the Company to be held on Thursday, December 26, 2013 or any adjournment thereof.

Affix a
₹ 1/-
Revenue
Stamp

Signed this _____ day of _____ 2013

Note : The proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the for holding the aforesaid Meeting. The Proxy need not be a Shareholder of the Company.

Book-Post

If undelivered, please return to:

Link Intime India Private Limited
(Unit- Horizon Infrastructure Limited)
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400 078