

**30TH  
ANNUAL REPORT  
2017-18**

**SKYLINE VENTURES INDIA  
LIMITED**

**CORPORATE INFORMATION****Board of Directors:**

Mr. Naga Visweswara Rao Lakkimsetty	Whole Time Director
Mr. Rajasekhar Garapati	Independent Director
Mr. Rahamath Kasim Akaveeti	Independent director
Mr. Nayabrasool Akaveeti	Independent Director
Mrs. Srivenkata Lakkimsetti Laxmi Padmaja	Non-Executive Director

**Audit Committee:**

Mr. Rahamath Kasim Akaveeti	Chairman
Mrs. Srivenkata Lakkimsetti Laxmi Padmaja	Member
Mr. Rajasekhar Garapati:	Member

**Nomination and Remuneration Committee:**

Mr. Rajasekhar Garapati	Chairman
Mr. Nayabrasool Akaveeti	Member
Mr. Rahamath Kasim Akaveeti	Member

**Stakeholders Relationship Committee:**

Mrs. Srivenkata Lakkimsetti Laxmi Padmaja	Chairman
Mr. Rajasekhar Garapati	Member
Mr. Naga Visweswara Rao Lakkimsetty	Member

<b>Registered Office:</b>	6-1-279/10/5, Walker Town, Padmarao Nagar, Secunderabad, 500025, Telangana.
<b>Auditors</b>	M/s. S.T.Mohite & Co. Chartered Accountants
<b>Registrars &amp; Share Transfer Agents:</b>	Venture Capital and Corporate Investments Pvt Ltd. 12-10-167, Bharat Nagar, Hyderabad- 500018 Phones: 040-23818475 / 476; Fax: 040-23868024 Email: info@vccilindia.com
<b>Listed At:</b>	BSE Limited

**NOTICE**

**Skyline Ventures India Limited**

**Registered Office:** 6- 1-279/10/5, Walker Town, Padmarao Nagar, Secunderabad, Telangana – 500025  
CIN: L45200TG1988PLC009272

Notice is hereby given that the **30th Annual General Meeting** of the Members of **M/SSkyline Ventures India Limited** will be held on Saturday the 29th September, 2018 at 09.00 A.M. at Madhav Reddy Community Hall, Near Victoria Anglo School, Chaitanyapuri, Hyderabad- 500060, Telangana to transact the following business.

**ORDINARY BUSINESS:**

**Item No.1: Adoption of Audited Standalone Financial statements**

To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2018, including the audited Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.

**Item No.2 – Appointment of Director**

To appoint a director in place of Mrs. Srivenkata Lakkimsetti Laxmi Padmaja (DIN: 07751864), who retires by rotation and being eligible, offers herself for re-appointment as a Director.

**SPECIAL BUSINESS:**

**Item No.3: Increase of Authorized Capital.**

To consider and pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and the rules issued there under (including any statutory modification or re-enactment thereof from time being in force), the authorised share capital of the Company be and is hereby increased to Rs.13,00,00,000 (Rupees Thirteen Crores only) divided into 1,30,00,000 (One Crore Thirty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each, from existing Rs. 10,00,00,000 (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore only) equity shares of Rs. 10/- (Rupees ten only) each, by way of creation of additional 30,00,000 (Thirty Lakhs only) equity shares of Rs.10 (Rupees ten only) each, aggregating to Rs.3,00,00,000 (Rupees Three Crores only).”

**“FURTHER THAT** the Clause V of the Memorandum of Association of the Company be and is hereby amended as follows:

**V.** The Authorised Share Capital of the Company Rs.13,00,00,000 (Rupees Thirteen Crores only) divided into 1,30,00,000 (One Crore Thirty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each. The company has the power from time to time to increase or reduce its capital and to issue any shares in original or new capital as equity or preference shares and to attach to any class or classes of such shares any preferences, rights, privileges, or priorities in payment of dividends, or distribution of assets, or otherwise over any other shares or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the company, as far as necessary to give effect to the same and upon the sub-division of a share, to apportion the right to participate in profits in any manner.”

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of all or any of its powers herein conferred to its Directors, Chief Financial Officer, Company Secretary or any other officer(s).”

**Item No.4: Increasing the limits of Investments:**

To consider and if thought fit, to pass with or without modification(s), the following resolution, as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and such other provisions as may be applicable, if any, and the Rules made there under, including any statutory modifications or re-enactments thereof, the consent of the Company be and hereby accorded to the Board of Directors of the Company to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, to give loan(s) and/or give any guarantee(s)/provide any security(ies) as may be required from time to time, exceeding 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as the Board of Directors may think fit, in one or more tranches, not exceeding Rs.50 Crores (Rupees Fifty Crores only), over and above the limits prescribed under the above said section.”

**RESOLVED FURTHER THAT** Board of Directors of the company be and is hereby authorized to do all such acts deeds and things as may be necessary in this regard including but not limited to the delegation of powers to any director or committee of directors or any others person as it may deem fit subject to the provision of the Companies Act, 2013.”

**Item No. 5: Increase of Borrowing Capital**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** in terms of Section 180 (1)(c) of the Companies Act, 2013 and such other provisions as may be applicable, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money on behalf of the Company, as may be required from time to time, any sum or sums of monies which together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs.50 Crores (Rupees Fifty Crores only) over and above the limits so prescribed under the above said Section.”

**RESOLVED FURTHER THAT** the authority be and is hereby granted to issue short term and long term debt instruments of the Company, including by way of issue of Debentures or such other instruments like commercial papers etc. in one or more tranches, such that the total outstanding borrowing by way of issue of such instruments outstanding at any one point of time shall not exceed aforesaid limit.

**RESOLVED FURTHER THAT** Board of Directors of the company be and is hereby authorized to do all such acts deeds and things as may be necessary in this regard including but not limited to the delegation of powers to any director or committee of directors or any others person as it may deem fit subject to the provision of the Companies Act, 2013.”

**Item No. 6: Appointment Mr. Dr.Bheemesh Kumar Kotamarty as Independent Director**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dr.Bheemesh Kumar Kotamarty(holding DIN: 07930682), who was appointed as an Additional Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 and who holds office only upto the date of this Annual General Meeting for a period of five years, be and is hereby appointed as an Independent Director of the Company, for a period of five consecutive years from the ensuing Annual General Meeting.

**Item No. 7: Issue of securities through qualified institutions placement on a private placement basis to qualified institutional buyers (“QIBs”)**

**To consider and, if thought fit, to give your assent or dissent to the following resolution as a SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“Companies Act”), the Companies(Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable laws (including any amendment(s),statutory modification(s) or re-enactment thereof), the provisions of the Memorandum of Association and the Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“SEBI Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), the listing agreements entered into by the Company with BSE Limited (“Stock Exchange”) on which the equity shares having face value of `10/- each of the Company (“Equity Shares”) are listed, the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, each as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, the Reserve Bank of India Master Directions on Foreign Investment in India, 2018 and subject to other applicable rules, regulations and guidelines issued by the Ministry of Corporate Affairs, Government of India (“MCA”), the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India, the Stock Exchanges and/ or any other competent authorities (hereinafterreferred to as “Applicable Regulatory Authorities”) from time to time, and to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the Applicable Regulatory Authorities in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/ or sanctions, consent, authority and approval of the Company be and is hereby accorded to the Board of Directors (“Board”, which term shall include any committee thereof which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this resolution) to create, offer, issue and allot upto 50,00,000 fully paid-up Equity Shares, in one or more tranches, in one or more foreign markets and / or the domestic market, by way of qualified institutions placement (“QIP”) through the issue of placement document(s) and / or other permissible/ requisite offer documents to qualified institutional buyers as defined under regulation 2(1)(zd) of the SEBI Regulations (“QIBs”), in accordance with Chapter VIII of the SEBI Regulations, at such premium as may be fixed on such Equity Shares, at such time or times, at such price or prices, at a discount or premium to market price or prices as permitted under applicable laws in such manner and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the QIBs to whom the offer, issue and allotment of Equity Shares through the QIP shall be made to the exclusion of other QIBs at the time of such creation, offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with book running lead manager(s) and / or placement agents and/ or underwriter(s) and / or other advisor(s) appointed and / or to be appointed, as the Board in its absolute discretion may deem fit and appropriate.

**“RESOLVED FURTHER THAT** pursuant to Chapter VIII of the SEBI Regulations:

- (a) the allotment of the Equity Shares shall be completed within 12 months from the date of passing of the special resolution by the members of the Company or such other time as may be allowed under the SEBI Regulations from time to time;
- (b) the Equity Shares shall not be eligible to be sold by the allottees for a period of 1 year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI Regulations;

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- (c) the total amount raised in such manner through the QIP, together with other qualified institutions placements made in the same financial year (i.e the financial year 2019), if any, shall not, exceed 5 times of the net worth of the Company as per its audited balance sheet of the previous financial year (i.e. financial year 2018);
- (d) the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the QIP and Equity Shares will be issued and allotted in the QIP at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI Regulations; and
- (e) The Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution:

- (a) the Equity Shares to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- (b) the Equity Shares to be created, offered, issued and allotted in terms of this resolution, shall rank pari passu in all respects with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient, including making applications to Stock Exchanges for obtaining in-principle approvals, listing and final listing and trading approvals in connection with the listing of the Equity Shares to be created, offered, issued and allotted through the QIP, filing of requisite documents with the Registrar of Companies, appointment of legal advisors/ solicitors, bankers, depositories, custodians, registrars, trustees, stabilizing agents and/ or any other advisors, professionals, agencies as may be required, negotiate/ modify/ execute/ deliver and/ or sign any declarations, offer letters, offering documents, information memorandum, agreements, deeds, forms and such other documents as may be necessary in this regard and to resolve and settle any questions and difficulties that may arise in the proposed creation, offer, issue and allotment of the Equity Shares and utilization of issue proceeds without being required to seek any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to a committee of the Board or any such persons as the Board may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as it may deem fit and proper for the purposes of the QIP and settle any questions or difficulties that may arise in regard to the QIP.”

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution:

- (a) the Equity Shares to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- (b) The Equity Shares to be created, offered, issued and allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company.

### **Item No. 8: Approval of Skyline Employee Stock Option Scheme 2018.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed thereunder, and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee

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Benefits) Regulations, 2014 (hereinafter referred to as “**SEBI SBEB Regulations**”), issued by the Securities and Exchange Board of India (“**SEBI**”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted/ delegated in order to exercise its powers, including the powers, conferred by this resolution) to, create, grant, offer, issue and allot from time to time Equity Shares of the Company having face value of Rs. 10/- per share (“**Equity Shares**”) under the ‘**Skyline Employee Stock Option Scheme 2018**’ (hereinafter referred to as the “**Scheme**”) by way of issuance of Employee Stock Options, the salient features of which are furnished in the Explanatory Statement to this Notice for the benefit of such persons who are permanent employees of the Company including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or outside India, and selected by the Board/Committee in its sole and absolute discretion (“**Eligible Employees**”), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Scheme and applicable laws;

**RESOLVED FURTHER THAT**, the maximum number of Employee Stock Options that can be granted under the Scheme which will be convertible into Equity Shares wherein one Employee Stock Option is equivalent to one Equity Share, shall be up to **3,96,000 Equity Shares of Rs.10 each i.e., 10% of the issued, subscribed and paid-up equity share capital** of the Company as on the date of this Notice (as adjusted for any corporate action and/or change in the capital structure) at such price or prices as may be determined by the Board in its sole and absolute discretion;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, to issue and allot Equity Shares to the Eligible Employees from time to time in accordance with the Scheme and other applicable laws in force and such Equity Shares shall rank *pari passu* in all respects with the then Equity Shares of the Company;

**RESOLVED FURTHER THAT** the Board is empowered to make fair and reasonable adjustment, in its sole and absolute discretion in accordance with applicable laws to the terms of grant made under the Scheme in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, and others, or sub-division or consolidation of Equity Shares.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to implement, formulate, evolve, decide upon and bring into effect the Scheme directly and to modify, change, vary, alter, amend, revise, suspend or terminate the Scheme subject to compliance with the applicable laws and regulations including but not limited to, amendment (s) with respect to price, period, eligibility criteria or to suspend, withdraw, terminate or revise the Scheme in such manner as the Board may determine in its sole discretion and to do all such acts, deeds, matters and things as it may at its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and to the Equity Shares to be issued pursuant to the proposed Scheme without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme;

**RESOLVED FURTHER THAT** any of the Directors of the Company and/ or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the Scheme on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable guidelines, rules and regulations;

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of the Scheme as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

**Item No. 9: Grant of stock options to the employees of the subsidiary company (ies) of the Company under Skyline Employee Stock Option Scheme 2018.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “**SEBI SBEB Regulations**”), issued by the Securities and Exchange Board of India (“**SEBI**”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted/delegated in order to exercise its powers, including the powers, conferred by this resolution) to create, grant, offer, issue and allot from time to time Equity Shares of the Company having face value of Rs. 10/- per share (“**Equity Shares**”) under the ‘**Skyline Employee Stock Option Scheme 2018**’ (hereinafter referred to as the “**Scheme**”) by way of issuance of employee stock options, within the overall ceiling of **3,96,000 Equity Shares of Rs.10 each, i.e.10%** of the Company’s paid up equity capital as on the date of this Notice as mentioned in Special Resolution at Serial no. 1 of this Notice) for the benefit of such persons who are permanent employees of the Company’s existing and future subsidiary Company(ies) including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or outside India, and selected by the Board in its sole and absolute discretion (“**Eligible Employees**”), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Scheme and applicable laws;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, either to issue and allot Equity Shares to the Eligible Employees from time to time in accordance with the Scheme and other applicable laws in force and such Equity Shares shall rank *pari passu* in all respects with the then Equity Shares of the Company;

**RESOLVED FURTHER THAT** the Board is empowered to make fair and reasonable adjustment, in its sole and absolute discretion in accordance with applicable laws to the terms of grant made under the Scheme in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, and others, or sub-division or consolidation of Equity Shares;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to implement, formulate, evolve, decide upon and bring into effect the Scheme and to modify, change, vary, alter, amend, revise, suspend or terminate the Scheme subject to compliance with the applicable laws and regulations including



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but not limited to, amendment(s) with respect to price, period, eligibility criteria or to suspend, withdraw, terminate or revise the Scheme in such manner as the Board may determine in its sole discretion and to do all such acts, deeds, matters and things as it may at its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and to the Equity Shares to be issued pursuant to the proposed Scheme without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme;

**RESOLVED FURTHER THAT** any of the Directors of the Company and/ or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the Scheme on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable guidelines, rules and regulations;

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of the Scheme as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

Item No.10: Grant of options to the identified employees during any one year, equal to or exceeding one percent of the issued capital of the Company at the time of grant of option under Skyline Employee Stock Option Scheme 2018

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

“**RESOLVED THAT** in accordance with SEBI (Share Based Employee Benefit) Regulations, 2014, consent of the member(s) be and is hereby accorded for the grant of stock options to the identified employees as per the Special Resolution under serial number 1 and 2, during any one year equal to or exceeding 1% of the issued, subscribed and paid-up capital of the Company at the time of grant of option.

“**RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution, the Board of Directors including the Nomination & Remuneration Committee and/or such other committee as may be decided by the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard, as it may, in its absolute discretion deem t, without being required to seek any further consent or approval of the member(s).”

**Item No.11: Approval of Skyline Employee Stock Purchase Scheme 2018.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), issued by the Securities

and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted/ delegated in order to exercise its powers, including the powers, conferred by this resolution) to, create, grant, offer, issue and allot from time to time Equity Shares of the Company having face value of Rs. 10/- per share (“Equity Shares”) under the ‘Skyline Employee Stock Purchase Scheme 2018’ (hereinafter referred to as the “Scheme”) by way of issuance of Fully paid up equity shares under the Scheme, the salient features of which are furnished in the Explanatory Statement to this Notice for the benefit of such persons who are permanent employees of the Company including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or outside India, and selected by the Board/Committee in its sole and absolute discretion (“Eligible Employees”), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Scheme and applicable laws;

**RESOLVED FURTHER THAT**, the maximum number of Equity shares that can be granted under the Scheme shall be up to 3,96,000 Equity Shares of Rs.10 each, i.e., 10% of the issued, subscribed and paid-up equity share capital of the Company as on the date of this Notice (as adjusted for any corporate action and/or change in the capital structure) at such price or prices as may be determined by the Board in its sole and absolute discretion;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, to issue and allot Equity Shares to the Eligible Employees from time to time in accordance with the Scheme and other applicable laws in force and such Equity Shares shall rank *pari passu* in all respects with the then Equity Shares of the Company;

**RESOLVED FURTHER THAT** the Board is empowered to make fair and reasonable adjustment, in its sole and absolute discretion in accordance with applicable laws to the terms of grant made under the Scheme in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, and others, or sub-division or consolidation of Equity Shares;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to implement, formulate, evolve, decide upon and bring into effect the Scheme and to modify, change, vary, alter, amend, revise, suspend or terminate the Scheme subject to compliance with the applicable laws and regulations including but not limited to, amendment (s) with respect to price, period, eligibility criteria or to suspend, withdraw, terminate or revise the Scheme in such manner as the Board may determine in its sole discretion and to do all such acts, deeds, matters and things as it may at its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and to the Equity Shares to be issued pursuant to the proposed Scheme without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme;

**RESOLVED FURTHER THAT** any of the Directors of the Company and/ or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the Scheme on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable guidelines, rules and regulations;

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of the Scheme as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

**Item No. 12: Grant of Equity shares to the employees of the subsidiary company (ies) of the Company under Skyline Employee Stock Purchase Scheme 2018.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”), issued by the Securities and Exchange Board of India (“SEBI”) and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted/delegated in order to exercise its powers, including the powers, conferred by this resolution) to create, grant, offer, issue and allot from time to time Equity Shares of the Company having face value of Rs. 10/- per share (“Equity Shares”) under the ‘Skyline Employee Stock Purchase Scheme 2018’ (hereinafter referred to as the “Scheme”) by way of issuance of fully paid up Equity Shares, within the overall ceiling of 3,96,000 Equity Shares of Rs.10 each, i.e. 10% of the Company’s paid up equity capital as on the date of this Notice as mentioned in Special Resolution at Serial no. 5 of this Notice) for the benefit of such persons who are permanent employees of the Company’s existing and future subsidiary Company(ies) including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or outside India, and selected by the Board in its sole and absolute discretion (“Eligible Employees”), at such price or prices, in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Scheme and applicable laws;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised, either directly to issue and allot Equity Shares to the Eligible Employees from time to time in accordance with the Scheme and other applicable laws in force and such Equity Shares shall rank *pari passu* in all respects with the then Equity Shares of the Company;

**RESOLVED FURTHER THAT** the Board is empowered to make fair and reasonable adjustment, in its sole and absolute discretion in accordance with applicable laws to the terms of grant made under the Scheme in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, and others, or sub-division or consolidation of Equity Shares;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to implement, formulate, evolve, decide upon and bring into effect the Scheme and to modify, change, vary, alter, amend, revise, suspend or terminate the Scheme subject to compliance with the applicable laws and regulations including but not limited to, amendment(s) with respect to price, period, eligibility criteria or to suspend, withdraw, terminate or revise the Scheme in such manner as the Board may determine in its sole discretion and to do all such acts,

## SKYLINE VENTURES INDIA LIMITED

deeds, matters and things as it may at its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and to the Equity Shares to be issued pursuant to the proposed Scheme without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Scheme;

**RESOLVED FURTHER THAT** any of the Directors of the Company and/ or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the Scheme on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable guidelines, rules and regulations;

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion, deem necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of the Scheme as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

**Item No.13: Grant of options to the identified employees during any one year, equal to or exceeding one percent of the issued capital of the Company at the time of grant of equity shares under Skyline Employee Stock Purchase Scheme 2018**

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

“**RESOLVED THAT** in accordance with SEBI (Share Based Employee Benet) Regulations, 2014, consent of the member(s) be and is hereby accorded for the grant of equity shares to the identified employees as per the Special Resolution under serial number 4 and 5, during any one yearequal to or exceeding 1% of the issued, subscribed and paid-up capital of the Company at the time of grant of option.

“**RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution, the Board of Directors including the Nomination & Remuneration Committee and/or such other committee as may be decided by the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard, as it may, in its absolute discretion deem t, without being required to seek any further consent or approval of the member(s).”

**For and on behalf of the Board  
For SKYLINE VENTURES INDIA LIMITED**

Sd/-

**Whole-time Director**

**Naga Visweswara Rao Lakkimsetty  
(DIN 03623325)**

**Date : 07<sup>th</sup> September, 2018  
Place : Hyderabad**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Corporate Office of the Company not less than forty-eight hours before the scheduled time of commencement of the meeting.
3. The register of members and Share Transfer Books of the Company will remain closed during the period from **23-09-2018 to 29-09-2018** - (both days inclusive).
4. M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad-50001 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
5. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
6. Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the Attendance slip duly filled in for attending AGM. Copies of Annual Report will not be provided at the AGM.
7. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.
8. Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
9. As part of the "Green Initiative", the Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participants unless the members have registered their request for a hard copy of the same.
10. Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

- (i) The voting period begins on **26th September, 2018 at 9.00 AM and ends on 28th September, 2018 at 5.00 PM** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **22nd September, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "SKYLINE VENTURES INDIA LIMITED" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

## SKYLINE VENTURES INDIA LIMITED

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders) <b>1.</b> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field <b>2.</b> In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Ramesh Kumar with Sequence number 1 then enter RA00000001 in the PAN field
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (xii) Click on the EVSN for the relevant <SKYLINE VENTURES INDIA LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  3. After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  4. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
11. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
12. The Board of Directors have appointed Mrs. N.Vanitha, a Practicing Company Secretary (CP No. 10573) as a Scrutinizer to process the e-voting and submit a report to the Chairman.
13. The members may download a copy of the notice of this meeting and the results declared along with the Scrutinizer’s Report from the website of the Company ([www.skylineventuresindia.com](http://www.skylineventuresindia.com)) or from [www.evotingindia.com](http://www.evotingindia.com).

**For and on behalf of the Board  
For SKYLINE VENTURES INDIA LIMITED**

Sd/-

**Whole-time Director**

**Naga Visweswara Rao Lakkimsetty**

**(DIN 03623325)**

**Date : 07<sup>th</sup> September, 2018**

**Place : Hyderabad**

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

**Item No.3:**

The current Authorized Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crore only) divided into 10,00,000 (Ten Lakh only) equity shares of Rs. 10/- (Rupees ten only) each. The Company proposes to increase its Authorized Share Capital to Rs.13,00,00,000 (Rupees Thirteen Crores only) divided into 1,30,00,000 (One Crore Thirty Lakhs only) equity shares of Rs. 10/- (Rupees ten only) each to facilitate any fund raising of equity shares of the Company. The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company. Pursuant to Section 13 and 62 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

Your Directors, therefore, recommend the passing of the resolution set forth in Item No. 1 of this Notice.

None of the Directors nor Key Managerial Personnel and their relatives is, in any way, concerned with or interested, financially or otherwise, in the Resolution at Item No. 1 of this Notice.

You are requested to communicate your assent or dissent for the aforesaid resolution, in accordance with the instructions set out herein.

**Item No.4:**

Under the provisions of Section 180(1) (c) of the Companies Act, 2013, it is necessary to obtain approval of the shareholders by means of Special Resolution(s) to enable the Board of Directors of the Company to make borrowings, exceeding the aggregate of the paid up capital and free reserves of the Company.

The Company has plans to expand its horizons. These business expansions require working capital. Hence, the company has to increase its borrowing limits provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs.50 Crores (Rupees Fifty Crores only) over and above the limits so prescribed under the above said Section.

Under Section 180(1) (a) of the Companies Act, 2013, a special resolution is required to be obtained by the Company for creation of charges/mortgages/ hypothecation on movable or immovable properties of the Company so as to secure the borrowings of the Company availed by it from time to time subject to the limits approved under Section 180(1) (c) of the Companies Act, 2013.

The Board recommends the Resolutions as set out at Item no. 5 of the Notice as Special Resolutions, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned/ interested in the above resolutions.

**Item No.5:**

Under the provisions of Section 186 of the Companies Act, 2013 the power to make loan(s) and/or give any guarantee(s)/provide any security (ies) in connection with loan(s) made to and to make investments in shares, debentures and/or any other securities of other body corporate, in excess of the limits prescribed, can be exercised by the Board only with the consent of the shareholders obtained by means of a Special Resolution.

In order to support its business activities, the Company may acquire shares of other body corporates, give loans and /or give guarantees or provide security to any other body corporate. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution for the authorizing the Board to exercise aforesaid powers, in excess of 60% of the paid up Share Capital, Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, as prescribed under section 186 of the Companies Act, 2013 from time to time, in one or more tranches, up to maximum limit of Rs.50 Crores (Rupees Fifty Crores only) over and above the limits prescribed under the said section.



In view of this, it is proposed to seek approval of the members by means of a special resolution.

The Board recommends the Resolution as set out at Item no. 5 of the Notice as a Special Resolution, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned/ interested in the above resolution.

**Item No. 6:**

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Bheemesh Kumar Kotamarty be appointed as an Independent Director of the Company. The appointment of Mr. Bheemesh Kumar Kotamarty shall be effective upon approval by the members in the Meeting. Mr. Bheemesh Kumar Kotamarty is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Bheemesh Kumar Kotamarty that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Mr. Bheemesh Kumar Kotamarty fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Bheemesh Kumar Kotamarty is independent of the management and possesses appropriate skills, experience and knowledge.

Brief resume of Mr. Bheemesh Kumar Kotamarty

Mr. Bheemesh Kumar Kotamarty is a Result oriented and top talent executive with around two plus decades years of experience leading large projects with key strengths include Strategize, Develop, Train and grow the Delivery teams. Build and use Knowledge management platform - for On the Job training, Cost optimization, sustaining organisational IP, reducing knowledge loss through Governance & Change Management. Worked in fortune 100 companies GE ,Dell,Satyam Computer Services Ltd and Tech Mahindra.

**Certifications**—Six Sigma green belt and LEAN certified from GE. ITIL- Expert certified from PeopleCert in capability management.

**Academics**—Doctor of Philosophy in Knowledge Management- GITAM (2013-2017),MBA Marketing-(1993-1995) Andhra University, B.Sc(Elec)-(1989-1992)-Andhra University

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Bheemesh Kumar Kotamarty be appointed as an Independent Director of the Company. Mr. Bheemesh Kumar Kotamarty was appointed as an Additional Director by the Board in their meeting held on 07<sup>th</sup> September, 2018.

Details of his other directorships are given in **Annexure-A**. The Board consider that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Bheemesh Kumar Kotamarty as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Bheemesh Kumar Kotamarty as an Independent Director, for the approval by the shareholders of the Company. Copy of the draft letter for appointment of Mr. Bheemesh Kumar Kotamarty as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. Except Mr. Bheemesh Kumar Kotamarty, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors recommend the Resolution for your approval.

**Item No. 7:**

The Special Resolution set out at Item No.7 of the Notice relates to a resolution by the Company enabling the Board to issue up to 50,00,000 Equity Shares, at such terms as may be fixed by the Board on such Equity Shares by way of qualified institutions placement (“QIP”).

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The proceeds from the QIP would be used for various purposes including but not limited to repayment of debts, business growth, strengthening the balance-sheet, meeting the issue expenses and general corporate purposes. This will also enable the Company to create financial flexibility to invest in the recently acquired manufacturing facility for manufacturing APIs as well as backward integration. The Board had at its meeting held on 07<sup>th</sup> September, 2018 subject to the approval of the shareholders, approved issuance of equity shares of face value ₹10 each (“Equity Shares”) through a QIP in accordance with the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (“SEBI Regulations”), the Companies Act, 2013 and applicable rules framed thereunder, and all other applicable laws.

The special resolution seeks to empower the Board of Directors of the Company (“Board”, which term shall include any committee thereof which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this resolution) to create, offer, issue and allot upto 50,00,000 fully paid-up Equity Shares, in one or more tranches, in one or more foreign markets and / or the domestic market, by way of QIP through issue of placement document and / or other permissible / requisite offer documents to qualified institutional buyers as defined under regulation 2(1)(zd) of the SEBI Regulations (“QIBs”), in accordance with Chapter VIII of the SEBI Regulations, as may be decided by the Board in its sole discretion and in accordance with applicable laws.

The proposed QIP is subject to the applicable regulations issued by the Securities and Exchange Board of India and any other government / regulatory approvals as may be required in this regard.

Pursuant to Section 62 of the Companies Act and the listing requirements of the Stock Exchanges, whenever it is proposed to increase the subscribed capital of a company by a further issue of shares, such shares need to be offered to the existing members of the Company (“Members”) in the manner prescribed in the aforementioned section and the listing requirements, unless the Members decide otherwise by way of a special resolution.

The approval of the Members is hereby sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the SEBI Regulations, the SEBI Listing Regulations, to enable the Company to access the capital market on a private placement basis. The Equity Shares that may be issued and allotted shall rank pari passu in all respects with the existing equity shares of the Company.

The issue of Equity Shares may be completed in one or more tranches, at such time or times, at such price, at a discount or premium to market price in such manner and on such terms and conditions as the Board may in its absolute discretion decide taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s), placement agent(s) and other agencies and subject to SEBI Regulations and other applicable laws, regulations, rules and guidelines.

Since the pricing and other terms of the QIP cannot be decided, except at a later stage, an enabling resolution is being passed to give adequate flexibility and discretion to the Board to finalize the terms. However, such terms would be in accordance with the SEBI Regulations or any other guidelines/ regulations as may be applicable and the Company may in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under Chapter VIII of the SEBI Regulations, and the relevant date in this regard shall be the date on which the Board decides to open the issue of Equity Shares or such other time as may be allowed under the SEBI Regulations from time to time.

The proceeds of the proposed issue of Equity Shares shall be utilized for any of the aforesaid purposes to the extent permitted by law.

In terms of Chapter VIII of SEBI Regulations, the promoters of the Company (“Promoters”) or persons related to the Promoters shall not subscribe to the QIP.

None of the Directors or the Key Managerial Personnel (“KMPs”) of the Company and / or their relatives are concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective holding of Equity Shares.

The Board is of the opinion that the Resolution set out at Item No.7 of the Notice is in the best interests of the Company and therefore, recommends the same for the approval of the Members.

**Item No. 8 & 9:**

In today’s competitive world, the employees of a company are one of its most important resource and asset. Your Company fully recognizes the same and therefore wants its employees to participate and share the fruits of growth and prosperity along with the Company.

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through a share based compensation scheme/plan. Your Company believes in rewarding its present and future permanent employees/Directors (In India or outside India) of the Company and those of its subsidiary company/(ies) (“**Eligible Employees**”) for their continuous hard work, dedication and support, which has led the Company and the Subsidiary Company(ies) on the growth path.

The Company intends to implement the **Skyline Employee Stock Option Scheme 2018 (“Scheme”)**, with a view to attract and retain key talent working with the Company and its subsidiary company (ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

Pursuant to provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (hereinafter referred to as “**SEBI (SBEB) Regulations**”), the Company seeks members’ approval in respect of the **Scheme** and grant stock options and thereby issue equity shares of the Company having face value of Rs. 10/- per share (“**Equity Shares**”) to its “**Eligible Employees** as decided by the Board of Directors of the Company (hereinafter referred to as the Board which term shall include any committee including Nomination and Remuneration Committee) on such terms and conditions and at such price from time to time in due compliance of the SEBI (SBEB) Regulations.

The main features of the Scheme are as under:

**1. Brief Description of the Scheme:**

This proposed Scheme called the **Skyline Employee Stock Option Scheme 2018 (“the Scheme”)** enables the Company to grant share incentive to Eligible Employees (as selected by the Board) through an Employee Stock Option Scheme (“**ESOP**”). Subject to applicable laws and terms and conditions of the Scheme, the Eligible Employees shall be entitled to subscribe to the Equity Shares within a certain time period (“**Exercise Period**”) upon fulfilment of such conditions (“**Vesting**”) and payment of an Exercise Price (“**Exercise Price**”) as is determined by the Nomination and Remuneration Committee. Thus, the Scheme is intended to reward the Eligible Employees for their performance and to motivate them to contribute to the growth and profitability of the Company.

The Nomination and Remuneration Committee (“**Committee**”) of the Company shall be the Compensation Committee for administration of the Scheme. All questions of interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding.

The objectives of the Scheme are to:

- a) create a sense of ownership and participation amongst the employees;
- b) motivate the employees with incentives and reward opportunities;
- c) drive entrepreneurship mindset of value creation for the organization;

- d) provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
- e) Achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the employees with the long term interest of the Company.

**2. Total number of options to be granted and thereby Equity Shares to be issued and allotted:**

The total number of Equity Shares to be allotted pursuant to exercise of Options under the Scheme to the Eligible Employees shall not cumulatively exceed 3,96,000 Equity Shares of Rs.10 each, i.e.,10% of the issued, subscribed and paid up equity share capital of the Company as on the date of this Notice.

The SEBI (SBEB) Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, spilt, consolidation and others, a fair and reasonable adjustment be made to the benefits granted to the Eligible Employees under a stock option scheme. Accordingly, a fair and reasonable adjustment shall be made to the above ceiling and/or the Exercise Price and/or the Exercise Period by the Nomination and Remuneration Committee subject to compliance of the SEBI (SBEB) Regulations and other applicable laws.

**3. Identification of classes of employees entitled to participate in the Scheme:**

Following classes of employees, which are selected by the Nomination and Remuneration Committee, are entitled to participate in the Scheme:

- a) Permanent employees of the Company working in India or outside India;
- b) Directors of the Company; and
- c) Permanent employees and Directors of the subsidiary company (ies) working in India or outside India. Following classes of employees are not eligible:
  - d) an employee who is a Promoter or belongs to the Promoter Group;
  - e) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
  - f) an Independent Director within the meaning of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**4. Transferability of the options under the Scheme:**

Any options granted under the Scheme cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Eligible Employees except upon death or permanent disability (as defined in the Scheme therein) of the Eligible Employees (in which case the Options will be exercisable by the nominee, as selected by the Eligible Employees). Any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

**5. Requirements of vesting and period of vesting:**

The options granted shall vest in accordance with the terms of each grant under the Scheme, so long as an employee continues to be in the employment of the Company or the subsidiary company (ies), as the case may be. The Nomination and Remuneration Committee depending upon the performance of the Eligible Employees, expertise of the Eligible Employees, achievement or expected achievement of key performance indicators by the Eligible Employees, terms of employment of the Eligible Employees amongst other factors. Subject to the terms and conditions of the Scheme and SEBI (SBEB Regulations), 2014, the period of Vesting shall be minimum one year.

**6. Maximum period within which the options shall be vested:**

The Vesting Period will be determined by the Nomination and Remuneration Committee at the time of grant of options and will be detailed in the letter of grant.

**7. Exercise price or pricing formula:**

The Exercise Price, as the case may be, will be determined by the Nomination and Remuneration Committee in accordance with the Scheme, at the time of grant of options and will be detailed in the letter of grant. In any event, the Exercise Price will not be below the par value of the Equity Shares.

The Nomination and Remuneration Committee will in accordance with the Scheme and applicable laws lay down the procedure for making a fair and reasonable adjustment to the number of options, to the Exercise Price in case of corporate action in accordance with SEBI (SBEB) Regulations and shall provide necessary procedures and/or mechanism for exercising such options subject to applicable laws, rules and regulations.

**8. Exercise Period and the process of Exercise:**

The Exercise Period will be determined by the Nomination and Remuneration Committee at the time of grant of options and will be detailed in the letter of grant.

The option holder may exercise the vested options within the Exercise Period. In the event the option holder fails to exercise his vested options within the Exercise Period then such vested options shall lapse and revert to the plan pool. The Company and/or the Nomination and Remuneration Committee/ will not have any obligation towards such option holder with respect to such lapsed options.

To exercise the options, the option holder will be required to submit an Exercise Letter to the Nomination and Remuneration Committee in such manner and format as provided in the Scheme or otherwise as may be prescribed by the Nomination and Remuneration Committee from time to time, which shall be annexed with the letter of grant. The Nomination and Remuneration Committee at its sole and absolute discretion may offer a cashless exercise mechanism of options for certain Eligible Employees. This mechanism may either be implemented through an employee welfare trust settled by the Company and/or empanelled broker, in accordance with the applicable laws.

**9. Appraisal process for determining the eligibility of employees under the Scheme:**

The appraisal process for determining the eligibility of the employees will be decided by the Nomination and Remuneration Committee from time to time which shall be based on factors such as performance of the employee for the past financial years (or for the period of his/her service), on boarding incentive for new employees, attracting talent, position and responsibilities of the concerned employee, the nature of employee's services to the Company and/or its subsidiaries, the period for which the employee has rendered his/her services to the Company or its subsidiary(ies), the employee's present and potential contribution to the success of the Company or its subsidiary(ies) and such other factors as the Nomination and Remuneration Committee deems relevant for accomplishing the purpose of the Scheme and as mentioned in the letter of grant provided to the Eligible Employee.

**10. Maximum number of options to be granted per employee and in aggregate:**

The maximum number of options that may be granted to an Eligible Employee will be determined by the Nomination and Remuneration Committee on a case to case basis;

SEBI (SBEB) Regulations require separate approval of members by way of Special Resolution to extend the benefits to the employees of subsidiary company(ies) and grant of options to any one employee of more than 1% of the issued and paid up capital of the Company during any one year. Accordingly, a separate resolution under item no. 2 & 3 is proposed to extend the benefits of the Scheme to the employees of subsidiary company (ies) and grant of options to any one employee of more than 1% of the issued and

paid up capital of the Company during any one year as may be decided by the Nomination and Remuneration Committee from time to time under applicable laws.

**11. Maximum quantum of benefits to be provided per employee under the Scheme:**

The maximum number of options that may be granted to an Eligible Employee will be determined by the Nomination and Remuneration Committee on a case to case basis;

SEBI (SBEB) Regulations require separate approval of members by way of Special Resolution to extend the benefits to the employees of subsidiary company(ies) and grant of options to any one employee of more than 1% of the issued and paid up capital of the Company during any one year. Accordingly, a separate resolution under item no. 2 & 3 is proposed to extend the benefits of the Scheme to the employees of subsidiary company (ies) and grant of options to any one employee of more than 1% of the issued and paid up capital of the Company during any one year as may be decided by the Nomination and Remuneration Committee from time to time under applicable laws.

**12. Whether the Scheme is proposed to be implemented and administered directly by the Company or through a trust:**

The Scheme shall be implemented and administered directly by the Company

**13. Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:**

The Scheme contemplates new issue of shares by the Company.

**14. utilisation, repayment terms etc.:**

Not Applicable

**15. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:**

Not Applicable.

**16. Accounting and Disclosure Policies:**

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

**17. Method of Valuation:**

The Company shall use the Intrinsic Value method to value the options being granted under ESOP under the Scheme. The difference between the employee compensation cost so computed and the employee compensation cost that shall be recognized as if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and earnings per share of the Company shall also be disclosed in the Directors' Report.

**18. Miscellaneous:**

Some of the Eligible Employees under the Scheme may be resident in jurisdictions other than India. If the terms of the Scheme are to be modified to comply with the local laws of such jurisdictions, the Scheme empowers the Nomination and Remuneration Committee to do so.

Consent of the members is being sought by way of Special Resolutions pursuant to Section 62(1)(b) of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations and all other applicable provisions, if any.

A draft copy of the Scheme is available for inspection at the Company's Registered Office during office hours on all working days from the date of dispatch of Notice until the last date for receipt of votes by Postal Ballot.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions only to the extent of any options that may be granted to them (along with the resultant Equity Shares issued) that may be offered to them in accordance with the Scheme.

The Board recommends passing of the resolutions as set out under Item Nos. 8, 9 and 10 of the Notice for approval of the members as Special Resolutions.

**Item No.10**

As per SEBI (SBEB) Regulations, a separate special resolution is required to be passed if the benefits of the Scheme are to be extended to identified Employees, during any one year, equal to or exceeding one per cent of the issued capital of the company at the time of grant of option. Further, the Company may identify certain Employee/s to whom it may be necessary to grant option exceeding one per cent in one year to ensure continuity of their service with the Company.

The resolution as set out in Item No.10 provides that the Company may grant option equal to or exceeding one per cent but not exceeding 5 percent in one year to identified Employee/s or Director/s of the Company.

A draft copy of the Scheme is available for inspection at the Company's Registered Office during office hours on all working days from the date of dispatch of Notice until the last date for receipt of votes by Postal Ballot.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions only to the extent of any options that may be granted to them (along with the resultant Equity Shares issued) that may be offered to them in accordance with the Scheme.

The Board recommends passing of the resolutions as set out under Item No. 10 of the Notice for approval of the members as Special Resolutions.

**Item nos. 11 & 12**

As explained in the Item No.1 and 2 the Company also intends to implement the **Skyline Employee Stock Purchase Scheme 2018 ("Scheme")**, with a view to attract and retain key talent working with the Company and its subsidiary company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

Pursuant to provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (hereinafter referred to as "**SEBI (SBEB) Regulations**"), the Company seeks members' approval in respect of the **Scheme** and grant fully paid up equity shares of the Company having face value of Rs. 10/- per share ("**Equity Shares**") to its "**Eligible Employees** as decided by the Board of Directors of the Company (hereinafter referred to as the Board which term shall include any committee including Nomination and Remuneration Committee) on such terms and conditions and at such price from time to time in due compliance of the SEBI (SBEB) Regulations.

The main features of the Scheme are as under:

**1. Brief Description of the Scheme:**

This proposed Scheme called the **Skyline Employee Stock Purchase Scheme 2018 ("the Scheme")** enables the Company to grant share incentive to Eligible Employees (as selected by the Board) through an Employee Stock Purchase Scheme ("**ESPS**"). Subject to applicable laws and terms and conditions of the Scheme, the Eligible Employees shall be entitled to subscribe to the Equity Shares within a certain time period ("**Exercise Period**") upon fulfilment of such conditions ("**Vesting**") and payment of an Exercise Price ("**Exercise Price**") as is determined by the Nomination and Remuneration Committee. Thus, the Scheme is intended to reward the Eligible Employees for their performance and to motivate them to contribute to the growth and profitability of the Company.

The Nomination and Remuneration Committee (“**Committee**”) of the Company shall be the Compensation Committee for administration of the Scheme. All questions of interpretation of the Scheme shall be determined by the Committee and such determination shall be final and binding.

The objectives of the Scheme are to:

- a) create a sense of ownership and participation amongst the employees;
- b) motivate the employees with incentives and reward opportunities;
- c) drive entrepreneurship mindset of value creation for the organization;
- d) provide means to enable the Company to attract and retain appropriate human talent in the employment of the Company; and
- e) achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the employees with the long term interest of the Company.

**2. Total number of fully paid equity shares to be issued and allotted:**

The total number of Equity Shares to be allotted under the Scheme to the Eligible Employees shall not cumulatively exceed 3,96,000 Equity Shares of Rs.10 each, i.e.,10% of the issued, subscribed and paid up equity share capital of the Company as on the date of this Notice. However, the portion of shares offered under the scheme, to any eligible employees, if remains unsubscribed, shall be made available to interested eligible employees at such price, as may be decided by the Board or Committee.

The SEBI (SBEB) Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, spilt, consolidation and others, a fair and reasonable adjustment be made to the benefits granted to the Eligible Employees under a stock purchase scheme. Accordingly, a fair and reasonable adjustment shall be made to the above ceiling and/or the Exercise Price and/or the Exercise Period by the Nomination and Remuneration Committee subject to compliance of the SEBI (SBEB) Regulations and other applicable laws.

**3. Identification of classes of employees entitled to participate in the Scheme:**

Following classes of employees, which are selected by the Nomination and Remuneration Committee, are entitled to participate in the Scheme:

- a) Permanent employees of the Company working in India or outside India;
- b) Directors of the Company; and
- c) Permanent employees and Directors of the subsidiary company(ies) working in India or outside India. Following classes of employees are not eligible:
- d) an employee who is a Promoter or belongs to the Promoter Group;
- e) a Director who either by himself or through his relatives or through any Body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- f) an Independent Director within the meaning of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**4. Requirements of vesting and period of vesting:**

The Vesting conditions in respect of the Shares shall be as determined by the Board or the Nomination and Remuneration Committee or any other Committee of the Board from time to time.

**5. Maximum period within which the options shall be vested:**

The Vesting Period will be determined by the Nomination and Remuneration Committee at the time of grant of shares and will be detailed in the letter of grant.



**6. Exercise price or pricing formula:**

The Exercise Price, as the case may be, will be determined by the Nomination and Remuneration Committee in accordance with the Scheme, at the time of grant of options and will be detailed in the letter of grant. In any event, the Exercise Price will not be below the par value of the Equity Shares.

The Nomination and Remuneration Committee will in accordance with the Scheme and applicable laws lay down the procedure for making a fair and reasonable adjustment to the number of options, to the Exercise

Price in case of corporate action in accordance with SEBI (SBEB) Regulations and shall provide necessary procedures and/or mechanism for exercising such options subject to applicable laws, rules and regulations.

**7. Exercise Period and the process of Exercise:**

The Shares granted can be exercised within the period which shall not be more than 30 days (Thirty) from the date of offer made by the Board or the Nomination and Remuneration Committee to the eligible employee.

**8. Appraisal process for determining the eligibility of employees under the Scheme:**

The appraisal process for determining the eligibility of the employees will be decided by the Nomination and Remuneration Committee from time to time which shall be based on factors such as performance of the employee for the past financial years (or for the period of his/her service), on boarding incentive for new employees, attracting talent, position and responsibilities of the concerned employee, the nature of employee's services to the Company and/or its subsidiaries, the period for which the employee has rendered his/her services to the Company or its subsidiary(ies), the employee's present and potential contribution to the success of the Company or its subsidiary(ies) and such other factors as the Nomination and Remuneration Committee deems relevant for accomplishing the purpose of the Scheme and as mentioned in the letter of grant provided to the Eligible Employee.

**9. Maximum number of shares to be granted per employee and in aggregate:**

The maximum number of shares that may be granted to an Eligible Employee will be determined by the Nomination and Remuneration Committee on a case to case basis;

SEBI (SBEB) Regulations require separate approval of members by way of Special Resolution to extend the benefits to the employees of subsidiary company(ies) and grant of options to any one employee of more than 1% of the issued and paid up capital of the Company during any one year. Accordingly, a separate resolution under item no. 5 & 6 is proposed to extend the benefits of the Scheme to the employees of subsidiary company (ies) and grant of shares to any one employee of more than 1% of the issued and paid up capital of the Company during any one year as may be decided by the Nomination and Remuneration Committee from time to time under applicable laws.

**10. Maximum quantum of benefits to be provided per employee under the Scheme:**

The maximum number of shares that may be granted to an Eligible Employee will be determined by the Nomination and Remuneration Committee on a case to case basis;

SEBI (SBEB) Regulations require separate approval of members by way of Special Resolution to extend the benefits to the employees of subsidiary company(ies) and grant of options to any one employee of more than 1% of the issued and paid up capital of the Company during any one year. Accordingly, a separate resolution under item no. 5 & 6 is proposed to extend the benefits of the Scheme to the employees of subsidiary company (ies) and grant of shares to any one employee of more than 1% of the issued and paid up capital of the Company during any one year as may be decided by the Nomination and Remuneration Committee from time to time under applicable laws.

**11. Whether the Scheme is proposed to be implemented and administered directly by the Company or through a trust:**

The Scheme shall be implemented and administered directly by the Company

**12. Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:**

The Scheme contemplates new issue of shares by the Company.

**13. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms etc.:**

Not Applicable

**14. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:**

Not Applicable

**15. Lock in period:**

The Equity shares issued under Skyline Employee Stock Purchase Scheme 2018 shall be lock in for minimum period of one year from the date of allotment of shares as per SEBI Regulations and as per the provision of this scheme also.

**16. Accounting and Disclosure Policies:**

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

**17. Method of Valuation:**

The Company shall use the Intrinsic Value method to value the options being granted under ESOP under the Scheme. The difference between the employee compensation cost so computed and the employee compensation cost that shall be recognized as if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and earnings per share of the Company shall also be disclosed in the Directors' Report.

**18. Miscellaneous:**

Some of the Eligible Employees under the Scheme may be resident in jurisdictions other than India. If the terms of the Scheme are to be modified to comply with the local laws of such jurisdictions, the Scheme empowers the Nomination and Remuneration Committee to do so.

Consent of the members is being sought by way of Special Resolutions pursuant to Section 62(1)(b) of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations and all other applicable provisions, if any.

A draft copy of the Scheme is available for inspection at the Company's Registered Office during office hours on all working days from the date of dispatch of Notice until the last date for receipt of votes by Postal Ballot.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions only to the extent of any options that may be granted to them (along with the resultant Equity Shares issued) that may be offered to them in accordance with the Scheme.

The Board recommends passing of the resolutions as set out under Item Nos. 11,1 2 of the Notice for approval of the members as Special Resolutions.

**Item No.13**

As per SEBI (SBEB) Regulations, a separate special resolution is required to be passed if the benefits of the Employee Stock Purchase Scheme are to be extended to identified Employees, during any one year, equal to or exceeding one per cent of the issued capital of the company at the time of grant of equity shares. Further, the Company may identify certain Employee/s to whom it may be necessary to grant equity shares exceeding one per cent in one year to ensure continuity of their service with the Company.

The resolution as set out in Item No.13 provides that the Company may grant equity shares equal to or exceeding one per cent but not exceeding 5 percent in one year to identified Employee/s or Director/s of the Company.

A draft copy of the Scheme is available for inspection at the Company's Registered Office during office hours on all working days from the date of dispatch of Notice until the last date for receipt of votes by Postal Ballot.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in these Resolutions only to the extent of any equity shares that may be granted to them in accordance with the Scheme.

The Board recommends passing of the resolutions as set out under Item No. 13 of the Notice for approval of the members as Special Resolutions.

**i) Dr. Bheemesh Kumar Kotamarty:**

Details of Directors seeking re-appointment at the Annual general meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standards on general meeting.

As required under this regulation, the particulars of Directors, Mr. Dr.Bheemesh Kumar Kotamarty who is proposed to be appointed as Independent Director, is given below:

<b>A</b>	<b>Name</b>	<b>Nageswara Rao Balusupati</b>
<b>B</b>	<b>Brief Resume</b>	
	i. Age	48 years
	ii. Qualification	PhD in Operations Management , MBA Marketing, B.Sc Electronics
	iii. Experience in specific functional area	23+ years
	iv. Date of appointment on the Board of the Company	07 <sup>th</sup> September, 2018
<b>C</b>	Nature of his expertise inspecific functional areas	He has an experience of 23 years in IT/ ITES in roles such as Delivery, Operations, Business Transformation and Knowledge Management Competency Practice.
<b>D</b>	Terms and Conditions	As mentioned in the Resolution
<b>E</b>	Relationship between Directors inter se [as per section 2 (77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014]	No relations to any other director
<b>F</b>	Names of other companies in which directorship held (as per Section 165 of the Companies Act, 2013):	NIL
<b>G</b>	Name(s) of the companies in which committee Membership(s) held	NIL
<b>H</b>	No. of shares of ` 10/- each heldby the Directorhis relativesTotal	NIL
<b>I</b>	Last Remuneration drawn	NIL
<b>J</b>	No. of Board Meetings attendedduring the year	NIL

**DIRECTOR'S REPORT****Dear Shareholders,**

Your Directors have pleasure in presenting the 30th Annual Report of Skyline Ventures India Limited (the Company) together with the Audited accounts for the financial year ended 31<sup>st</sup> March 2018.

**FINANCIAL RESULTS:**

The performance of your company for the year under review is summarized below:

<b>PARTICULARS</b>	<b>Financial Year 2016-17</b>	<b>Financial Year 2017-18</b>
TOTAL INCOME	2,864,800	72,708,000
TOTAL EXPENDITURE	5,635,584	73,331,975
Profit/(Loss) before Depreciation & Financial Charges	(2,770,784)	(623,975)
Depreciation	-	-
Financial Charges	-	-
Profit/Loss Before Tax	(2,770,784)	(623,975)
Prior period items	-	-
Provision for tax	-	-
Deferred tax	-	-
<b>NET PROFIT/(LOSS)</b>	<b>(2,770,784)</b>	<b>(623,975)</b>

During the year under review, your Company has recorded a gross total income of Rs. **2,864,800/-** from commercial operations and recorded a net profit / Loss of Rs. **(2,770,784)/-**.

**OPERATIONS:**

During the financial year 2017-18, your Company has achieved **Rs. 2,864,800** revenue from operations.

**RESERVES:**

The Company has not proposed to transfer any amount to the general reserve for the financial year ended 31<sup>st</sup> March, 2018.

**CHANGE IN NATURE OF BUSINESS:**

During the year under review, there is no change in the nature of business carried out by your Company.

**DIVIDEND:**

The Board of directors does not recommend any dividend for the year as at 31<sup>st</sup> March 2018 as there are no profits in the Company for the FY 2017-18.

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL**

As per the provisions of the Companies Act, 2013, Mrs. Srivenkata Lakkimsetti Laxmi Padmaja, Director of the Company, retires at Annual General Meeting and being eligible, offers himself for re-appointment.

**INDEPENDENT DIRECTORS' DECLARATION**

The Company has received necessary declaration, from each Independent director under 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down under section 149(6) of the Companies Act 2013.

**NUMBER OF MEETINGS OF THE BOARD :**

1. 30 May 2017
2. 14 September 2017
3. 14 December 2017
4. 08 February 2018
5. 14 February 2018

**STATUTORY AUDITORS:**

As per Section 139 of the Companies Act 2013, M/s S.T.MOHITE & Co, Chartered Accountants, (ICAI Firm Registration Number: 011410S) was appointed as Statutory Auditors for a period of Five (05) years i.e. from conclusion of 29th Annual General Meeting held in the year 2017 till the conclusion of the 34th Annual General Meeting to be held in year 2022.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Audit Report issued by M/s. S.T.MOHITE & Co, Statutory Auditors for the financial year ended 31st March, 2018 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, which requires explanation or comments from the Board.

**AUDITORS' REPORT**

There are no qualifications, reservations or adverse remarks made by M/s S.T.MOHITE & Co (Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2018. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

**INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee has re-appointed M/s. NSVR & Associates LLP, Chartered Accountants, and Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

**SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Board of Directors, appointed M/s. P S Rao and Associates, Practicing Company Secretaries to undertake the secretarial audit of the Company for the financial year 2017-18. The secretarial audit report issued by M/s. P S Rao and Associates, Practicing Company Secretaries for the financial year ended 31st March 2018 provided as **Annexure - I** attached hereto and forms part of this Report.

**Comments by the Board on Every Qualification, Reservation or Adverse Remark or Disclaimers:**

As there is no qualification, reservation or adverse remark in the reports made by the Auditors, your directors need not give their comments on that.

However with regard to the qualification raised by the Secretarial Auditor, with regard to appointment of Company Secretary, your Company states that as the registered office of the Company is situated in a village which is far away from any nearby town, none of the qualified personnel are intending to come and work in the village environment, however your Company is taking steps to find a suitable candidate.

**RISK MANAGEMENT POLICY**

The Company has developed and implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is not applicable to the Company during the financial year 2017-18.

**AUDIT COMMITTEE:**

The Board has constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee of the Company comprises the following Members Mr Rahamath Kasim Akaveeti – Chairman, Mrs. Srivenkata Lakkimsetti Laxmi Padmaja - Member and Mr. Rajasekhar Garapati– Member.

All the recommendations made by the Audit Committee of the Company have been considered and accepted by the Board of Directors of the Company.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO:**

Information required under section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure- II**.

**ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS.**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after considering the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

**SUBSIDIARIES:**

The Company has no subsidiaries as on 31st March, 2018. **Annexure- III**.

**POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER MATTERS:**

(a) Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee has been formed pursuant to and in compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013. The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other Employees pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The remuneration determined for Executive/Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are compensated by way of profit sharing Commission and the Non-Executive Directors are entitled to sitting fees for the Board/Committee Meetings. The remuneration paid to Directors, Key Managerial Personnel and all other employees is in accordance with the Remuneration Policy of the Company.

The Nomination and Remuneration Policy and other matters provided in Section 178(3) of the Act and Regulation 19 of SEBI Listing Regulations have been disclosed in the Corporate Governance Report, which forms part of this Report.

(b) Familiarization/ Orientation program for Independent Directors: A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

**FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS: N.A.**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:



## SKYLINE VENTURES INDIA LIMITED

- i) In preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2018 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March, 2018 and of the profit and loss of the Company for the year;
- iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **VIGILANCE MECHANISM / WHISTLE BLOWER POLICY:**

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the Financial Year 2017-18, Company has not entered significant related party transaction.

### **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure - II**.

### **STATE OF AFFAIRS OF THE COMPANY**

The State of Affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as "**Annexure-V**".

### **CORPORATE GOVERNANCE: N.A.**

Company is having paid up equity share capital of Rs. 3, 96, 66,680 which is not exceeding Rs.10 crore and Net worth is Rs. 4,58,23,179 which is not exceeding Rs.25 crore, as on the last day of the financial year 2017-2018. Hence the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

**PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **Annexure- VI**.

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of ₹. 120 Lakhs or more, or employees who are employed for part of the year and in receipt of ₹. 8.50 Lakhs or more per month.

The Company does not have any employee who is employed throughout financial year or part thereof, who was in receipt of remuneration in financial year under review which in aggregate, or as the case may be, at a rate which in the aggregate is in excess of that drawn by the Managing Director or Whole time director and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the Company.

**HUMAN RESOURCES**

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators /Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

- I. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and date of report.
- II. No frauds were reported by the auditors during the year under review.

**ACKNOWLEDGEMENTS:**

Your Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

**Date: 07<sup>th</sup> September, 2018**

**Place: Hyderabad**

**By The Order of Board  
For SKYLINE VENTURES INDIA LIMITED**

**Sd/-  
NAGA VISWESWARA RAO LAKKIMSETTY  
Chairman**

**FORM MR-3  
SECRETARIAL AUDIT REPORT**

For the Financial year ended 31<sup>st</sup> March, 2018  
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Skyline Ventures India Ltd**  
6- 1-279/10/5, Walker Town,  
Padmarao Nagar, Secunderabad,  
Telangana – 500025.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Skyline Ventures India Limited** (herein after called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Skyline Ventures India Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31<sup>st</sup> March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and return field and other records maintained by Skyline Ventures India Limited for the Financial Year ended on 31<sup>st</sup> March, 2018 according to the provisions of:
  - i. The Companies Act, 2013 ( the Act) and the rules made there under;
  - ii. The Securities Contract ( Regulation) Act, 1956 (SCRA) and the rules made there under;
  - iii. The Depositories Act, 1996 and Regulations and Bye Laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial (Company has not raised External Commercial Borrowings)
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ( SEBI Act)
    - a. The Securities and Exchange Board of India ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
    - c. The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009
    - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- e. The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008; ( Not Applicable to the Company during the audit period)
- f. The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009 ( Not Applicable to the Company during the audit period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- i. The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015

**2. The industry specific laws that are applicable to the Company are as follows:**

- a. Housing Board Act. 1965, Transfer of Property Act. 1882, Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act. 1996.
- b. The Real Estate (Regulation & Development) Act, 2016
- c. Indian Contract Act, 1872
- d. Income Tax Act, 1961 and Indirect Tax laws
- e. Indian Stamp Act, 1999
- f. Negotiable Instruments Act, 1881

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries in India

- a. Secretarial Standards SS-1 and SS-2 with respect to meetings of the board of directors and general meetings respectively issued and notified by The Institute of Company Secretaries of India which came into force w.e.f. 1st July, 2015 under the provisions of section 118(10) of the Act.
- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Effective from 01.12.2015) and The Listing Agreements entered into by the Company with BSE Limited (since repealed).

During the Period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above, subject to the following observations;

- a. The Company has not appointed Company Secretary, as per the provisions of section 203 of the Act.

**3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.**

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining

further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- (c) All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that

- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations etc. having a major bearing on the Company's affairs.

**For P.S. Rao & Associates  
Company Secretaries**

**Sd/-  
N. Vanitha  
M.No. 26859  
C.P. No.10573**

**Date: 07<sup>th</sup> September, 2018**

**Place: Hyderabad**

## SKYLINE VENTURES INDIA LIMITED

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

**‘Annexure B’**

To  
The Members,  
**Skyline Ventures India Limited**  
6- 1-279/10/5, Walker Town,  
Padmarao Nagar, Secunderabad  
Telangana – 500025, India.

Our report of even date is to be read along with this letter.

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

**For P.S. Rao & Associates**  
**Company Secretaries**

Sd/-  
**N. Vanitha**  
**M.No. 26859**  
**C.P. No.10573**

**Date: 07<sup>th</sup> September, 2018**

**Place: Hyderabad**

**Conservation of energy, technology absorption, foreign exchange earnings and outgo  
(Particulars pursuant to the Companies (Accounts) Rules, 2014)**

**A. Conservation of Energy:**

Energy Conservation measure taken – “NIL”

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods -”NIL”

**B. Technology Absorption:**

1. Efforts, in brief, made towards technology absorption, adoption and innovation: “NIL”
2. Benefits derived as a result of the above efforts, Ex; product improvement, cost reduction, product development, import substitution etc. : “NIL”
3. Import of technology : “NIL”

**C. Research and Development:**

1. Specific areas in which R& D carried out by the Company : Nil
2. Benefits derived as a result of the above R& D : Nil
3. Future plan of action : Nil
4. Expenditure on R & D : Nil
  - a) Capital : Nil
  - b) Recurring : Nil
  - c) Total : Nil
  - d) Total Expenditure on R & D as a percentage of total turnover : Nil

**A. Foreign Exchange Earnings and out go.**

Foreign Exchange earnings during the year is Rs. 0 (ZERO) & Outflow is Rs.0 (ZERO).

**Date: 07<sup>th</sup> September, 2018**

**Place: Hyderabad**

**By The Order of Board  
For SKYLINE VENTURES INDIA LIMITED**

**Sd/-  
NAGA VISWESWARA RAO LAKKIMSETTY  
Chairman**

**Form AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part “A”: Subsidiaries**

The Company has no subsidiaries.

**Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

**Date: 07<sup>th</sup> September, 2018**

**Place: Hyderabad**

**By The Order of Board**

**For SKYLINE VENTURES INDIA LIMITED**

**Sd/-**

**NAGA VISWESWARA RAO LAKKIMSETTY**

**Chairman**



**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2018**

**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.]**

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L45200TG1988PLC009272
2	Registration Date	17/11/1988
3	Name of the Company	SKYLINE VENTURES INDIA LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company.
5	Address of the Registered office & contact details	6- 1-279/10/5, Walker Town, Padmarao Nagar, Secunderabad Telangana – 500025, India.
6	Whether listed company	Yes. Listed in Bombay Stock Exchange (BSE).
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad 500 018. Phone No. 040-23818475/476, Fax No: 040-23868024, e mail: info@vccilindia.com.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated): N.A.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Company is not having any Holding, Subsidiary and Associate Companies.

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

**A. Category-wise Share Holding**

Category of Share holders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	766000	0	766000	24.71	766000	0	766000	24.71	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>766000</b>	<b>0</b>	<b>766000</b>	<b>24.71</b>	<b>766000</b>	<b>0</b>	<b>766000</b>	<b>24.71</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) Individuals Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	Non-Resident 0
(b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>766000</b>	<b>0</b>	<b>766000</b>	<b>24.71</b>	<b>766000</b>	<b>0</b>	<b>766000</b>	<b>24.71</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	33679	23913	57592	1.86	33549	4525	38074	1.23	-0.63
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	89616	312187	401803	12.96	106426	143150	249576	8.05	-4.91
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1702044	146940	1848984	59.64	1693422	335365	2028787	65.44	5.80
Clearing Members	22771	0	22771	0.73	14948	0	14948	0.48	-0.25
Non Resident Individuals.	2850	0	2850	0.09	2615	0	2615	0.08	-0.01
<b>Sub-total (B)(2):-</b>	<b>1850960</b>	<b>483040</b>	<b>2334000</b>	<b>75.29</b>	<b>1850960</b>	<b>483040</b>	<b>2334000</b>	<b>75.29</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1850960</b>	<b>483040</b>	<b>2334000</b>	<b>75.29</b>	<b>1850960</b>	<b>483040</b>	<b>2334000</b>	<b>75.29</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>2616960</b>	<b>483040</b>	<b>3100000</b>	<b>100.00</b>	<b>2616960</b>	<b>483040</b>	<b>3100000</b>	<b>100.00</b>	<b>0</b>

## SKYLINE VENTURES INDIA LIMITED

### (B) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year 31.03.2017			Shareholding at the end of the year 31.03.2018			% change In share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Venkata Vinod Kumar Valipireddy	23000	0.74%	0	0	0	0	-0.74%
2	Rama Krishna Lakkimsetti Naga	483000	15.58%	100%	766000	24.71%	63.05%	9.13%
3	Kodandarama Rao Charugalla	24000	0.77%	0	0	0	0	-0.77%
4	Venkateswara Rao Chekka	51380	1.66%	0	0	0	0	-1.66%
5	Venkata Narashimha Rao Gopiseti	2500	0.08%	0	0	0	0	-0.08%
6	Venkata Yerra Krishna Rao	19200	0.62%	0	0	0	0	-0.62%
7	Venubabu Munduri	37500	1.21%	0	0	0	0	-1.21%
8	Chadalavada Durga Venkata Vara Prasada Rao	23000	0.74%	0	0	0	0	-0.74%
9	B N V J Manikyala Rao	24000	0.77%	0	0	0	0	-0.77%
10	Satya Kumar A Ch.	26420	0.85%	0	0	0	0	-0.85%
11	Srinivasa Rao Kadiyam	36500	1.18%	0	0	0	0	-1.18%
12	Kuntam Reznold Christopher	15500	0.50%	0	0	0	0	-0.50%
	Total	766000	766000	24.71%	766000	24.71%	0	0

### C) Change in Promoters' Shareholding (please specify, if there is no change) NA

## SKYLINE VENTURES INDIA LIMITED

### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name Of the Shareholder	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding End of the year 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	DRONAMRAJU VINDHYA*	0	0	223975	7.23
2	D V JOGESWARA RAO*	0	0	220928	7.13
3	SRINIVAS REDDY MALLAYAGARI*	0	0	145000	4.68
4	JAGAN MOHANARAO PULAPA	120040	3.87	120040	3.87
5	VENKATESWARA RAO SUNKARA#	120000	3.87	0	0
6	JAYA MAHADEV YERRAMSETTI#	120000	3.87	0	0
7	VENKATA VISWESWARARAO # KANDULA	120000	3.87	0	0
8	MADDULA V R PURUSHOTHAMA RAO	120000	3.87	120000	3.87
9	BHANUCHANDER PEETHANI*	0	0	94791	3.06
10	SATYANARAYANA N#	85000	2.74	0	0
11	RADHAKRISHNA MURTHY KONIJETI#	70134	2.26	0	0
12	DRONAMRAJU VINDHYA#	223975	7.22	0	0
13	JAYA VEERA VENKATA DURGA PRAKASH MADDULA#	83640	2.70	83640	2.70
14	DEEPTHI REDDY GANGI REDDY*	0	0	70375	2.27
15	RADHAKRISHNA MURTHY KONIJETI*	0	0	70134	2.26
16	SUDARSHAN SINGH RATHORE KANWAR*	0	0	66650	2.15
17	BRAHMAJI A#	69903	2.25	0	0

# ceased to be in the list of Top 10 shareholders as on March 31, 2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2017

\* Not in the list of Top 10 shareholders as on April 1, 2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2018.

E) Shareholding of Directors and Key Managerial Personnel: Nil.

## SKYLINE VENTURES INDIA LIMITED

### F) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted ness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	1439000	0	0	1439000
* Reduction	0	0	0	0
<b>Net Change</b>	<b>1439000</b>	<b>0</b>	<b>0</b>	<b>1439000</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1439000	0	0	1439000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>1439000</b>	<b>0</b>	<b>0</b>	<b>1439000</b>

### G) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company has paid remuneration to the Managing Director Subject to maximum limit of Rs.8,50,000/- per annum.

#### B. Remuneration to other directors:

The Company has not paid remuneration to the Directors

#### C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD:

The Company has not paid remuneration to the Directors Key Managerial Personnel Other Than MD/Manager/WTD

### H) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.

Date: 07<sup>th</sup> September, 2018

Place: Hyderabad

By The Order of Board

For SKYLINE VENTURES INDIA LIMITED

Sd/-

NAGA VISWESWARA RAO LAKKIMSETTY

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**Industry Structure and Development:**

Skyline Ventures intended to change its Main objects w.r.t 13<sup>th</sup> April, 2018 to Software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions. Software and computing technology is transforming businesses in every industry around the world in a profound and fundamental way. The continued reduction in the unit cost of hardware, the explosion of network bandwidth, advanced software technologies and technology-enabled services are fueling the rapid digitization of business processes and information. The digital revolution is cascading across industries, redefining customer expectations, enabling disruptive market offerings and automating core processes. Traditional business models are being disrupted with digital and software-based business models. This disruption is characterized by personalized user experiences, innovative products and services, extreme cost performance and a disintermediation of the supply chain. Incumbent companies, to win amid this disruption, need to reinvent their business from the core to activate strong efficiency and productivity levers, reimagine the end consumer experience and create impact at scale.

Leveraging technologies and models of the digital era to both extend the value of existing investments and, in parallel, transform and future-proof businesses, is increasingly becoming a top strategic imperative for business leaders. From an IT perspective, the renewal translates to harnessing the efficiency of distributed cloud computing, enabling legacy systems for mobile and sensor access, extracting value out of digitized data, keeping systems relevant and optimizing the costs of building and running technology systems. As businesses look to new areas and new economics, new and intelligent systems are required to be built with next-generation technologies and with exponentially superior cost-benefit performance.

Global economic growth is estimated to have grown by 3.7% in 2017 and is projected to reach 3.9% in 2018 and 2019. This reflects a more positive outlook in 2017 with a gradual pickup in the next two years. The pickup in growth is broad based. It may be attributed to recently approved tax policy changes in US and accelerating economic activity mostly in advanced economies and also in emerging markets and developing economies to some extent. US grew at 2.3% in 2017 and is expected to grow at 2.7% and 2.5% in 2018 and 2019, respectively. The policy changes in terms of corporate income tax cuts will have positive impact on investment. Overall tax policy changes are expected to stimulate activity in economy. In terms of labor market, unemployment is at all-time low. The Euro area grew at 2.4% in 2017 as compared to 1.8% in 2016. It is expected to grow at 2.2% and 2.0% in 2018 and 2019 respectively. China accelerated to 6.8% in 2017 from 6.7% in 2016. It is expected to slowdown in 2018 and 2019 with an estimated growth rate of 6.6% and 6.4% respectively. India grew at 6.7% in 2017 as compared to 7.1% in 2016. It is expected to grow at 7.4% and 7.8% in 2018 and 2019. With these numbers, India will continue to remain one of fastest growing economy compared to other developed and emerging economies. Global technology industry saw fairly modest, yet commendable growth of about 4.5%, picking up from last year growth. In FY2018, India had IT-BPM revenue touching USD 167 billion, up from USD 154 billion in FY2017 and showing a growth of 8.4%. Exports reached USD 126 billion, a 7.7% growth over the previous year and an addition of USD 9 billion. In FY2018, India's domestic IT-BPM market grew at 7.9% Y-o-Y to reach USD 41 billion (excl. e-commerce). Digital technologies will continue to define the sector and revenue from these is likely to have a 23% share by 2020 and more than 38% by 2025. Digital revenues are at 20% and growing by 30% which translates into 1.5x growth over entire IT industry. Last year has been very exciting in terms of technological and political changes. Indian IT-BPM industry is facing some challenges in terms of how to tackle political changes, be it increased protectionism across the globe which has resulted in tightening of labor market and difficulty in obtaining visa. Due to this there is slowdown in decision making and investment. On the technology front IoT, AI/ML are becoming mainstream globally and our industry has to take a note of it and provide valuable services in these areas. Block chain is another exciting technology and its implication can be huge if it is realized to its full potential.

### Opportunities and Strengths

The Fourth Industrial Revolution is here. According to Klaus Schwab, the Founder and Executive Chairman, World Economic Forum Geneva, we stand on the brink of a technological revolution that will fundamentally alter the way we live, work, and relate to one another. The First Industrial Revolution used water and steam power to mechanize production. The Second used electric power to create mass production. The Third used electronics and information technology to automate production. The present Fourth Industrial Revolution is building on the Third, the digital revolution; that has been occurring since the middle of the last century. It is characterized by a fusion of technologies that is blurring the lines between the physical, digital, and biological spheres.

The digital era is rewriting the rules of business. There's little doubt that the connected future is taking shape faster than most businesses anticipated. The question remains – are we prepared for the new realities of this connected future? We at skyline ventures India limited are committed to bridging the gap between today's capabilities and tomorrow's possibilities

### Risks and Concerns:

1. Spending on technology products and services by our clients and prospective clients is subject to fluctuations depending on many factors, including both the economic and regulatory environment in the markets in which they operate
2. A large part of our revenues are dependent on our top clients, and the loss of any one of our major clients could significantly impact our business.
3. We may not be able to provide end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business.
4. Intense competition in the market for technology services could affect our win rates and pricing, which could reduce our share of business from clients and decrease our revenues and / or our profits.
5. Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus

### Performance Review

#### Discussion on Financial Performance with respect to Operational Performance:

#### 1. Total Income:

During the year under review Skyline has achieved a gross total income of Rs.28,64,800.

#### 2. Share Capital:

The paid up share capital as on 31<sup>st</sup> March, 2018 is 3,96,66,680/- divided into 39,66,668 fully paid-up equity shares of Rs.10/- each.

#### 3. Net Profit:

The Company's operating profit during the year under review has resulted in a net profit / Loss of Rs (27,70,784/-)

#### 4. Earnings Per Share (EPS):

The Earning per Share for the Financial Year 2017-18 is Rs. (0.69)/- per share (Face Value: Rs.10/- each).

Your directors are putting continuously efforts to increase the performance of Company and are hopeful that the performance in coming year will improve in faster way.

**By The Order of Board  
For SKYLINE VENTURES INDIA LIMITED**

Date: 07<sup>th</sup> September, 2018  
Place: Hyderabad

Sd/-  
NAGA VISWESWARA RAO LAKKIMSETTY

**PARTICULARS OF EMPLOYEES**

**[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

- i) The percentage of increase in remuneration of each Director and Chief Financial Officer during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director/ KMP and Designation	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	The Percentage increase in remuneration of each director, CFO, CEO in the financial year
1	Naga Visweswara Rao Lakkimsetty	8,50,000 P.A	NIL

- i) In the financial year, there was an increase of NIL % in the median remuneration of employees;
- ii) There were NIL employees on the rolls of Company as on March 31, 2018;
- iii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was NIL % whereas the decrease/ increase in the managerial remuneration for the same financial year was NIL%.
- iv) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- b) Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.-

S. No.	Employee name	Designation	Educational qualification	Age	Experience	Date of Joining	Gross remuneration paid	Previous employment and designation, If any	No. Shares held, If any
1	Naga Visweswara Rao Lakkimsetty	WTD & CFO		53		20.01.2017	8,50,000 P.A	NA	-

**Date: 07<sup>th</sup> September, 2018**  
**Place: Hyderabad**

**By The Order of Board**  
**For SKYLINE VENTURES INDIA LIMITED**

**Sd/-**  
**NAGA VISWESWARA RAO LAKKIMSETTY**



**CEO/CFO Certification**

We, Naga Visweswara Rao Lakkimsetty, Whole Time Director, to the best of my knowledge and belief, certify that:

- a. I have reviewed the financial statements including cash flow statement (standalone) for the financial year ended March 31, 2018 and to the best of our knowledge and belief :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statement 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 my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. I have indicated to the auditors and the Audit Committee:
  - i. significant changes in the internal control over financial reporting during the year;
  - ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Date: 07<sup>th</sup> September, 2018**  
**Place: Hyderabad**

**By The Order of Board**  
**For SKYLINE VENTURES INDIA LIMITED**

**Sd/-**  
**NAGA VISWESWARA RAO LAKKIMSETTY**

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
Skyline ventures India Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of Skyline ventures India Limited (the Company), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, statement of changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information for the year then ended.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to 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 principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with 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 internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

**Other Matters**

The previous year's comparative financial information of the Company for the year ended March 31, 2017 and the transition date balance sheet as at April 01, 2016 (the Comparative financial information) prepared and restated in compliance of provisions as per Indian Accounting Standards (Ind As) read with the Companies (Indian Accounting Standards) Rules, 2015 are included in these financial statements. The comparative financial information are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 not audited by us for the year ended March 31, 2017 and March 31, 2016 and the predecessor auditor for the years ended expressed an unmodified opinion on those statutory financial statements, and these have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the financial statements is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the 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 aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) There are no pending litigations which would impact the financial position of the company;
  - (ii) The Company has no foreseeable losses on long-term contracts and has no derivative contracts outstanding as at 31<sup>st</sup> March, 2018;
  - (iii) The company has no dues required to be transferred to the Investor Education and Protection Fund;

2. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Hyderabad

Date: 30<sup>th</sup> May, 2018

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SKYLINE VENTURES INDIA LIMITED**

**(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Skyline ventures India Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place : Hyderabad**

**Date: 30<sup>th</sup> May, 2018**

**Annexure Bto the Independent Auditors’ Report**

(Referred to in Paragraph 1 of the section on “Report on other legal and regulatory requirements” of our Report of even date)

<b>Sl. No.</b>	<b>Ref to CARO</b>	<b>Report by Independent Auditors</b>
1	3(i) 3(i)(a) 3(i)(b) 3(i)(c)	<p><b>Fixed Assets</b></p> <p>The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.</p> <p>As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.</p> <p>The company is not holding any immovable properties and hence para 3(i)(C) of the Order is not applicable.</p>
2	3(ii)	<p><b>Inventories</b></p> <p>As explained to us, the inventories has been physically verified during the year by the management at regular intervals .In our opinion, the frequency of such verification is reasonable.</p>
3	3(iii) 3(iii)(a) 3(iii)(b) 3(iii)(c)	<p><b>Loans to parties covered by Sec.189 of the Companies Act,2013 (“The Act)</b></p> <p>According to the information and explanation given to us, the company has, during the year, not granted any loans, secured or unsecured to companies, firms, limited liability partner ships firms or other parties covered in the register required to be maintained U/s 189 of the Act. Accordingly paragraph 3(iii) of the Order is not applicable to the company.</p>
4	3(iv)	<p><b>Loans ,guarantees, securities to and investments in other companies</b></p> <p>In our opinion and according to the information and explanation given to us, the company has no transactions for compliance u/s 185 and complied with the provisions of Sec. 186 of the Act with respective investments and guarantees.</p>
5	3(v)	<p><b>Acceptance of deposits</b></p> <p>In our opinion and according to the information and explanation given to us, The company has not accepted any deposits covered by provisions of Sec.73 to 76 of the Act and hence paragraph 3(V) of the Order is not applicable to the company.</p>
6	3(vi)	<p><b>Maintenance of cost records</b></p> <p>In our opinion and according to the information and explanation given to us, the Central Government has not specified maintenance of cost records u/s 148(1) of the Act.</p>

## SKYLINE VENTURES INDIA LIMITED

Sl. No.	Ref to CARO	Report by Independent Auditors
7	3(vii) 3(vii)(a) 3(vii)(b)	<p><b>Statutory Dues</b></p> <p>According to the records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employee state insurance, Sales tax, Service tax, Customs duty, Excise duty, Value added tax, Goods and Service tax, cess and other statutory dues where ever applicable. According to the information and explanation given</p> <p>According to the information and explanation given to us there are no material dues of statutory dues of Income tax, sales tax, Service tax, Customs duty, Excise duty, Value added tax, Goods and service tax, cess and other dues have not been deposited..</p>
8	3(viii)	<p><b>Defaults in repayments to Financial Institutions/Banks/Debenture holders</b></p> <p>The company has borrowed Term loans and working capital loans from banks and has not issued any debentures. According to the information and explanation given to us and based on our verification the company, the company has not defaulted in the payment/repayments of loans or borrowings to the banks.</p>
9	3(ix)	<p><b>Initial public offer/further offer</b></p> <p>In our opinion and according to the information and explanation given to us, the company has not made any initial public offer or further public offer of securities (including debt instruments) and the term loans have been applied by the company during the year for the purposes for which they are raised.</p>
10	3(x)	<p><b>Frauds by or on the company</b></p> <p>Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanation given to us by the management, we report that no fraud by the company and no material fraud on the company by its officers or employees has been noticed are reported during the course of our audit.</p>
11	3(xi)	<p><b>Managerial Remuneration</b></p> <p>The company has paid/provided managerial remuneration to its whole time director during the year and in our opinion and according to the information and explanation given to us such managerial remuneration is according with the provisions of section 197 of the Act read with schedule V to the Act.</p>
12	3(xii)	<p><b>Nidhi company</b></p> <p>In our opinion and according to the information and explanation given to us, the company is not a Nidhi company and hence paragraph 3(xii) of the order is not applicable to the company.</p>

## SKYLINE VENTURES INDIA LIMITED

Sl. No.	Ref to CARO	Report by Independent Auditors
13	3(xiii)	<p><b>Transactions with Related parties</b></p> <p>As explained to us and as per records of the company, in our opinion the transactions with related parties are in compliance with provisions of section 177 and section 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.</p>
14	3(xiv)	<p><b>Preferential allotment u/s 62 or private placement u/s 42 of the Act</b></p> <p>According to the records of the company it has made preferential allotment of 8,66,668 equity shares during the year. The company has not issued shares on private placement or fully or partly convertible debentures during the year under report. Accordingly paragraph 3(xiii) of the Order is not applicable to the company for making private placement of shares or issuing debentures.</p>
15	3(xv)	<p><b>Non-cash transactions with directors u/s 192 of the Act</b></p> <p>According to the records of the company, the company has not entered during the year in to any non cash transactions with directors or directors of its subsidiaries or associate companies or persons connected with him and hence provisions of Sec 192 of the Act and paragraph 3(xv) of the Order is not applicable to the company.</p>
16	3(xvi)	<p><b>Registration u/s 45-1A of RBI Act,1934</b></p> <p>The company is not required to be registered under section 45-1A of the Reserve bank of India Act, 1934 and hence paragraph 3(xvi) of the order is not applicable to the company.</p>

**Place : Hyderabad**

**Date: 30<sup>th</sup> May, 2018**



**SKYLINE VENTURES INDIA LIMITED**

**Balance Sheet as at 31st March 2018**

(All Amounts in Rs.)

Particulars	Note. No.	As At 31.03.2018	As At 31.03.2017	As At 31.03.2016
<b>I ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment	2	5,255,000	5,255,000	5,255,000
(c) Intangible assets		-	-	-
(d) Financial Assets		-	-	-
(a) Investments		-	-	-
(b) Other Financial Assets	3	23,464,890	19,390,733	19,390,733
(c) Income tax Assets(net)	4	-	-	-
<b>Total Non-Current Assets</b>		<b>28,719,890</b>	<b>24,645,733</b>	<b>24,645,733</b>
<b>Current Assets</b>				
(a) Inventories	5	-	3,406,180	3,192,180
<b>(b) Financial Assets</b>				
a) Trade Receivables	6	16,202,400	501,519,976	438,116,169
b) Cash and cash equivalents	7	9,030,516	54,451	34,984
c) Other current assets	8	-	74,964	74,964
<b>Total Current Assets</b>		<b>25,232,916</b>	<b>505,055,571</b>	<b>441,418,297</b>
<b>Total Assets</b>		<b>53,952,806</b>	<b>529,701,304</b>	<b>466,064,030</b>
<b>II Equity and Liabilities</b>				
<b>Equity</b>				
a) Share Capital	9	39,666,680	31,000,000	31,000,000
b) Other Equity	10	10,637,420	4,593,937	5,217,912
<b>Total Equity</b>		<b>50,304,100</b>	<b>35,593,937</b>	<b>36,217,912</b>
<b>Liabilities</b>				
<b>Non - current liabilities:</b>				
(a) Financial Liabilities				
a) Borrowings		-	-	-
b) Other Financial Liabilities		-	-	-
c) Loans	11	1,439,000	-	-
(b) Employee Benefit Obligations		-	-	-
(c) Provisions		-	-	-
(d) Deferred tax Liabilities (Net)		-	-	-
<b>Total Non-Current Liabilities</b>		<b>1,439,000</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
a) Borrowings		-	-	-
b) Trade payables	12	-	490,291,576	428,259,491
c) Other financial liabilities	13	30,000	2,229,164	-
(b) Provisions	14	2,179,705	1,586,627	1,586,627
<b>Total Current liabilities</b>		<b>2,209,705</b>	<b>494,107,367</b>	<b>429,846,118</b>
<b>Total Equity and Liabilities</b>		<b>53,952,806</b>	<b>529,701,304</b>	<b>466,064,030</b>
Significant accounting policies	1			
Notes to Financial Statements	20			

The notes form an integral part of these financial statements 1 to 20

As per our report of even date  
**S.T.Mohite & Co.,**  
Chartered Accountants  
FRN No.011410S

**For and on behalf of Board of Directors**  
**M/s. Skyline Ventures India Limited**

**Sd/-**  
**(M.T. SREENIVASA RAO)**  
Partner  
M.NO.015635

**Sd/-**  
**RAJASEKHAR**  
Director  
DIN:01449217

**Sd/-**  
**NAGA VISWESWARA RAO L**  
Director  
DIN:03623325

Place: Hyderabad  
Date : 30.05.2018

## SKYLINE VENTURES INDIA LIMITED

### Statement of Profit and Loss for the Year Ended 31st March 2018

(All Amounts in Rs.)

Particulars	Note No.	Year ended March 31,2018	Year ended March 31,2017
<b>I. Revenue from operations</b>	<b>15</b>	7,938,800	72,708,000
<b>II. Other income</b>		-	-
		<b>7,938,800</b>	<b>72,708,000</b>
<b>III. Total Revenue (I + II)</b>			
<b>IV. Expenses:</b>			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	<b>16</b>	-	71,301,000
Other Manufacturing Expenses		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<b>17</b>	3,406,180	-214,000
Employee benefits expense	<b>18</b>	545,700	900,000
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	<b>19</b>	1,683,704	1,344,975
		<b>5,635,584</b>	<b>73,331,975</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		2,303,217	-623,975
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		2,303,217	-623,975
<b>VIII. Extraordinary Items</b>			
<b>IX. Profit before tax (VII- VIII)</b>		<b>2,303,217</b>	<b>-623,975</b>
<b>X Tax expense:</b>			
(1) Current tax		593,078	-
(2) Deferred tax		-	-
(3) MAT Credit Entitlement		-	-
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>1,710,138</b>	<b>-623,975</b>
<b>XII Profit/(loss) from discontinuing operations</b>			
<b>XIII Tax expense of discontinuing operations</b>			
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV Other Comprehensive Income</b>			
A] (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income relating to items that will not be reclassified to profit or loss		-	-
B] (i) Items that will be reclassified to profit or (loss)		-	-
(ii) Income relating to items that will be reclassified to profit or loss		-	-
<b>XVI Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income</b>		<b>1,710,138</b>	<b>-623,975</b>
<b>XVI Earnings per equity share:(Face Value of Rs.10/-)</b>			
(1) Basic		0.53	(0.20)
(2) Diluted		0.53	(0.20)

The notes form an integral part of these financial statements 1 to 20

As per our report of even date  
**S.T.Mohite & Co.,**  
Chartered Accountants  
FRN No.011410S

**For and on behalf of Board of Directors**  
**M/s. Skyline Ventures India Limited**

**Sd/-**  
**(M.T. SREENIVASA RAO)**  
Partner  
M.NO.015635

**Sd/-**  
**RAJASEKHAR**  
Director  
DIN:01449217

**Sd/-**  
**NAGA VISWESWARA RAO L**  
Director  
DIN:03623325

Place: Hyderabad  
Date : 30.05.2018

## SKYLINE VENTURES INDIA LIMITED

### Cash flow statement for the period ended 31st March 2018

(All Amounts in Rs.)

Particulars	As At 31.03.2018	As At 31.03.2017
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	2,303,217	(623,975)
Adjusted for :		
Interest debited to P&L A/c	-	-
Depreciation	-	-
Operating profits before working capital changes	2,303,217	(623,975)
<b>Changes in current assets and liabilities</b>		
Inventories	3,406,180	(214,000)
Trade Receivables	485,317,576	(63,403,807)
Other Current assets	74,964	-
Other non current Financial assets	(4,074,157)	-
Borrowings	-	-
Trade Payables	(490,291,576)	62,032,085
Other Financial Liabilities	(2,199,164)	2,229,164
Provisions	593,078	-
Long Term provisions	-	-
Cash generated from operations	(4,869,882)	19,467
Income tax paid	(593,078)	-
<b>Net cash generated from operating activities</b>	<b>(5,462,961)</b>	<b>19,467</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets and change in capital wip	-	-
Investmnet In Subsidiaries	-	-
Long Term Loans and advances	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Long Term Liabilities	1,439,000	-
Secured and Unsecured Loans	-	-
Interest paid	-	-
Increase in share Capital	13,000,025	-
<b>Net cash generated in financing activities</b>	<b>14,439,025</b>	<b>-</b>
<b>D. Net increase / (decrease) in cash and cash equivalents</b>	<b>8,976,065</b>	<b>19,467</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>54,451</b>	<b>34,984</b>
<b>F. Cash and cash equivalents at the end of the year</b>	<b>9,030,516</b>	<b>54,451</b>

The notes form an integral part of these financial statements 1 to 20

As per our report of even date  
**S.T.Mohite & Co.,**  
Chartered Accountants  
FRN No.011410S

**For and on behalf of Board of Directors**  
**M/s. Skyline Ventures India Limited**

**Sd/-**  
**(M.T. SREENIVASA RAO)**  
Partner  
M.NO.015635

**Sd/-**  
**RAJASEKHAR**  
Director  
DIN:01449217

**Sd/-**  
**NAGA VISWESWARA RAO L**  
Director  
DIN:03623325

Place: Hyderabad  
Date : 30.05.2018

## SKYLINE VENTURES INDIA LIMITED

### Note - 2

#### Property, Plant and Equipment

(All Amounts in Rs.)

Description	Office Equipments	Computers	Land	Total
<b>Gross carrying amount (Cost or deemed Cost)</b>				
Cost as at 01 April 2016	-	-	5,255,000	5,255,000
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Cost as at 31 March 2017</b>	-	-	<b>5,255,000</b>	<b>5,255,000</b>
<b>F Y 2017-18</b>				
Cost as at 01 April 2017	-	-	5,255,000	5,255,000
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Cost as at 31 March 2018</b>	-	-	<b>5,255,000</b>	<b>5,255,000</b>
Depreciation and Impairment				
Charge for the Year	-	-	-	-
Disposals	-	-	-	-
<b>As at March 31, 2016</b>	-	-	-	-
Accumulated Depreciation as at 01.04.2016				
Charge for the year	-	-	-	-
Disposals	-	-	-	-
<b>As at March 31, 2017</b>	-	-	-	-
Accumulated Depreciation as at 01.04.2017				
Charge for the year	-	-	-	-
Disposals	-	-	-	-
<b>As at March 31, 2018</b>	-	-	-	-
<b>Net Carrying Value</b>				
As at April 01, 2016	-	-	5,255,000	5,255,000
As at March 31, 2017	-	-	5,255,000	5,255,000
As at March 31, 2018	-	-	5,255,000	5,255,000

## SKYLINE VENTURES INDIA LIMITED

**Notes to financial statements for the year ended**  
(All amounts in Rupees except for share data or otherwise stated)

(All Amounts in Rs.)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
	INR	INR	INR
<b>Note 3</b>			
<b>Other Financial Assets</b>			
Measured at Cost			
Land Advance	23,464,890.0	19,390,733	19,390,733
<b>Total</b>	<b>23,464,890.0</b>	<b>19,390,733</b>	<b>19,390,733</b>
<b>Note 4</b>			
<b>Income Taxes Asset (Net)</b>			
MAT Credit Entilement	593,078	-	-
Income Tax Provision	(593,078)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note 5</b>			
<b>Inventories</b>			
Closing Stock			
Raw Material	-	-	-
Work in Progress	-	-	-
Finished Goods	-	3,406,180	3,192,180
<b>Total</b>	<b>-</b>	<b>3,406,180</b>	<b>3,192,180</b>
<b>Note 6</b>			
<b>Trade Receivables</b>			
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Secured, considered good	-	-	-
Unsecured, considered doubtful	16,202,400	501,519,976	438,116,169
Less: Provision for doubtful debts	-	-	-
	<b>16,202,400</b>	<b>501,519,976</b>	<b>438,116,169</b>
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good	-	-	-
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	-	-
Less: Provision for doubtful debts	-	-	-
<b>Total</b>	<b>16,202,400</b>	<b>501,519,976</b>	<b>438,116,169</b>

## SKYLINE VENTURES INDIA LIMITED

**Notes to financial statements for the year ended**  
(All amounts in Rupees except for share data or otherwise stated)

(All Amounts in Rs.)

Particulars	As at	As at	As at
	31.03.2018	31.03.2017	31.03.2016
	INR	INR	INR
<b>Note 7</b>			
<b>Cash and cash equivalents</b>			
Cash in Hand	144,387	54,451	26,451
Cash at Bank:			
In Current Accounts	8,886,129	-	8,533
<b>Total</b>	<b>9,030,516</b>	<b>54,451</b>	<b>34,984</b>
<b>Note 8</b>			
<b>Other Current Assets</b>			
Input Vat Receivable	-	74,964	74,964
<b>Total</b>	<b>-</b>	<b>74,964</b>	<b>74,964</b>

**Note 9**

**Share Capital**

**A. Equity**

(All Amounts in Rs.)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of Rs.10/- each	10,000,000	100,000,000	4,000,000	40,000,000
<b>Issued</b>				
Equity Shares of Rs.10/- each fully paid	3,966,668	39,666,680	3,100,000	31,000,000
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs.10/- each fully paid	3,966,668	39,666,680	3,100,000	31,000,000
<b>Total</b>	<b>3,966,668</b>	<b>39,666,680</b>	<b>3,100,000</b>	<b>31,000,000</b>

**Reconciliation of number of shares outstanding for the period**

Particulars	March 31, 2018		March 31, 2017	
	Number	INR	Number	INR
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	3,100,000	31,000,000	3,100,000	31,000,000
Shares Issued during the year	866,668	8,666,680	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>3,966,668</b>	<b>39,666,680</b>	<b>3,100,000</b>	<b>31,000,000</b>

**Notes to financial statements for the year ended**  
**(All amounts in Rupees except for share data or otherwise stated)**

**Terms/rights attached to equity shares**

The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote for per share. The Company declares and pays dividend in Indian rupees to the share holders as per the share holdings.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has no Subsidiaries and Associates.

**Details of shareholders holding more than 5% of the total Investment****(All Amounts in Rs.)**

Name of the Shareholder	Year ended 31st arch,2018		Year ended 31st arch,2017		Year ended 31st arch,2016	
	No of Shares held	% of holding	No of Shares held	% of holding	No of Shares held	% of holding
Naga Rama Krishna Lakkimsetti	766,000	24.71	483,000	15.58	483,000	15.58
D V Jogeswara Rao	220,928	7.31	220,928	7.31	-	-
<b>Total</b>	<b>986,928</b>	<b>32.02</b>	<b>703,928</b>	<b>22.89</b>	<b>483,000</b>	<b>15.58</b>

Note No 10

B.Other equity

(All Amounts in Rs.)

Particulars	Equity Component of Compound financial Instruments	Reserves and Surplus				Capital Reserve	Other Reserves(OCI)		TOTAL
		Securities Premium Reserve	Debtenture Redemption Reserve	General Reserve	Capital Redemption Reserve		Retained Earnings	Share Options Outstanding Account	
<b>Balance at 1 April 2015</b>	-	-	-	-	-	5,241,631	-	-	5,241,631
<b>Restatements</b>	-	-	-	-	-	(23,719)	-	-	(23,719)
Profit for the Year	-	-	-	-	-	-	-	-	-
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-	-	-
Prior Period Expenses	-	-	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2016</b>	-	-	-	-	-	5,217,912	-	-	5,217,912
<b>Restatements</b>	-	-	-	-	-	(623,975)	-	-	(623,975)
Profit for the Year	-	-	-	-	-	-	-	-	-
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2017</b>	-	-	-	-	-	4,593,937	-	-	4,593,937
<b>Restatements</b>	-	-	-	-	-	1,710,138	-	-	1,710,138
Profit for the Year	-	-	-	-	-	-	-	-	-
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-
Amount transfer to general reserve	-	-	-	-	-	-	-	-	-
Net change in fair value of FVTPL investments and others	-	-	-	-	-	-	-	-	-
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2018</b>	-	4,333,345	-	-	-	6,304,075	-	-	10,637,420
	-	4,333,345	-	-	-	6,304,075	-	-	10,637,420



## SKYLINE VENTURES INDIA LIMITED

**Notes to financial statements for the year ended**  
(All amounts in Rupees except for share data or otherwise stated)

(All Amounts in Rs.)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
	INR	INR	INR
<b>Note 11</b>			
<b>Loans</b>			
Unsecured Loans			
-from related parties			
-from others	1,439,000	-	-
<b>Total</b>	<b>1,439,000</b>	<b>-</b>	<b>-</b>
<b>Note 12</b>			
<b>Trade Payables</b>			
Sundry Creditors			
-Due to Micro,Small and Mediam enterprises			
-Due to Others	-	490,291,576	428,259,491
<b>Total</b>	<b>-</b>	<b>490,291,576</b>	<b>428,259,491</b>
<b>Note 13</b>			
<b>Other Financial Laibilities</b>			
Audit Fee Payable	30,000	30,000	-
Employee Expenses Payale	-	900,000	-
Expenses payable	-	1,299,164	-
<b>Total</b>	<b>30,000</b>	<b>2,229,164</b>	<b>-</b>
<b>Note No 14</b>			
<b>Short term Provisions</b>			
Provision for Taxes	2,179,705	1,586,627	1,586,627
<b>Total</b>	<b>2,179,705</b>	<b>1,586,627</b>	<b>1,586,627</b>

## SKYLINE VENTURES INDIA LIMITED

**Notes to financial statements for the year ended**  
(All amounts in Rupees except for share data or otherwise stated)

(All Amounts in Rs.)

Particulars	Year Ending 31st March, 2018	Year Ending 31st March, 2017
	INR	INR
<b>Note 15</b>		
<b>Revenue from operations</b>		
Income from Operations		
a) Sale of Products	7,938,800	72,708,000
b) Sale of Services	-	-
c) Other Operating Revenues	-	-
<b>Total</b>	<b>7,938,800</b>	<b>72,708,000</b>
<b>Note 16</b>		
<b>Purchases of Stock-in-Trade</b>		
Purchase Raw Material	-	-
Purchase of Finished Goods	-	71,301,000
<b>Total</b>	<b>-</b>	<b>71,301,000</b>
<b>Note 17</b>		
<b>(Increase)/Decrease in Inventory</b>		
<b>Opening Stock:</b>		
Raw Material	-	-
Work in Progress	-	-
Finished Goods	3,406,180	3,192,180
	<b>3,406,180</b>	<b>3,192,180</b>
<b>Closing Stock:</b>		
Raw Material	-	-
Work in Progress	-	-
Finished Goods	-	3,406,180
<b>Total</b>	<b>3,406,180</b>	<b>(214,000)</b>
<b>Note 18</b>		
<b>Employee Benefit Expenses</b>		
Salaries, Wages & Bonus	545,700	900,000
Incentives	-	-
Staff welfare expenses	-	-
<b>Total</b>	<b>545,700</b>	<b>900,000</b>

**SKYLINE VENTURES INDIA LIMITED****Notes to financial statements for the year ended**  
**(All amounts in Rupees except for share data or otherwise stated)****(All Amounts in Rs.)**

<b>Particulars</b>	<b>Year Ending</b>	<b>Year Ending</b>
	<b>31st March, 2018</b>	<b>31st March, 2017</b>
	<b>INR</b>	<b>INR</b>
<b>Note 19</b>		
<b>Other Expenses</b>		
Legal and Professional Fee	15,000	20,500
Utilities	-	18,600
Directors Remuneration	-	600,000
Audit Fee	30,000	30,000
Bank Charges	497	15,811
Office Maintenance	58,760	56,980
Office Rent	-	84,000
Petrol and conveyance	27,890	32,600
Telephone & Internet Charges	-	19,569
Printing and Stationery	-	39,821
Other Expenses	775,750	427,094
Rates & Taxes	625,807	-
Business Promotions	150,000	-
<b>Total</b>	<b>1,683,704</b>	<b>1,344,975</b>

### 1. Significant Accounting Policies

#### 1.1 Corporate Information

Skyline Ventures India Limited (“the Company”) is registered in India under the Companies Act, 1956 as a Public Limited Company on 17/11/1988 and as on date it is Public Limited Company, having its registered office at 6- 1-279/10/5, Walker Town, Padmarao Nagar Secunderabad Hyderabad, Telanagana-500025. The shares of the Company are listed on the Bombay Stock Exchange of India Ltd. The Principal accounting policies applied in the preparation of the financial statements are set out below.

#### 1.2 Basis of preparation and presentation of Financial Statements

The Financial statements have been prepared in accordance with Indian Accounting Standards (Ina AS) as notified under the Companies (Indian Accounting Standards) Rule, 2015 with amended thereto. The Financial statements of Skyline Ventures India Limited (“the Company”) for the year ended 31<sup>st</sup> March, 2018 have been prepared and presented in accordance with the India Accounting Standards (“Ind AS”) notified under the Companies ( Indian Accounting Standards Rules, 2015 and Companies (Indian Accounting Standards) Amended Rules, 2016.

The Financial Statements for the year ended 31<sup>st</sup> March, 2017 and the transitional opening Balance sheet as at 1<sup>st</sup> April, 2016 have been restated in accordance the Ind AS for comparative information. The Financial Statements for the year end 31<sup>st</sup> March 2017 and the transitional opening Balance sheet as at 1<sup>st</sup> April 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and Explanations of the effect of the transition from previous GAAP to Ind As on the Company’s Balance sheet, Statement of profit and loss and Statement of cash Flows are provided in notes.

#### 1.3 Basis of Measurement

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet.

#### 1.4 Accounting Estimates

The Preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the measurement to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at date of financial statements and the results of operation during the reported period.

#### 1.5 Provisions and contingencies:

Provisions and contingencies are based on the Management’s best estimate of the liabilities based on the facts know at the balance sheet date.

#### 1.6 Determination of Fair Values:

The Company’s accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability

(i) Property, plant & Equipment:

The Company has not elected to measure any item of property, plant and equipment at its fair value at the Transition Date; property, plant and equipment have been measured at cost in accordance with Ind AS.

(ii) Investments in equity securities

The fair value of marketable equity is determined by reference to their quoted market price at the reporting date.

**1.7 Critical Accounting Judgements and Key source of estimation uncertainty operating cycle:**

In the application of the company's accounting policies, the management of the company are required to make judgements, estimates, and assumptions about the carrying amounts of the assets and liabilities that are not readily apparent from other sources. The estimates and associates assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates is revised if the revision effects only that period or in the period of the revision and future periods in the revision effects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the company's accounting policies and that have the most significant effects on the amounts recognized in the financial statements.

**1.8 Functional and presentation currency**

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees.

**1.9 Segment Reporting:**

The Company concluded that there is two operating segments i.e., Construction and Trading Business. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has two operating and reportable segments, the disclosure requirements specified in paragraphs 22 to 30 are applicable. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

**1.10 Employee benefits:**

**Provident fund benefits**

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions.

**20. Notes Forming part of Financial statements**

**20.1 Deferred tax**

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

**20.2 Sale of goods**

Under Indian GAAP, sale of goods was presented as net of Sales tax duty up to 30<sup>th</sup> June 2017. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is included as part of sales in the face of statement of profit and loss. The company operations are relating to trading of goods only hence no excise duty or GST impact under Ind AS disclosure.

**20.3 Remuneration**

Amount in INR

Particulars	For the Year Ending 31st March, 2018	For the Year Ending 31st March, 2017
a) Audit fees	30,000	30,000
b) Other charges		
Taxation matters	-	-
Other matters	-	-
c) Reimbursement of out of pocket expenses	-	-
<b>TOTAL</b>	<b>30,000</b>	<b>30,000</b>

**20.4 Earnings per Share**

Amount in INR

Particulars	For the Year Ending 31st March, 2018	For the Year Ending 31st March, 2017
<b>Earnings</b>		
Profit attributable to equity holders	<b>17,10,138</b>	<b>-6,23,975</b>
<b>Shares</b>		
Number of shares at the beginning of the year	31,00,000	31,00,000
Add: Equity shares issued	8,66,668	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	39,66,668	31,00,000
<b>Weighted average number of equity shares outstanding during the year – Basic</b>	<b>39,66,668</b>	<b>31,00,000</b>
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
<b>Weighted average number of equity shares outstanding during the year – Diluted</b>	<b>39,66,668</b>	<b>31,00,000</b>
<b>Earnings per share of par value Rs.10/- – Basic (₹)</b>	<b>0.53</b>	<b>-0.20</b>
<b>Earnings per share of par value Rs.10/- – Diluted (₹)</b>	<b>0.53</b>	<b>-0.20</b>

**20.5 Related Parties**

List of Related Parties and their Relationships:

In accordance with the provisions of Ind AS 24 “Related Party Disclosures” and the Companies Act, 2013, Company’s Directors, members of the Company’s Management Council and Company Secretary are considered as Key Management Personnel. List of Key Management Personnel of the Company is as below:

The Person having the significant influence over company and KMP

S.No	Related Party Transactions	Transactions during the Year
1	Mr. NAGA VISWESWARA RAO LAKKIMSETTY, Managing Director	Yes

## SKYLINE VENTURES INDIA LIMITED

The following is a summary of significant related party transactions:

Amount in INR

Particulars	For the Year Ending 31st March, 2018	For the Year Ending 31st March, 2017
a) Key managerial personnel & Significant influence over company		
Investment in Share capital		
Mr. NAGA VISWESWARA RAO LAKKIMSETTY	42,45,000	Nil
<b>TOTAL</b>	<b>42,45,000</b>	<b>Nil</b>

The Following is the Closing balances with the Related Parties:

Amount in INR

S.No.	Related Party Transactions	For the Year ended 31st March 2018	For the Year ended 31st March 2017	For the Year ended 31st March 2016
1	Mr. NAGA VISWESWARA RAO LAKKIMSETTY (Investment in Share Capital)	76,60,000	48,30,000	48,30,000

### 20.6 Earnings/expenditure in foreign currency:

Expenditure in Foreign currency: NIL

### 20.7 Employee Benefits:

a. Gratuity:

The company has no liability towards the Gratuity payable.

b. Leave Encashment:

The company has no any leave encashment liability.

### 20.8 Determination of Fair Values:

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability

(i) Property, plant & Equipment:

The Company has not elected to measure any item of property, plant and equipment at its fair value at the Transition Date; property, plant and equipment have been measured at cost in accordance with Ind AS.

(ii) Investments in equity securities

The fair value of marketable equity is determined by reference to their quoted market price at the reporting date.

### 20.9 Financial Risk Management:

The Company's activities expose it to variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risk faced by the company, to set appropriate risk limits and controls, and to monitor such risk and compliance with the same. Risk assessment and management policies and processes

are reviewed regularly to reflect changes in market conditions and the company activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and Management policies.

### a) **Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business.

Trade Receivables- The Company's exposures to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses Expected Credit Loss (ECL) model of assessing the impairment loss. As company trade receivable are realised within normal credit period adopted by the company, hence the financial assets are not impaired.

Financial assets are neither past due or not impaired – None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31<sup>st</sup> march 2018.

### b) **Liquidity Risks**

Liquidity risk is the risk that company will not be able to meet its financial obligation as they become due. The Company manages its liquidity risk by ensuring, as far as, possible, that it always sufficient liquidity to meet its liabilities due, under normal and stressed conditions, without incurring unacceptable losses or risk to Company's reputation.

As of 31<sup>st</sup> March, 2018, and 2017, the company had utilised credit limits from banks of nil and nil respectively.

As of 31<sup>st</sup> March, 2018, the Company had working capital (current assets less current liabilities) of Rs.2,30,23,210/- including cash and cash equivalents of Rs.90,30,516/-, As of 31<sup>st</sup> March 2017 the Company had working capital of Rs.1,09,48,204/- including cash and cash equivalents of Rs.54,451/-.

### c) **Market Risks**

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect Company's financial position. Market risk is attributable to all market risk sensitive financial instruments.

## 20.10 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business community and support growth of the company. The Company determines the capital management requirement based on annual operating plans and long-term plans. The funding requirements are met through equity borrowings and operating cash flows required.

## 20.11 First-time adoption of Ind AS

These financial statements, for the year ended 31<sup>st</sup> March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31<sup>st</sup> March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).



## SKYLINE VENTURES INDIA LIMITED

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31<sup>st</sup> March 2018, together with the comparative period data as at and for the year ended 31<sup>st</sup> March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1<sup>st</sup> April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1<sup>st</sup> April 2016 and the financial statements as at and for the year ended 31<sup>st</sup> March 2017.

### Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company has not elected to measure any item of property, plant and equipment at its fair value at the Transition Date; property, plant and equipment have been measured at cost in accordance with Ind AS.

Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"

### Estimates

The estimates at 1<sup>st</sup> April 2016 and at 31<sup>st</sup> March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTPL – Quoted equity shares
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1<sup>st</sup> April 2016, the date of transition to Ind AS and as of 31<sup>st</sup> March 2017.

### Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS

Amount in INR

Particulars	As on 1 April 2016	As on 31 March 2017
Equity as per Indian GAAP	-31,00,000	-31,00,000
Equity as per Ind AS	-31,00,000	-31,00,000

### Reconciliation between financial results as previously reported under Previous GAAP and Ind AS for the year ended 31 March 2017

Amount in INR

Particulars	Amount
Net profit ((-) (loss) under previous GAAP	-6,23,975
Net profit ((-) (loss) for under Ind AS	-6,23,975

## SKYLINE VENTURES INDIA LIMITED

### 20.12 Financial Instruments:

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values

Particulars	Carrying Value			Fair Value		
	Mar.18	Mar.17	Apr.16	Mar.18	Mar.17	Apr.16
Trade Receivables	1,62,02,400	50,15,19,976	43,81,16,169	1,62,02,400	50,15,19,976	43,81,161,69
Loans	-	-	-	-	-	-
Cash and cash equivalents	90,30,516	54,451	34,984	90,30,516	54,451	34,984
<b>Total</b>	<b>2,52,32,916</b>	<b>50,15,74,427</b>	<b>43,81,51,153</b>	<b>2,52,32,916</b>	<b>50,15,74,427</b>	<b>43,81,51,153</b>
Borrowings	-	-	-	-	-	-
Trade payables	-	49,02,91,576	42,82,59,491	-	49,02,91,576	42,82,59,491
Other financial liabilities	30,000	2,29,164	-	30,000	2,29,164	-
<b>Total</b>	<b>30,000</b>	<b>49,25,20,740</b>	<b>42,82,59,491</b>	<b>30,000</b>	<b>49,25,20,740</b>	<b>42,82,59,491</b>

### 20.13 Confirmation of Balances

Confirmation of balances of certain parties for amounts due to them / due from them as per the accounts of the company have not been received. However, the value shown in the books of accounts are final. Since it is indicated that our balances as per company books are deemed to be correct, if the conformation or discrepancy is not received before certain prescribed period.

### 20.14 Previous Year figures regrouped

Opening balances/corresponding figures for previous year have been re-grouped/re-arranged wherever necessary to confirms to current years classification.

### 20.15 Amounts have been rounded off to nearest Rupee.

As per our report of even date  
**S.T.Mohite & Co.,**  
Chartered Accountants  
FRN No.011410S

**For and on behalf of Board of Directors**  
**M/s. Skyline Ventures India Limited**

**Sd/-**  
**(M.T. SREENIVASA RAO)**  
Partner  
M.NO.015635

**Sd/-**  
**RAJASEKHAR**  
Director  
DIN:01449217

**Sd/-**  
**NAGA VISWESWARA RAO L**  
Director  
DIN:03623325

Place: Hyderabad  
Date : 30.05.2018

## Skyline Ventures India Limited

CIN : L45200TG1988PLC009272

**Registered Office :** 6- 1-279/10/5, Walker Town, Padmarao Nagar, Secunderabad,  
Telangana - 500025

### ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Skyline Venture India Limited

I hereby record my presence at the 30th Annual General Meeting of the Shareholders Skyline Venture India Limited Saturday the 29<sup>th</sup> day of September, 2018 at 10.00 A.M. at Madhav Reddy Community Hall, Near Victoria Anglo School, Chaitanyapuri, Hyderabad- 500060, Telangana.

<b>DP ID*</b>	<b>Regd. Folio No.</b>
<b>Client ID*</b>	<b>No. of Shares</b>

\*Applicable if shares are held in electronic form.

Name & Address of Member

--

\_\_\_\_\_  
Signature of Shareholder/Proxy/  
Representative (Please Specify)

### ELECTRONIC VOTING

--

Electronic voting (e-voting) facility is being provided in respect of the Resolutions proposed at the 30th AGM, in accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Please see Note (10) to the Notice of 30<sup>th</sup> Annual General Meeting of the Company, convening the AGM for the procedure with respect to e-voting.

Your e-voting user ID and password are provided below:

<b>Electronic Voting Event Number (EVEN)</b>	<b>User ID</b>	<b>Password</b>
		Use your existing password

**FORM NO.MGT-11**

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)

<b>CIN</b>	L45200TG1988PLC009272		
<b>Name of the Company</b>	Skyline Ventures India Limited		
<b>Registered Office</b>	6- 1-279/10/5, Walker Town, Padmarao Nagar, Secunderabad, Telangana - 500025		
<b>Meeting Place</b>	Madhav Reddy Community Hall, Near Victoria Anglo School, Chaitanyapuri, Hyderabad- 500060, Telangana.		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	

I/We, being the Member(s) of \_\_\_\_\_ shares of **Skyline Ventures India Limited**, hereby appoint

(1) Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her

(2) Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him/her

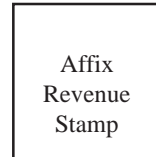
(3) Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature: \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 30th Annual General Meeting (AGM) of the Company to be held on the Saturday, 29<sup>th</sup> September, 2018 at 10.00 A.M. at **Madhav Reddy Community Hall, Near Victoria Anglo School, Chaitanyapuri, Hyderabad- 500060, Telangana**, and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No	Resolutions	For	Against
1	<b>ORDINARY BUSINESS:</b> Adoption of Accounts for the financial year ended 31st March, 2018, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.		
2	To appoint a director in place of Mrs. Srivenkata Lakkimsetti Laxmi Padmaja (DIN: 07751864), who retires by rotation and being eligible, offers herself for re-appointment as a Director.		

Signed this..... day of..... 2018

Signature of shareholder:\_\_\_\_\_



**NOTE:** This form of proxy, in order to be effective, should be duly completed and deposited at the Corporate office of the Company not less than 48 hours before the commencement of the AGM i.e. by 10.00 a.m. on Saturday, 29<sup>th</sup> day of September, 2018.