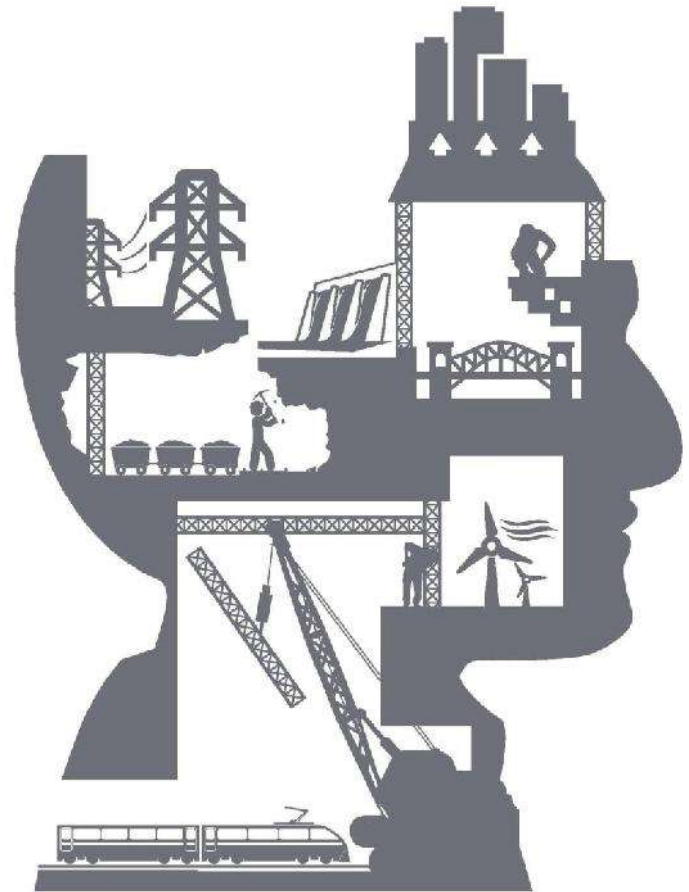


SMS LIMITED



ANNUAL REPORT FOR THE FINANCIAL YEAR 2018 - 19.

Regd. & Corp. Add.: IT Park, 20, S.T.P.I, Gayatri
Nagar, Parsodi, Nagpur - 440 022 (India).
Ph.: 0712-7125000, Fax: 0712-6665100.
Email: info@smsl.co.in.
Website: www.smsl.co.in.

Company Overview

A LEGACY OF EXCELLENCE

SINCE 1963

Founded by Late Shri Shaktikumar M. Sancheti, SMS Group has the distinction of being one of the largest Infrastructure Companies of Central India with its presence across the country. The group is known not only in its work but also in its ethics, the magnitude of operations is no longer restricted to the country alone with a keen eye on the global infrastructure requirements, SMS boasts of large and experienced employee base with a very low attrition. SMS has a satisfied client of over 53 major

Government entities & PSUs. Making a humble beginning in 1963, SMS has gone on to diversify into all the major sectors of infrastructure that contributes in nation building. A 'no compromise' policy on quality and exemplary farsightedness has made SMS a force to reckon with in the field of Mining, Railways, Irrigation, Highway Construction, Power, Environment, Urban & Rural Development. SMS has been recognized as one of the most trusted and preferred partner of choice by all our valued customers.

SMS

Group Overview

Business History: Incorporated in 1963 and headquartered in Nagpur, SMS Limited is promoted by Sancheti family

Sectors of Operations & Specialization: Undertakes EPC contracts for various sectors such as highways, railways, electric, mining, irrigation and environment.

Order Book: Order book of INR 5346.97 crore as on 31st March, 2019 majority of which is Mining (66.64%), Road and Railways (9.49%), Electrical (3.69%), Irrigation (6.87%), environment (11.02%) and Defence (2.30%).

Investment Portfolio: Hydro power plant, parking solutions and small investments in waste/water treatment plants. Also have investments in mining and taxicabs business.

Resources: Manpower of full time 3854 employees and net asset block of ₹ 144.32 Crore on March 19.

Awarded ISO 14001:2004 and ISO 9001: 2008 for civil construction & maintenance, irrigation, tunnelling & waste management services.

Key Clients:


भारतीय राष्ट्रीय राजमार्ग प्राधिकरण
National Highways Authority of India

IRCON International Limited 

 RITES Limited
THE INFRASTRUCTURE PEOPLE

 Vidarbha Patbandhare Vikas Maha Mandal

Hindustan Copper Limited 

 Hindustan Zinc Limited

South Bihar Power Distribution Company Limited



Career highlights and top moments:

1997- Awarded first BOT Project of National Highways Authority of India.

2007- Awarded mining contract for Asia's largest Uranium Mine.

2008- Commissioned India's largest Plasma Gasification Plant converting waste to energy.

2009 - Started Asia's biggest Bio Medical waste facility in Mumbai.

2011- Launched Tab Cab, India's largest fleet of radio cabs.

2012 - First introduction to India of low cost continuous mining through blast free technology.

2013 - Commissioned India's first fully automated underground car parking system with 828 car park spaces in Kamla Nagar, Delhi.

2014- Became India's second largest waste processor in terms of volume.

2015- Featured in the Fortune India magazine July 2015 issue.

2016- ILC Power Brand Awards 2016.

Consistent Growth Strong Order Book.

Most Diversified portfolio Multisectoral Presence Only company to feature in Fortune India Magazine Presence in sunrise sectors like underground Mining, Sewage Treatment, Electrical and Waste Management.

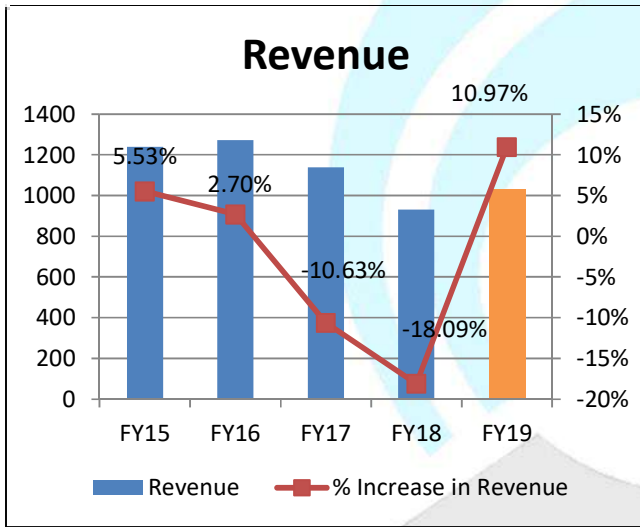
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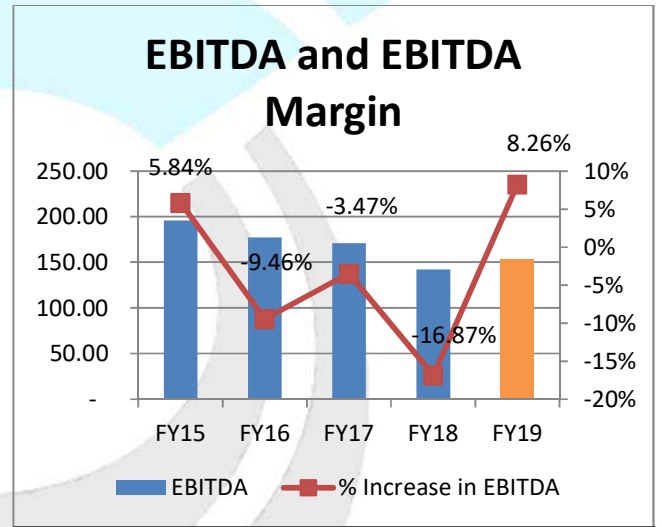
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Key Performance Indicators (Standalone)

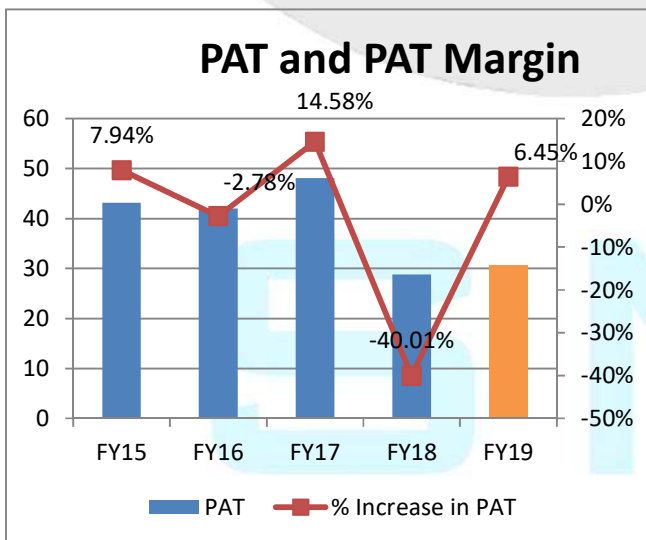
Increase/ Decrease in Revenue YOY



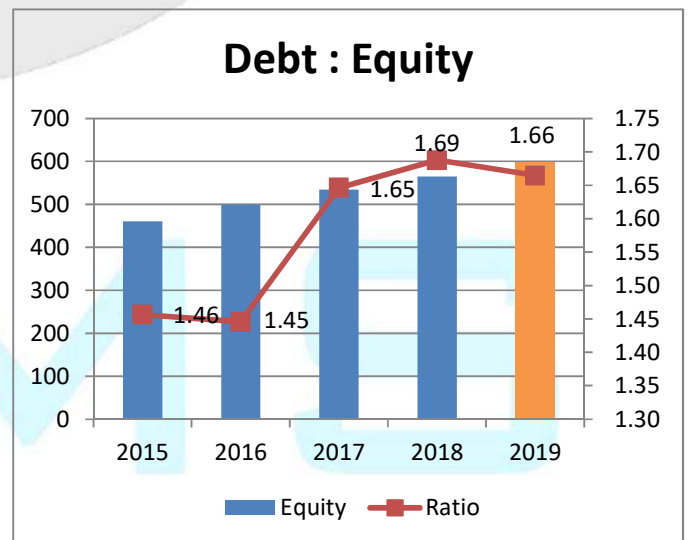
Increase/ Decrease in EBITDA Margin



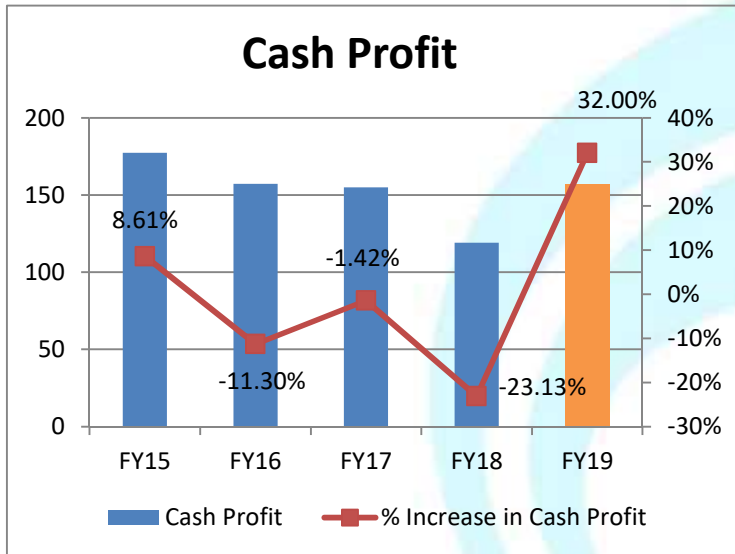
Increase/ Decrease in PAT Margin



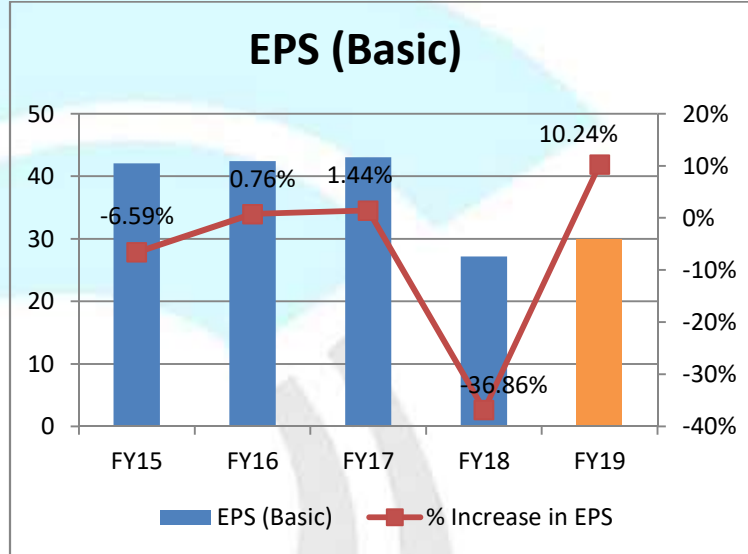
Increase/ Decrease in Debt



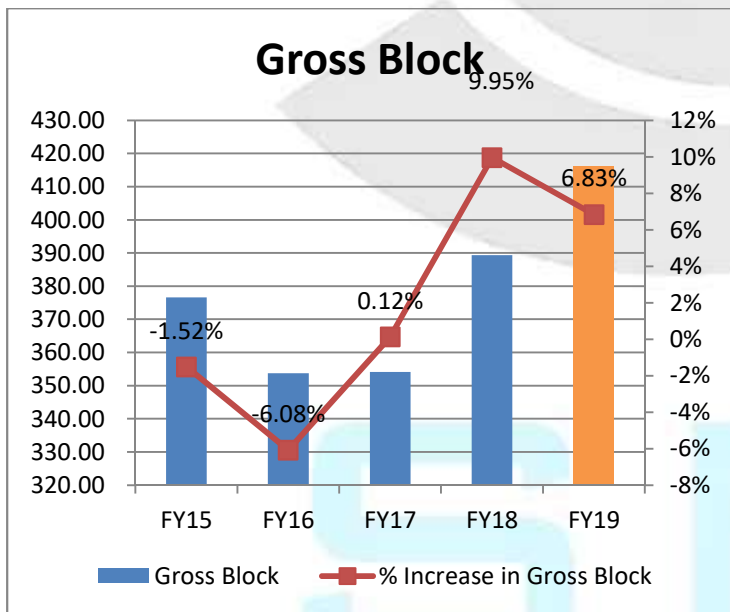
Increase/ Decrease in Cash Profit



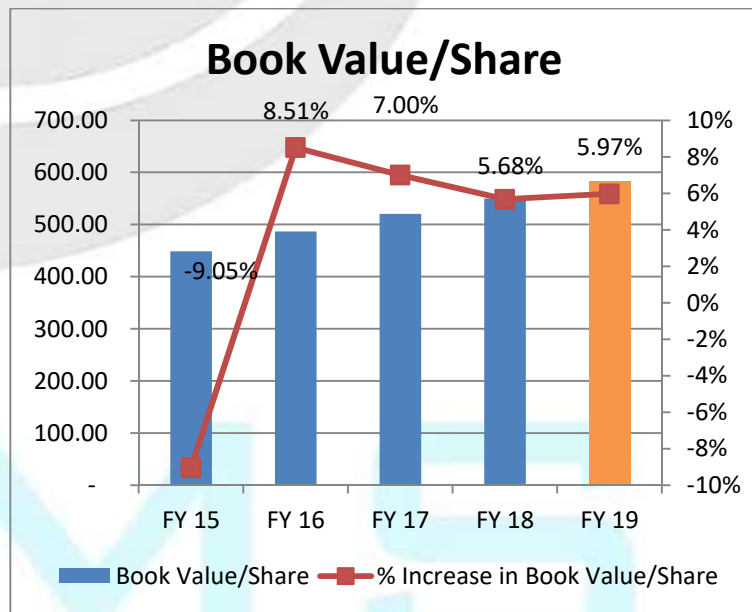
Increase/ Decrease in EPS (Basic)



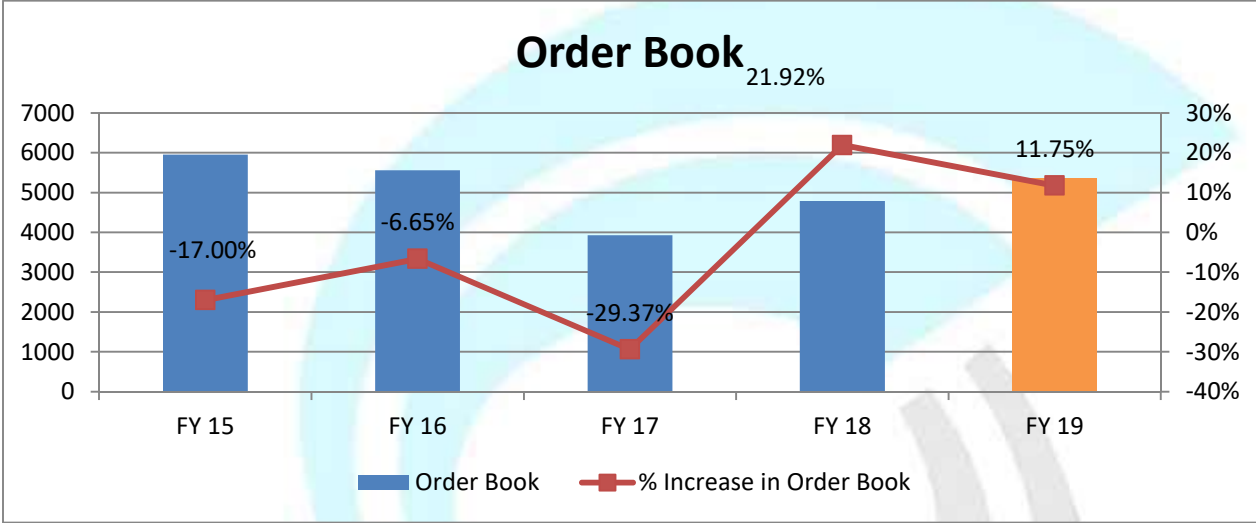
Increase/ Decrease in Gross Block



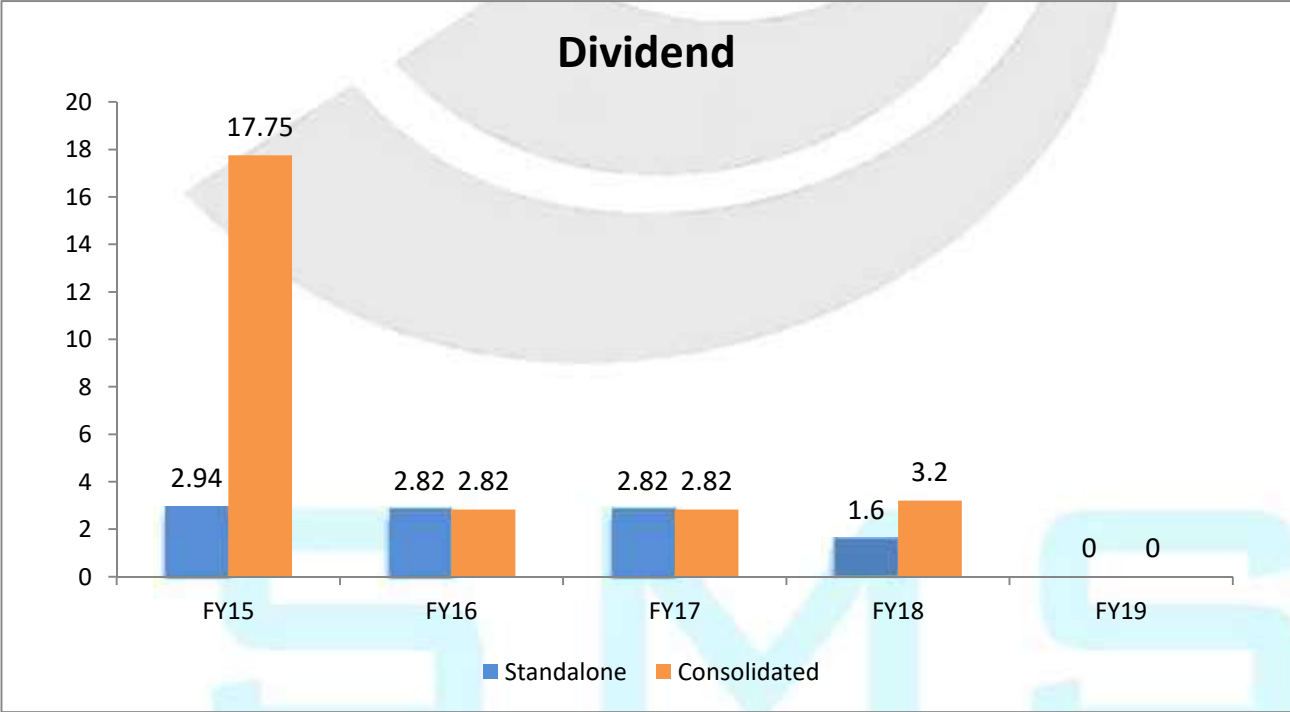
Increase/ Decrease in Book Value



Order Book Position



Dividend



SMSL

Board of Directors



Abhay Sancheti
Chairman



Ajay Sancheti
Vice-Chairman



Anand Sancheti
Managing Director



Dilip Surana
Whole Time Director



Renu Challu
Independent Director



Ramendra Gupta
Independent Director



Ajay Lakhotia
Independent Director

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Company Information

Abhay Sancheti	<i>Chairman of the Board</i>
Ajay Sancheti	<i>Vice Chairman of the Board</i>
Anand Sancheti	<i>Managing Director</i>
Dilip Surana	<i>Whole Time Director</i>
Renu Challu	<i>Independent Director</i>
Ramendra Gupta	<i>Independent Director</i>
Ajay Kumar Lakhotia	<i>Independent Director</i>
Sushant Mukherjee	<i>Chief Financial Officer</i>
Smita Agarkar	<i>Company Secretary</i>
C.R. Sagdeo & Co.	<i>Internal Auditors</i>
V.K. Surana & Co.	<i>Statutory Auditors</i>
Yugandhara Kothalkar	<i>Secretarial Auditor</i>
D. Rajarao & Co.	<i>Cost Auditor</i>

Registered Office *I.T. Park, 20, S.T.P.I., Gayatri
Nagar, Parsodi, Nagpur- 440022*

Board & Committees – The Board of Directors

Abhay Sancheti
Chairman of the Board

Ajay Sancheti
Director

Anand Sancheti
Managing Director

Dilip Surana
Whole Time Director

Renu Challu
Independent Director

Ramendra Gupta
Independent Director

Ajay Kumar Lakhotia
Independent Director

Akshay Sancheti
Alternate Director

Board Committees: Executive Committee

Abhay Sancheti
Chairman

Anand Sancheti
Managing Director

Dilip Surana
Whole Time Director

Audit Committee
Ajay Kumar Lakhotia
Chairman Audit

Ramendra Gupta
Member

Anand Sancheti
Member

SMS Limited.

Corporate Social Responsibility Committee

Abhay Sancheti
Chairman

Ajay Lakhotia
Member

Ramendra Gupta
Member

Nomination & Remuneration Committee

Renu Challu
Member

Ramendra Gupta
Member

Ajay Kumar Lakhotia
Member

Risk Management Committee

Abhay Sancheti
Chairman of Risk Management Committee

Anand Sancheti
Member

Dilip Surana
Member

Share Transfer Committee

Abhay Sancheti
Member

Anand Sancheti
Member

Ajay Kumar Lakhotia
Member

SMS Limited.

Key Management Team

Rajiv Charde

Vice President (Rail & Road)

Kasarneni Rao

Vice President (Mining)

Ashfaque Khan

General Manager (Irrigation)

Yadao Laxane

Head Electrical.

Sunil Moharil

Deputy General Manager (HR)

Sushant Mukherjee

Chief Financial Officer

Smita Agarkar

Company Secretary

Abhishek Mehta

DGM (Accounts & Material Management)



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BOARDS' REPORT

To

The Members of SMS Limited

The Board of Directors hereby submits their Twenty First Report on the business and operations of the Company ('the Company' or 'SMS LIMITED'), along with the audited financial statements, for the financial year ended March 31, 2019. The consolidated performance of the Company and its subsidiaries has been referred wherever required.

1. FINANCIAL HIGHLIGHTS: (₹ In Crore)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	1018.84	906.61	1753.42	1542.80
Other income	14.73	24.82	31.63	39.33
Profit Before Depreciation, Finance Costs, Exceptional items and Tax Expenses	154.01	141.82	544.45	447.46
<u>Less:</u> Depreciation/ Amortisation/ Impairment	21.18	19.74	232.26	233.24
Profit Before Finance Costs, Exceptional items and Tax Expenses	132.82	122.07	312.20	214.22
<u>Less:</u> Finance Costs	84.02	79.44	183.41	157.46
Profit Before Exceptional items and Tax Expenses	48.81	42.63	128.79	56.76
<u>Add/Less:</u> Exceptional items	NIL	NIL	0.70	NIL
Profit Before Tax Expenses	48.81	42.63	128.09	56.76
<u>Less:</u> Tax Expenses (Current & Deferred)	18.10	14.53	43.23	22.48
Profit for the year (1)	30.71	28.11	84.86	34.28
Total Comprehensive income (2)	30.53	27.12	65.60	28.09
Balance of profit/loss for earlier years	436.68	363.69	416.91	388.05
<u>Less:</u> Transfer to Debenture Redemption Reserve	NIL	NIL	NIL	NIL
<u>Less:</u> Transfer to Reserves	NIL	NIL	NIL	NIL
<u>Less:</u> Dividend paid on Equity Shares	NIL	1.60	NIL	3.20
<u>Less:</u> Dividend paid on Preference Shares	NA	NA	NA	NA
<u>Less:</u> Dividend Distribution Tax	NIL	NIL	NIL	0.32
Balance carried forward	471.29	436.68	476.46	416.91

Previous year's figures have been regrouped /recast wherever necessary as per IND AS

A. **Standalone**

Your Board takes pleasure in reporting that the Revenue from Operations of the Company for the Financial Year ended 2018-19 amounted to ₹ 1018.84 crore as against ₹ 906.61 crore in FY-2017-18 and earned a Profit before Interest, Depreciation, Exceptional Items and Tax (PBIDT) of ₹ 154.01 crore for the F.Y 2018-19 as against ₹ 141.82 crore in the previous year. After deducting financial charges of ₹ 84.02 crore, providing a sum of ₹ 21.18 crore towards depreciation and ₹ 18.10 crore for income tax and the operations of the Company resulted in a net profit of ₹ 30.71 crore for the F.Y 2018-19 as against ₹ 28.11 crore in F.Y 2017-18.

B. **Consolidated**

During the year under review, the Revenue from Operations of the Company on a consolidated basis amounted to ₹ 1753.42 crore as against ₹ 1542.80 crore in the previous fiscal. Your Company has earned a PBIDT of ₹ 544.45 crore for the F.Y 2018-19 as against ₹ 447.46 crore in the previous Financial year. The operations resulted in a net profit attributable to the shareholders of the Company of ₹ 84.86 crore as against ₹ 34.28 crore in the previous Financial year. During the year the Company, on consolidated basis, bagged new orders valued around ₹ 1655.11/- crore and the order Book of the company as on March 31, 2019 stood at ₹ 5346.97/- crore.

2. **THE STATE OF THE COMPANY'S AFFAIRS:**

(i) **Segment wise position of business and its operations:**

The Company is engaged in providing infrastructural services with diversification into all the major sectors of infrastructure including Mining, Railways, Irrigation, Highways Construction, Power, Environment, Urban and Rural Development. The Order Book position as on March 31, 2019, stood at ₹ 5346.97/- Crore.

A separate reportable segment forms part of note no. 44 to the Balance Sheet as on 31st March 2019.

(ii) **Change in status of the Company –**

During the year under review, there were no material and significant Changes in the status of the Company.

(iii) **Key business development –**

During the year under review following works were awarded in different sectors of the business of the Company:

MINING SECTOR:

- i. Extraction of coal on cost per ton basis by deploying Continuous Miners including the drivage of tunnels at Kondapuram UG Mine, Manuguru area from the project employer Singreni Collieries the total project cost is of ₹ 1017 core only.

IRRIGATION SECTOR:

- i. Construction of Battisa Nallah Gravity Dam across Battisa Nallah on Engineering, Procurement and Construction (E.P.C) single Responsibility turn-key basis, near village Deldar of tehsil of Aburoad, Sirohi District in the State of Rajasthan India awarded by Water Resources Department, Rajasthan, the total project cost amounts to ₹ 133.43 core only.

ENVIRONMENT SECTOR:

- i. EPC, testing, commissioning, trial run and 15 years of Operation & Maintenance including replacement & warranty of all components of 3 Nos STPs of Capacity 75, 35 & 90 MLD each with SBR technology including designing, P/L/L/J of RCC NP3 pipes interceptor sewer of Length 11420m (700mm to 1800mm Dia) with all allied components complete on TURN KEY JOB basis under mission AMRUT, awarded by Municipal Corporation, Raipur, Chhattisgarh, the total project cost amounts to ₹ 235 core only.
- ii. Construction of Landfill No. 5 at MEPL of 4 lakh tons along with covering it with membrane awarded by Maharashtra Enviro Power Ltd, the subsidiary of the Company and the total project cost amounts to ₹ 30 core only.
- iii. Setting up of Common Hazardous Waste Treatment Storage and Disposal site at Darbhondora Goa by one of the group Company and the total project cost amounts to ₹ 98.17 core only.

The Company before the date of report were in receipt of Letter of acceptance for following work with regards

- i. Design, Supply, Installation, Testing & Commissioning of 33/11 KV Gas Insulated Substation (2x16/20 MVA) Along With Associated Equipment's At Patto Plaza Panaji.) from Goa Electricity Department and proposed project cost is ₹ 20.08 crore only.

- ii Development of Power Supply infrastructure distribution network including 33/11 KV and 11/0.4 KV HT substation and allied work in Pushpak Nagar from CIDCO and proposed project cost is ₹ 100.93 crore only.
- iii) Turnkey construction of 132kv DC line from 220kv Sicom s/s to 132kv Mul s/s , Route length - 22 Kms from Loc. No. 1 to 81(including 3 Kms of DCMC line from Sicom end, 19 Kms of DCDC line) under Nagpur zone from MAHATRANSCO and the project cost amount to ₹ 8.51 crore only.
- iv. Turnkey works contract for construction of 132 kV D/C LILO on Boisar (MIDC) - Dahanu line at 220 kv Palghar s/s under Vashi Zone from MAHATRANSCO and the project cost amount to ₹ 11.99 crore only.

The Company has completed the work of:

- i. Introduction of C.M. package on hiring basis and at Pinoura & Vindhya UG mines of johilla area awarded by South Eastern Coalfields Limited under mining sector.
- ii. Supply & erection of material & equipment for turnkey contract for providing APL service connection with it line extension (if required) under state plan scheme (Mukhyamantri Vidyut Sambandh Nischay Yojana) in Samastipur circle the work was awarded by North Bihar Power Distribution Co. Ltd, Patna under Electrical sector.

(ii) **Change in Financial Year -**

No changes have been made in the financial year period of the company.

(iii) **Capital Expenditure Programme -**

The Company has not conducted any Capital Expenditure programme during the F.Y. 2018-19.

(iv) **Details and status of acquisition, merger, expansion, modernization and diversification -**

During the year under review, the Company has not carried out any activity in relation to acquisition, merger, expansion, modernization and diversification.

(v) **Developments, acquisition and assignment of material Intellectual Property Rights;**

The Company has not carried out any activity for developments, acquisition and assignment of material Intellectual Property Rights, during the financial year.

(vi) Any other material event having an impact on the affairs of the company.

There are no other material events that have occurred during the financial year, having an impact on the affairs of the Company.

3. **WEB LINK OF ANNUAL RETURN:**

A copy of Annual Return referred to in sub-section (3) of section 92 has been placed on Company's website i.e. www.smsl.co.in.

4. **SHARE CAPITAL:**

The paid up Equity Share Capital is ₹ 10.26 crore. During the year under review, the Company has not issued any securities.

Depository System:

The shares of the Company are in dematerialized form with National Securities Depository Limited and M/s. Link Intime India Pvt. Ltd., Mumbai is its Registrar & Transfer Agent.

As on March 31, 2019, 100% of the Company's paid up capital representing 1,02,61,382 shares are in dematerialized form.

The Status of shares held in demat and physical format is given below:

Particulars	Number of		% of total equity
	Shareholders	Shares	
Shares in Demat Form	7	1,02,61,382	100
Shares in Physical Form	0	0	0

5. **PROPOSED DIVIDEND:**

The Board of Directors recommends dividend of ₹ 0.50/- per Equity Share of ₹ 10/- each (5%) as against an interim dividend of ₹ 1.56/- per Equity Share in the Previous Year for the consideration and approval of the members of the Company at the forthcoming Annual General Meeting.

6. **AMOUNT CARRIED TO RESERVE:**

No amount has been carried to any reserve.

7. **CHANGE IN NATURE OF BUSINESS:**

There is no change in the nature of business carried on by the Company during the year under review.

8. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

9. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All Related Party Transactions entered during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder and were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered by the Company during the year with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

All Related Party Transactions attracting the compliance under section 177 of the Companies Act, 2013 were placed before the Audit Committee and also the Board, as the case may be, along with a statement giving details of all Related Party Transactions for their necessary approval/noting.

There are no material contracts or arrangements or transactions to be reported in Form AOC-2 in terms of Section 134 of the Act read with Companies (Accounts) Rules, 2014. Further the details of the transactions with related parties are provided in the Company's financial statements in accordance with the Indian Accounting Standards are given in note no. 46 to the Balance Sheet as on 31st March, 2019.

Basis of Materiality term for dealing with Related Party Transaction of the Company is as under:

“Material Related Party Transaction” means a transaction with a Related Party where the transaction/transactions to be entered into individually or taken together with previous transactions with a Related Party during a financial year, exceeds ten per cent of the consolidated annual turnover of the Company as per the last audited financial statements of the Company. Any other term not defined herein shall have the same

meaning as defined in the Companies Act, 2013, or any other applicable law or regulation, including any amendment or modification thereof, as may be applicable.

10. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS:

Particulars of Loans, Guarantees or Investments, if any, are given in the Note 6, 10 and 13 to the Audited Financial Statements.

Since the Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Act. Accordingly, disclosures under Section 186 of the Act in respect of loan made, guarantees given or security provided is not applicable to the Company.

11. OVERVIEW OF SUBSIDIARIES, ASSOCIATES & JOINT VENTURE:

The Company has 17 subsidiaries, 2 Associate and 15 Joint Ventures as of March 31, 2019. There was no material change in the nature of the business carried on by the subsidiaries.

As per the provisions of Section 129 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Companies/ Associate Companies/Joint Ventures is prepared in Form AOC-1, and is attached to the Financial Statements of the Company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company are available on our website, www.smsl.co.in. These documents and audited accounts of each of its subsidiaries will also be available for inspection during business hours at the Registered Office of the Company and make available to any member of the Company who may be interested in obtaining the same.

In compliance with Section 134 of the Companies Act, 2013 read with the rules framed there under and the Financial Statements for the F.Y 2018-19 have been prepared in compliance with the applicable Indian Accounting Standards. Consolidated financial statements in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 and the Indian Accounting Standards Ind AS-110 and other applicable Accounting Standards.

SUBSIDIARIES:

Highlights of Performance and financial positions of subsidiaries:

i. SMSAABS India Tollways Private Limited:

The subsidiary is a Special Purpose Vehicle (SPV) formed exclusively for execution of project to Operate, Maintain and transfer contract of Mazzaffarpur-Darbhanga-Purnea for a period of 9 years from COD i.e 19th July, 2015, the date of commencement of toll collection. Subject to fulfilment of conditions laid down in the concession agreement, the SPV is allowed to collect the user fees for 9 years from the date of COD and thereafter is under continuing obligation to maintain the project road during the concession period.

Net Revenue from operations during the year stood at ₹ 23,121.02/- lac and the Net Profit at ₹ 7,584.15/- lac as against ₹ 3,732.96 lac/- in the preceding year.

ii SMS Water Grace BMW Private Limited:

SMS Water Grace BMW Private Limited is a subsidiary, engaged in the business of providing biomedical waste management & disposal service and provides total solution for scientific treatment and disposal of various type of bio medical waste by the latest eco-friendly technologies. Its plant is located at Nilothi, Delhi.

The subsidiary is providing services to around 6,000 doctors/pathlabs/hospitals/clinics etc. thereby having long term association with them.

The subsidiary is considering a fast growing awareness and stringent statutory compliance requirements in the field of Environmental Protection & Pollution Control.

The subsidiary is responsible for the collection, storage, treatment & disposal of bio-medical waste generated in the city of Delhi. This facility is located at Nilothi New Delhi and has 28.8 TPD treatment and disposal capacity. The facility has Incinerator, Autoclave and Shredding operations for treatment of biomedical waste and is planning to set-up a new Incinerator (capacity 750kg/h) after Extension existing facility with increased capacity & with new technology and for which the company is in process to apply for EC

Net Revenue from operations during the year for the subsidiary stood at ₹ 788.11/- lac and the Net Profit at ₹ 249.89/- lac as against ₹ 121.91/- lac in the preceding year.

iii SMS Vidhyut Private Limited:

SMS Vidhyut Private Limited is wholly owned Subsidiary (WOS) Company, engaged in generation and transmission of power from hydro project.

The WOS has two operational hydro power plants situated at Rights bank canal (RBC) and Left Bank Canal (LBC) of the Wainganga river at Navegaon Bandh, having operational life of 30 years from the date of commercial operations.

However the both the plants are operating at lower capacity due to non-availability of water in dams area and allocation of water run through both the canals resulting an overall decrease in operation as well as revenue during the year with Net Revenue from operations of ₹ 41.97 lac/- and the Net Loss of ₹ 620.35 lac/- as against ₹ 343.70 lac/- in the preceding financial year, Though Company is expected to have better growth in future.

iv SMS Tolls And Developers Limited:

SMS Tolls And Developers Limited is wholly owned Subsidiary (WOS), domiciled in India and incorporated on 6th August, 2007, under the provision of the Companies Act, 1956.

Revenue from Operation and other income is Nil and the net profit at ₹ 0.38/- lac as against net loss ₹ 13.86/- lac in the preceding year.

v Patwardhan Infrastructure Private Limited:

Patwardhan Infrastructure Private Limited, is wholly owned Subsidiary (WOS) has completed BOT Agreement and transferred its right of collection of toll to Government of Maharashtra on 19.11.2014 as such that said subsidiary has no operation as on 31/03/2019 and during the F.Y. 2018-19 its business continues to be reported as discontinued operation and the process of amalgamating the subsidiary with the Company is under process.

During the year under review there was no activity. However revenue from Operation is ₹ 14.81/- lac due to income from pending contractual receipt and the net profit at ₹ 9.24/- lac as against ₹ 1.48/- lac in the preceding year.

vi Ayodhya-Gorakhpur SMS Tolls Private Limited:

The Subsidiary has been granted a contract to Operate, Maintain and Transfer ('OMT') of National Highway No. ('NH 28') in the state of Uttar Pradesh under the Concession Agreement dated 5th March, 2013 for a period of 9 years by NHAI.

Revenue from operations during the year stood at ₹ 2,0321.36/- Lac and the Net Profit at ₹ 946.01/- Lac as against ₹ 2,705.50/- Lac in the preceding year.

vii SMS Envoclean Private Limited:

The subsidiary is involved in Management of handling Bio-Medical Waste Collection, Transport, Treatment & Disposal facilities. The Company is operating in the Jurisdiction of Mumbai City.

The subsidiary during the year has installed a new incinerator with capacity of 250Kg/hr to increase the capacity of the plant, as the company focuses on the employee safety and compliances.

- The Company is serving more than 13000 (Asia's Largest CBWTF) Clients in Mumbai city and Manage about 48400 beds in HCF at Mumbai city.
- The company is having 59 vehicles with specified routes for BMW collection.
- State of art facility having Incineration, Autoclaving, Chemical disinfection and shredding facility.

During the year the subsidiary has generated ₹ 1,979.63/- lac as Net Revenue from operations and the Net Profit at ₹ 609.20/- lac as against ₹ 434.60/- lac in the preceding year, showing a decline over previous year due to increase in direct cost and employee benefit expenses.

viii Solar Bhatgaon Extension Mines Private Limited:

The subsidiary is an SPV, formed for the purpose of mining of Bhatgaon II Extension coal block and was incorporated with an object to carry the business of mining developer and operator for exploration and development of mine, mining and marketing of minerals, coal etc. from Shankarpur (Bhatgaon) coal block in Sarguja district in joint venture with Chhattisgarh Mineral Development Corporation.

In year 2012-13 Bhatgaon (II) Extension coal block has been de-allocated by Government of India, Ministry of coal due to which, the subsidiaries function has been stopped

All expenditure incurred so far has been treated as pre-operative expenditure, to be amortized equally in the first ten year of commercial operation.

However the Net loss stood at ₹ 93.97/- lac as against ₹ 1.80/- lac in the preceding year.

ix **SMS Bhatgaon Mines Extension Private Limited:**

The subsidiary is an SPV, formed for the purpose of mining of Bhatgaon II coal block is and was incorporated with an object to carry the business of Mining developer and operator for exploration and development of mine, mining marketing of minerals, coal, coal products etc. from Shankarpur (Bhatgaon) coal block in sarguja district in joint venture with Chhattisgarh Mineral Development Corporation.

In year 2012-13 Bhatgaon (II) coal block has been de-allocated by Government of India, Ministry of coal due to which, the subsidiaries function has been stopped

All expenditure incurred so far has been treated as pre-operative expenditure, to be amortized equally in the first ten year of commercial operation.

However the Net profit stood at ₹ 18.97/- lac as against ₹ (11.17)/- lac in the preceding year.

x **Maharashtra Enviro Power Limited (MEPL):**

Maharashtra Enviro Power Limited (MEPL) is a SPV promoted by SMS Limited with a target to Build, Own, Operate & Transfer two Common Hazardous Waste Treatment, Storage and Disposal Facility (CHWTSDF) at Ranjangaon, near Pune and Butibori near Nagpur.

MEPL Ranjangaon and MEPL Mandwa are CHWTSDF with secured landfill and destruction of waste by Plasma Gasification Vitrification Reactor (PGVR). It also provides the transportation service for hazardous waste from industries to the facility.

- State of art facility for hazardous waste disposal
- PGVR technology for destruction of hazardous waste.
- GPS enabled transportation vehicles
- Scientific storage of incinerable hazardous waste
- Well equipped MoEF approved laboratory

MEPL has two well-equipped NABL and MOEF accredited laboratory at Ranjangaon and Butibori.

MEPL, Butibori, Nagpur plant, is having 2 Secured Land Fill (SLF No. 1 operations completed & capped & SLF no. 2 in operations) At MEPL,

Ranjangaon, Pune plant is having 5- SLF's (SLF No. 1 to 4 operations completed & capped & SLF no. 5 in operations)

There is issue issue/allotment of shares during the year 2018-19

During the year the subsidiary has generated Net Revenue from operations of ₹ 12,725.04/- lac and the net profit of ₹ 1,430.429/- lac as against net loss of ₹ 517.73/- lac in the preceding year.

xi Spark Mall And Parking Private Limited (Formerly Known as SMS Parking Solutions Private Limited):

The Company is an SPV formed exclusively to Develop Multilevel car parking cum commercial complex at Delhi, and has been assigned the composite Public Private Partnership (PPP) project by Municipal Corporation of Delhi (MCD) for development of a Multilevel Car Parking cum Commercial Complex at Kamlanagar, New Delhi and is engaged in the business of Constructing and providing multilevel car parking blocks for general use for the public and private parties on turnkey contractual and on built operate and transfer (BOT) basis and to carry on the business of infrastructure management and conduct research, design and develop technologies for effective pollution control and environment protection and all such other works or undertaking in relation to the works and the general objects of the Company.

The Subsidiary has received a "Substantial Completion Certificate" from Municipal Corporation of Delhi (MCD) dated 2nd September, 2013.

The Company began its commercial operations of multilevel car parking and leasing commercial Space from 09th May 2014. The name of the subsidiary company is changed from SMS Parking Solutions Private Limited to "Spark Malls and Parking Private Limited" w.e.f 9th August, 2018.

Net Revenue of subsidiary from operations during the year stood at ₹ 873.43/- lac and the Net Loss at ₹ 1320.45/- lac as against ₹ 1665.15/- lac in the preceding year.

xii SMS Mines Developers Private Limited:

The subsidiary was formed with an object to carry mining activity and yet to start its commercial activity.

However during the year there was Net Loss of ₹ 0.21/- lac as against ₹ 0.02/- lac in the preceding year.

xiii SMS Taxicabs Private Limited:

The Company is operating its phone Fleet Taxi Service in MMRDA area since February, 2012 under the brand name "TABcab". The Company is passing through the most challenging phase due to unhealthy competition from illegal service provider in Mumbai.

In spite of tough financial condition and underutilization of its fleet, TABcab has been retaining its presence. During the year under review the company's total fleet strength remained to be 2800 cabs.

During the year the subsidiary has generated Net Revenue from operations during the year stood at ₹ 418.47/- lac and the Net Loss at ₹ 3,087.16/- lac as against ₹ 3,272.92/- lac in the preceding year.

xiv Pt. SMS Minerals International:

Pt. SMS Minerals International is a foreign subsidiary incorporated under the Laws and Regulations of the Republic of Indonesia, especially in the framework of Law to Foreign Investment (PMA) and is domiciled in Jakarta. The subsidiary deals in Coal export and import and trading including import of coal equipment processing having single project at D/A, Simpang Sitiung IV Batas, Kacamatan Sungai, Rumbai, Kabupaten, Dharmasraya, West Sumatera, Indonesia.

During the year the subsidiary has generated revenue from other income which stood at ₹ 394.84/- lac and the Net Loss at ₹ 193.23/- lac as against ₹ 265.41/- lac in the preceding year.

xv Pt. SMS Mines Indonesia:

Pt. SMS Mines Indonesia is a foreign subsidiary incorporated under the under the Laws and Regulations of the Republic of Indonesia, especially the Law of the Republic of Indonesia number 25 of 2007 on Capital Investment and is domiciled in Central Jakarta. The subsidiary deals in wholesales trading (export and import) and trade of solid fuels, among others, including the trade of coal, coal-intensive (bricket) and allied business activities.

During the year the subsidiary has generated Revenue from other income for the Financial Year stood at ₹ 3.26 /- lac and the Net Loss at ₹ 97.04/- lac as against Net Loss of ₹ 99.55/- lac in the preceding year.

xvi SMS Infolink Private Limited:

SMS Infolink Private Limited is 100% subsidiary company and Incorporated on 9th September 2011 under the provisions of companies Act, 1956.

The company is in the business of Information Technology but has not commenced any commercial activities till date. The company has recently amended the article to carry the business of fleet management and it is likely that company will start fleet management service from FY 19-20 onwards.

However the Net Loss stood at ₹ 0.51/- lac as against Net Loss of ₹ 0.43/- lac in the preceding year.

xvii SMS Waste Management Private Limited:

The subsidiary is established with the object of providing Common effluent treatment plant including operation & maintenance of common effluent treatment plant, to collect treatment process and dispose off any type of waste material. However the subsidiary is yet to commence its business.

However the Net loss stood at ₹ 88.41/- lac as against ₹ 93.98/- lac in the preceding year.

The Company will make available the Annual Accounts of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection by any member at the registered office of the Company.

ASSOCIATES:

i RCCL Infrastructure Limited:

Revenue from operations during the year stood at ₹ 0.00/- and the Net Loss at ₹ 65.58/- lac as against ₹ 56.63/- lac in the preceding year.

ii SMS-AAMW Tollways Private Limited:

SMS-AAMW Tollways Private Limited is an associated Company, incorporated as Special Purpose Company (SPC) with an object for collection of toll tax from all specified commercial vehicles entering the Municipal limits of Delhi at toll tax plaza/posts barriers and to operate and maintain all existing and new infrastructure, upgrade/modify/add etc.

During the year there is a Net Loss at ₹ 0.24/- lac as against Net Loss of ₹ 350.82/- lac in the preceding year.

(Previous year figures have been regrouped/recast as per IND AS for all associates except RCCL Infrastructure Limited).

JOINT VENTURES:

i Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd (JV):

Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd are Joint Venture partners entered into JV for the purpose of Construction of Earthen Dam of Lower pedhi project Tq. Bhatkuli, District Amravati.

The Value of work done by JV during the year stood at ₹ 441.58 /- lac and the Net Profit at ₹ 10.36 /- lac as against ₹ 1.41/- lac in the preceding year.

ii SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. (JV):

SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. are Joint Venture partners entered into JV for the work of Construction of Purna Barrage No. 2 (Ner-Dhamana).

The Value of work done by JV during the year stood at ₹ 4,233.97/- lac and the Net Profit at ₹ 96.60/- lac as against ₹ 32.29/- lac in the preceding year.

iii SMS Infrastructure Ltd. & Shree Nath Enterprises (JV):

SMS Infrastructure Ltd. & Shree Nath Enterprises are Joint Venture partners entered into JV for the work of Revocation of Asolamendha Existing Main Canal Km 1.00 to 41.37 including Earthwork Structures & Lining.

Gross Receipt (GRBC Div Bramhapuri) of JV during the year stood at ₹ Nil and the Net Profit at ₹ 248.54/- lac and transferred to partners' capital account at ₹ 27.08/- lac.

iv SMS Infrastructure Ltd. & Brahmaputra Infrastructure Pvt. Ltd. (JV):

SMS Infrastructure Ltd. & Brahmaputra Infrastructure Pvt. Ltd. are Joint Venture partners entered into JV for the sole purpose of participating in the submission of Expression of interest/pre-qualification for an application invited for Expression of Interest (EOI) for the project for the project under the title "Construction of staff Accommodation and Hard Ablutions units for UNMISS at various locations in the Republic of South Sudan and execution of the project.

During the year under review there was no activity in JV due to completion of project work.

v SMS Infrastructure Ltd. & Brahmaputra Consortium Ltd. (JV):

SMS Infrastructure Ltd. & Brahmaputra Consortium Ltd. are Joint Venture partners entered into JV for the work of Construction of Combined approach embankment with earthwork in filling form ch. 27.900 KM to ch. 29.00 km to form embankment and formation of service road including river protection work etc. across river Brahmaputra near Dibrugarh.

During the year under review there was no activity in JV due to completion of project work.

vi SMS Infrastructure Ltd. Aarti Infra-Projects Pvt. Ltd. (JV):

SMS Limited (Formerly Known as SMS Infrastructure Ltd.) and Aarti Infra-Projects Pvt. Ltd. are Joint Venture partners namely SMSIPL-AIPPL (JV) entered into JV for the work of Construction, erection and commissioning of Infrastructure plan phase II A project work in Allapali and Gadchiroli invited by Maharashtra State Electricity Distribution Company Limited.

During the financial year 2018-19 there was no activity in JV. However the Net Loss for the year under review is ₹ 0.07/- lac.

vii SMSIL-KTCO(JV):

SMS Infrastructure Ltd. and Khare & Tarkunde Infrastructure Pvt. Ltd. are Joint Venture partners namely SMSL-KTCO (JV) entered into JV for the work of Purna Barrage No. 2 (Ner Dhamna) Construction of barrage on L/S and R/S chamber and allied earthwork and other work invited by Akola Irrigation Division and Wardha Barrage (Hadgaon) construction of Barrage, Jack well and pump house raising main invited by Ex-Engineer, Yavatmal.

During the year under review there were no activities in JV, however interest on income tax return is ₹ 2.97/- lac and the Net profit stood at ₹ 1.94/- lac as against ₹ (0.52)/- lac in the preceding year.

viii GSJ ENVO Ltd. In Consortium with SMS Infrastructure Ltd.:

SMS Infrastructure Ltd. and GSJ Envo Limited are Joint Venture consortium member namely GSJ ENVO Ltd. In Consortium with SMS Infrastructure Ltd. entered into JV for the work of 130MLD Sewage Water reuse project as EPC

Contract including complete Design, Engineer, procurement Supply, Installation, Construction, Testing and commissioning of all civil electrical, mechanical and instrumentation works consisting of intake works, sewage Treatment Plant, Pumping Station, Pipeline and Tertiary Treatment plant with Comprehensive operation and maintenance of entire plant for a period of Ten years for water supply to 3x660MW Koradi Expn. Project, dist. Nagpur (MS.).

The Value of work done during the year stood at ₹ 146.00/- lac and the Net Loss of at ₹129.81/- lac as against Net Profit of ₹ 15.29/- lac in the preceding year.

ix BHARTIA SMSIL (JV):

SMS Infrastructure Limited and Bhartia Infra Projects Limited are Joint Venture partners namely BHARTIA SMSIL (JV) entered into JV for the work of Construction of single line BG Tunnel No.7 (App. Total length 1780 RM) at KM. 36.640 to KM. 38.420 in between station Kambiron Road and Thingou in connection with construction of New Railway line project Jiriba-Tupul (Imphal) of N.F. Railway Construction.

During the year under the JV in receipt of bill value of ₹ 540.88/- lac and the Net Profit at 3.95/- lac.

x Gannon Dunkerley & Co. Ltd. and SMS Infrastructure Ltd (JV):

SMS Infrastructure Limited and Gannon Dunkerley & Co. Limited are Joint Venture partners namely GDCL-SMSIL (JV) entered into JV for the work of Construction of Flyover at KM 544/650, including ROB in lieu of L.C. No. 72 including services Roads, Footpath for RCC drains on Urban link to Nagpur-Raipur road NH-6 (Pardi Octroi Naka to Sant Tukaram Square to APMC Market) through EPC contract.

Value of work done during the year stood at ₹ 773.02 /- lac

xi SMSIL-MBPL-BRAPL (JV):

SMS Infrastructure Limited(Presently SMS Limited), Mehrotra Buildcon Pvt. Limited and Bharat Rail Automation Pvt. Ltd. are Joint Venture members namely SMSIL-MBPL-BRAPL (JV) entered into JV for Balance work for construction of roadbed, major and minor bridges, track linking (excluding supply of rails, ordinary track sleepers, and thick web switches), outdoor signalling and electrical (general) works in connection with doubling of Akalkot Road-Gulbarga section (78 Kms) of Hotgi-Gulbarga section in Sholapur Division of Central Railway in the State of Maharashtra & Karnataka, India awarded by Rail Vikas Nigam Limited.

Value of work done during the year stood at ₹ 10,508.58/- lac and the Net Profit at ₹ 22.22/- as against NIL in the preceding year.

xii SMSL-SRRCIPL(JV):

SMS Infrastructure Limited (Presently SMS Limited) and Sri Raja Rajeshwari Construction India Pvt. Ltd. are Joint Venture partners namely SMSIL-SRRCIPL (JV) entered into JV for the work of IFFC project- Construction of link canal from km. 0.00 (MMR R/s canal @ km 36.125, end of package-II) to km 6.900 (joining at km 0.650 of Approach channel of Thotapally Lift Scheme Package-5) and Branch canal to connect MMR R/s canal beyond Thotapally from km 1.250, including CM and CD works in Karimnagar District awarded by Irrigation & CAD department of Telengana.

During the year under the JV in receipt of gross bill value of ₹ 3861.47/- lac and the Net Profit at ₹ 2.26/- lac.

xiii SRRCIPL-SMSL-BEKEM:

SMS Infrastructure Limited(Presently SMS Limited), Sri Raja Rajeshwari Construction India Pvt. Ltd. and Bekem Infra Projects Pvt. Ltd. are Joint Venture partners namely SMSIL+SRRCIPL (JV) entered into JV for the work of Balance Work for Earth work excavation and formation of Embankment from km 2.000 to L/s End Pier, Construction of Spillway from Spillway Blocks 1 to 15, L/s NOFs' 1 To 4 upto road bridge level & Spillway Blocks 16 to 26 from crest level to road bridge level including Supply, fabrication & erection of Gates, Infall regulator, R/s Off-Take Sluice, L/s Guide bank etc., of Mid Manair Reservoir near Manwada (V), Boinpally(M), Rajanna Sircilla Dist awarded by Government of Telengana ,Irrigation & CAD Department.

During the year under the JV in receipt of gross bill value of ₹ 8,849.01/- lac and the Net Loss at ₹ 1.24/- lac.

xiii SMSL-MBPL (JV):

SMS Limited and Mehrotra Buildcon Pvt. Limited are Joint Venture members namely SMSL-MBPL(JV) entered into JV for Balance work for construction of roadbed, major and minor bridges, track linking (excluding supply of rails, ordinary track sleepers, and thick web switches), outdoor signalling and electrical (general) works in connection with doubling of Akalkot Road-Gulbarga section (78 Kms) of Hotgi-Gulbarga section in Sholapur Division of Central Railway in the State of Maharashtra & Karnataka, India, awarded by Rail Vikas Nigam Limited.

Scope of JV: SMSL -MBPL JV shall be responsible for execution of Rail linking works of AGRP, which is BOQ item no. 5A & 5B of Part 1 and Part 2. The Parties agree that all the 3 Machineries shall be utilized for the work associated with successful completion of the linking works of AGRP in proportion as follows:

SMSL: For linking work of BOQ 5A & 5B in the proportion of 63.33%

MBPL: For linking work of BOQ 5A & 5B in the proportion of 36.67%

Value of work done during the year stood at ₹ 24.12/- lac and the Net Profit is NIL /-

12. **CONSOLIDATED FINANCIAL STATEMENTS:**

In compliance with in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 read with the Rules issued there under and the Indian Accounting Standards Ind AS-110 and other applicable Accounting Standards. The consolidated financial statements have been prepared on the basis of audited financial statements of the Company, its subsidiaries, associate companies and Joint Ventures.

Further a separate statement containing the salient features of the financial statements of the subsidiary Companies/Associate Companies/Joint Ventures in prescribed Form AOC-1 attached along with the consolidated Financial statements.

13. **DEPOSIT:**

The Company did not accept or renewed any deposits from public during the year under and none of the deposits remained unpaid or unclaimed at the end of the year.

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

(A) **Conservation of Energy:**

i. **Steps taken / impact on conservation of energy:**

The Company's core activity is providing Infrastructural which is not power intensive. However the Company consciously makes all efforts to conservation of energy and usage of power.

ii. Steps taken by the Company for utilising alternate sources of energy:

Use of LED bulbs has been initiated that consume less electricity as compared to conventional incandescent or CFL bulbs.

iii. Capital investment on energy conservation equipment's:

In view of the nature of activities carried on by the Company, there is no capital investment on energy conservation equipment's.

(B) Technology Absorption:

i) Efforts made towards technology absorption and adaptations during the years are:

The company uses online Auction Platform, ARIBA to optimise its purchase cost using various auction tools available ARIBA. It also brought transparency among the suppliers.

The Company operates on a SAP system, and has many of its accounting records stored in an electronic form and backed up periodically.

The SAP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account.

The Company has automated processes to ensure accurate and timely updation of various master data in the underlying ERP system.

c) The Company has a robust financial closure self-certification mechanism wherein the line managers certify adherence to various accounting policies, and accuracy of provisions and other estimates.

d) The Company operates a shared service centre which handles all payments made by the Company. This centre ensures adherence to all policies laid down by the management.

(C) Foreign Exchange Earnings and Outgo:

During the Financial Year 2018-2019 total Foreign Exchange earned and used:

Foreign Exchange Inflow ₹ 193.62/- lac

Foreign Exchange outflow ₹ 2831.11/- lac

15. **PERFORMANCE ANNUAL EVALUATION OF BOARD AND COMMITTEES THEREOF:**

The company has devised a framework for performance evaluation of Board, its committees and individual directors in term of the provisions of the act, and the nomination policy of the company.

During the year under review, the board carried out the evaluation of its own performance and that of its committees and the individual directors. The performance evaluation of non-independent directors and the board as a whole was carried out by the independent directors.

The evaluation process constituted of structured questionnaires' covering various aspects of the functioning of the board and its committees, such composition of the board and committees, such as Effectiveness of Board process and information sharing, the Board Expertise and experience to meet the best interests of Co., establishment and delineation of responsibilities to committees etc.

Outcome of the Evaluation:

The Board of the Company was satisfied with functioning of the board and it's committees. The committees are functioning well and besides the committee's terms of reference, as mandated by law and important issues are brought up and discussed in the committee meetings. The board was also satisfied with the contribution of directors, in the respective capacities, which reflects the overall engagement of the individual directors.

16. **RATIO OF THE REMUNERATION OF EACH DIRECTOR TO MEDIAN EMPLOYEE'S REMUNERATION:**

The Company being unlisted Public Company, provision pursuant to section 197(12) and Rule 5 of the Companies (Appointment And Remuneration) Rules, 2014 of the Companies Act, 2013 respect to disclosure in the Board's Report relating to the ration of the remuneration of each director to median employee's remuneration are not applicable.

17. **REMUNERATION OR COMMISSION FROM ITS SUBSIDIARY TO THE MANAGING DIRECTOR OR THE WHOLE-TIME DIRECTOR:**

During the financial year the disclosure pursuant to provision of section 197(14) are not required, as none of the Managing Director or Whole Time Director are in receipt of any Commission or any remuneration from any of its subsidiary Company.

18. **VOLUNTARY REVISION OF FINANCIAL STATEMENT OR BOARD'S REPORT:**

Disclosure for Voluntary Revision of Financial Statement pursuant to section 131(1) during the financial year is not required, as the Company has not revised its financial statement or Boards' Report in the relevant financial year.

19. **RISK MANAGEMENT POLICY:**

The Company has constituted a Risk Management Committee (RMC) for identification, evaluation and mitigation of operational, strategic and external risks. RMC is supported by an internal divisional team, headed by of the departmental heads, who are experts from various business processes and segments. These experts assist the RMC in defining the framework for risk management and compliance and undertake assessment of risks adopts the risk mitigation plans and regularly monitors them in a structured and controlled environment. It also reviews the developments in socio-economic environment and identifies internal threats and opportunities, updates the framework and refines processes and systems for mitigation. Details of the composition of the RMC have been disclosed separately.

The Company has already developed and implemented a 'Risk Management Policy' in accordance with the provisions of the Act as per which the Directors themselves periodically assess risks in the internal and external environment as also elements of risk, if any, which may threaten the existence of the company.

20. **DIRECTORS:**

In pursuance of section 152 of the Companies Act, 2013 and the rules framed thereunder and the Articles of Association of the Company, Mr. Anand Sancheti, (DIN: 00953362) is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment. The Board of Directors recommend his re-appointment.

At present, the Board comprises of Eight Directors viz. Mr. Abhay Sancheti, Mr. Ajay Sancheti, Mr. Anand Sancheti, Mr. Dilip Surana, Mr. Ajay Kumar Lakhota, Mrs. Renu Challu, Mr. Ramendra Gupta and Mr. Akshay Sancheti (Alternate Director to Mr. Abhay Sancheti).

Mr. Abhay Sancheti (DIN: 01654073) is the Chairman and Whole Time Director of the Company. Mr. Ajay Sancheti (DIN: 00953304) is the Vice Chairman and Non-Executive Director on the Board. Mr. Anand Sancheti (DIN: 00953362) is the Managing Director of the Company. Mr. Dilip Surana is Whole Time Director (DIN: 00953495). Mr. Akshay Sancheti (07564977) is an Alternate Director to Mr. Abhay Sancheti.

Mr. Ajay Kumar Lakhoria (DIN: 00634602), Smt. Renu Challu (DIN: 00157204) and Mr. Ramendra Gupta (DIN: 00306663) are Independent Directors of the Company.

The Independent Directors have submitted the declaration of independence, pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149 of the Companies Act, 2013.

21. KEY MANAGERIAL PERSONNEL:

Mr. Anand Sancheti, Managing Director, Mr. Sushant Mukherjee, Chief Financial Officer and Mrs. Smita Agarkar, Company Secretary are the Key Managerial Personnel (“KMP”) of the Company in accordance with the provisions of Section(s) 2(51), and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.




































There has been no change in the Key Managerial Personnel during the Financial Year under review.

22. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors met Four times during the financial year 2018-19; on June 16, 2018, September 27, 2018, December 21, 2018 and March 29, 2019.

Annual General Meeting for FY 2017-18 was held on September 28, 2018. The details of the meetings of Board of Directors are given in Table 1 held during FY 2018-19.

Table 1: Details of the Meeting of Board of Directors:

Name of the Directors	*Attendance at last AGM held on September 28, 2018	No. of Board Meeting held and attended				% of attendance including video conferencing
		1	2	3	4	
Abhay Sancheti						0 %
Ajay Sancheti						25%
Anand Sancheti						100%
Dilip Surana						100%
Renu Challu						100%
Ramendra Gupta						100%
Ajay Kumar						100%

Lakhotia						
Akshay Sancheti						0%



Attendance in person or Through Video Conferencing



Absent Nil)

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

23. BOARD COMMITTEE:

Currently, the Board has six committee: the executive Committee, the audit committee, the corporate social responsibility committee, the nomination and remuneration committee, the share transfer committee, the risk management committee. The nomination and remunerations committee consist entirely of independent directors.

Board and Committee Composition as on March 31, 2019							
Name	Board	Executive Committee	Audit Committee	CSR Committee	Nomination & Remuneration Committee	Risk Management Committee	Share Transfer Committee
Abhay Sancheti							
Ajay Sancheti							
Anand Sancheti							
Dilip Surana							
Renu Challu							
Ramendra Gupta							
Ajay Kumar Lakhotia							
Akshay Sancheti							



Chairman



Member

A. Executive Committee:

The Committee comprises of Mr. Abhay Sancheti, Mr. Anand Sancheti and Mr. Dilip Surana. Mr. Abhay Sancheti is the Chairman of the Committee. During FY 2018-19, Twenty Eight Meetings of the Executive Committee were held. The composition of the

Executive Committee and the attendance of its Members at its Meetings held during FY 2018-19 are, detailed in Table 2:

Table 2: Details of the Executive Committee

Name of the Member	Nature of Membership	Category	No. of Meeting held	No. of Meeting Attended	% of Attendance
Abhay Sancheti	Chairman	Whole Time Director	28	0	00.00
Anand Sancheti	Member	Managing Director	28	28	100.00%
Dilip Surana	Member	Whole Time Director	28	28	100.00%







B. CORPORATE SOCIAL RESPONSIBILITY:



The Committee comprises of Mr. Abhay Sancheti, Mr. Anand Sancheti, Mr. Ramendra Gupta and Mr. Ajay Kumar Lakhotia. Mr. Abhay Sancheti is the Chairman of the Committee.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year along with the disclosures required to be given pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in Annexure 'III' of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company (www.smsl.co.in).

During FY 2018-19, two Meetings of the Corporate Social Responsibility Committee were held on June 16, 2018 and December 21, 2018. The composition of the Corporate Social Responsibility Committee and the attendance of its Members at its Meetings held during FY 2018-19 detailed in Table 3:

Table 3: Details of the CSR Committee:

Name of the Member	Nature of Membership	Category	No. of Meeting held & attended		% of Attendance
			1	2	
Abhay Sancheti	Chairman	Whole Time Director			0.00%
Ramendra Gupta	Member	Independent Director			100.00%
Ajay Kumar	Member	Independent			100.00%

Lakhotia		Director			
Anand Sancheti	Member	Managing Director			100.00%



Attendance in person or Video Conferencing Through



Absent (Nil)













C. AUDIT COMMITTEE:

As per the provisions of Section 177 of the Act, the company has an Audit Committee comprising of Mr. Anand Sancheti, Mr. Ramendra Gupta and Mr. Ajay Kumar Lakhotia. Mr. Ajay Kumar Lakhotia is the Chairman of the Committee.

During FY 2018-19, four meetings of the Audit Committee were held i.e. on June 16, 2018, September 27, 2018, December 21, 2018 and March 29, 2019. The details of the composition of the Audit Committee and its attendance at the Meetings are given in Table 4:

The Board has accepted all the recommendations made by the Audit Committee and the minutes of the meetings of the Committee were noted by it.

Table 4: Details of the Audit Committee Meeting:

Name of the Member	Nature of Membership	Category	No. of Meeting held & attended				% of Attendance
			1	2	3	4	
Ajay Kumar Lakhotia	Chairman	Independent Director					100.00
Ramendra Gupta	Member	Independent Director					100.00
Anand Sancheti	Member	Managing Director					100.00



Attendance in person or Through Video Conferencing



Absent (Nil)




D. NOMINATION AND REMUNERATION COMMITTEE:

The Committee comprises of three Independent Directors viz. Mr. Ajay Kumar Lakhotia, Mr. Ramendra Gupta and Mrs. Renu Challu.

A Committee meetings were held during the financial year 2018-19 i.e. on March 29, 2019.

The details of the composition of the Committee, meetings held and its attendance at the meetings are given in Table 5:

Table 5: Details of the Nomination and Remuneration Committee Meeting:

Name of the Member	Nature of Membership	Category	No. of Meeting held & attended	% of Attendance
			1	
Ajay Kumar Lakhota	Member	Independent Director		100.00
Ramendra Gupta	Member	Independent Director		100.00
Renu Challu	Member	Independent Director		100.00



Attendance in person or Through Video Conferencing



Absent (Nil)

The terms of reference stipulated by the Board for the Nomination and Remuneration Committee are as contained in Section 178 of the Companies Act, 2013. The policy on appointment and remuneration is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and senior management is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

E. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the Financial Year 2018-19 the Company was not required to constitute Stakeholders Relationship Committee, as prescribed under section 178(5) of the Companies Act, 2013.







F. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee has been constituted in conformity with the provisions of Companies Act, 2013 and The Committee comprises of three Members viz. Mr. Abhay Sancheti, Chairman, Mr. Anand Sancheti, Managing Director and Mr. Dilip Surana, Whole Time Director as members of the Committee. This Committee has been delegated with the authority by the Board to review and monitor the implementation of the risk management policy of the Company and to assist the Board in the matter of Risk Management.

Two Committee meetings were held during the financial year i.e. on June 16, 2018 and March 29, 2019.

The details of the composition of the Committee, meetings held and its attendance at the meetings are given in Table 6 below;

Table 6: Details of the Risk Management Committee Meeting:

Name of the Member	Nature of Membership	Category	No. of Meeting held & attended		% of Attendance
			1	2	
Abhay Sancheti	Chairman	Whole Time Director			100.00
Anand Sancheti	Member	Managing Director			100.00
Dilip Surana	Member	Whole Time Director			100.00



Attendance in person or Through Video Conferencing



Absent (Nil)

G. SHARE TRANSFER COMMITTEE:

The Share Transfer Committee comprised of three directors viz Mr. Abhay Sancheti, Chairman, Mr. Anand Sancheti, Managing Director and Mr. Ajay Kumar Lakhotia, Independent Director.

There being no requirement, no meeting was held during the financial year 2018-19.

The details of the composition of the Committee, meetings held and its attendance at the meetings are given in Table 7 below.

Table 7: Details of the Share Transfer Committee Meeting:

Name of the Member	Nature of Membership	Category	No. of Meeting held &	% of Attendance
			attended	
Abhay Sancheti	Chairman	Whole Time Director	No Meeting held in 2018-19	NA
Anand Sancheti	Member	Managing Director	No Meeting held in 2018-19	NA
Ajay Kumar Lakhotia	Member	Independent Director	No Meeting held in 2018-19	NA



Attendance in person or Through Video Conferencing absent (Nil)



Absent (NA)

23. **INDEPENDENT DIRECTORS MEETING:**

During The year under review, the Independent Directors of the Company met on March 29, 2019, without the presence of other Directors or Management representatives to:

- i. review the performance of Non Independent Directors and Board of Directors of the Company as whole;
- ii. review the performance of the Chairperson of the Company taking into account the view of the Executive and Non-Executive Directors
- iii. assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

24. **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts for the financial year 2018-19, the applicable accounting Standards have been followed along with proper explanation and there are no material departures;
- b. The Directors had selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts on a going concern basis;
- e. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. **EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in the prescribed Form No. MGT 9 is attached as Annexure I.

26. **INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:**

The Company has Internal Control Systems, Commensurate with the size, scale and complexity of its operation. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies within the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The Company operates on a SAP system, and has many of its accounting records stored in an electronic form and backed up periodically. The SAP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account. The Company has automated processes to ensure accurate and timely updating of various master data in the underlying ERP system.

The Company has a robust financial closure self-certification mechanism wherein the line managers certify adherence to various accounting policies, and accuracy of provisions and other estimates.

The Company operates a shared service centre which handles all payments made by the Company. This centre ensures adherence to all policies laid down by the management.

The Company in preparing its financial statements makes judgments and estimates based on sound policies and uses external agencies to verify/ validate them as and when appropriate.

The basis of such judgments and estimates are also approved by the Statutory Auditors.

The Management periodically reviews the financial performance of the Company against the approved plans across various parameters and takes necessary action, wherever necessary.

27. **INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:**

The Company has in all material respects, adequate internal financial control commensurate with the nature of its business, size, scale and complexity of its

operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Companies Act, 2013.

28. **VIGIL MECHANISM:**

In compliance with the provisions of Section 177(10) of the Companies Act, 2013, the Board of Directors has established Vigil Mechanism for directors and employees to report their genuine concerns or grievances. The Company oversees the mechanism through the Audit Committee. The vigil mechanism is providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases. In case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee including reprimand.

The vigil mechanism policy is available on the website of the Company at www.smsl.co.in.

29. **HUMAN RESOURCE DEVELOPMENT:**

The Company has continuously adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities. SMS's people centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspirations during the year.

SMS GROUP GRATUITY SCHEME

Company has established a Group Gratuity Scheme - "SMS Limited Employees Group Gratuity Scheme" in collaboration with the LIC of India for the benefit of the employees of SMS Limited, the Company shall pay gratuity to such staff as are covered under the said Act, on exit from their services and to cover the accidental cases and death cases.

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

SMS has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. SMSL has well formulated policy on prevention and redress of Sexual Harassment. The objective of the policy is to

prohibit, prevent and address issues of sexual harassment at the workplace. These policies have striven to prescribe a code of conduct for the employees and are required to strictly abide by it.

The policy covers all employees, irrespective of their nature of employment and also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

During the year 2018-19, The Internal Complaints Committee Consist of Following Members:

- | | | | |
|----|--------------------|---|------------------|
| 1. | Ms. Reena Banerjee | - | Presiding Member |
| 2. | Ms. Kiran Adatkar | - | Member |
| 3. | Ms. Tanuja Ganguly | - | Member |
| 4. | Mr. Anupam Desai | - | Member |

The Internal Complaints Committee was reconstituted on March 29, 2019 and comprise of Following Members:

- | | | | |
|----|-----------------------------|---|-------------------|
| 1. | Ms. Reena Banerjee, VHR | - | Presiding officer |
| 2. | Ms. Kiran Adatkar | - | Member |
| 3. | Ms. Tanuja Ganguly | - | Member |
| 4. | Mr. Ashok Kumar Shrivastava | - | Member |

During the year 2018-19, there were no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

31. **AUDITORS:**

The Members of the Company at the 20th Annual General Meeting (“AGM”) held on 29th September, 2017, approved the appointment of M/s. V. K. Surana & Co., Chartered Accountants, Nagpur, bearing ICAI Firms Registration No. 110634W, as the Statutory Auditors of the Company, to hold office from the conclusion of that AGM until the conclusion of the 25th AGM held thereafter.

As per the existing appointment of M/s. V. K. Surana & Co., Chartered Accountants, Nagpur, their remaining audit period covers the three year of their appointment up to the conclusion of the 25th Annual General Meeting to be held in the financial year 2021-22.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from the Auditors to their continued appointment and the have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder, the Auditors have also confirmed that they hold a valid

certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

32. **AUDITORS REPORT:**

There are no qualification(s), reservation or adverse remarks made by the statutory auditors in their report on the Standalone Financial Statements.

However The Auditors' in their report on the Consolidated Financial Statement, have contains the Qualification(s) reproduced as under:

Qualified Opinion

We have audited the accompanying consolidated financial statements of **SMS Limited (Formerly known as SMS Infrastructure Limited)** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended on that date, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2019, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

A) SMS Taxicabs Private Limited – Subsidiary of the Holding Company

No statement of account was available in respect loan from Abhyudaya Co-Operative Bank & HDFC Bank. Also no statement of account was available in respect of current

account with Abhyudaya Co-Operative Bank, Corporation Bank Malad & Mulund Branch, State Bank of India Fort & Malad Branch and United Bank of India. Also the above bank loan and current accounts, trade receivables, payables and all employee advances are subject to confirmation and reconciliations if any. In absence of the reconciliation/confirmations, we are unable to determine the effect of these transactions on the financial statements of the company

Boards Comment:

Due to decline in the business of the company, the company is going through cash crunch and have hived off high cost employees. As a result the entire accounts team is missing and no one was available to get the documents from respective banks and produce it to the auditors.

Emphasis of Matter:

A) SMS Taxicabs Private Limited – Subsidiary of the Holding Company

We draw attention to Refer Note No. 2(C) to the Consolidated Financial Statements, which is reproduced as under:

GOING CONCERN

The net-worth of the company has significantly eroded and turned negative as at the end of the previous year. The company has closed its phone a fleet taxi operation in the earlier years and the financial viability of the company greatly depends on its ability to pursue new business ventures and /or strategic business plans. The company started DBO subscription scheme in place of existing taxi operations from the earlier years. Considering this launch of DBO subscription scheme in place of phone a fleet taxi operation, the financials for the year have been prepared under going concern assumption as at the end of the year.

B) Jointly Controlled Entities not consolidated

We draw attention to Refer Note No. 2(C) to the Consolidated Financial Statements, which is reproduced as under:

In absence of the financial statements of six Jointly Controlled Entities, the balances appearing as investment in the books of accounts of holding company is considered as it is without consolidating proportionate share in respective assets & liabilities and Income & expenditure of Jointly Controlled Entities

According to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the above and our report in terms of sub-sections (3) of Section 143 of the Act, is not modified in respect of the above matters.

Boards Comment:

The net worth of the company is eroded due to consistent losses. However, the asset base of the company is very strong as it holds licenses of perpetual nature. In a recent transaction of one of the peer, the licenses got sold at an extremely high value.

33. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and Company's operations in future.

34. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Yugandhara Kothalkar, Practising Company Secretary to conduct Secretarial Audit of the records and documents of the Company for financial year 2018-19.

The Secretarial Audit Report for financial year ended 31st March, 2019 in Form MR-3 is annexed to the Boards' Report as "Annexure II" and forms part of this Report.

The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2019 does not contains any qualification(s), reservation or adverse remarks or disclaimer.

35. COST AUDIT:

In compliance with the provisions of Section 148 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on March 21, 2018 had appointed M/s. D. Rajarao & Co., Cost Accountants, Nagpur (Firms Registration No. 101112) as Cost Auditors of the Company for the financial year 2018-19. In terms of the provisions of Section 148 (3) of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors as recommended by Audit Committee and approved by the Board of Directors of the Company, has to be ratified subsequently by the Shareholders. Accordingly, necessary resolution was passed at the Extra Ordinary General Meeting held on 27th June, 2018

for ratification of the remuneration payable to the Cost Auditors for financial year 2018-19.

36. **PARTICULARS OF EMPLOYEES:**

Details in respect of remuneration paid to employees as pursuant to section 134 (3) (q) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is given in Annexure - IV and forms part of this Report.

In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company.

37. **DETAILS OF FRAUD REPORT BY AUDITOR:**

There have been no instances of fraud reported by the Statutory Auditor, Secretarial Auditor or Cost Auditor of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Audit Committee, or to the Company or to the Central Government.

38. **COMPLIANCE WITH SECRETERIAL STANDARD:**

The Board of Directors confirm that during the year under review, the Company has been in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

39. **DOCUMENTS PLACED ON THE WEBSITE (www.smsl.co.in):**

The following documents have been placed on the website in compliance with the Act:

- Corporate Social Responsibility Policy as per 135 (4) (a)
- Details of Vigil Mechanism for directors & employees to report genuine concerns as per proviso 177(10).
- Terms & Conditions of Appointment of independent directors as per Schedule IV to the act.

40. **ACKNOWLEDGEMENTS:**

The Directors would like to acknowledge and place on record their sincere appreciation to all stakeholder - clients, Financial Institutions, Banks, Central and State Governments, the company's valued investors and all other business partners for their continued co-operations and excellent support received during the year.

The Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation, dedication and their continued contribution to company's progress.

FOR AND ON BEHALF OF THE BOARD

Anand Sancheti

Dilip Surana

Dated: 26th September, 2019
Place: Nagpur

Managing Director
DIN: 00953362

Director
DIN: 0953495

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ANNEXURE INDEX

Annexure number	Details of Annexure
I	Annual Return Extracts in MGT 9
II	Secretarial Audit Report.
III	Annual Report on Corporate Social Responsibility
IV	AOC 1 - Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures
V	Particulars of Employees Pursuant to Section 134 (3) (q) of The Companies Act, 2013 Read with Rule 5 (1) of The Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014

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Annexure-I to the Boards' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2019

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

I REGISTRATION AND OTHER DETAILS:

i.	CIN	U45201MH1997PLC107906
ii.	Registration Date	8 th May, 1997
iii.	Name of the Company	SMS LIMITED
iv.	Category of the Company	Company Limited By Shares
	Sub-Category of the Company	Non-Govt Company
v.	Address of the Registered office and contact details	IT Park, 20 S.T.P.I., Gayatri Nagar, Parsodi, Nagpur- 440022
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd.

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Engineering Procurement Contract	410/421/422 & 429	70.69
2	Mining	051/072	29.31

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Equity Shares Held	Applicable Section
1.	Patwardhan Infrastructure Pvt. Ltd. 267 Ganesh Phadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U45203MH1999PTC181033	Subsidiary Company	100.00%	Sec 2(87)
2.	Maharashtra Enviro Power Ltd. 267 Ganesh Phadnavis Bhavan, Triangular Park, Dharampeth, Nagpur-440010	U40105MH2005PLC150780	Subsidiary Company	92.08%	Sec 2(87)
3.	SMS Envoclean Private Limited 267 Ganesh Phadnavis Bhavan, Triangular Park, Dharampeth, Nagpur-440010	U52100MH2005PTC156774	Subsidiary Company	56.02%	Sec 2(87)
4.	SMS Vidhyut Pvt. Ltd. 267 Ganesh Phadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U40101MH2006PTC166038	Subsidiary Company	100%	Sec 2(87)
5.	SMS Tolls and Developers Limited 267 Ganesh Phadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U45400MH2007PLC172869	Subsidiary Company	100.00%	Sec 2(87)
6.	SMS Water Grace BMW Pvt. Ltd. 267 Ganesh Phadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U52100MH2007PTC167615	Subsidiary Company	56.03%	Sec 2(87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Equity Shares Held	Applicable Section
7.	SMS Mine Developers Pvt. Ltd. 267 Ganesh Phadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U14200MH2007PTC170870	Subsidiary Company	51.00%	Sec 2(87)
8.	Spark Mall and Parking Pvt. Ltd. (Formerly known as SMS Parking Solutions Pvt. Ltd.) 267 Ganesh Phadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U74999MH2008PTC178827	Subsidiary Company	100.00%	Sec 2(87)
9.	SMS Bhatgaon Mines Extension Pvt. Ltd. 267 Fadnavis Bhavan, Near Triangular Park, Dharampeth, Nagpur-440010	U13209MH2008PTC186729	Subsidiary Company	51.00%	Sec 2(87)
10.	Solar Bhatgaon Extension Mines Pvt. Ltd. 11, Zade Layout, Bharat Nagar, Nagpur-440010	U13200MH2008PTC186685	Subsidiary Company	51.00%	Sec 2(87)
11.	SMS Infolink Private Limited 20, IT Park, Parsodi Nagpur-440022	U72900MH2011PTC221718	Subsidiary Company	100.00%	Sec 2(87)
12.	SMS Taxicabs Private Limited 151, 15th floor, Mittal court B wing, Opp. Vidhan Bhavan, Nariman point Mumbai- 440021	U60230MH2011PTC220163	Subsidiary Company	60%	Sec 2(87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Equity Shares Held	Applicable Section
13.	Ayodhya Gorakhpur SMS Tolls Pvt. Ltd. 20, IT Park, Parsodi Nagpur- 440022	U63000MH2013PTC240214	Subsidiary Company	100.00%	Sec 2(87)
14.	SMS Waste Management Private Limited IT Park, 20 S.T.P.I. Gayatri Nagar, Parsodi, Nagpur-440022	U90001MH2014PTC260149	Subsidiary Company	100.00%	Sec 2(87)
15.	SMS-AABS India Tollways Pvt. Ltd. 3/3, South Tukoganj, Near Gokuldas Hospital Indore - 452001	U45200MP2014PTC032929	Subsidiary Company	51.00%	Sec 2(87)
16.	Pt. SMS Minerals International Gedung Surya 6 th Floor/604, Jl. M.H. Thamrin no. 9 Gondangdia, Menteng. Central Jakarta. Raya	Not Applicable	Subsidiary Company	80.00%	Sec 2(87)
17.	Pt. SMS Mines Indonesia Gedung CityLofts Sudirman Lt. 28 unit 9, Jl. KH. Mas Mansyur No. 121, RT. 013/RW.011, Kel. Karet Tengsin, Kec. Tanah Abang Jakarta Pusat	Not Applicable	Subsidiary Company	100.00%	Sec 2(87)
18.	RCCL Infrastructure Limited C-74, Ambabari, Jaipur-302012	U45203RJ2002PLC018003	Associate Company	34.00%	Sec 2(6)
19.	SMS - AAMW India Tollways Private Limited K-17AB, Ground Floor, Kalkaji, New Delhi- 110091	U45203DL2011PTC218839	Associate Company	26.00%	Sec 2(6)

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

i) *Categorywise Share Holding*

Sl. No.	Category of Shareholders		No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters										
	1	Indian									
		a) Individual/HUF	80,37,008	0	80,37,008	78.32%	80,37,008	0	80,37,008	78.32	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.	11,78,243	10,46,131	22,24,374	21.68%	22,24,374		22,24,374	21.68%	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
		Sub-total(A)(1):-	92,15,251	10,46,131	1,02,61,382	100%	1,02,61,382	0	1,02,61,382	100%	0
	2	Foreign									
		a) NRIs -Individuals	0	0	0	0	0	0	0	0	0

	b)	Other -Individuals	0	0	0	0	0	0	0	0	0
	c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
	d)	Banks / FI	0	0	0	0	0	0	0	0	0
	e)	Any Other	0	0	0	0	0	0	0	0	0
		Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter [(A)= (A)(1) +(A)(2)]		92,15,251	10,46,131	1,02,61,382	100%	1,02,61,382	0	1,02,61,382	100%	0
B.	Public Shareholding										
	1	Institutions	0	0	0	0	0	0	0	0	0
	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	0	0	0	0	0	0	0	0	0
		Sub-total(B)(1):-	0	0	0	0	0	0	0	0	0
	2	Non-Institutions									

	a)	Bodies Corp.									
		i) Indian	0	0	0	0	0	0	0	0	0
		ii) Overseas	0	0	0	0	0	0	0	0	0
	b)	Individual Shareholders									
		i) holding nominal shares capital upto ` 1 lakh	0	0	0	0	0	0	0	0	0
		ii) holding nominal shares capital in excess of ` 1 lakh	0	0	0	0	0	0	0	0	0
	c)	Others	0	0	0	0	0	0	0	0	0
		Sub-total(B)(2):-	0	0	0	0	0	0	0	0	0
		Total Public Shareholding [(B)=(B)(1)+(B)(2)]	0	0	0	0	0	0	0	0	0
C.		Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)			92,15,251	10,46,131	1,02,61,382	100%	1,02,61,382	0	1,02,61,382	100%	0

ii) **Shareholding of Promoter**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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.	Abhay Sancheti	32,14,696	31.33%	N.A.	32,14,696	31.33%	24.59	NIL
2.	Ajay Sancheti	24,10,997	23.50%	33.18	24,10,997	23.50%	24.58	NIL
3.	Anand Sancheti	24,10,997	23.50%	N.A.	24,10,997	23.50%	24.58	NIL
4.	Bharti Sancheti	106	00.00%	N.A.	106	00.00%	N.A.	NIL
5.	Savita Sancheti	106	00.00%	N.A.	106	00.00%	N.A.	NIL
6.	Shruti Sancheti	106	00.00%	N.A.	106	00.00%	N.A.	NIL
7.	Femina Share Management Services Private Limited	8,34,184	8.12%	N.A.	0	0	N.A.	NIL
8	Femina Industrial Finance Private Limited	10,46,131	10.19%	N.A.	0	0	N.A.	NIL
9.	Best Power Plus Private Limited	3,44,059	3.35%	N.A.	22,24,374	21.67%	N.A.	NIL

iii) Change in Promoters' Shareholding:

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Abhay Sancheti	32,14,696	31.33%	102,61,382	100%
2.	Ajay Sancheti	24,10,997	23.50%		
3.	Anand Sancheti	24,10,997	23.50%		
4.	Bharti Sancheti	106	00.00%		
5.	Savita Sancheti	106	00.00%		
6.	Shruti Sancheti	106	00.00%		
8.	Femina Share Management Services Private Limited	8,34,184	8.12%		
9.	Femina Industrial Finance Private Limited	10,46,131	10.19%		
10.	Best Power Plus Private Limited	3,44,059	3.35%		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	<i>A. During the year Shareholding of Promoter Increased on 29.01.2019 due to Merger order by NCLT dated 06.12.2018 effective from 29.01.2019</i>				
1.	Best Power Plus Private Limited	18,80,315	18.32%	22,24,374	21.67%
	<i>B. During the year Share holding of Promoters Decreased on 29.01.2019 due to Merger order by NCLT dated 06.12.2018 effective from 29.01.2019</i>				
1.	Femina Share Management Services Private Limited	8,34,184	8.12%		

	2.	Femina Industrial Finance Private Limited	10,46,131	10.19%	0	0%
	At the end of the year		102,61,382	100%	102,61,382	100%

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	~	~	~	~
	Date wise Increase / Decrease in Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	~	~	~	~
	At the End of the year (or on the date of separation, if separated during the year)	~	~	~	~

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Abhay Sancheti	32,14,696	31.33%	8036690	78.32%
2.	Ajay Sancheti	24,10,997	23.50%		
3.	Anand Sancheti	24,10,997	23.50%		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease:				

	NIL	NIL	NIL	-	-
	At the end of the year				
	NIL	NIL	NIL	-	-

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Loans	Unsecured Loans	Deposits	Total Indebtedness
	₹ in Lac				
Indebtedness at the beginning of the financial year					
i) Principal Amount	47,251.94		322.79	Nil	47,574.73
ii) Interest due but not paid	Nil		Nil	Nil	Nil
iii) Interest accrued but not due	Nil		Nil	Nil	Nil
Total (i+ii+iii)	47,251.94		322.79	Nil	47,574.73
Change in Indebtedness during the financial year					
• Addition	13,105.46		1,282.46	Nil	14,387.92
• Reduction	7,551.24		150.44	Nil	7701.68
Net Change	5,554.22		1,132.02	Nil	6,686.24
Indebtedness at the end of the financial year					
i) Principal Amount	52,685.18		1,454.81	Nil	52,685.18
ii) Interest due but not paid	Nil		Nil	Nil	Nil
iii) Interest accrued but not due	120.98		Nil	Nil	120.98
Total (i+ii+iii)	52,806.16		1,454.81	Nil	54,381.96

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl N o.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (₹)
		Abhay Sancheti (WTD)	Anand Sancheti (MD)	Dilip Surana (WTD)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 1,21,20,000	₹ 1,31,93,568	₹ 1,09,53,600	₹ 3,62,67,168
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	₹ 39,600	₹ 39,600	₹ 79,200
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---	---
2	Stock Option	---	---	---	---
3	Sweat Equity	---	---	---	---
4	Commission	---	---	---	---
	- as % of profit	---	---	---	---
	- others, specify...	---	---	---	---
5	Others, please specify	---	---	---	---
	Total (A)	₹ 1,21,20,000	₹ 1,32,33,168	₹ 1,09,93,200	₹ 3,63,46,368
	Ceiling as per the Act				₹ 5,22,17,600

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B. Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
1	Independent Directors	Ajay Lakhotia	Renu Challu	Ramendra Gupta	
	Fee for attending Board / Committee Meetings	₹ 4,00,000	₹ 4,00,000	₹ 4,00,000	₹ 12,00,000
	Commission	---	---	---	---
	Others, please specify	---	---	---	---
	Total (1)	₹ 4,00,000	₹ 4,00,000	₹ 4,00,000	₹ 12,00,000
2	Other Non-Executive Directors	Ajay Sancheti	---	---	---
	Fee for attending board committee meetings	---	---	---	---
	Commission	---	---	---	---
	Others, please specify	---	---	---	---
Total (2)	---	---	---	---	
Total (B)=(1+2)	₹ 4,00,000	₹ 4,00,000	₹ 4,00,000	₹ 12,00,000	
Total Managerial Remuneration	₹ 1,25,20,000	₹ 1,36,33,168	₹ 1,13,93,200	₹ 3,75,46,368	
Overall Ceiling as per the Act				₹ 5,74,39,359.70	

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A. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer (CFO)	Company Secretary (CS)	Total Amount (₹)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 22,96,679/-	₹ 8,23,273/-	₹ 31,19,952
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission			
	- as % of profit	---	---	---
	others, specify...	---	---	---
5	Others, please specify	---	---	---
	Total	₹ 22,96,679/-	₹ 8,23,273/-	₹ 31,19,952

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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

FOR AND ON BEHALF OF THE BOARD

Anand Sancheti

Dilip Surana

Dated: 26th September, 2019

Place: Nagpur

Managing Director

DIN: 00953362

Director

DIN: 00953495

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‘Annexure II’

‘ANNEXURE - A’

To,

**THE MEMBERS,
SMS LIMITED
(FORMERLY KNOWN AS SMS INFRASTRUCTURE LIMITED)
CIN - U45201MH1997PLC107906
IT PARK, 20 S.T.P.I., GAYATRI NAGAR,
PARSODI, NAGPUR, MH - 440022, INDIA.**

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My 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.

Date: 26th September, 2019
Place: Nagpur

CS. Yugandhara Kothalkar
Practicing Company Secretary
ACS No.:28673, CP No.:10337

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

(Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

**THE MEMBERS,
SMS LIMITED
(FORMERLY KNOWN AS SMS INFRASTRUCTURE LIMITED)
CIN - U45201MH1997PLC107906
IT PARK, 20 S.T.P.I., GAYATRI NAGAR,
PARSODI, NAGPUR, MH - 440022, INDIA.**

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

Based on my verification of the **SMS LIMITED**'s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SMS LIMITED**. ("the Company") for the financial year ended on 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) Other laws applicable to the Company as given below, I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under the applicable Acts, Laws and Regulations to the Company.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:-

- 1) The Workmen Compensation Act, 1923
- 2) The Trade Unions Act, 1926
- 3) The Industrial Employment (Standing Orders) Act, 1946
- 4) The Industrial Disputes Act, 1947
- 5) The EPF & MP Act, 1952
- 6) The Payment of Wages Act, 1936
- 7) The Minimum Wages Act, 1948
- 8) The Employee's Provident Fund & Miscellaneous Provisions Act, 1952
- 9) The Employee's State Insurance Act, 1948
- 10) The Payment of Bonus Act, 1965
- 11) The Payment of Gratuity Act, 1972
- 12) The Contract Labour (Regulation & Abolition) Act, 1970
- 13) The Maternity Benefit Act, 1961
- 14) The Child Labour (Prohibition & Regulation) Act, 1986
- 15) The Bombay Shop & Establishment Act, 1948
- 16) The Maharashtra Labour Welfare Fund
- 17) The Equal Remuneration Act, 1976
- 18) The Factories Act, 1948
- 19) The Coal Mines Provident Fund & Miscellaneous Provisions Act, 1948
- 20) The Mines Act, 1952
- 21) The Coal Mines Regulation, 1957
- 22) The Metalliferous Mines Regulation Act, 1961
- 23) The Coal Mines Pension Scheme, 1998
- 24) The Apprentices Act, 1961
- 25) The Employment Exchange (Compulsory Notifications of Vacancies) Act, 1956

I have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:-

Observation 1 - Executive Committee Resolution dated 07-05-2018 has been passed for availing loan of Rs. 20,00,00,000/- from Indiabulls Housing Finance Ltd. However, Form CHG-1 in respect of aforesaid loan has not been filed as the said loan transaction is cancelled and has not been availed by the Company which has been informed to me by the officials of the Company.

Observation 1 - Executive Committee Resolution dated 17-11-2018 has been passed for availing loan of Rs. 23,44,291/- from ICICI Bank Ltd. However, Form CHG-1 in respect of aforesaid loan has not been filed as the said loan transaction is cancelled and has not been availed by the Company which has been informed to me by the officials of the Company.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provision of the Act, 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.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

I further report that during the audit period, there were following events/ actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (i) Company is defending in Labour Court against the cases filed by Five ex-employees for re-instatement of their services under Industrial Dispute Act, 1947. (Three cases have been continuing since previous years and two new cases have been added during the year under review.)
- (ii) Company is defending One case under 7Q & 14B before CGIT, Nagpur (erstwhile Appellate Tribunal, Delhi) under Employee's Provident Fund & Miscellaneous Provisions Act, 1952.
- (iii) Company is contesting Two cases before the Hon'ble High Court; challenging notices u/s 148 of Income Tax Act issued by CIT, Nagpur for reassessment of income.
- (iv) Company has challenged the award passed by the Arbitral Tribunal partly in favour of SMS Limited (after foreclosure of contract) before the Hon'ble Delhi High Court seeking enhancement of claim.

- (v) Company is contesting Two civil suits in the District Courts of Yavatmal and Barasat (West Bengal).
- (vi) Company is defending Three civil suits in the District Courts of Nagpur (2) and Sindhudurg(1).
- (vii) Company is contesting Two arbitration matters before the Hon'ble Delhi High Court and one each before the Hon'ble Supreme Court and District Court at Oros, Sindhudurg.
- (viii) Company is also contesting One Writ petition before the Hon'ble Delhi High Court in respect of tender matter.
- (ix) Company is contesting One Customs Appeal before the Hon'be Bombay High Court, Nagpur Bench.
- (x) Company is also contesting One Writ petition before the Hon'ble Andhra Pradesh High Court regarding refund of life tax under the AP Motor Vehicles Act.
- (xi) Company is defending One Application under the Insolvency and Bankruptcy Code before the NCLT, Mumbai.
- (xii) Company is contesting One matter under the Negotiable Instrument Act (Dishonour of Cheque) before the Chief Judicial Magistrate, Nagpur.

Date : 26th September, 2019
Place : Nagpur

CS. Yugandhara Kothalkar
Practicing Company Secretary
ACS No.:28673, CP No.:10337

This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Dated: 26th September, 2019
Place: Nagpur

FOR AND ON BEHALF OF THE BOARD
Anand Sancheti

Managing Director
DIN: 00953362

Dilip Surana

Director
DIN: 00953495

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMMES UNDERTAKEN / PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMMES.

(Web link http://www.smsl.co.in/SMS_Group_CSR_Policy.pdf).

- In Education, our endeavour is to spark the desire for learning and knowledge at every stage through.
- In Health care our goal is to render quality health care facilities to people living in the villages and elsewhere through our Hospitals.
- In Sustainable Livelihood our programmes aim at providing livelihood in a locally appropriate and environmentally sustainable manner through.
- In Infrastructure Development we endeavour to set up essential services that form the foundation of sustainable development through.
- To bring about Social Change we advocate and support.
- Environmental Sustainability.

2. COMPOSITION OF CSR COMMITTEE

Sr. No.	Name of the Member	Category	Position
1.	Abhay Sancheti	Whole Time Director	Chairman
2.	Anand Sancheti	Managing Director	Member
3.	Ajay Lakhota	Independent Director	Member
4.	Ramendra Gupta	Independent Director	Member

3. FINANCIAL DETAILS:

Particulars	Amount (In Lac)
Average Net Profit of the Company for last three Financial years	₹ 5131.22
Prescribed CSR Expenditure (2% of average net profit as computed above)	₹ 102.62
Details of CSR Expenditure during the financial year	
Total amount to be spent for the financial year	₹ 410.00
*Amount Unspent if any	₹ 0

4. THE MANNER OF THE AMOUNT SPENT DURING THE FINANCIAL YEAR IS DETAILED BELOW:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Subheads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency *
1.	Promoting Health Care and Education activity	Promotion of Education and health care		₹ 1,75,00,000/-	₹ 1,75,00,000/-	₹ 1,75,00,000/-	Laxmidevi Poddar Smruti Trust
2.	Promoting Education	Promotion of Education		₹ 85,00,000/-	₹ 85,00,000/-	₹ 85,00,000/-	JITO Administrative Training Foundation (JATF)

3.	Promoting Health Care	Health Care Activity	Medical Care called "Vaiyavachch	₹ 1,02,62,000/-	₹ 1,02,62,000/-	₹ 1,02,62,000/-	Shraman Arogyam
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The CSR Committee vide its meeting dated 16th June, 2018 approved to contribute entire CSR expenditure aggregating to ₹ 2,89,05,000/- (Rupees Two Crore Eighty Nine Lac Five Thousand Only) to the "Laxmidevi Poddar Smruti Trust, Nagpur towards Promotion of Education and health care activities which remained unspent during previous financial years, i.e for F.Y. 2016-17 and 2017-18. Vide its meeting dated 21st December, 2018 it has recommended and approved the disbursement of CSR expenditure towards promotion of education and health care activities for F.Y. 2016-17 and 2017-18 and the Board on recommendation contributed CSR expenditure to:

i "Laxmidevi Poddar Smruti Trust", Nagpur on 23.10.2018 amounting to ₹ 1,75,00,000/- (Rupees One Crore Seventy Five Lac Only)

and

ii JITO Administrative Training Foundation (JATF) (Trust registration no. E25999M) amounting to ₹ 85,00,000/- (Rupees Eighty Five Lac only) under the Corpus fund, JATF, a public Charitable Trust registered under Bombay Public Trust Act, 1950 and Income Tax Act, 1961 U/s 12AA(1) (b) (i).

Out of the total CSR expenditure aggregating to ₹ 2,89,05,000/- includes balance amount of ₹ 29,05,000/- which remained unspent, for the aforesaid previous financial years an amount of ₹ 15,00,000/- was proposed by Board vide its meeting dated 21st December, 2018, towards RO water project in certain villages around Nagpur and water filtration project for villages near Ratnagiri and remaining balance of ₹ 14,00,000/- to be spent in F.Y. 2018-19, along with the CSR Expenditure for the F.Y. 2018-19 amounting ₹ 1,02,62,000/- (Rupees One Crore Two Lac Sixty Two Thousand only) be utilized towards health care activities.

The Company was under the process of considering the strategy for RO project, the Board in the meantime on recommendation of CSR committee disbursed ₹1,50,00,000/- (Rupees One Crore Fifty Lac only) to Shraman Arogyam, i.e ₹ 29,05,000 of F.Y. 2017-18 which was to be utilised for RO project as per guidelines of CSR Committee in F.Y. 2018-19 was utilised in payment of CSR expenditure to Shraman Arogyam, along with CSR expenditure of

₹1,02,62,000/- required to be contributed for F.Y. 2018-19. The Board also informed that the contribution to RO project has been dropped for time being and if seen viable will taken into consideration in coming financial years.

Shraman Arogyam, is a project initiated by Jain International Trade Organisation (JITO), the Trust, formed and registered with an object to provide Medical Care called "Vaiyavachch" to all Shraman Bhagwants, irrespective of sects resulting in Medical relief from various disease, ill health and other health related problems.

* In terms of Section 135 of the Companies Act, 2013, the Company was required to spend ₹ 1,02,62,000/- for financial year 2018-19 into CSR activity, being two percentage (2%) of the average net profit of the Company made during the three immediately preceding financial years for the Financial year along with the previous year CSR expenditure for Financial year 016-17 and 2017-18 aggregating to ₹ 2,89,05,000/- Whereas the Company had contributed ₹ 4,10,00,000/- (Rupees Four Crore Ten Lac only) in total for F.Y. 2016-17, 2017-18 and 2018-19 i.e excess contribution of ₹ 18,33,000/- over and above the requirement specified under the act, till the F.Y. 2018-19.

CSR RESPONSIBILITIES

We hereby affirm that the CSR policy, as approved by the board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

FOR AND ON BEHALF OF THE BOARD

Anand Sancheti

Dilip Surana

Dated: 26th September, 2019

Place: Nagpur

Managing Director

DIN: 00953362

Director

DIN: 00953495

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ANNEXURE - IV

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

SL. NO.	1	2	3	4	5
Name of the Subsidiary	SMS Bhatgaon Mines Extension Pvt. Ltd.	SMS Envoclean Pvt. Ltd.	SMS Infolink Pvt. Ltd.	SMS Mine Developers Pvt. Ltd.	Spark Mall and Parking Private Ltd.
The date since when Subsidiary was acquired	12/09/2008	16/11/2009	09/09/2011	10/11/2008	12/02/2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR
Share capital (Paid Up)	₹ 1,00,00,000	₹ 42,210,000	₹ 1,00,000	₹ 1,00,000	₹ 11,92,96,760
Reserves & surplus	₹ (1,04,49,558.38)	₹ 12,26,18,924	₹ (2,69,439)	₹ (72,264.67)	₹ 22,11,73,80
Total assets	₹ 35,077.71	₹ 23,94,08,774	₹ 74,601	₹ 37,29,735.33	₹ 2,20,56,42,950
Total Liabilities	₹ (4,84,636.09)	₹ 7,45,79,850	₹ 2,44,040	₹ 37,02,000	₹ 1,86,51,72,811
Investments	NIL	NIL	NIL	NIL	NIL
Turnover	NIL	₹ 19,79,62,681	NIL	NIL	₹ 8,73,43,076.87
Profit before taxation	₹ 23,52,117.53	₹ 6,19,57,527.22	₹ (51150)	₹ (20,978.31)	₹ (18,23,30,673.77)
Provision for taxation	₹ 4,54,636.09	₹ 10,37,850.03	NIL	NIL	₹ (5,02,86,095.43)
Profit after taxation	₹ 18,97,481.44	₹ 6,09,19,677.19	₹ (51150)	₹ (20,978.31)	₹ (13,35,81,144.33)
Proposed Dividend	NIL	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	51%	56.02%	100%	51.00%	100%

* Paid up Share Capital consist of 20,000,000 Equity Capital @ of ₹ 10/- each and 19,50,000 Preference shares @ of ₹ 10/- each

SL. NO.	6	7	8	9
Name of the Subsidiary	SMS Taxi Cabs Pvt. Ltd.	SMS Vidhyut Pvt. Ltd.	SMS Grace Pvt. Ltd. Water BMW Pvt. Ltd.	Solar Extension Pvt. Ltd. Bhatgaon Mines
The date since when Subsidiary was acquired	26/07/2011	28/03/ 2007	25/11/2009	12/09/2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of The relevant financial year in the case of foreign subsidiaries.	INR	INR	INR	INR
Share capital (Paid Up)	₹ 1,45,750,000	₹ 39,500,000	₹10,46,91,680	₹100,00,000
Reserves & surplus	₹540171973	₹(21,06,43,388.14)	₹(4,18,22,075)	₹(99,98,136.13)
Total assets	₹ 1,29,36,66,805	₹58,81,57,088.08	₹ 8,56,37,276	₹ 31,863.87
Total Liabilities	₹ 1,68,80,88,778	₹ 75,39,00,476	₹ 2,27,67,671	₹ 30,000
Investments	₹ 5,00,000	NIL	NIL	NIL
Turnover	₹ 4,18,47,464	₹41,97,259	₹ 7,88,10,733	NIL
Profit before taxation	₹ (24,65,35,100)	₹ (8,38,29,644)	₹ 3,34,83,040	₹ (93,97,407.10)
Provision for taxation	₹ 6,21,80,615	₹2,17,94,747.76	₹ 84,93,608.42	NIL
Profit after taxation	₹(30,87,15,715)	₹(6,20,34,895.89)	₹ 2,49,89,432	₹(93,97,407.10)
Proposed Dividend	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	60%	100%	56.03%	51%

SL. NO.	10	11	12	13
Name of the Subsidiary	SMS Tolls And Developers Ltd.	Patwardhan Infrastructure Pvt. Ltd.	Maharashtra Enviro Power Ltd.	Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.
The date since when Subsidiary was acquired	09/09/2009	31/03/2006	23/02/2007	06/02/2013
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	INR	INR	INR
Share capital (Paid Up)	₹ 5,00,000	₹ 49,22,000	₹ 45,19,85,270	₹ 16,00,00,000
Reserves & surplus	₹ 8,84,449.49	₹ 9,96,22,889.18	₹ 25,92,85,345	₹ 39,51,65,793
Total assets	₹ 1,27,41,914.54	₹ 10,52,71,181.18	₹ 4,93,06,23,818	₹ 6,91,62,36,388
Total Liabilities	₹ 1,13,57,465.05	₹ 7,26,292	₹ 4,21,93,53,203	₹ 6,36,10,70,595
Investments	₹ 4,99,000.00	₹ 20,08,350	₹ 3,34,85,53,852	₹ 25,89,40,500
Turnover	NIL	NIL	₹ 1,27,25,03,832	₹ 2,03,21,36,294
Profit before taxation	₹ (93,912)	₹ 11,58,540	₹ 13,62,56,602	₹ 10,29,65,636
Provision for taxation	₹ (1,31,97,405)	₹ 2,34,920	₹ (67,86,337.14)	₹ 83,64,524
Profit after taxation	₹ 38,062.05	₹ 9,23,620	₹ 14,30,42,939	₹ 9,46,01,112
Proposed Dividend	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	100%	100%	92.08%	100%

SL. NO.	14	15	16	17
Name of the Subsidiary	SMS Waste Management Pvt. Ltd.	SMS-AABS India Tollways Pvt. Ltd.	PT. SMS Minerals International	PT. SMS Mines Indonesia
The date since when Subsidiary was acquired	15/12/2014	17/07/2014	04/10/2006	08/10/2014
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	INR	INR	INR
Share capital (Paid Up)	₹ 1,00,000	₹ 1,00,000	₹ 1,79,71,884	₹ 5,72,77,440
Reserves & surplus	₹(6,18,079.95)	₹ 1,60,57,45,554.43	₹ (26,44,16,695)	₹ (2,33,48,303)
Total assets	₹ 35,520.05	₹ 2,25,06,74,541.37	₹ 9,74,54,662	₹ 3,39,29,137
Total Liabilities	₹ 5,53,600	₹ 64,48,28,986.94	₹ 58,77,02,549	₹ 36,27,331
Investments	NIL	₹14,18,83,000.00	NIL	NIL
Turnover	NIL	₹ 231,21,02,440.25	₹ 3,94,83,562	NIL
Profit before taxation	₹ (88,413)	₹ 100,31,95,499.40	₹ (1,93,22,579)	₹ (97,03,816)
Provision for taxation	NIL	₹ 24,47,80,751	NIL	NIL
Profit after taxation	₹ (88,413)	₹ 75,84,14,748.40	₹ (1,93,22,579)	₹ (97,03,816)
Proposed Dividend	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	100%	51%	80%	100%

*Bracket indicates Negative Figures.

(Note: The following information shall be furnished at the end of the statement :)

1. Names of subsidiaries which are yet to commence operations:

SMS Mines Developers Private Limited, SMS Waste Management Private Limited, SMS Infolink Private Limited and SMS Tolls and Developers Limited:

2. Names of subsidiaries which have been liquidated or sold during the year.-None

Part “B”: Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act,
2013 related to Associate Companies and Joint Ventures**

ASSOCIATES

SL. NO.		1	2
Name of Associates/ Joint Ventures		RCCL Infrastructure Ltd.	SMS AAMW Tollways Pvt. Ltd.
Latest audited Balance Sheet Date		2018 - 2019	2018 - 2019
Date on which the Associate or Joint Venture was associated or acquired		31/03/2004	09/05/2011
Shares of Associate/Joint Ventures held by the company on the year end	No.	15,65,200	2,600
	Amount of Investment in Associates/Joint Venture	₹ 1,56,52,000	₹ 26,000
	Extend of Holding (in Percentage)%	34%	26%
Description of how there is significant influence		Significant influence due to 34% of Share Capital	Significant influence due to 26% of Share Capital
Reason why the associate/joint venture is not consolidated		Unavailability of Financial Statement	consolidated
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ (8,77,52,601/-)	₹ (-31,15,97,620/-)
Profit / Loss for the year	i) Considered in Consolidation	₹ (65,58,589/-)	₹ (23,718/-)
	ii) Not Considered in Consolidation		

1. Names of associates or joint ventures which are yet to commence operations-None

2. Names of associates or joint ventures which have been liquidated or sold during the year.

JOINT VENTURES

SL. NO.		1	2	3	4
Name of Associates/ Joint Ventures		Shaktikumar M. Sancheti Ltd & S.N. Thakkar Construction Pvt .Ltd. (JV)	SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd .(JV)	SMS Infrastructure Ltd.& Brahamaputra Infrastructure Ltd (JV)	SMS Infrastructure Ltd.& Brahamaputra Consortium Ltd (JV)
Latest audited Balance Sheet Date		2018 - 2019	2018 - 2019	2018 - 2019	2018 - 2019
Date on which the Associate or Joint Venture was associated or acquired		14/11/2005	04/12/2008	29/02/2012	16/10/2008
Shares of Associate/Joint Ventures held by the company on the year end	No.	-	-	-	-
	Amount of Investment in Associates/Joint Venture	₹ 2,78,47,457.99	₹ 603,43,045.86	₹ 17,34,289	₹ 11,58,966
	Extend of Holding (in Percentage)%	65%	70%	51%	51%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/joint venture is not consolidated		Consolidated	Consolidated	Unavailability of Financial Statement	Unavailability of Financial Statement
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ 2,78,47,457.99	₹ 6,03,43,045.69	NIL	NIL
Profit / Loss for the year	i) Considered in Consolidation	₹ 6,73,334.32	₹ 67,61,717.23	NIL	NIL
	ii) Not Considered in Consolidation	₹ 3,62,564.63	₹ 28,97,878.81.	-	-

SL. NO.		5	6	7	8
Name of Associates/ Joint Ventures		SMS Infrastructure Ltd.-Aarti infra-Projects Pvt. Ltd(JV)	SMS Infrastructure Ltd. Shreenath Enterprises (JV)	SMSIL KTCO(JV)	GSJ Envo Ltd in Consortium with SMS Infrastructure Ltd.
Latest audited Balance Sheet Date		2018-19	2018-19	2018-19	2018-19
Date on which the Associate or Joint Venture was associated or acquired		24/07/2010	08/06/2009	06/03/2008	10/07/2012
Shares of Associate/Joint Ventures held by the company on the year end.	No.	-	-	-	-
	Amount of Investment in Associates/Joint Venture	₹ 52,05,985.00	₹ 40,49,513.36	₹ 4,09,098.80	₹ 1,93,82,765.99
	Extend of Holding (in Percentage)%	51%	36.50%	50%	70%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/ joint venture is not consolidated		Consolidated	Unavailability of Financial Statement	Consolidated	Consolidated
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ 52,02,448.00	₹ 27,11,553.36	₹ 4,22,003.29	₹ 1,93,82,765.99
Profit / Loss for the year	i) Considered in Consolidation	₹ (3,537)	₹ 15,94,100.17	₹ 97,232.25	₹(90,86,691,83)
	ii) Not Considered in Consolidation	₹ (3,398)	-	₹97,232.25	₹(38,94,296,50)

SL. NO.		9	10	11	12
Name of Associates/ Joint Ventures		Bhartiya - SMSIL	Gannon Dunkerley & Co. Ltd. and SMS Infrastructure Ltd (JV)	SMSIL-MBPL-BRAPL (JV)	SMSIL-Westcoast Engineering Corp. (JV)
Latest audited Balance Sheet Date		2018-19	2018-19	2018-19	2018-19
Date on which the Associate or Joint Venture was associated or acquired		07/06/2012	03/09/2015	10/05/2016	Not Available
Shares of Associate/Joint Ventures held by the company on the year end.	No.	-	-	-	-
	Amount of Investment in Associates /Joint Venture	₹ 4,27,494.60	NIL	₹18,00,310.89	NIL
	Extend of Holding (in Percentage)%	49%	40%	63.33%	51%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/ joint venture is not consolidated		Consolidated	Unavailability of Financial Statement	-	Unavailability of Financial Statement
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ 4,27,494.86	₹ 0	₹ 18,00,310.89	₹ 0
Profit / Loss for the year	i)Considered in Consolidation	₹ 1,93,317.25	₹ 0	₹ 12,66,870.92	₹ 0
	ii)Not Considered in Consolidation	₹ 2,01,207.75	-	₹ 9,55,709.64	-

SL. NO.		13	14	15	16
Name of Associates/ Joint Ventures		SMSL-SRRCIPL	SRRCIPL-SMSL-BEKEM	SMSIL-MBPL	SMS Infrastructure Ltd. & B.P. Construction Co. Pvt. Ltd. (JV)
Latest audited Balance Sheet Date		2018 - 2019	2018 - 2019	2018 - 2019	2018-19
Date on which the Associate or Joint Venture was associated or acquired		23/01/2016	11/11/2016	08/05/2018	Not Available
Shares of Associate/Joint Ventures held by the company on the year end.	No.	-	-	-	-
	Amount of Investment in Associates/Joint Venture	₹ (3,42,120.30)	₹ (2,49,471.89)	₹ 2,26,40,985.00	NIL
	Extend of Holding (in Percentage)%	60%	20%	63.33%	61%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/ joint venture is not consolidated		Consolidated	Consolidated	Consolidated	Unavailability of Financial Statement
Networth attributable to Shareholding as per latest audited		₹ (3,42,120.30)	₹ (2,49,471.89)	₹ 2,26,40,985.00	₹ 0

Balance Sheet					
Profit / Loss for the year	i) Considered in Consolidation	₹ (41,515.00)	₹ (42,359.29)		₹ 0
	ii) Not Considered in Consolidation	₹ (27,677.00)	₹ (42,359.29)	-	-

1. Names of ~~associates or~~ joint ventures which are yet to commence operations. :
2. Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board

Place: Nagpur
Dated: 26/09/2019

ANAND S. SANCHETI
Managing Director
DIN: 00953362

DILIP SURANA
Director
DIN:00953495

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ANNEXURE – VI

Annexure V

DISCLOSURE AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE, 2014 AS AMENDED BY THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 (As on 31.03.2019)

INFORMATION OF THE TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN:-

S.N.	Name of the employee	Designation	Remuneration received gross (₹)	Nature Of Employment (whether contractual or otherwise)	Qualifications	Experience (in years)	Date of commencement of employment	Age	Last employment	Percentage equity (if any)	Employee is relative of any director or manager (name of director or manager)
1	Anand Sancheti	Managing Director	₹ 1,31,93,568/-	Business	B Com & Diploma in finance	29	08-May-1997	48	Since incorporation	23.50%	NO
2.	Nirbhay Sancheti	Project Co-ordinator	₹1,23,57,852/-	Business	BBA/ MSC.(University by the Senate)	3.4	31-Mar-2015	28	Self employed	0	Ajay Sancheti
2	Abhay Harakchand Sancheti	Chairman & Whole Time Director	₹ 1,21,20,000/-	Business	B.E & DBM	37	08-May-1997	60	Since incorporation	31.33%	Akshay Sancheti (Alternate Director to Abhay Sancheti)
3	Kasaraneni R Rao	VP & Head - Mining	₹ 1,15,50,180/-	Service	BE Mining/M Tech - Rock Mechanis	36	01-Apr-2007	61	VNIT -Nagpur	0	NO
4	Dilip Surana	Whole Time Director	₹ 1,09,53,600/-	Service	Diploma in Civil	33	24-May-2007	54	Self employed	0	NO
5	Gudivada Srinivasarao	AGM - Mining	₹ 46,32,216/-	Service	M Tech Mining	18	17-Jan-11	43	The Singareni Collieries Company Limited	0	NO
6	Sunil Daithankar	GM - Mining	₹ 45,62,028 /-	Service	B Tech Mining	29	1-Jan-16	52	Monnet Ispat & Energy Ltd	0	NO
7	Ram Madan Yadav	GM - Mining	₹ 45,22,944/-	Service	BE Mining	35	23-May-12	58	HZL	0	NO
8	Rajeev Balwant Charde	Vice President	₹ 31,06,152/-	Service	BE Civil	41	01-Apr-16	63	B.G.Shirke Construction Pvt.Ltd	0	NO

9	Ashfaque Khan	GM	₹ 29,85,672/-	Service	Diploma in Civil	30	28-Mar-89	50	Al-Baha Municipality Saudi Arabia	0	NO
10	Rahul Manohar Thite	GM	₹ 29,85,672/-	Service	BE (CIVIL)	24	18-Jan-2006	47	Ashoka Buildcon Ltd	0	NO

AGM -Assistant General Manager, GM - General Manager VP Vice President

V. K. SURANA & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of SMS Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards on Auditing are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers” and consideration of unbilled revenue in line with standard (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>The company operates majorly in two segments –</p> <p>A) Engineering, Procurement and Construction (EPC) B) Mining</p>	<p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. <input type="checkbox"/> Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. <input type="checkbox"/> Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. <input type="checkbox"/> Selected samples of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded using percentage of

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Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
	Refer Note No. 2 (j), 30, 41, 42 and 53 to the Standalone Financial Statements.	<p>completion method were tested using a combination of Survey of completion of work, customer acceptances through certifications of bills, subsequent invoicing and historical trend of collections and disputes.</p> <ul style="list-style-type: none"> • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. • We have reviewed the satisfaction of performance obligations in respect of the revenue recognised using percentage of completion method in the current financial, against which the Billing is done in the next financial year. • We have evaluated the adequacy of the disclosures given in Notes to the accounts including disclosures of key assumptions, judgements.
2.	<p>Evaluation of impairment of Non-Current investments and Current Loans.</p> <p>Investments and Loans are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If such evidence exists, impairment loss is determined and recognised of accounting policies to the standalone financial statements.</p> <p>We identified the assessment of impairment indicators and resultant provision, if any, in respect of investment as a key audit matter because of</p> <ul style="list-style-type: none"> • The significance of the amount of 	<p>Principal Audit Procedures</p> <p>Our audit procedures in respect of impairment of investment in and Loans given, included the following :</p> <ul style="list-style-type: none"> • Testing design, implementation and operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models; • Assessing the valuation methodology used by management and management review control is around making the assessment and testing the mathematical accuracy of the impairment models; • Evaluating the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data; • Challenging the appropriateness of the business assumptions used by management, such as sales

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Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
	<p>these investments in the standalone Balance Sheet.</p> <ul style="list-style-type: none"> • Performance and net worth of these entities and • The degree of management judgement involved in determining the recoverable amount of these investments including: <p>Valuation assumptions, such as discount rates.</p> <p>Business assumptions used by management, such as sales growth and costs and the resultant cash flows projected to be generated from these investments.</p> <p>Refer Note No. 6 and 13 to the Standalone Financial Statements.</p>	<p>growth, cost and the probability of success of new products;</p> <ul style="list-style-type: none"> • Evaluating past performance where relevant and assessed historical accuracy of the forecast produced by the management; • Enquiring and challenging management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows; • Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached and the associated disclosures; and <p>Performing sensitivity analysis of key assumptions, including future revenue growth rates applied in the valuation models.</p>
3.	<p>Evaluation of Contingent Liabilities</p> <p>Claims against the company not acknowledged as debts is disclosed in the Note No. 39 A to the Standalone Financial Statement.</p> <p>The existence of the payments against these claims requires management judgment to ensure disclosure of most appropriate values of the contingent liabilities.</p> <p>The Company is involved in legal proceedings on disputed tax demands. The Company's management has assessed that the probability of success of the demand is remote and accordingly not provided for the disputed demands. Management judgement is involved in assessing the accounting for demands, and in considering the probability of a demand being successful and accordingly designated this as a key audit matter.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained understanding of Demand / dispute raised in respect of statutory dues and other legal cases against the company; • We along with our internal tax experts – <p>a) Read and analysed select key correspondences, external legal opinions / consultations by management in this regards;</p> <p>b) Discussed with appropriate senior management and evaluated management's underlying key assumptions of not creating provisions in this regards;</p> <p>c) Assessed management's estimate of the possible outcome of the disputed cases.</p>

V. K. SURANA & CO.

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Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
4.	<p>Revenue recognition in respect of claims for differential tax consequent to migration of Indirect taxes into Goods and Services Tax:</p> <p>Company is having various works contract, some of which are inclusive of taxes, some are exclusive of taxes and some are exempt. But after introduction of GST with effect from 1st July, 2017, exempt contract become taxable and also in cases of inclusive contract there is increase in tax rate from the original contract. This resulted in increased tax liability on the company against which company has raised the claim on concern Department. Outcome of some claim is still pending with the Department. But on the basis of opinion taken from the legal advisor, the company made the provision for the GST impact turnover in books of account.</p> <p>Management estimation is involved in assessing the outcome of the claim raised by the company, and in considering the probability of a recovery of the claims and accordingly designated this as a key audit matter.</p> <p>Refer Note No. 55 to the Standalone Financial Statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none">• Read, analysed and identified contracts in view of the clause of Levy, Rates and Collection of Indirect tax from the Customer / Department.• Considered the terms of the contracts to determine the transaction price i.e. whether it is inclusive of the Indirect Taxes or not.• Considered the fact as to whether separate conditions are mentioned in the Contract related to change in Indirect Tax Rates / Indirect Tax Law.• Considered the fact as to whether separate conditions are mentioned in the Contract related to change in Indirect Tax Rates / Indirect Tax Law.• Read and analysed select key correspondences, external legal opinions / consultations by management in this regards;• Assessed management's estimate of the possible recovery of the claim raised to the Department.

Emphasis of Matter

1. We draw attention to Note No. 6 (C) of the standalone financial statements regarding – Investment in Partnership Firm (Joint Venture), wherein due to non-availability of financial statement as on the date of signing of financial statement, the share in profit / (loss) of the few Partnership firm is not accounted for. Our opinion is not modified in respect of these matters.

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2. We draw attention to Note No. 62 of the standalone financial statements regarding - Balance Confirmations of some of the parties are not received as on the date of signing of financial statement and are subject to confirmations. Our opinion is not modified in respect of these matters.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (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 (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 B".

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- (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements – Refer Note No. 39 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For V. K. Surana & Co.
Chartered Accountants
Firm Reg No.110634W

CA. Sudhir Surana
Partner
Membership No. 43414

Nagpur, July 25, 2019

V. K. SURANA & CO.

CHARTERED ACCOUNTANTS

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Annexure A to the Independent auditor's report :

(Referred to in Paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report to the members of SMS LIMITED of even date on the Standalone Financial Statement for the year ended 31st March’2019)

- i)
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
 - c) The title / lease deeds of immovable properties are held in the name of the company.
- ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.
- iii) According to the information and explanations given to us, the Company has granted unsecured loans to its Subsidiary Companies, Associate Companies, Joint Ventures and other related parties, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which
 - a) The terms and conditions of grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest except that the loan is unsecured and interest free. (Total loan amount granted Rs. 7139.32 Lacs during the year and balance outstanding as at balance sheet date Rs. 14339.13 Lacs)
 - b) These loans do not carry any specific repayment terms of principal and interest and hence clause 3(iii) (b) of the order could not be commented upon.
 - c) In the absence of any specific repayment schedule, clause 3(iii)(c) of the order could not be commented upon.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, to the extent applicable in respect of grant of loans, making investments and providing guarantees and securities.

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- v) The Company has not accepted deposits within the meaning of section 73 to 76 of the act and the companies (acceptance of deposits) rules, 2014 (as amended) during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi) As per the information and explanation provided to us, the maintenance of cost records has been specified by the Central Government under section 148(1) of the Act and the same are being made and maintained at respective sites. However we have not made detailed examination of such record.
- vii)
- a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Goods & Services Tax, Duty of Customs, Cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanation given to us, no material undisputed arrears of above statutory dues were outstanding as on 31st March, 2019 for a period of more than six months from the date they become payable. Further Sales-Tax, Service Tax, Duty of Excise and Value Added Tax are not applicable to the company during the current financial year due to migration of the all indirect taxes to Goods and Services Tax.
- b) According to the information and explanations given to us, there are no disputed dues of Duty of Excise and Duty of customs which have not been deposited on account of dispute. The details of dues of Value Added Tax, Entry Tax, Life Time road transport tax, Central Sales Tax, Income Tax and Service Tax which have not been deposited by the company on account of disputes and the forum where the dispute is pending are given in Annexure 1 along with the details of amount deposited under protest / adjusted by tax authorities.
- viii) As per information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to banks and financial institution. The Company did not have any outstanding loans or borrowings from government and there are no dues to debenture holders during the year.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), so the question of application of funds does not arise. During the year the company has raised money by way of Term loans and the amount raised were applied for the purposes for which loans were availed.

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- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of the Act, read with Schedule V to the Act.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, transactions with related parties are in compliance with the provisions of section 177 and 188 of companies act, 2013 wherever applicable and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V. K. Surana & Co.

Chartered Accountants

Firm Reg No.110634W

CA. Sudhir Surana

Partner

V. K. SURANA & CO.

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Nagpur, July 25, 2019

Membership No. 43414

Annexure B to the Independent auditor's report :

(Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of SMS LIMITED of even date on the Standalone Financial Statement for the year ended 31st March'2019)

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

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

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For V. K. Surana & Co.
Chartered Accountants
Firm Reg No.110634W

CA. Sudhir Surana
Partner
Membership No. 43414

Nagpur, July 25, 2019

V. K. SURANA & CO.

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Annexure – 1

Statement of Disputed Statutory Dues referred to in clause (vii)(b) Annexure 'A' to the Independent auditor's report of SMS Limited for FY 18-19.

Name of Statute	Nature of Dues	Form where dispute is Pending	Periods to which the amount relates	Gross disputed (including Penalty) amount Rs. In Lacs	Amount deposited under protest/ adjusted by tax authorities Rs. In Lacs	Amount not deposited Rs. In Lacs	Remarks
Finance Act	Service tax	CESTAT Mumbai	FY 2009-10 to FY 2014-15	7786.03	291.97	7494.06	
			FY 2009-10	54.26	27.11	27.16	
			FY 2011-12 to FY 2014-15	28390.87	1104.52	27286.35	
			FY 2011-12 to FY 2014-15	30.35	16.04	14.31	
			FY 2013-14 to FY 2014-15	28.39	31.23	0.00	Additional Deposit for filing appeal
			FY 2014-15 to FY 2015-16	2025.20	140.62	1884.57	
			FY 2015-16	3611.43	248.36	3363.07	
			FY 2015-16	29.09	4.64	24.45	
Andhra Pradesh Value Added Tax Act	Value Added Tax	Appellate Deputy commissioner, Tirupati.	FY 2010-11	231.88	114.89	116.99	
		High Court of Judicature at Hyderabad (Stay granted)	FY 2011-12	38.58	8.68	29.90	
			FY 2012-13 to FY 2014-15	1348.87	269.77	1079.09	

Name of Statute	Nature of Dues	Form where dispute is Pending	Periods to which the amount relates	Gross disputed (including Penalty) amount Rs. In Lacs	Amount deposited under protest/ adjusted by tax authorities Rs. In Lacs	Amount not deposited Rs. In Lacs	Remarks
Andhra Pradesh Entry Tax Act	Entry Tax	High Court of Judicature at Hyderabad (Stay granted)	FY 2008-09 To FY 2012-13	978.69	493.64	485.05	
Income Tax Act	Income Tax	Bombay High Court	FY 2010-11	1033.47	100.00	933.47	
Regional Transport Act	Life Time road transport tax	Regional Transport Officer-High Court of Judicature at Hyderabad	FY 2012-13	721.79	721.79	0.00	
Madhya Pradesh Value Added Tax Act	Value Added Tax	Madhya Pradesh Commercial Tax Appellate Tribunal	FY 2012-13	71.93	20.14	51.79	
		Appellate authority, Jabalpur	FY 2011-12	59.42	14.86	44.57	
			FY 2013-14	78.43	19.80	58.64	
			FY 2014-15	38.61	9.65	28.96	
			FY 2015-16	41.95	10.49	31.46	
Central Sales Tax	Central Sales Tax	Appellate authority, Jabalpur	FY 2013-14	2.86	0.29	2.58	
Madhya Pradesh Entry Tax Act	Entry Tax	Madhya Pradesh Commercial Tax Appellate Tribunal	FY 2012-13	63.66	40.17	23.49	
		Appellate authority, Jabalpur	FY 2011-12	33.87	8.47	25.40	
			FY 2014-15	3.11	0.78	2.34	
			FY 2015-16	0.29	0.29	0.00	
Total				46,703.04	3,698.20	43,007.68	

SMS Limited (Formerly SMS Infrastructure Limited)
Standalone Balance Sheet as at 31st March, 2019

Particulars	Note No.	(₹ in lacs)	
		As at 31 March 2019	As at 31 March 2018
Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	14,709.37	13,981.57
(b) Capital work in progress	3	1,420.90	110.17
(c) Investment property	4	1,559.85	1,567.98
(d) Intangible assets	5	368.76	434.35
(e) Financial assets			
(i) Investments	6	12,985.37	15,678.10
(ii) Other financial assets	7	15,369.20	22,054.05
(f) Other non-current assets	8	103.77	1,589.39
Total non-current assets		46,517.21	55,415.61
(2) Current assets			
(a) Inventories	9	31,613.12	25,635.25
(b) Financial assets			
(i) Investments	10	2,934.46	-
(ii) Trade receivables	11	29,498.09	28,732.79
(iii) Cash and cash equivalents	12	452.53	774.16
(iv) Other Bank balance	12	2,937.13	1,575.20
(v) Loans	13	9,280.84	14,096.83
(vi) Other financial assets	14	20,398.51	6,210.83
(c) Current Tax Assets (Net)	15	654.25	356.69
(d) Other current assets	16	15,140.90	18,827.48
(e) Assets held for Sale	17	-	-
Total current assets		1,12,909.83	96,209.23
Total assets		1,59,427.05	1,51,624.84
Equity and liabilities			
(3) Equity			
(a) Equity Share Capital	18	1,026.14	1,026.14
(b) Other Equity	19	58,801.00	55,357.75
Total equity			
(4) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	11,155.15	6,217.57
(ii) Other financial liabilities	21	4,993.44	4,009.87
(b) Provisions	22	728.65	7.12
(c) Deferred tax liabilities (net)	23	231.64	288.35
(d) Other non-current Liabilities	24	5,658.34	9,178.07
Total non-current Liabilities		22,767.22	19,700.97
(5) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	39,858.25	33,766.62
(ii) Trade payables dues to Micro and Small Enterprises other than Micro and Small Enterprises.	26	37.43	122.76
	26	21,340.41	23,170.65
(iii) Other financial liabilities	27	9,358.91	11,587.76
(b) Other current liabilities	28	5,835.47	6,083.22
(c) Provisions	29	402.22	808.96
Total Current Liabilities		76,832.69	75,539.97
Total liabilities		99,599.91	95,240.95
Total equity and liabilities		1,59,427.05	1,51,624.84

Significant Accounting Policies

2

The accompanying notes are an integral part of the Standalone financial statements.

As per our audit report of even date.

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W

[Signature]



CA Sudhir Surana

Partner

Membership No. 043414

Place : Nagpur

Date : 25/07/2019

For and on behalf of the Board of Directors

[Signature]

ANAND S. SANCHETI
Managing Director
DIN: 00953362

[Signature]

DILIP B. SURANA
Director
DIN: 00953495

[Signature]

SMITA P. AGARKAR
Company Secretary

[Signature]

SUSHANT S. MUKHERJEE
Chief Financial Officer

UDIH-19043414AAAABD6478

SMS Limited (Formerly SMS Infrastructure Limited)
Standalone Statement of Profit and Loss for the Year ended 31st March, 2019

Particulars	Note No.	(₹ in lacs)	
		Year ended 31 March, 2019	Year ended 31 March, 2018
Revenue from operations	30	1,01,884.05	90,660.85
Other income	31	1,472.97	2,482.43
Total income		1,03,357.02	93,143.28
Cost of Project Material Consumed	32	29,546.13	24,534.78
Change in Inventory of Work in Progress	33	(8,370.51)	(4,095.54)
Direct Expenses	34	46,220.38	45,194.63
Employee benefits expense	35	14,688.56	9,029.65
Finance costs	36	8,402.09	7,944.17
Depreciation and amortization expense	37	2,118.32	1,974.06
Other expenses	38	5,871.30	4,298.21
Total expenses		98,476.26	88,879.96
Profit before tax		4,880.76	4,263.31
Tax Expense			
(1) Current tax	15	1,866.64	1,586.12
(2) Deferred tax	23	(56.72)	(133.45)
		1,809.92	1,452.67
Profit for the year		3,070.84	2,810.64
Other comprehensive income			
Items that will not be reclassified to profit or loss :			
Re-measurement gains/ (losses) on defined benefit plans		(27.13)	(150.54)
Income tax effect		(9.48)	(52.09)
Net other comprehensive income of Items that will not be reclassified to profit or loss		(17.65)	(98.44)
Total comprehensive income for the year		3,053.19	2,712.20
Earning per equity share (Face value of Rs. 10 each)	48		
Basic		29.93	27.39
Diluted		29.93	27.39
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Standalone financial statements.

As per our audit report of even date.

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W

CA Sudhir Surana
Partner

Membership No. 043414

Place : Nagpur

Date : 25/07/2019



For and on behalf of the Board of Directors

ANAND S. SANCHETI
Managing Director
DIN: 00953362

DILIP B. SURANA
Director
DIN: 00953495

SMITA P. AGARKAR
Company Secretary

SUSHANT S. MUKHERJEE
Chief Financial Officer

UDIN - 19043414AAAABD6478

A. EQUITY SHARE CAPITAL

Particulars	Note No.	(₹ in lacs)	
		Number of Shares	Amount
Balance as at 1 April 2017		1,02,61,382	1,026.14
Changes in equity share capital during the year		-	-
Balance as at 31 March 2018	18	1,02,61,382	1,026.14
Changes in equity share capital during the year		-	-
Balance as at 31 March 2019		1,02,61,382	1,026.14

B. OTHER EQUITY

Refer Note No. 19

Particulars	Reserves and Surplus			Items of OCI Re- measurement gains/ (losses) on defined benefit plans	Total equity attributable to equity holders
	Securities premium	General reserve	Retained earnings		
As at 1 April 2017	10,647.69	1,116.85	41,017.87	23.21	52,805.63
Prior Period errors/change in Accounting Policy	-	-	-	-	-
Restated balance as at 1 April 2017	10,647.69	1,116.85	41,017.87	23.21	52,805.63
Profit for the year	-	-	2,810.64	-	2,810.64
Other Comprehensive Income	-	-	-	(98.44)	(98.44)
Interim Dividend paid	-	-	(160.08)	-	(160.08)
At 31 March 2018	10,647.69	1,116.85	43,668.44	(75.23)	55,357.75
As at 1 April 2018	10,647.69	1,116.85	43,668.44	(75.23)	55,357.75
Profit for the year	-	-	3,070.84	-	3,070.84
Effect of Adoption of Modified retrospective approach of IND AS 115	-	-	390.08	-	390.08
Other Comprehensive Income	-	-	-	(17.65)	(17.65)
At 31 March 2019	10,647.69	1,116.85	47,129.35	(92.88)	58,801.01

General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Significant Accounting Policies

Refer Note 2

The accompanying notes are an integral part of the Standalone financial statements.

As per our audit report of even date.

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W



CA Sudhir Surana
Partner
Membership No. 043414
Place : Nagpur
Date : 25/07/2019

For and on behalf of the Board of Directors

ANAND S. SANCHETI
Managing Director
DIN: 00953362

DILIP B. SURANA
Director
DIN: 00953495

SMITA P. AGARKAR
Company Secretary

SUSHANT S. MUKHERJEE
Chief Financial Officer

UDIN - 19043414 AAAA BD6478

SMS Limited (Formerly SMS Infrastructure Limited)
Standalone Cash flow statement for the year ended 31st March, 2019

Particulars	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities		
Profit before tax	4,880.76	4,263.31
Adjustment for :		
Depreciation/amortization of Property, Plant and Equipment and Intangible assets	2,118.32	1,974.06
Effect of Adoption of Modified retrospective approach of IND AS 115	390.08	-
Re-measurement gains/ (losses) on defined benefit plans before tax	(27.13)	(150.54)
Finance Cost	8,402.09	7,944.17
Interest income	-	(916.83)
Dividend income	-	(160.00)
Share of profit in Joint Ventures	7.40	(60.00)
Profit on Sale of Investment	-	(880.13)
Profit on Sale of fixed Assets	(22.46)	(22.22)
Profit on sale of Assets held for Sale	-	(92.11)
Rental Income on Investment Property	(23.88)	(21.40)
Operating profit before working capital changes	<u>15,725.18</u>	<u>11,878.33</u>
Adjustment for :		
Increase/(decrease) in trade payables	(1,915.57)	895.11
Increase / (decrease) in non current provisions	721.53	(370.74)
Increase / (decrease) in current provisions	(406.74)	643.10
Increase/(decrease) in other current liabilities	(247.75)	119.25
Increase/ (decrease) in other non current liabilities	(3,519.73)	1,407.43
Increase/ (decrease) in other current financial liabilities	(2,228.86)	7,404.05
Increase/ (decrease) in other non current financial liabilities	983.58	58.24
Increase/ (decrease) in Current Tax Assets (Net)	(297.56)	(251.08)
Increase/ (decrease) in Deferred tax	(56.72)	(133.45)
Decrease/(increase) in current trade receivables	(765.29)	(32.85)
Decrease/(increase) in other non current assets	1,485.62	1,511.97
Decrease/(increase) in other current assets	3,686.58	(5,712.35)
Decrease/(increase) in other non current financial assets	6,684.85	(7,018.68)
Decrease/(increase) in other current financial assets	(14,187.68)	(6,210.83)
Decrease/(increase) in inventories	(5,977.87)	(7,253.06)
	<u>(316.44)</u>	<u>(3,065.56)</u>
Direct taxes paid (net of refunds)	(1,800.44)	(1,400.58)
Net cash flow from/ (used in) operating activities (A)	<u>(2,116.88)</u>	<u>(4,466.14)</u>
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(4,570.32)	(3,465.10)
Proceeds from sale of fixed assets	487.20	110.46
Purchase of non-current investments	2,692.73	11,503.47
Purchase of current investments	(4,296.40)	(498.62)
Proceeds from non current loans and advances	-	9,502.95
Proceeds from current loans and advances	4,815.99	1,302.81
Interest received	-	916.83
Dividends received	-	160.00
Share of profit in Joint Ventures	(7.41)	60.00
Share in loss in Partnership Firm	-	880.13
Profit on sale of Investment	22.46	22.22
Rental income on Investment Property	23.88	21.40
Net cash flow from/(used in) investing activities (B)	<u>(831.88)</u>	<u>20,516.55</u>



SMS Limited (Formerly SMS Infrastructure Limited)
Standalone Cash flow statement for the year ended 31st March, 2019

Particulars	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from financing activities		
Proceeds from long-term borrowings	4,937.59	(6,617.26)
Proceeds from short-term borrowings	6,091.64	(882.15)
Dividend paid on equity shares	-	(160.08)
Finance Cost	(8,402.09)	(7,944.17)
Net cash flow from/(used in) in financing activities (C)	2,627.14	(15,603.66)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(321.62)	446.76
Cash and cash equivalents at the beginning of the year	774.16	327.40
Cash and cash equivalents at the end of the year	452.53	774.16
Components of cash and cash equivalent		
Cash on hand	250.69	222.81
With banks- on current account	201.84	551.35
Total cash and cash equivalents	452.53	774.16

Note:-The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

Significant Accounting Policies

Refer Note No. 2

The accompanying notes are an integral part of the Standalone financial statements.

As per our audit report of even date.

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W

CA Sudhir Surana

Partner

Membership No. 043414

Place : Nagpur

Date : 25/07/2019



For and on behalf of the Board of Directors

ANAND S. SANCHETI

Managing Director

DIN: 00953362

DILIP B. SURANA

Director

DIN: 00953495

SMITA P. AGARKAR

Company Secretary

SUSHANT S. MUKHERJEE

Chief Financial Officer

UDIN- 19043414AAAABD6478

1 Corporate information

SMS Limited (formerly known as SMS Infrastructure limited), is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having a registered office in Nagpur, Maharashtra, India. The company is engaged in the business of construction & commissioning and Lump Sum Turn Key facilities in various infrastructure projects like Road Bridges, Water Supply, Power Transmission, Underground Mining Work etc., for Central/State Governments, other local bodies and Private Sector in the Country and Waste Management activities.

2 Significant Accounting Policies

2.1 Basis of preparation

The Standalone financial statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013(the Act) Companies (Indian Accounting Standards) Rules, 2015.

The Standalone financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

The Company's Standalone financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Lacs (INR 00,000), except when otherwise indicated.

2.2 Accounting Estimates

The preparation of the Standalone financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of Standalone financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

a. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

b. Contract estimates

The Company, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



c. Recoverability of claims

The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/ discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

d. Defined benefit plans

The cost and present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.2 Summary of Significant accounting policies

a. Property, plant and equipment and Intangible assets

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Direct costs are capitalized until the assets are ready to be put to use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Intangible assets purchased or acquired in business combination, are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any. The amortization period and the amortization method are reviewed at least at each financial year end. Internally developed intangible assets are stated at cost that can be measured reliably during the development phase and capitalized when it is probable that future economic benefits that are attributable to the assets will flow to the Company.

Gains or losses arising from Derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized.

Cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress

Depreciation methods, estimated useful lives and residual value.

Depreciation method, useful lives and residual values are reviewed periodically at the end of each financial year and adjusted prospectively if appropriate.

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Project specific assets are depreciated over the period of contract or useful life of the asset, whichever is lower.



Particulars	(Life in Year)	
	Max of Life	Min of Life
Building	60	3
Computer & Printer	3	1
Furniture & Fixture	10	1
Intangible Asset	5	1
Investment Property(Building)	60	0
Lease Land	95	95
Office Equipment	5	1
Plant & Machinery	15	1
Vehicle	10	1

b. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

c. Financial instruments

FINANCIAL ASSETS

Initial recognition and measurement

Financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

Financial Assets at fair value through Other Comprehensive Income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.



Financial Assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in statement of profit and loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls).

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

EQUITY INSTRUMENT AND FINANCIAL LIABILITIES

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

Initial recognition and subsequent measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

d. Employee Benefits:

a. Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance and labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b. Defined Benefit Plan

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

c. Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit.

d. Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

e. Inventories

The stock of construction material, stores spares and embedded goods and fuel is valued at cost or net realizable value whichever is lower.

Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition. Net realisable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

The company is classifying shuttering material and the machine spares as inventory. The management is of the opinion that these inventory are a very large number of indistinguishable minor items and are used in more than one accounting period. Even though they meet the definition of Property Plant and Equipment, the management feels that it would be appropriate to aggregate individually all insignificant items and apply recognition criteria to the aggregate value. Further the company after the technical assessment has found that the estimated life of the shuttering material is five years and thus shuttering material shall be depreciated in five years from the date of purchase. The value of machine spares will be depreciated within the life of machine to which the spares relate.



f. Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

g. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's chief operating decision maker has disclosed business segment as the primary segment the company's operation predominately relate to "Engineering and procurement cost" and "Mining ". The segment revenue, segment result, segment assets and segment liability includes respective amounts identifiable to each of the segment and also amounts allocated on reasonable basis.

h. Borrowing Cost

Borrowing cost consists of interest and other cost that company incurred in connection with borrowing of fund.

Interest and other costs in connection with the borrowing of funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized up to the date when such assets are ready for their intended use. All other borrowing costs are charged to the statement of Profit & Loss.

Borrowing is classified as current liabilities unless the Company has unconditional rights to defer the settlement of the liability for at least 12 month after the reporting period. When there is breach of material provision of long term loan arrangement on or before the end of reporting period with the effect that liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statement, not to demand payment as a consequence of breach.

i. Foreign Currency Transactions

a. Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b. Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c. Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss. On transition to Ind AS, the Company has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Account" and amortised over the remaining life of the concerned monetary item.



j. Revenue Recognition

1. Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 - 'Revenue from Contracts with Customers' ('Ind AS 115') with modified retrospective approach. Accordingly, the comparative information for previous year has not been restated. According to Ind AS 115, revenue is measured at the amount of consideration the Company expects to receive in exchange for the goods or services when control of the goods or services and the benefits obtainable from them are transferred to the customer. Revenue is recognised using the five step model specified in Ind AS 115 based on satisfaction of performance obligations.

The company has adopted modified retrospective approach and the effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018).

The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 11.

The impact of adoption of the standard on the Standalone financial statements of the Company is insignificant.

In respect of fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation, which is based on the physical measurement and survey of work actually completed and which is certified by the client. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

Revenue from supply contract is recognised when threat the point in time when control is transferred to the customer.

A contract liability is the Company's obligation to transfer goods or services to a customer, for which the Company has already received consideration from customers. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Work in progress at the balance sheet date are quantities executed but not certified by the client therefore valued at itemized contract rate less taxes and profit i.e. against which revenue is not recognised as recognition criteria's are not fulfilled.

The Company disaggregates revenue from contracts with customers by nature of services.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.



Use of significant judgements in Revenue Recognition

- 1 The Company's contracts with customers could include promises to transfer products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of project whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

- 2 Accounting for Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received. Interest awarded, being in the nature of additional compensation under the terms of the contract, is accounted as other operating revenue on receipt of favorable arbitration award.
- 3 Dividend Income is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.
- 4 Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

k. Taxes on Income

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a. Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.



b. Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised on a straight line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation in the statement of profit and loss.

Leases under which the lessee assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease, whichever is lower.

m. Impairment of Non-Financial Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset, including intangible asset, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.



Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

n. Bills Receivables and Trade Payable

Trade Receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortized cost using the EIR method, less provision for impairment.

Trade Payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the EIR method.

o. Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

p. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.



3 A. Property, plant and equipment

Particular	Leasehold Land	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
A									
Gross carrying amounts									
At 1st April 2017	0.95	41.24	2,198.44	25,001.18	330.81	5,006.02	455.31	456.24	33,490.20
Additions	-	-	117.92	2,836.58	48.47	327.06	44.57	80.81	3,455.41
Disposals	-	-	-	40.72	0.50	211.54	0.80	-	253.57
Interhead adjustment	-	-	-	(15.71)	0.09	15.17	0.46	-	0.00
At 31st March 2018	0.95	41.24	2,316.35	27,781.32	378.87	5,136.70	499.54	537.05	36,692.04
At 1st April 2018	0.95	41.24	2,316.35	27,781.32	378.87	5,136.70	499.54	537.05	36,692.04
Additions	-	42.30	248.33	2,459.05	77.43	102.09	220.93	52.57	3,202.70
Disposals	-	-	-	443.69	2.55	25.54	126.02	0.62	598.42
At 31st March 2019	0.95	83.54	2,564.69	29,796.68	453.75	5,213.25	594.45	589.01	39,296.32
B									
Accumulated Depreciation/Impairment									
At 1st April 2017	0.07	-	416.58	15,448.11	215.49	4,170.78	388.25	427.97	21,067.25
Charge for the year	0.01	-	146.55	1,255.57	68.33	335.20	45.89	34.78	1,886.33
Disposals	-	-	-	35.73	0.49	206.44	0.46	-	243.11
Interhead adjustment	-	-	-	(0.59)	0.09	0.38	0.12	-	(0.00)
At 31st March 2018	0.08	-	563.13	16,667.36	283.42	4,299.92	433.80	462.75	22,710.47
At 1st April 2018	0.08	-	563.13	16,667.36	283.42	4,299.92	433.80	462.75	22,710.47
Charge for the year	0.01	-	130.68	1,469.52	63.73	242.08	37.28	44.40	1,987.70
Disposals	-	-	-	79.68	2.41	25.54	2.97	0.62	111.22
At 31st March 2019	0.09	-	693.81	18,057.20	344.74	4,516.46	468.11	506.53	24,586.95
Net carrying amounts									
At 31st March 2018	0.87	41.24	1,753.22	11,113.96	95.45	836.78	65.74	74.30	13,981.57
At 31st March 2019	0.86	83.54	1,870.87	11,739.48	109.01	696.79	126.34	82.48	14,709.37
B. Capital Work- in-progress									
Particular	Leasehold Land	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
At 1st April 2018	-	-	5.39	101.95	0.29	-	1.89	0.65	110.17
At 31st March 2019	-	-	(0.00)	1,420.90	0.00	-	(0.00)	(0.00)	1,420.90

Note : Capital Work-in-Progress includes Capital assets in Stores / Bonded Warehouse, which are not yet ready for use.



(₹ in lacs)

	LAND	BUILDING	TOTAL
4 Investment Property			
A Gross carrying amount			
As on 1st April 2017	1,236.61	379.27	1,615.89
Addition	-	-	-
As on 31st March 2018	1,236.61	379.27	1,615.89
Addition	-	-	-
As on 31st March 2019	1,236.61	379.27	1,615.89
B Accumulated Depreciation /Impairment			
As on 1st April 2017	-	41.42	41.42
Depreciation charged	-	6.48	6.48
As on 31st March 2018	-	47.90	47.90
Depreciation charged	-	8.13	8.13
As on 31st March 2019	-	56.04	56.04
C Net carrying amounts			
At 31st March 2018	1,236.61	331.37	1,567.98
At 31st March 2019	1,236.61	323.23	1,559.85

Information regarding income and expenditure of investment property	As at 31 March 2019	As at 31 March 2018
Rental income derived from investment properties	23.88	21.40
Direct operating expenses including repairs and maintenance arising from investment property that generated rental income during the year.	0.66	1.36
Depreciation charged on the investment property that generated rental income during the year.	3.90	3.39
Profit arising from investment properties that generated rental income after depreciation and direct expenses	19.32	16.64
Direct operating expenses including repairs and maintenance arising from investment property that did not generate rental income during the year.	-	5.85
Depreciation charged on the investment property that did not generate rental income during the year.	4.24	3.09
Less – Depreciation		
Profit/(Loss) arising from investment properties that did not generate rental income after depreciation and direct expenses	(4.24)	(8.94)
Net Profit/(Loss) from Investment activity	15.08	7.70

The Company's investment properties consist of flats and land in India. The management has determined that the investment properties consist of two classes of assets – Land and Building – based on the nature, characteristics and risks of each property.

The valuation of few of the properties are valued by accredited independent valuer in the last three financial years based on consistent policy followed by the company. In absence of complete valuation of all the investment property, the fair value of the property are not disclosed.



5 Intangible Asset

		(` in lacs)	
		Computer Software	Total
A	Gross carrying amount		
	As on 1st April 2017	292.68	292.68
	Additions	334.51	334.51
	At 31st March 2018	627.20	627.20
	Additions	56.89	56.89
	At 31st March 2019	684.09	684.09
B	Accumulated Amortisation		
	At 1st April 2017	111.59	111.59
	Charge for the year	81.25	81.25
	At 31st March 2018	192.84	192.84
	Charge for the year	122.49	122.49
	At 31st March 2019	315.33	315.33
C	Net carrying amounts		
	At 31st March 2018	434.35	434.35
	At 31st March 2019	368.76	368.76



6 Non-current Investments		
(Unquoted, at Cost)		
A Investments in Equity Instruments		
a Investment in Subsidiaries	10,897.69	13,809.43
b Investment in Associates	468.12	468.12
c Investment in Others	1.05	1.05
B Investments in Preference Shares of Subsidiary	259.74	259.74
C Investment in Partnership Firm	-	-
Joint Venture	1,250.26	940.34
Others	(86.66)	(86.62)
D Investment in Association of Person (AOP)	-	-
Joint Venture	193.83	284.69
E Investment in Government Securities	1.34	1.34
	12,985.37	15,678.10
	12,985.37	15,678.10



(₹ in lacs)

Details of Non Current Investments	As at 31 March 2019	As at 31 March 2018
A Investment in Equity Instruments (Valued at cost, fully paid up)-Note No. 6(A) (a)		
1 Subsidiary Companies in India		
(i) SMS Bhatgaon Mines Extension Pvt. Ltd. 5,10,000 (5,10,000) Equity shares of ` 10 each fully paid	51.00	51.00
(ii) SMS Envoclean Pvt. Ltd. 23,64,558 (23,64,558)Equity shares of ` 10 each fully paid	112.60	112.60
(iii) SMS Infolink Pvt. Ltd. 10,000 (10,000)Equity shares of ` 10 each fully paid	1.00	1.00
(iv) SMS Mine Developers Pvt. Ltd. 5,100 (5,100) Equity shares of ` 10 each fully paid	0.51	0.51
(v) Spark Mall & Parking Pvt. Ltd.* 60,84,136 (1,19,29,676)Equity shares of ` 10 each fully paid	3,576.64	6,511.10
(vi) SMS Taxicabs Pvt. Ltd. 87,45,000 (87,45,000)Equity shares of ` 10 each fully paid	1,747.00	1,747.00
(vii) SMS Vidyut Pvt. Ltd. 3,950,000 (3,950,000)Equity shares of ` 10 each fully paid	992.00	992.00
(viii) SMS Watergrace BMW Pvt. Ltd 58,66,181 (58,66,181)Equity shares of ` 10 each fully paid	586.62	586.62
(ix) Solar Bhatgaon Extension Mines Pvt. Ltd. 5,10,000 (5,10,000)Equity shares of ` 10 each fully paid	51.00	51.00
(x) SMS Tolls And Developers Ltd. 50,000 (50,000)Equity shares of ` 10 each fully paid	5.00	5.00
(xi) Patwardhan Infrastructure Pvt. Ltd. 49,220 (49,220)Equity shares of ` 100 each fully paid	60.79	60.79
(xii) Maharashtra Enviro Power Ltd. 41,617,411 (41,617,411)Equity shares of ` 10 each fully paid	3,000.20	3,000.20
(xiii) Ayodhya Gorakhpur SMS Tolls Private Limited** 16,000,000 (16,000,000)Equity shares of ` 10 each fully paid	1.00	1.00
(xiv)SMS Waste Management Private Limited 10,000 (10,000)Equity shares of ` 10 each fully paid	1.00	1.00
(xv)SMS-AABS India Tollways Private Limited*** 5,100 (5,100)Equity shares of ` 10 each fully paid	0.51	0.51
2 Subsidiary Companies outside India		
(xvi)Pt. SMS Minerals International 3,20,000 (3,20,000)Equity shares of IDR @ 9195 each fully paid	143.78	139.18
(xvii) Pt. SMS Mines Indonesia 9,90,000 (990,000)Equity shares of IDR @11722 each fully paid	567.05	548.93
	10,897.69	13,809.43
B Investment in Equity Instruments (Valued at cost, fully paid up)-Note No. 6(A) (b)		
1 Associate Companies in India		
(i) RCCL Infrastructure Pvt. Ltd 15,65,200 (15,65,200)Equity shares of ` 10 each fully paid	467.86	467.86
(ii) SMS-AAMW Tollways Pvt. Ltd. 2,600 (2,600)Equity shares of ` 10 each fully paid	0.26	0.26
	468.12	468.12
C Investment in Preference Shares of subsidiary company (Valued at cost, fully paid up)-Note No. 6(B)		
(i)SMS-AABS India Tollways Private Limited*** 25,97,400 (25,97,400)Preference shares of ` 10 each fully paid	259.74	259.74

*Pledged with the India bulls Housing Finance Ltd. Against loan taken by Spark Mall & Parking Pvt. Ltd.

**Pledged with the India bulls Housing Finance Ltd Against loan taken by Ayodhya Gorakhpur SMS Toll Private Limited for providing Security to India bulls Housing Finance Ltd.

This instrument which were fully pledge with SBI Cap trustee Company Limited (Appointed trustee for lender state bank of India, IFB Branch Nagapur) relersed with effect from 04/01/2019 due to repayment of loan under charged ID 100073870.

***Pledged with the State bank of India Against loan taken by SMS-AABS India Tollways Pvt. Ltd.



Name of the Venture	Name of Venture Partner/s	Constitution of Entity	Share of Interest	As at 31 March 2019	As at 31 March 2018
Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd. (JV)	S.N.Thakkar Construction Pvt. Ltd.	Partnership Firm	SMS Ltd. 65% S N Thakkar Construction Pvt. Ltd. 35%	278.47	271.74
SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. (J.V)	D.Thakkar Construction Pvt. Ltd.	Partnership Firm	SMS Ltd. 70% D. Thakkar Construction Pvt. Ltd. 30%	603.43	535.81
SMS Infrastructure Ltd. & Brahamaputra Infrastructure Pvt. Ltd (JV)*	Brahamaputra Infrastructure Pvt. Ltd.	Partnership Firm	SMS Ltd.51% Brahamaputra Infrastructure Ltd. 49%	17.34	17.34
SMS Infrastructure Ltd. & Brahamaputra Consortium Ltd. (J.V)*	Brahamaputra Consortium Ltd.	Partnership Firm	SMS Ltd.51% Brahamaputra Consortium Ltd. 49%	11.59	11.59
SMS Infrastructure Ltd. Aarti Infra-Projects Pvt. Ltd.*	Aarti Infra-Projects Pvt. Ltd.	Partnership Firm	SMS Ltd.51% APPL. 49%	52.06	57.51
SMS Infrastructure Ltd. & Shree Nath Enterprises (J.V)*	Shreenath Enterprises	Partnership Firm	SMS Ltd. 36.50% Shreenath Enterprises 63.50%	40.50	40.50
SMSIL-KTCO (JV)	Khare Tarkunde Infrastructure Pvt. Ltd.	Partnership Firm	SMS Ltd. 50% Khare Tarkunde Infrastructure Pvt. Ltd. 50%	4.09	3.25
GSI ENVO Ltd. in Consortium with SMSIL	GSI ENVO. Ltd.	Association of Person	SMS Ltd. 70 % & GSI Envo Ltd. 30 %	193.83	284.69
BHARTIA SMSIL (JV).	Bhartia Infra Projects Limited	Partnership Firm	SMS Ltd. 49 % & BIP Limited 51 %	4.27	2.34
SMSIL-MBPL-BRAPL JV	Mehrotra Buildcon Pvt. Ltd. and Bharat Rail Automation Pvt. Ltd.	Partnership Firm	SMS Ltd. 57.00% , Mehrotra Buildcon Pvt. Ltd. 33.00% & Bharat Rail Automation Pvt. Ltd. 10.00%	18.00	5.33
GDCL + SMS Ltd. JV	Gannan Dunkerley & Co. Ltd.	Partnership Firm	SMS Ltd. 40% & Gannan Dunkerley & Co. Ltd. 60%	-	-
SRRCIPL-SMSL-BEKEM JV	M/s. Sri Raja Rajeshwari Constructions (Inida) Pvt. Ltd. & BEKEM Infra Projects Pvt. Limited	Partnership Firm	SMS Ltd.20 % & M/s. Sri Raja Rajeshwari Constructions (Inida) Pvt. Ltd. 60% & BEKEM Infra Projects Pvt. Limited 20%	(2.49)	(2.07)
SRRCIPL-SMSL JV	M/s. Sri Raja Rajeshwari Constructions (Inida) Pvt. Ltd.	Partnership Firm	SMS Ltd.60 % & M/s. Sri Raja Rajeshwari Constructions (Inida) Pvt. Ltd 40%	(3.42)	(3.01)
SMS Infrastructure Ltd. & B. P. Construction Co. Pvt Ltd (JV)	B. P. Construction Co. Pvt Ltd (JV)	Partnership Firm	SMS Infrastructure Ltd. 61% B. P. Construction Co. Pvt. Ltd. 39%	-	-
SMSIL-MBPL JV	Mehrotra Buildcon Pvt. Ltd.	Partnership Firm	SMS Ltd. 59.84% & Mehrotra Buildcon Pvt. Ltd. 40.16%	226.41	-
				1,444.08	1,225.03

* Due to Non-availability of Financial Statements of the Partnership firm the share in profit/loss is not accounted for.

Investment in Partnership Firm-Note No. 6 (C) Valued at Cost	Partners Name	SMS Limited Share	Partners Capital	
			As at 31 March 2019	As at 31 March 2018
SANBRO CORPORATION	SMS Ltd.	26.00%	(86.66)	(96.52)
	Abhay Sancheti	29.60%	(59.43)	(59.38)
	Ajay Sancheti	22.20%	(17.41)	(17.37)
	Anand Sancheti	22.20%	(44.57)	(44.54)

E Other Investment-Note No. 6(E) (Valued at cost, fully paid up)

(i) Khamgaon Urban Co-Operative Bank Ltd. 100 (100) Equity shares of ₹ 10 each fully paid		0.01	0.01
(ii) Nandura Urban Co-Operative Bank Ltd 43 (43) Equity shares of ₹ 100 each fully paid		0.04	0.04
(iii) Malkapur Urban Co-Operative Bank Ltd. 1,000 (1000) Equity shares of ₹ 100 each fully paid		1.00	1.00
		1.05	1.05



	As at 31 March 2019	(₹ in lacs) As at 31 March 2018
7 Other financial assets (Non-Current) (Unsecured, considered good)		
Security Deposit	3,470.30	7,742.82
Retention Money	6,200.25	7,978.27
Withheld Amount	-	-
Earnest Money Deposits	1,808.12	1,736.89
Other Receivable	107.67	93.72
Interest on FDR accrued but not due	-	-
Fixed Deposit Receipt with original maturity for more than 12 months*	3,782.87	4,502.35
	15,369.20	22,054.05
* Note:- Above Fixed Deposit receipts are held as a Margin Money/ Security Deposit against Letter of Credit/ Bank Guarantee/ Collateral security against Loans/ Other Commitment.		
8 Other non-current assets (Unsecured, considered good) Advances other than Capital Advances		
Others	103.77	1,589.39
	103.77	1,589.39
9 Inventories (Valued at Cost or Net realisable Value whichever is lower)		
Work-in-progress	20,201.00	11,830.50
Construction & Project Inventory	11,011.04	13,110.52
Stores and spares	401.08	694.23
	31,613.12	25,635.25
10 Current Investments(Unquoted, at Cost)		
A Investments in Equity Instruments		
a Investment in Subsidiaries	2,934.46	-
	2,934.46	-
Details of Current Investments		
Investment in Equity Instruments (Valued at cost, fully paid up)-Note No. 11(A) (a)		
In Subsidiary -		
Companies in India		
Spark Mall & Parking Pvt. Ltd.	2,934.46	-
58,45,540 (NIL) Equity shares of ₹ 10 each fully paid		
	2,934.46	-
Note No 1: The same are Pledged with the India bulls Housing Finance Ltd. Against loan taken by Spark Mall & Parking Pvt. Ltd.		
Note No. 2: The Company has received Rs. 29,34,46,108/- for sale of 58,45,540 number of Shares of Spark Mall & Parking Private Limited on 7th September 2018. The consideration has been received, however the shares have not been transferred in the name of the company as shares were pledge with Indiabulls Housing Finance Limited for loan obtained by Spark Mall & Parking Private Limited. The amount received is shown under the head "Other Current Liability" as a advance consideration for sale of shares.		
11 Trade receivables (Current) Unsecured, considered good		
Related Party	3,461.98	6,482.77
Others Party :		
Others	26,036.11	22,250.03
	29,498.09	28,732.79
12 Cash and cash equivalents and other Bank balance		
A Cash and cash equivalents		
Balances with banks in current accounts	201.84	551.35
Cash on hand		
a) In local currency	250.15	221.06
b) In foreign Currency	0.54	1.74
	452.53	774.16
B Other bank balances		
Fixed Deposits with original maturity of more than 3 months but less than 12 months*	2,937.13	1,575.20
	2,937.13	1,575.20



	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
13 Loans (Current)		
A Unsecured, considered good		
Loans to related parties	8,235.55	13,206.82
Other Loans	1,045.29	890.01
	<u>9,280.84</u>	<u>14,096.83</u>
14 Other financial assets (Current) (Unsecured, considered good)		
Withheld Amount	11,207.63	4,882.23
Retention Money	4,381.82	-
Security deposit	4,049.92	-
Amount due on Account of TDS	435.47	1,071.47
Others receivables	136.31	167.21
Capital Advance	89.92	89.92
Interest accrued but not due	97.44	-
	<u>20,398.51</u>	<u>6,210.83</u>
15 INCOME TAX ASSETS (NET)		
i The following table provides the details of income tax assets and liabilities as at March 31, 2019 and March 31, 2018:		
Income tax assets	11,440.53	9,285.81
Income tax liabilities	10,786.28	8,929.12
Net balance	<u>654.25</u>	<u>356.69</u>
ii The gross movement in the current tax asset/ (liability) is as follows:		
Net current income tax asset at the beginning	356.69	105.61
Income tax paid	2,154.72	1,785.11
Current income tax expense	1,857.16	1,534.03
Net current income tax asset at the end	<u>654.25</u>	<u>356.69</u>
iii Income tax expense in the Statement of Profit and Loss comprises:		
Current income taxes	1,857.16	1,534.03
Deferred income taxes credit	(56.72)	(133.45)
Income tax expenses / (credit) (net)	<u>1,800.44</u>	<u>1,400.58</u>
iv A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:		
Total Comprehensive income before income tax	4,853.63	4,112.78
Enacted tax rates in India	34.94	34.61
Computed expected tax expense	1,696.05	1,423.35
Deduction of Income tax under Chapter VI-A	(72.54)	-
Restatement of deferred Tax liability of earlier year due to change in tax rate	2.80	7.67
Effect of Debit items not allowed for tax purpose - Permanent Difference	426.77	1,366.37
Effect of Credit items not considered for tax purpose- Permanent Difference	(252.61)	(8.44)
Others	(0.03)	(1,388.37)
Income tax expense credit/(charge) to the Statement of Profit and Loss	<u>1,800.44</u>	<u>1,400.58</u>



	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
16 Other Current Assets		
Statutory dues receivable		
Value Added Tax Receivable	5,826.73	6,121.85
Service Tax Receivable	87.75	87.75
Central GST Receivable	244.34	512.75
State GST Receivable	463.60	903.59
Integrated GST Receivable	819.93	1,309.55
Advances other than Capital Advances		
Against Expenses & Salary	65.56	287.20
To Creditors	1,748.56	2,032.16
To Subcontractor	712.49	2,477.61
Others		
Prepaid expenses	758.60	732.84
Deposit under Protest	4,413.32	4,362.18
	15,140.90	18,827.48
17 Assets Held for Sale	LAND	TOTAL
A Gross carrying Amount		
As on 1st April 2017	7.89	7.89
Addition	-	-
Disposal	7.89	7.89
As on 31st March 2018	-	-
As on 1st April 2018	-	-
Addition	-	-
Disposal	-	-
As on 31st March 2019	-	-
B Accumulated depreciation/ impairment		
As on 1st April 2017	-	-
Depreciation charged	-	-
As on 31st March 2018	-	-
As on 1st April 2018	-	-
Depreciation charged	-	-
As on 31st March 2019	-	-
C Net carrying amount		
As on 31st Mar 2018	-	-
As on 31st Mar 2019	-	-



(₹ in lacs)

	As at 31 March 2019	As at 31 March 2018
18 Equity Share capital		
a Authorized shares		
15,000,000 (15,000,000) equity shares of Face value of ₹ 10/- each	1,500.00	1,500.00
b Issued, subscribed and fully paid-up shares		
1,02,61,382 (1,02,61,382) equity shares of Face value of ₹ 10/- each fully paid up	1,026.14	1,026.14

c Reconciliation of the number of shares outstanding at the beginning and at the end of the financial year.

Equity shares	As at 31 March 2019		As at 31 March 2018	
	No.	(' in lacs)	No.	(' in lacs)
At the beginning of the year	1,02,61,382	1,026.14	1,02,61,382	1,026.14
Add : Issued During the Year	-	-	-	-
Outstanding at the end of the year	1,02,61,382	1,026.14	1,02,61,382	1,026.14

d Terms/Rights attached to shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of Equity shares is entitled to one vote per share. The dividend proposed by Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

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

e Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2019		As at 31 March 2018	
	No.	% holding in the class	No.	% holding in the class
Equity shares of Face value of ₹ 10/- each fully paid				
Abhay Harakchand Sancheti	3214696	31.33%	32,14,696	31.33%
Ajay Shaktikumar Sancheti	2410997	23.50%	24,10,997	23.50%
Anand Shaktikumar Sancheti	2410997	23.50%	24,10,997	23.50%
Femina Industrial Finance Private Limited	-	0.00%	10,46,131	10.19%
Femina Share Management Services Privat	-	0.00%	8,34,184	8.13%
Best Power Plus Private Limited	2224374	21.68%	-	0%



	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
19 Other Equity		
General Reserve		
Balance as per the last financial statements	1,116.85	1,116.85
Closing Balance	<u>1,116.85</u>	<u>1,116.85</u>
Securities Premium		
Balance as per the last financial statements	10,647.69	10,647.69
Closing Balance	<u>10,647.69</u>	<u>10,647.69</u>
Retained Earning		
Balance as per last financial statements	43,668.44	41,017.87
Add: Profit for the year	3,070.84	2,810.64
Effect of Adoption of Modified retrospective approach of IND AS 115	390.08	-
Interim Dividend	-	160.08
Tax on Interim Dividend	0.02	-
Closing Balance	<u>47,129.34</u>	<u>43,668.44</u>
Other comprehensive income		
Re-measurement gains/ (losses) on defined benefit plans net off tax		
Balance as per the last financial statements	(75.23)	23.21
Add: Additions during the year	(17.65)	(98.44)
Closing Balance	<u>(92.88)</u>	<u>(75.23)</u>
Total of Other Equity	<u><u>58,801.00</u></u>	<u><u>55,357.75</u></u>

General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

20 Borrowings (Non-current)

I. Secured

(A) Term Loans

(i) From Banks

(1) HDFC Bank Ltd.	-	18.58
(2) ICICI Bank Ltd.	185.08	74.71
(3) Kotak Mahindra Bank Ltd.	312.05	318.16

(ii) From Financial Institution

(1) SREI Equipment Finance Ltd.	4,990.48	5,189.60
(2) Indiabulls Housing Finance Ltd.	5,646.91	537.71
(3) HP Financial Services.	20.64	78.81

11,155.15	6,217.57
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Note : For Securities please refer individual bank wise notes given.



21.1 Details of Securities and Terms of Repayments

(₹ in lacs)

I. Secured

(A) Term Loans From Banks

(1) HDFC Bank Ltd

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
82131887 & 82005438	6.8	9.75%	29/07/2016	4	1.74	4 month
82346205	11.78	9.40%	15/12/2016	8	1.52	8 month
Total	18.58					

(2) ICICI Bank Ltd

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Instalments Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
LVNAG00035617396 & LVNAG00035617358	10.41	9.65%	02/05/2017	12	0.92	1 year
LVNAG00034472569	4.12	10.00%	08/06/2016	14	0.31	1 year 2 month
LQNAG00036832436 & LQNAG00036903325	61.29	8.01%	21/12/2017	22	3.01	1 year 10 month
LQNAG00037183400	18.71	8.60%	31/03/2018	47	0.47	3 year 11 month
LQNAG00037304565	190.06	9.00%	03/05/2018	37	5.9	3 year 1 month
LANAG00038272968	19.02	9.20%	28/11/2018	33	0.65	2 year 9 month
Total	303.61					

(3) Kotak Mahindra Bank Ltd

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
CE-550675/646/652/669	26.27	9.20%	19/06/2017	15	1.86	1 year 3 month
CE-571940	33.49	8.51%	02/09/2017	28	1.32	2 year 4 month
CE-582371/388/394/408	241.91	7.89%	29/09/2017	29	9.24	2 year 5 month
/359/342/365/287/		7.54%				
320/336/582489/582567		8.25%				
CE-645641	193.53	8.65%	13/04/2018	36	6.12	3 year 0 month
CE-550681/701/718	21.19	9.77%	03/06/2017	15	1.51	1 year 3 month
Total	516.38					



(a) From Financial Institution

(1) SREI Equipment Finance Pvt. Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
116982	1,377.59	16.01%	15/10/2016	32	54.73	2 year 8 month
116981	1,452.29	13.99%	15/10/2016	32	56.3	2 year 8 month
117020	2,178.54	14.01%	15/10/2016	32	86.54	2 year 8 month
125001	52.19	9.25%	05/02/2017	23	2.49	1 year 11 month
136411	51.94	10.05%	23/06/2017	19	3.07	1 year 7 month
150960	14.12	7.75%	11/12/2017	20	3.07	1 year 8 month
149928	18.38	7.72%	11/12/2017	20	0.98	1 year 8 month

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
125103	1,515.18	10.74%	05/04/2018	48	7.42 * 4 & 42.35	4 year 0 month
136419	350.45	10.74%	05/07/2018	28	13.68	2 year 4 month
Total	7,064.05					

(2) HP Financial Services

Secured by first charge by way of hypothecation of specific asset as specified in the agreement, vide sanction letter on specific date. The details of individual loans are as under:

LOAN NO.	Outstanding Balance as on 31.03.2019	Rate of interest %	Date of Agreement/ Sanction	No. of inst. due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
5371045837-IND-TNKS-1A1	78.81	12.80%	25/04/2017	4	21.3	1 year 9 month
Total	78.81					

(3) Indiabulls Housing Finance Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
HLAPNAG000424783	582.12	12.50%	27/03/2018	2	543.31 & 47.41	2 month
HLAPNAG00444898	4,881.39	16.30%	09/06/2018	13	66.31 * 12 & 4947.70	1 Year & 1 month
HHENAG00472269	646.16	15.50%	31/08/2018	13	8.40 * 12 & 658.40	1 Year & 1 month
Total	6,109.67					



(₹ in lacs)

	As at 31 March 2019	As at 31 March 2018
21 Other Financial liabilities (Non-current)		
Security deposits from sub contractor	2,175.90	2,753.68
Retention Money from sub contractor	2,645.94	1,213.85
Withheld Amount	114.72	-
Deposits from outsiders	21.89	7.33
Other Payable	35.00	35.00
	<u>4,993.44</u>	<u>4,009.87</u>
22 Provisions		
Provision for Employee Benefits		
Provision for Gratuity	728.65	7.12
	<u>728.65</u>	<u>7.12</u>
23 Deferred Tax Liabilities (net)		
Components of deferred income tax assets and liabilities arising on		
Deferred income tax liability		
	626.81	570.78
Timing difference on tangible and intangible assets depreciation and amortisation		
Deferred income tax liability / (asset)	<u>626.81</u>	<u>570.78</u>
Provision for Gratuity	282.88	189.77
Leave Encashment	112.29	92.66
Deferred income tax Liability	<u>395.17</u>	<u>282.43</u>
Total deferred tax liabilities / (net)	<u>231.63</u>	<u>288.35</u>
Deferred tax liabilities in case of some entities	626.81	570.78
Deferred tax assets in case of some entities	395.17	282.43
Net deferred tax liabilities	<u>231.63</u>	<u>288.35</u>
24 Other non-current liabilities		
Mobilisation Advance from customers	3,468.55	4,896.14
Secured Advance from customers	1,995.58	3,946.14
Other Advance	194.21	335.79
	<u>5,658.34</u>	<u>9,178.07</u>



	As at 31 March 2019	(₹ in lacs) As at 31 March 2018
25 Borrowings (Current)		
Secured		
1) From Banks		
(A) Cash credit	33,407.97	31,236.87
(B) Electronic Vendor Finance System	4,995.46	2,206.95
	<u>38,403.44</u>	<u>33,443.82</u>
Unsecured		
2) From Other Parties		
(A) Riaan Ventures Private Limited	-	17.10
(B) Shraddha Industries Ltd.	100.00	105.70
(C) Vikram Singh	200.00	200.00
(D) Global Education Ltd.	850.75	-
(E) Rishiraj Enterprizes Pvt. Ltd.	4.07	-
(F) Mighty Overseas P.Ltd	300.00	-
	<u>1,454.82</u>	<u>322.79</u>
	<u>39,858.25</u>	<u>33,766.62</u>

1.1. Note 26 (A & B) - Cash Credits & EVFS Secured by way of

- a) Primary Security on stocks comprising of raw-material, work in progress, consumable stores and spare parts, receivable claims and bills both present and future, collateral securities of properties of the company as specified in sanction terms, its Directors and relatives as mentioned in the Annexures to the Deed of Hypothecation dated 14.12.2018 and TDR to the extent of ₹ 500 lacs (principal amount) ranking on pari-pasu basis amongst participating banks.
- b) Personal guarantees of Directors to the extent of ₹ 137000.00 lacs for fund based and non fund based limits.
- c) Personal guarantee of relatives of Directors as mentioned in the sanction letter to the extent of value of properties provided by them.
- d) The cash credit is repayable on demand and carries interest within the range of 10.85% to 12.55% p.a.
- e) Guarantee of Partnership Firm through its partner as per the sanction terms.
- f) Shares of Following promoters are pledge against this cash credit and Non Fund based Limit.

Name of Shareholder	No of Share
Abhay Sancheti	7,90,436
Ajay Sancheti	5,92,687
Anand Sancheti	5,92,687

- 2 The company has not defaulted in repayment of any loans and interest thereon as on the date of Balance Sheet. Unsecured loan do not have any specific repayment schedule. It will be payable on demand.
- 3 During the financial year 2018-19, there was a new regulation from our consortium bankers that no EMI/NACH will be allowed from Cash Credit accounts. However, the same was communicated to us post implementation. Hence, in spite of having sufficient balance in the account, in few instances, the EMIs got returned due to this technical issue. This does not tantamounts to default as payment was made immediately. Subsequently, the company shifted all its EMIs to Current Account and the repayments were regular thereafter.

(₹ in lacs)

	As at 31 March 2019	As at 31 March 2018
26 Trade Payable (Current)		
1. Letter of Credit Issued and Outstanding	2,795.21	2,562.83
2. Trade Payables other than 1 above	18,582.63	20,730.58
Total outstanding dues of creditors other than micro enterprises and small enterprises.	21,377.84	23,293.41

Note - Trade Payables

“FA. Trade Payables The following details relating to micro, small and medium enterprises shall be disclosed in the notes:-	As at 31 March 2019	As at 31 March 2018
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year;	37.43	122.76
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.87	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	1.09	-

27 Other Financial Liabilities (Current)

Current maturities of long-term borrowings	3,247.57	7,590.55
Expenses Payable	4,416.08	3,304.95
Interest accrued but not due	109.30	
Salary and Consultancy Payable	1,585.97	692.26
	9,358.91	11,587.76



	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
28 Other Current Liabilities		
1. Statutory Dues Payable		
Service tax and Swachh Bharat Cess payable	-	249.00
ESIC Payable	5.14	5.99
Profession Tax Payable	2.65	5.10
Provident Fund Payable	282.85	147.21
Tax Deducted at Source and TCS payable	443.24	451.00
Works Contract Sales Tax Payable	0.70	173.76
Value Added Tax	652.61	630.90
Integrated GST Payable	9.93	29.31
State GST Payable	168.15	714.51
Central GST Payable	141.42	532.28
2. Advance from Debtors	1,194.32	3,144.16
3. Advance for sale of Investment (Refer Note No 10)	2,934.46	-
	<u>5,835.47</u>	<u>6,083.22</u>
29 Provisions		
Provision for Employee Benefits		
Provision for Gratuity	80.88	541.24
Provision for leave benefits	321.34	267.73
	<u>402.22</u>	<u>808.96</u>
30 Revenue from operations		
Revenue from operations		
Contract Receipts	1,01,884.05	90,660.85
	<u>1,01,884.05</u>	<u>90,660.85</u>
Disaggregate revenue information		
The table below presents disaggregated revenues from contracts with customers for the year ended March 31,2019 by Nature. The Company believe that this disaggregation best depict show the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry,market and other economic factors.		
EPC	72,026.36	67,516.93
Mining	29,857.69	23,143.92
	<u>1,01,884.05</u>	<u>90,660.85</u>
31 Other income		
Interest income on		
Bank deposits	499.70	373.49
Others	226.10	543.35
Dividend on Investment in subsidiaries	-	160.00
Share of profit in Joint Ventures	-	60.00
Profit on sale of Investment	-	880.13
Scrap sales	232.00	89.86
Profit on sale of fixed assets	22.46	22.22
Profit on sale of Assets held for sale	-	92.11
Miscellaneous Income	292.78	157.74
Rental income on Investment Property	23.88	21.40
Insurance claim	28.71	82.14
Net Gain on foreign currency transaction	147.34	-
	<u>1,472.97</u>	<u>2,482.43</u>



	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
32 Cost of Project Material Consumed		
Stock at beginning of the year	13,804.76	10,647.24
Add: Purchases	27,153.50	27,687.71
Less: Stock at the end of the year	11,412.12	13,804.76
Total cost of Project materials consumed	<u>29,546.13</u>	<u>24,534.78</u>
33 Change in Inventory of Work in Progress		
Opening WIP	11,830.50	7,734.96
Closing WIP	(20,201.00)	(11,830.50)
	<u>(8,370.51)</u>	<u>(4,095.54)</u>
34 Direct Expenses		
Work Expenses	37,505.22	40,221.74
Transporting Charges	971.78	587.06
Hire Charges	3,815.50	1,411.52
Royalty	605.05	682.40
R.T.O Taxes	19.46	42.30
Machinery Repairs and Maintenance	2,611.24	1,410.60
Vehicles Repairs and Maintenance	166.75	158.27
Insurance	298.37	418.58
Net loss on foreign currency transaction	-	205.68
Custom Duty	227.02	56.48
	<u>46,220.38</u>	<u>45,194.63</u>
35 Employee Benefit Expense		
Salaries & Wages		
Salaries, Wages, Ex-gratia and Bonus	13,348.53	8,437.22
Contribution to Provident and other funds		
Contribution to Provident	965.45	370.60
Gratuity expenses	307.23	164.17
Contribution to Employees State Insurance Corporation	40.87	45.07
Staff welfare expenses	26.49	12.60
	<u>14,688.56</u>	<u>9,029.65</u>
36 Finance Costs		
Interest cost		
Loan from Bank & Financial institutions	5,985.39	5,482.94
Loan from others	635.61	828.10
Loan on Mobilisation Advance	601.97	524.23
Bank finance charges	1,179.11	1,108.90
	<u>8,402.09</u>	<u>7,944.17</u>



	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
37 Depreciation and Amortization Expenses		
Depreciation of Tangible assets	2,030.58	1,886.33
Depreciation of Investment properties	6.48	6.48
Amortization of Intangible assets	81.25	81.25
	<u>2,118.32</u>	<u>1,974.06</u>
38 Other Expenses		
Power and fuel	988.63	570.67
Rent	234.67	157.71
Rates and taxes	52.55	26.15
Advertising and sales promotion	28.27	35.91
Office and other Miscellenious Expenses	281.40	385.53
Security charges	373.26	371.81
Donation	172.23	12.51
Tender expenses	17.40	13.25
Travelling and conveyance	306.33	334.86
Postage, Telephone & Internet Cost	51.48	90.16
Printing and stationery	19.84	34.60
Legal and professional fees	1,477.98	1,236.18
Internal Auditors remuneration	51.15	24.96
Statutory Auditors remuneration	24.20	24.20
Cost Auditors remuneration	5.30	5.25
Repairs to Building	21.73	1.68
Corporate Social Responsibility	410.00	-
Bank Charges	79.06	67.25
Interest on delayed payment of Statutory dues	288.43	187.04
Comission & Brokarage	7.79	19.95
Property Tax	1.42	1.38
Share of Loss from Joint Venture & Partnership Firm	7.40	0.07
Lodging & Boarding Charges	180.79	247.89
Guest House Expenses	15.25	7.09
Business Promotion Expenses	28.41	2.53
Arbitration Expenses	3.00	-
Fine And Penalty	25.92	-
GST Expenses including state compensation cess	4.17	40.56
Loss on Sale of Investment	520.49	-
Central Sales Tax & Value Added Tax	166.47	213.66
Service Tax & Swachh Bharat Cess	26.27	185.37
	<u>5,871.30</u>	<u>4,298.21</u>



39 A Contingent Liabilities and Guarantees

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
Contingent Liability		
Claims against the company not acknowledged as debts		
Income Tax Act	1,033.47	-
	41,955.62	42,412.65
Service Tax including Penalty of Rs. 18,593.58 Lacs (Rs. 18,830.24 Lacs) *		
Sales Tax/VAT	2,992.16	7,688.71
Life Time road transport tax	721.79	721.79
Legal Cases against company	306.03	7,386.84
Employees State Insurance Corporation	2.24	-
Other	138.00	-
Guarantees excluding Financial Guarantees		
Corporate Guarantees to associate companies and joint venture	40,586.52	39,901.39
Performance Bank Guarantees of Subsidiaries & Associates Co's.	6,424.63	5,625.95
	<u>94,160.46</u>	<u>1,03,737.32</u>

* Includes Rs. 14,185 Lacs against appeal number ST/86550/2017 pending before CESTAT, Mumbai, wherein it is contended that the total demand of irregular credit cannot exceed the actual amount of credit availed and that reversal of credit is equivalent to non-availment of credit. Further, the Commissioner (Appeal), Central Excise & GST, Nagpur in order in appeal no. NGP/EXCUS/000/APPL/03/18-19/1245 dated 23.08.2018 has accepted that computation of reversal of credit made by SMS and dropped the entire demand as the company had reversed credit of INR 104.52 Lacs. It may be noted that the order passed by Commissioner (Appeal) is also for the same period of dispute, i.e., 2011-12 to 2014-15, as in aforesaid appeal no. ST/86550/2017 pending before CESTAT, Mumbai.

In view of the aforesaid legal precedents and order dated 23.08.2018 passed by Commissioner (Appeal), we are of the view that the total demand which may arise as outcome of the aforesaid appeal no. ST/86550/2017 pending before CESTAT, Mumbai should not exceed INR 104.52 Lacs i.e., actual amount of common credit availed by SMS Limited.

Rs. 4,413.33 Lakhs amount is deposited under Protest/ Pre-deposit and kept under the head "Other Current Assets".

B Commitments

Capital Commitment	266.93	527.15
Revenue Commitment	1,14,451.24	1,14,819.13
	<u>1,14,718.17</u>	<u>1,15,346.28</u>

40 Payment to Auditors (Excluding Taxes)

Audit fee	17.60	17.60
Tax audit fee	4.40	4.40
Other services (Certification Fees)	2.20	2.20
	<u>24.20</u>	<u>24.20</u>

- 41 While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 333734.04 lakhs out of which 32.68% is expected to be recognised as revenue in the next year and the balance thereafter.



42 Disclosure in accordance with Ind AS 115 'Revenue From Contracts with Customers' -

		(₹ in lacs)
PARTICULARS		2018-19
A	Contracts with customers	
i	Revenue recognised from contracts with customers, which the entity shall disclose	Yes
ii	Any impairment losses recognised (in accordance with Ind AS 109) on any receivables	NA
B	Contract balances	
i	Opening Balances	
	Contract Receivable	28,732.79
	Contract Assets	20,376.13
	Contract Liability	8,842.28
ii	Closing Balance	
	Contract Receivable	29,498.09
	Contract Assets	32,827.49
	Contract Liability	5,464.14
C	i Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	3,378.15
	ii Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (for example, changes in transaction price).	Nil
	Performance obligation satisfied when the services related with the work was completed.	Nil
	The significant payment term are when the work completed the related payment is due. The consideration receivable against the performance obligation are variable and the all the factor related with the estimation of variable payment are considered	Nil
	iii An explanation of the significant changes in the contract asset and the contract liability balances during the reporting period	Nil
	There is no significant change in the contract assets and contract liability balance during the reporting period.	Nil
D	Significant judgement in the application of standard	
i	An entity shall disclose the judgements, and changes in the judgements, made in applying this Standard that significantly affect the determination of the amount and timing of revenue from contracts with customers. In particular, an entity shall explain the judgements, and changes in the judgements, used in determining both of the following	Yes
	The timing of satisfaction of performance obligations	Yes
	The transaction price and the amounts allocated to performance obligations	Yes
E	Determining the timing of satisfaction of performance obligations	
i	the methods used to recognise revenue (for example, a description of the output methods or input methods used and how those methods are applied)	Yes
ii	an explanation of why the methods used provide a faithful depiction of the transfer of goods or services.	Yes



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Standalone Financial Statements for the year ended 31 March 2019

(₹ in lacs)

43 Operating Lease Disclosures as per IND AS 17

- (a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:
- Not later than one year - Rs. 3,042.38 Lakhs (Rupees Thirty Crore Thirty Eight Lakh Nine Thousand Sixty Three)
 - Later than one year and not later than five years - Rs. 3,073.58 Lakhs (Rupees Thirty Crore Seventy Three Lakh Fifty Eight Thousand one Hundred thirty Nine)
 - Later than five years - Nil.
- (b) The total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date - Nil.
- (c) Lease payments recognized in the statement of profit and loss for the year ended 31st March, 2019, with separate amounts for minimum lease payments and contingent rents.
- Lease Payment - Rs. 27.52 Lakhs
 - Contingent Rent - Nil.
- (d) Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the year ended 31st March, 2019 - Nil.
- (e) A general description of the lessee's significant leasing arrangements:
- Name of Lessor : SREI Equipment Finance Limited
 - Machines Description:

Sr. No.	LESSEE	CONTRACT NO	ASSET
1	SREI	132998	JUMBO DRILL
2	SREI	132982	Underground Mining Equipment AJK-15 LHD
3	SREI	138192	TH430 Under Ground Mining equip.
4	SREI	133012	LHD Mining Equip.
5	SREI	138214	LOCOMOTIVES
6	SREI	138229	TH430 Under Ground Mining equip.
7	SREI	138215	FACE MASTER 2.3
8	SREI	138226	FACE MASTER 2.3
9	SREI	138228	TH430 Under Ground Mining Equip.
10	HP	5371045837 INDTNKS2A1	SAP
11	SREI	119885	Shuttle Car TC790-064
12	SREI	157257	15 NOS MAHINDRA TIPPER
13	SREI	157258	15 NOS MAHINDRA TIPPER
14	SREI	138227	FACE MASTER 2.3
15	SREI	138191	1 no Pedestal Boom B500
16	SREI	160586	UTIMEC MF 328
17	SREI	138179	2 No. ACY 4A LHD



iii. Lease rent and end date of lease.

Lease	Contract No	Lease Rent	Last Date of Lease Rent
1	132998	28.89 Lakhs	15/06/2020
2	132982	27.01 Lakhs	15/09/2020
3	138192	14.46 Lakhs	15/11/2020
4	133012	26.54 Lakhs	15/11/2020
5	138214	8.82 Lakhs	15/11/2020
6	138229	14.32 Lakhs	15/11/2020
7	138215	12.29 Lakhs	15/11/2020
8	138226	12.87 Lakhs	01/03/2022
9	138228	14.95 Lakhs	01/03/2022
10	045837INDTNK	9.71 Lakhs	01/02/2020 (Quarterly)
11	119885	31.03 Lakhs	15/09/2021
12	157257	4.93 Lakhs	01/02/2022
13	157258	4.32 Lakhs	01/02/2022
14	138227	13.06 Lakhs	01/01/2021
15	138191	3.37 Lakhs	01/05/2021
16	160586	11.62 Lakhs	01/05/2022
17	138179	18.39 Lakhs	01/07/2021

iv. Option for the company at the end of lease period.

1. Renew the lease arrangement (on the terms mutually agreed between the lessor and lessee) or
2. Surrender the machine in the operating order, repair and condition and appearance as when originally delivered to the company (fair wear and tear excepted) or
3. Purchase the machine at fair market value.

To exercise any of the above option the company must give a written notice to the Lessor at least 90 days prior to the end of lease term, otherwise, the existing lease shall be deemed to be extended for a further period 6 months on the existing terms and Conditions.

v. Restrictions imposed by the lease arrangement :

1. Company makes proper use of the machinery leased and in such value from time to time as expected of similar machine put to proper use.
2. Company keeps the machinery insured.
3. Company does not cease or threaten to cease carrying on the business.

Company does not attempt to sell, encumber or part with possession of the machinery in any way without lessor's written consent.



44 Segment Reporting

a The company's primary business segments comprises of EPC, Toll and Mining. The business segments have been identified in line with IND AS 108 on Segment Reporting.

b Segment Revenue Results & Other Information

(₹ in lacs)

Particulars	31 March 2019			31 March 2018		
	EPC	Mining	Total	EPC	Mining	Total
Revenue						
External sales	72,026.36	29,857.69	1,01,884.05	67,516.93	23,143.92	90,660.85
Unallocated Income	-	-	-	-	-	-
Total revenue	72,026.36	29,857.69	1,01,884.05	67,516.93	23,143.92	90,660.85
Results						
Segment results	12,015.88	5,123.26	17,139.14	6,362.44	5,272.76	11,635.20
Unallocated expenses	-	-	2,611.24	-	-	320.78
Operating profit	12,015.88	5,123.26	14,527.90	6,362.44	5,272.76	11,314.43
Other Income	388.65	151.54	540.19	1,912.55	569.82	2,482.36
Finance costs	6,192.60	2,209.49	8,402.09	5,847.62	2,067.22	7,914.84
Depreciation / Amortisation	613.89	1,171.36	1,785.24	575.40	1,043.23	1,618.63
Profit before tax	5,598.05	1,893.95	4,880.76	1,851.97	2,732.12	4,263.32
Exceptional Items	-	-	-	-	-	-
Income taxes	-	-	1,809.92	-	-	1,452.67
Net profit	5,598.05	1,893.95	3,070.84	1,851.97	2,732.12	2,810.65
Segment assets	70,408.19	37,042.78	1,07,450.96	86,181.42	43,745.36	1,29,926.78
Unallocated assets	-	-	51,976.09	-	-	21,698.06
Total assets	70,408.19	37,042.78	1,59,427.05	86,181.42	43,745.36	1,51,624.84
Segment liabilities	32,442.07	7,847.36	40,289.43	72,064.03	21,814.04	93,878.07
Unallocated liabilities	-	-	59,310.48	-	-	1,362.88
Total liabilities	32,442.07	7,847.36	99,599.91	72,064.03	21,814.04	95,240.95

45 Employees Benefit

Particulars	March 31 2019	March 31 2018
Table I: Assumptions		
Discount Rate	7.77% per	7.74% per
Rate of increase in Compensation levels	7.00% per	7.00% per
Rate of Return on Plan Assets	7.74% per	7.50% per
Table II: Service Cost		
Current Service Cost	264.79	104.51
Past Service Cost (including curtailment Gains/Losses)*	-	27.78
Gains or losses on Non Routine settlements	-	-
Total	264.79	132.29
*The Past Service Cost is due to the change in the Gratuity ceiling from INR 10 Lakhs to INR 20 Lakhs.		
Table III: Net Interest Cost		
Interest Cost on Defined Benefit Obligation	53.74	31.88
Interest Income on Plan Assets	11.30	8.65
Net Interest Cost (Income)	42.44	23.24
Table IV: Change in Present Value of Obligations		
Opening of defined benefit obligations	0.01	425.13
Service cost	0.00	132.29
Interest Cost	0.00	31.88
Benefit Paid	(73.18)	(45.55)
Actuarial (Gain)/Loss on total liabilities:		
- due to change in financial assumptions	24.25	150.54
- due to change in demographic assumptions	(3.76)	(21.64)
- due to experience variance	-	-
Closing of defined benefit obligation	(48.92)	694.29



Particulars	March 31 2019	March 31 2018
Table V: Change in Fair Value of Plan Assets		
Opening fair value of plan assets	0.00	115.32
Actual Return on Plan Assets	8.42	5.62
Employer Contribution	73.18	70.55
Benefit Paid	(0.00)	(45.55)
Closing fair value of plan assets	81.60	145.94
Table VI: Actuarial (Gain)/Loss on Plan Asset		
Expected Interest Income	11.30	8.65
Actual Income on Plan Asset	8.42	5.62
Actuarial gain /(loss) on Assets	(2.88)	(3.03)
Table VII: Other Comprehensive Income		
Opening amount recognized in OCI outside P&L account	-	-
Actuarial gain / (loss) on liabilities	(24.25)	(150.54)
Actuarial gain / (loss) on assets	(2.88)	(3.03)
Closing amount recognized in OCI outside P&L account	(27.13)	(153.56)
Table VIII: The amount to be recognized in Balance Sheet Statement		
Present Value of Obligations	963.88	694.29
Fair value of plan assets	154.36	145.94
Net Obligations	0.01	0.01
Amount not recognized due to asset limit	-	-
Net defined benefit liability / (assets) recognized in balance sheet	0.01	0.01
Table IX: Expense Recognized in Statement of Profit and Loss		
Service cost	264.79	132.29
Net Interest Cost	42.44	23.24
Expenses Recognized in the statement of Profit & Loss	307.23	155.52
Table X: Major categories of plan assets (as percentage of total plan assets)		
Government of India Securities	0%	0%
State Government Securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of Listed Companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Fund Managed by Insurer	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	100%	100%
Table XI: Change in Net Defined Obligations		
Opening of Net defined benefit liability	548.35	309.82
Service cost	264.79	132.29
Net Interest Cost	42.44	23.24
Re-measurements	27.13	153.56
Employer Contribution	(73.18)	(70.55)
Closing of Net defined benefit liability	809.53	548.35



46 Related Party Transactions

1. Relationships (Related Party relationships are as identified by the Company).

a Subsidiary Companies

1. SMS Bhatgaon Mines Extension Pvt. Ltd.	10. SMS-AABS India Tollways Private Limited
2. SMS Envoclean Pvt. Ltd.	11. SMS Waste Management Pvt. Ltd.
3. SMS Infolink Pvt. Ltd.	12. PT. SMS Minerals International
4. SMS Mine Developers Pvt. Ltd.	13. Solar Bhatgaon Extension Mines Pvt. Ltd.
5. Spark Mall & Parking Pvt. Ltd.	14. Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.
6. SMS Taxi Cabs Pvt. Ltd.	15. Patwardhan Infrastructure Pvt. Ltd.
7. SMS Vidyut Pvt. Ltd.	16. Maharashtra Enviro Power Ltd.
8. SMS Water Grace BMW Pvt. Ltd.	17. PT. SMS Mines Indonesia
9. SMS Tolls And Developers Ltd.	

b Associates

1. RCCL Infrastructure Ltd.	2. SMS AAMW Tollways Pvt. Ltd.
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c Joint Venture

1. SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd.	10. SMSIL KTCO (JV)
2. SMS Infrastructure Ltd. & B. P. Construction Co. Pvt. Ltd.	11. Bhartia SMSIL (JV)
3. SMS Infrastructure Ltd. & Brahamaputra Infrastructure Pvt. Ltd.	12. SMSIL-MBPL-BRAPL (JV)
4. SMS Infrastructure Ltd. & Brahamaputra Consortium	13. GDCL-SMSIL (J.V.)
5. SMS Infrastructure Ltd - Aarti Infra-Projects Pvt. Ltd.	14. SMSL-SRRCIPL (J V)
6. SMS Infrastructure Ltd. Shreenath Enterprises J.V.	15. SMSIL-WESTCOAST ENGINEERING CORP. (JV)
7. SRRCIPL-SMSL-BEKEM-JV	16. SMSIL-MBPL (JV)
8. Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction	17. BSS Associates
9. GSJ Envo Ltd. In consortium with SMS Infrastructure Ltd.	

d Key Management Personnel

1. Abhay H. Sancheti - Chairman & Director	5. Ajay Kumar Lakhota - Independent Director
2. Anand S. Sancheti - Managing Director	6. Ramendra Gupta - Independent Director
3. Ajay Shaktikumar Sancheti (Non executive Director)	7. Renu Challu - Independent Director
4. Dilip B Surana - Director	8. Akshay A Sancheti - Director

e Other related parties

1. SMS Infrastructure PTE Ltd.	12. M/s San Finance Corporation
2. SMS Envocare Ltd.	13. M/s Sanson Developers
3. SMS Waluj CETP Pvt. Ltd.	14. M/s Sanbro Corporation
4. SMS Multi Objective Organisation	15. Paramveer A Sancheti
5. Atul Multi Objective Organisation	16. Nirbhay A Sancheti
6. Valencia Constructions Pvt. Ltd.	17. Anil H. Sancheti
7. Veetrag Explosion & Minerals Pvt. Ltd.	18. KPANV Mines and Mineral LLP
8. Veetrag Hospitality Pvt. Ltd.	19. SPANV Medisearch Life Science Private Limited
9. San Commercials Pvt. Ltd.	
10. Adianubhav Developers Pvt. Ltd.	
11. Bio-waste Management (U) Ltd.	



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Standalone Financial Statement for the Year ended 31 March 2019

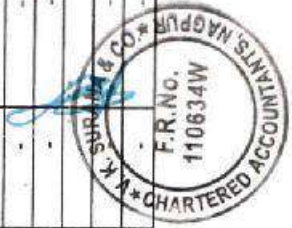
2) Transaction carried out with related parties referred to above

Related Parties			(₹ lacs)
Nature of Transaction	Subsidiary Companies	Key Mangement Personnel	Associates, JVs & Other Related Parties
Advances Given/ Repaid	143.52	-	334.82
	(690.23)		(1,978.31)
Interest Paid	-		547.38
	-	-	(754.52)
Interest Received	193.62	-	5.35
	(154.58)	-	-
Investment	49.29	-	226.41
	(30.65)	-	(65.07)
Loan Granted/ Repaid	7,139.32		46,726.64
	(12,337.19)	-	(62,474.26)
Loan Taken/ Recovered	13,873.50		44,454.44
	(6,059.27)	-	(69,559.40)
Managerial Remuneration	-	389.31	-
	-	(368.67)	-
Sale		-	266.28
	-	-	-
Rent Paid	14.12		14.40
	(13.24)	-	(14.40)
Salary	-		147.58
	-	-	(248.00)
Services Taken	95.57		547.97
	(46.65)	-	(328.55)
Work Bill	2,580.64		16,333.35
	(2,866.39)	-	(16,619.76)
Sitting Fees		12.00	
	-	(12.00)	-
Advances taken/recovered	3,545.30		257.99
	(1,543.12)	-	(4,961.33)
Rent Received	27.56		-
	(23.77)	-	-
Rent Deposit	-		-
	(1.60)	-	-
Outstanding balances include in Current Assets & Current Liabilities	8,689.55		(1,984.12)
	(16,009.77)	-	(-942.78)



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Standalone Financial Statement for the Year ended 31 March 2019

Nature of Transaction	Interest Paid	Interest Received	Investment	Loan/Advances Given (Repaid)	Loan/Advances Taken (Recovered)	Purchases	Work Bill	Rent Income	Rent Paid	Service Taken	Rent Deposit	Outstanding balances
Details of Transaction with Subsidiary Companies												
Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.	-	-	-	4,802.11	3,534.80	-	-	15.56	-	-	-	-2,401.33
Maharashtra Enviro Power Ltd.	-	-	-	(750.85)	(995.69)	-	(1,134.68)	(11.77)	-	-	-	(-4274.50)
Patwardhan Infrastructure Pvt. Ltd.	-	-	-	194.98	2,858.51	-	2,580.64	-	-	95.57	-	-214.82
PT. SMS Minerals International	-	-	-	(115.14)	(1,052.55)	-	(1,731.72)	-	-	(46.65)	-	(499.90)
SMS Bhatgaon Mines Extension Pvt. Ltd.	-	193.62	-	0.58	6.62	-	-	-	-	-	-	-
SMS Envoclean Pvt. Ltd.	-	(152.16)	(-4.10)	(6.03)	-	-	-	-	-	-	-	(6.03)
SMS Infolink Pvt. Ltd.	-	-	-	-	(162.72)	-	-	-	-	-	-	5,479.89
SMS Mine Developers Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	(5,135.48)
SMS Parking Solutions Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	2.01
SMS Shivnath Infrastructure Pvt. Ltd.	-	-	-	-	-	-	-	12.00	-	-	-	(2.01)
SMS Taxi Cabs Pvt. Ltd.	-	-	-	1.03	-	-	-	(12.00)	-	-	(2.00)	(12.42)
SMS Tolls And Developers Ltd.	-	-	-	(0.03)	(0.03)	-	-	-	-	-	-	2.05
SMS Vidyut Pvt. Ltd.	-	-	-	36.00	-	-	-	-	-	-	-	(1.00)
SMS Waste Management Pvt. Ltd.	-	-	-	-	-	-	-	-	-	-	-	37.00
SMS Water Grace BMW Pvt. Ltd	-	-	-	-	-	-	-	-	14.12	-	-	(1.00)
SMS-AABS India Tollways Private Limited	-	-	-	2,000.86	6,037.36	-	-	-	(13.24)	-	-	2,228.34
PT. SMS Mines Indonesia	-	-	49.29	(6,742.04)	(5,060.80)	-	-	-	-	-	(-0.4)	6,287.68
Solar Bhatgaon Extension Mines Pvt. Ltd.	-	(2.42)	(-31.55)	-	-	-	-	-	-	-	-	-
	-	-	-	(49.29)	(37.59)	-	-	-	-	-	-	(48.08)
	-	-	-	-	-	-	-	-	-	-	-	0.05
	-	-	-	-	-	-	-	-	-	-	-	(0.05)



(₹ lacs)

Nature of Transaction	Managerial Remuneration	Setting Fees	Rent
Abhay H. Sancheti	121.20		
	(115.20)		
Ajay Kumar Lakhota	-	4.00	
		(4.00)	
Anand S. Sancheti	131.94		
	(125.94)		
Akshay Sancheti	26.64		
	(24.00)		
Dilip B. Surana	109.54		
	(103.54)		
Ramendra Gupta	-	4.00	
		(4.00)	
Renu Challu	-	4.00	
		(4.00)	
Ajay Shaktikumar Sancheti (Non Executive Director)	-		

44
Details of Transaction with Other Related Parties

(₹ lacs)

Nature of Transaction	Interest Paid	Investment	Loan/Advances Given (Repaid)	Loan/Advances Taken (Recovered)	Sale	Rent Paid	Rent Income	Services Taken	Work Bill	Salary	Interest Received	Outstanding balances
Other Related Parties	547.38	226.41	47,061.46	44712.42		266.28	-	547.97	16,470.87	147.58	5.35	(1,984.12)
	(754.52)	(65.07)	(64,452.56)	(74,520.72)				(328.55)	(16,619.76)	(248.00)	-	(-942.78)



47 Capital Management

The primary objective of the company capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	(₹ lacs)	
	As at 31 March 2019	As at 31 March 2018
Non-current Borrowings	11,155.15	6,217.57
Current Borrowing	39,858.25	33,766.62
Current Maturities of Non current Borrowing	-	-
Total Debt	51,013.41	39,984.18
Less : Cash & Cash Equivalent	3,389.66	2,349.36
Net debt	47,623.75	37,634.83
Equity	59,827.14	56,383.89
Total capital	59,827.14	56,383.89
Capital and net debt	1,07,450.88	94,018.72
Gearing Ratio	44.32%	40.03%

48 Earnings Per Share (EPS)

Profit/(loss) after tax	3,070.84	2,810.64
Net profit for calculation of basic EPS	3,070.84	2,810.64
Effect of dilution	-	-
Net profit/(loss) for calculation of diluted EPS	3,070.84	2,810.64
Weighted average number of equity shares in calculating basic EPS	1,02,61,382	1,02,61,382
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	1,02,61,382	1,02,61,382
1,02,61,382 (1,02,61,382) equity shares of ₹ 10/- each		
Earnings per equity share:		
Basic	29.93	27.39
Diluted	29.93	27.39



49 Financial instruments

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

(a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, if require, allowances are taken to account for the expected losses of these receivables.

Financial instruments by category

(₹ in lacs)

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments	15,919.83	-	-	15,919.83	15,919.83
Trade receivables	29,498.09	-	-	29,498.09	29,498.09
Loans	9,280.84	-	-	9,280.84	9,280.84
Others financial assets	35,767.71	-	-	35,767.71	35,767.71
Cash and cash equivalents	452.53	-	-	452.53	452.53
Other bank balances	2,937.13	-	-	2,937.13	2,937.13
Liabilities:					
Borrowings	51,013.41	-	-	51,013.41	51,013.41
Trade payables	21,377.84	-	-	21,377.84	21,377.84
Other financial liabilities	14,352.35	-	-	14,352.35	14,352.35

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments	15,678.10	-	-	15,678.10	15,678.10
Trade receivables	28,732.79	-	-	28,732.79	28,732.79
Loans	14,096.83	-	-	14,096.83	14,096.83
Others financial assets	28,264.88	-	-	28,264.88	28,264.88
Cash and cash equivalents	774.16	-	-	774.16	774.16
Other bank balances	1,575.20	-	-	1,575.20	1,575.20
Liabilities:					
Borrowings	39,984.18	-	-	39,984.18	39,984.18
Trade payables	23,293.41	-	-	23,293.41	23,293.41
Other financial liabilities	15,597.63	-	-	15,597.63	15,597.63



50 Financial Risk Management

The Company's activities expose it to the following risks:

- Credit risk
- Interest risk
- Liquidity risk

A Credit Risk

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

i Trade receivables

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Credit risk exposure

The Company's credit period generally ranges from 30 – 60 days are as below.

Particulars	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
Trade receivables	29,498.09	28,732.79
Work in progress	20,201.00	11,830.50
Total	49,699.09	40,563.29

The Company evaluates the concentration of risk with respect to trade receivables as low as they are spread across multiple geographies and multiple industries.

Exposure to the Credit risk on the financial guarantee:

Particulars	As at 31 March	
	2019	2018
Letter of Credit	5,024.58	78,058.41
Bank Guarantees	72,733.90	4,811.24
Total	77,758.49	82,869.64

ii Financial Instruments and deposits with banks

Credit risk is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

B Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below.

Particulars	As at 31 March	
	2019	2018
Cash and cash equivalent	452.53	774.16
Bank balance other cash and cash equivalent	2,937.13	1,575.20
Total	3,389.66	2,349.36

C Market Risk

Foreign exchange rates

The Company has balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affected the results of the Company, and may fluctuate substantially in the future. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.



Interest rate

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company's borrowings are short term / working capital in nature and hence is not exposed to significant interest rate risk.

51 A Disclosure in Respect of Expenditure on Corporate Social Responsibility Activities

a) Gross amount required to be spend by the company during the year Rs 102.62 Lacs (Previous year March 31st 2018, Rs 118.00 Lacs)

b) The company has spend Rs 410.00 Lacs during the current financial year (Previous year March 31st 2018: Rs 00.00 Lacs) as per the provision of Section 135 of the companies Act 2013 towards Corporate Social Responsibility (CSR) activities grouped under "Other Expenses" as per the details below :

	(₹ in lacs)
	Amount Spend
Year Ended March 31, 2019	
i) Construction/ acquisition of any Asset	175.00
ii) On Purpose other than (i) above	235.00
TOTAL	410.00
Year Ended March 31, 2018	
i) Construction/ acquisition of any Asset	-
ii) On Purpose other than (i) above	-
TOTAL	-

52 A Reconciliation of Total Comprehensive Income and Other Equity consequent to restatement of Prior period error

Reconciliation of Comprehensive Income		As at 31 March 2018
Total Comprehensive Income as per the last Audited Financial Statement		2,786.45
Prior Period Item		74.25
Total Comprehensive Income as per the current year financial statement		2,712.20

B Reconciliation of Other Equity

Reconciliation of Other Equity		As at 31 March 2018
Total amount of Other Equity as per the last Audited Financial Statement		55,432.00
Prior Period item		74.25
Total amount of Other Equity as per the current year financial statement		55,357.75

53 Reconciliation of Ind AS 115 and Ind As 11

Particulars	Amount (Ind As 11) ₹ in lacs	Amount (Ind As 115) ₹ in lacs
Revenue from Operations	96,746.30	1,01,884.05
Work - in - Progress	4,765.93	-
Trade Receivable	24,360.34	29,498.09

54 In respect of Bhatgaon Mines Private limited and Bhatgaon Extension Mines Private Limited, the total expenses incurred is Rs. 90.37 crore. Out of which SMS Limited incurred Rs. 34.32 Crore and balance Rs. 56.05 by JV Partner.

By virtue of Supreme Court decision, mine got deallocated and project was abandoned. Consequently, the Joint venture has raised a claimed for deposits and various expenses incurred for the development of mine through Arbitration.

Against this claim of Rs. 73.59 crore was awarded under the arbitration to the Joint Venture company. Out of this Rs. 22.45 Crore is the share of SMS Limited. However, in this award the cost of land acquisition was not considered, against this, Chhattisgarh Mineral Development Corporation Limited (CMDC) has raised the claim an Ministry of Coal.

However, as per the legal advice taken by the company, this cost is recoverable by the Joint Venture company as the cost is incurred by Joint Venture and not by CMDC.

55 Company is having various works contract, some of which are inclusive of taxes, some are exclusive of taxes and some are exempt. But after introduction of GST with effect from 1st July, 2017, exempt contract become taxable and also in cases of inclusive contract there is increase in tax rate from the original contract. This resulted in increased tax liability on the company against which company filed the claimed with the concern Department. Outcome of this claimed is still pending with the Department. But on the basis of opinion taken from the legal advisor, the company made the provision for the GST impact turnover in books of account.



- 56 The company had made investments to the tune of Rs. 1,747 lacs and 3,577 lacs in two subsidiaries, SMS Taxicabs Pvt Ltd and SMS Parking Solutions P Ltd.
- SMS Taxicabs P Ltd. (STPL) was floated to run a fleet of Radiocabs in the city of Mumbai for 2800 taxis. STPL owns licenses to run taxis and the same are perpetual in nature. STPL, though was making good profits in the initial years, is in to losses due to severe competition from large corporates. However, the licenses owned by the company are of perpetual in nature and SMS will be able to recoup substantial money by sale of these licenses.
- SMS Parking Solutions P Ltd. (SPSPL) was floated to Develop and Operate a Multilevel Fully Automated Car Parking System and Commercial Complex in Kamlanagar, Delhi. Since inception, SPSPL is in losses. This was due to recession in the retail sales of the malls across India. However, recently, the SPV has changed the product mix and had shifted its focus from retail trade to services. Hence, food outlets and gaming zones are being introduced. The company is also in an advanced stage of starting two 40 seater miniplexes. A new management team has been introduced which has started turning around the business and the recovery post April 2018 has picked up drastically. Also the management is hopeful of revival of economy and boost to property market.
- Hence, the parent company is very optimistic that over the period of the project, it will make good money over and above the invested amount. Considering these facts, despite substantial losses in these two companies, the management intends to carry these investments at its historical cost without any impairment.
- 57 SMS Ltd had invested an amount of Rs. 143.78 lacs towards equity and Rs. 5479.89 lacs as unsecured loan to its foreign JV in Indonesia with the name Pt. SMS Minerals International. The company is in the business of trading coal in the province of Sumatra. This JV company had huge reserves of coal and substantial portion of the same has been mined and sold with good returns. Since last two years, there is no business in the JV company as the balance portion of the coal reserves is stuck beneath a river. The approval for river diversion is already put with the concerned authorities in Indonesia. SMS Ltd is optimistic that once the approval for diversion of river is obtained, it can recoup its entire investment in the JV company along with the loan advanced.
- 58 SMS Limited had invested an amount of Rs. 992 lacs in SMS Vidyut Private Limited. The company is engaged in the business of Hydro Power generation across the river Pench. The concessioning authority had ensured a minimum guaranteed supply of water and a power purchase agreement was already in place. However, the concessioning authority had failed to supply the minimum guaranteed water, owing to which desired output was not generated, resulting into losses to the company on a year or year basis. The company had already taken up this matter with the concessioning authority and claimed compensation for the losses of the previous years. The company is confident of getting an award and hence, The management intends to carry the value of investment in SMS Vidyut Private Limited at its historical cost.
- 59 During the year company had received amount of Rs. 2934.46 Lakhs From Ayodhya Gorakhpur Tollways Pvt. Ltd.(AGSTPL). On account of proposed sale of investment in subsidiary company Spark Mall & Parking Private Limited. However, the said shares are pledged with India Bulls Housing Finance Co. Ltd. and as such such shares could not be transferred to AGSTPL. Pending transfer of shares the same is kept as advance under the head other Current Liability.
- 60 The Company has proposed 5% Dividend amounting to 20.52 Lacs(Rs. .20/- per share) which will be distributed to equity share holders for the financial year 2018-19.
- 61 The Company has granted Loans & Advances from time to time to SMS AAMW Tollways Pvt. Ltd. (hereinafter referred as an 'associate company'). As at year end the outstanding amount is Rs. 1,037.61 Lakhs.
- Associate company has raised a claim of Rs. 8,046.31 Lacs on South Delhi Municipal Corporation which is disputed by later. Against this, Associate company had approached Hon. High Court of Delhi, for appointment of Arbitrator to resolve the dispute.
- Hon. High Court vide its order dated 17.06.2016, appointed Sole Arbitrator. However, the same was challenged by South Delhi Municipal Corporation in Hon. Supreme Court and the same was granted by Hon. Court in their favour.
- Thereafter on 22/11/2018, the Associate company had again filed a Special Leave Petition for clarification of earlier Order of the Hon. Supreme Court. The company is of view that Hon. Supreme Court will allow appointment of Arbitrator. The Company is hopeful of outcome of claim of Associate company and consequently the money will be recovered from it associate company.
- 62 The Balance Confirmations of some parties are not received as on the date of signing of Financial Statement.
- 63 Previous Years figures are regrouped and rearranged wherever necessary.
- 64 Figures in bracket denotes figures of previous year.

For V. K. Surana & Co.
Chartered Accountants
Firm Registration No. :110634W

CA Sudhir Surana
Partner
Membership No. 043414
Place : Nagpur
Date : 25/07/2019



For and on behalf of the Board of Directors

ANAND S. SANCHETI
Managing Director
DIN: 00953362

SMITA P. AGARKAR
Company Secretary

DILIP B SURANA
Director
DIN: 00953495

SUSHANT S. MUKHERJEE
Chief Financial Officer

UDIN - 19043414 AAAABD 6978

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

SL. NO.	1	2	3	4	5
Name of the Subsidiary	SMS Bhatgaon Mines Extension Pvt. Ltd.	SMS Envoclean Pvt. Ltd.	SMS Infolink Pvt. Ltd.	SMS Mine Developers Pvt. Ltd.	Spark Mall and Parking Private Ltd.
The date since when Subsidiary was acquired	12/09/2008	16/11/2009	09/09/2011	10/11/2008	12/02/2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR
Share capital (Paid Up)	₹ 1,00,00,000	₹ 42,210,000	₹ 1,00,000	₹ 1,00,000	₹ 11,92,96,760
Reserves & surplus	₹ (1,04,49,558.38)	₹ 12,26,18,924	₹ (2,69,439)	₹(72,264.67)	₹ 22,11,73,80
Total assets	₹ 35,077.71	₹ 23,94,08,774	₹ 74,601	₹ 37,29,735.33	₹ 2,20,56,42,950
Total Liabilities	₹ (4,84,636.09)	₹ 7,45,79,850	₹ 2,44,040	₹ 37,02,000	₹ 1,86,51,72,811
Investments	NIL	NIL	NIL	NIL	NIL
Turnover	NIL	₹ 19,79,62,681	NIL	NIL	₹ 8,73,43,076.87
Profit before taxation	₹ 23,52,117.53	₹ 6,19,57,527.22	₹ (51150)	₹ (20,978.31)	₹ (18,23,30,673.77)
Provision for taxation	₹4,54,636.09	₹10,37,850.03	NIL	NIL	₹ (5,02,86,095.43)
Profit after taxation	₹ 18,97,481.44	₹ 6,09,19,677.19	₹ (51150)	₹ (20,978.31)	₹(13,35,81,144.33)
Proposed Dividend	NIL	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	51%	56.02%	100%	51.00%	100%

* Paid up Share Capital consist of 20,000,000 Equity Capital @ of ₹ 10/- each and 19,50,000 Preference shares @ of ₹ 10/- each

SL. NO.	6	7	8	9
Name of the Subsidiary	SMS Taxi Cabs Pvt. Ltd.	SMS Vidhyut Pvt. Ltd.	SMS Water Grace BMW Pvt. Ltd.	Solar Bhatgaon Extension Mines Pvt. Ltd.
The date since when Subsidiary was acquired	26/07/2011	28/03/ 2007	25/11/2009	12/09/2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of The relevant financial year in the case of foreign subsidiaries.	INR	INR	INR	INR
Share capital (Paid Up)	₹ 1,45,750,000	₹ 39,500,000	₹10,46,91,680	₹100,00,000
Reserves & surplus	₹540171973	₹(21,06,43,388.14)	₹(4,18,22,075)	₹(99,98,136.13)
Total assets	₹ 1,29,36,66,80	₹58,81,57,088.08	₹ 8,56,37,276	₹ 31,863.87
Total Liabilities	₹ 1,68,80,88,778	₹ 75,39,00,476	₹ 2,27,67,671	₹ 30,000
Investments	₹ 5,00,000	NIL	NIL	NIL
Turnover	₹ 4,18,47,464	₹41,97,259	₹ 7,88,10,733	NIL
Profit before taxation	₹ (24,65,35,100)	₹ (8,38,29,644)	₹ 3,34,83,040	₹ (93,97,407.10)
Provision for taxation	₹ 6,21,80,615	₹2,17,94,747.76	₹ 84,93,608.42	NIL
Profit after taxation	₹(30,87,15,715)	₹(6,20,34,895.89)	₹ 2,49,89,432	₹(93,97,407.10)
Proposed Dividend	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	60%	100%	56.03%	51%

SL. NO.	10	11	12	13
Name of the Subsidiary	SMS Tolls And Developers Ltd.	Patwardhan Infrastructure Pvt. Ltd.	Maharashtra Enviro Power Ltd.	Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.
The date since when Subsidiary was acquired	09/09/2009	31/03/2006	23/02/2007	06/02/2013
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	INR	INR	INR
Share capital (Paid Up)	₹ 5,00,000	₹ 49,22,000	₹ 45,19,85,270	₹ 16,00,00,000
Reserves & surplus	₹ 8,84,449.49	₹ 9,96,22,889.18	₹ 25,92,85,345	₹ 39,51,65,793
Total assets	₹ 1,27,41,914.54	₹ 10,52,71,181.18	₹ 4,93,06,23,818	₹ 6,91,62,36,388
Total Liabilities	₹ 1,13,57,465.05	₹ 7,26,292	₹ 4,21,93,53,203	₹ 6,36,10,70,595
Investments	₹ 4,99,000.00	₹ 20,08,350	₹ 3,34,85,53,852	₹ 25,89,40,500
Turnover	NIL	NIL	₹ 1,27,25,03,832	₹ 2,03,21,36,294
Profit before taxation	₹ (93,912)	₹ 11,58,540	₹ 13,62,56,602	₹ 10,29,65,636
Provision for taxation	₹ (1,31,97,405)	₹ 2,34,920	₹ (67,86,337.14)	₹ 83,64,524
Profit after taxation	₹ 38,062.05	₹ 9,23,620	₹ 14,30,42,939	₹ 9,46,01,112
Proposed Dividend	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	100%	100%	92.08%	100%

SL. NO.	14	15	16	17
Name of the Subsidiary	SMS Waste Management Pvt. Ltd.	SMS-AABS India Tollways Pvt. Ltd.	PT. SMS Minerals International	PT. SMS Mines Indonesia
The date since when Subsidiary was acquired	15/12/2014	17/07/2014	04/10/2006	08/10/2014
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019	01/04/2018 To 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	INR	INR	INR
Share capital (Paid Up)	₹ 1,00,000	₹ 1,00,000	₹ 1,79,71,884	₹ 5,72,77,440
Reserves & surplus	₹(6,18,079.95)	₹ 1,60,57,45,554.43	₹ (26,44,16,695)	₹ (2,33,48,303)
Total assets	₹ 35,520.05	₹ 2,25,06,74,541.37	₹ 9,74,54,662	₹ 3,39,29,137
Total Liabilities	₹ 5,53,600	₹ 64,48,28,986.94	₹ 58,77,02,549	₹ 36,27,331
Investments	NIL	₹14,18,83,000.00	NIL	NIL
Turnover	NIL	₹ 231,21,02,440.25	₹ 3,94,83,562	NIL
Profit before taxation	₹ (88,413)	₹ 100,31,95,499.40	₹ (1,93,22,579)	₹ (97,03,816)
Provision for taxation	NIL	₹ 24,47,80,751	NIL	NIL
Profit after taxation	₹ (88,413)	₹ 75,84,14,748.40	₹ (1,93,22,579)	₹ (97,03,816)
Proposed Dividend	NIL	NIL	NIL	NIL
Extent of shareholding (in Percentage)%	100%	51%	80%	100%

*Bracket indicates Negative Figures.

(Note: The following information shall be furnished at the end of the statement :)

1. Names of subsidiaries which are yet to commence operations:

SMS Mines Developers Private Limited, SMS Waste Management Private Limited, SMS Infolink Private Limited and SMS Tolls and Developers Limited:

2. Names of subsidiaries which have been liquidated or sold during the year.-None

Part “B”: Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act,
2013 related to Associate Companies and Joint Ventures**

ASSOCIATES

SL. NO.		1	2
Name of Associates/ Joint Ventures		RCCL Infrastructure Ltd.	SMS AAMW Tollways Pvt. Ltd.
Latest audited Balance Sheet Date		2018 - 2019	2018 - 2019
Date on which the Associate or Joint Venture was associated or acquired		31/03/2004	09/05/2011
Shares of Associate/Joint Ventures held by the company on the year end	No.	15,65,200	2,600
	Amount of Investment in Associates/Joint Venture	₹ 1,56,52,000	₹ 26,000
	Extend of Holding (in Percentage)%	34%	26%
Description of how there is significant influence		Significant influence due to 34% of Share Capital	Significant influence due to 26% of Share Capital
Reason why the associate/joint venture is not consolidated		Unavailability of Financial Statement	consolidated
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ (8,77,52,601/-)	₹ (-31,15,97,620/-)
Profit / Loss for the year	i) Considered in Consolidation	₹ (65,58,589/-)	₹ (23,718/-)
	ii) Not Considered in Consolidation	-	-

1. Names of associates or joint ventures which are yet to commence operations-None

2. Names of associates or joint ventures which have been liquidated or sold during the year.

JOINT VENTURES

SL. NO.		1	2	3	4
Name of Associates/ Joint Ventures		Shaktikumar M. Sancheti Ltd & S.N. Thakkar Construction Pvt .Ltd. (JV)	SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd .(JV)	SMS Infrastructure Ltd.& Brahamaputra Infrastructure Ltd (JV)	SMS Infrastructure Ltd.& Brahamaputra Consortium Ltd (JV)
Latest audited Balance Sheet Date		2018 - 2019	2018 - 2019	2018 - 2019	2018 - 2019
Date on which the Associate or Joint Venture was associated or acquired		14/11/2005	04/12/2008	29/02/2012	16/10/2008
Shares of Associate/Joint Ventures held by the company on the year end	No.	-	-	-	-
	Amount of Investment in Associates/Joint Venture	₹ 2,78,47,457.99	₹ 603,43,045.86	₹ 17,34,289	₹ 11,58,966
	Extend of Holding (in Percentage)%	65%	70%	51%	51%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/joint venture is not consolidated		Consolidated	Consolidated	Unavailability of Financial Statement	Unavailability of Financial Statement
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ 2,78,47,457.99	₹ 6,03,43,045.69	NIL	NIL
Profit / Loss for the year	i) Considered in Consolidation	₹ 6,73,334.32	₹ 67,61,717.23	NIL	NIL
	ii) Not Considered in Consolidation	₹ 3,62,564.63	₹ 28,97,878.81.	-	-

SL. NO.		5	6	7	8
Name of Associates/ Joint Ventures		SMS Infrastructure Ltd.-Aarti infra-Projects Pvt. Ltd(JV)	SMS Infrastructure Ltd. Shreenath Enterprises (JV)	SMSIL KTCO(JV)	GSJ Envo Ltd in Consortium with SMS Infrastructure Ltd.
Latest audited Balance Sheet Date		2018-19	2018-19	2018-19	2018-19
Date on which the Associate or Joint Venture was associated or acquired		24/07/2010	08/06/2009	06/03/2008	10/07/2012
Shares of Associate/Joint Ventures held by the company on the year end.	No.	-	-	-	-
	Amount of Investment in Associates/Joint Venture	₹ 52,05,985.00	₹ 40,49,513.36	₹ 4,09,098.80	₹ 1,93,82,765.99
	Extend of Holding (in Percentage)%	51%	36.50%	50%	70%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/ joint venture is not consolidated		Consolidated	Unavailability of Financial Statement	Consolidated	Consolidated
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ 52,02,448.00	₹ 27,11,553.36	₹ 4,22,003.29	₹ 1,93,82,765.99
Profit / Loss for the year	i) Considered in Consolidation	₹ (3,537)	₹ 15,94,100.17	₹ 97,232.25	₹(90,86,691,83)
	ii) Not Considered in Consolidation	₹ (3,398)	-	₹97,232.25	₹(38,94,296,50)

SL. NO.		9	10	11	12
Name of Associates/ Joint Ventures		Bhartiya -SMSIL	Gannon Dunkerley & Co. Ltd. and SMS Infrastructure Ltd (JV)	SMSIL-MBPL-BRAPL (JV)	SMSIL-Westcoast Engineering Corp. (JV)
Latest audited Balance Sheet Date		2018-19	2018-19	2018-19	2018-19
Date on which the Associate or Joint Venture was associated or acquired		07/06/2012	03/09/2015	10/05/2016	Not Available
Shares of Associate/Joint Ventures held by the company on the year end.	No.	-	-	-	-
	Amount of Investment in Associates /Joint Venture	₹ 4,27,494.60	NIL	₹18,00,310.89	NIL
	Extend of Holding (in Percentage)%	49%	40%	63.33%	51%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/ joint venture is not consolidated		Consolidated	Unavailability of Financial Statement	-	Unavailability of Financial Statement
Networth attributable to Shareholding as per latest audited Balance Sheet		₹ 4,27,494.86	₹ 0	₹ 18,00,310.89	₹ 0
Profit / Loss for the year	i)Considered in Consolidation	₹ 1,93,317.25	₹ 0	₹ 12,66,870.92	₹ 0
	ii)Not Considered in Consolidation	₹ 2,01,207.75	-	₹ 9,55,709.64	-

SL. NO.		13	14	15	16
Name of Associates/ Joint Ventures		SMSL-SRRCIPL	SRRCIPL-SMSL-BEKEM	SMSIL-MBPL	SMS Infrastructure Ltd. & B.P. Construction Co. Pvt. Ltd. (JV)
Latest audited Balance Sheet Date		2018 - 2019	2018 - 2019	2018 - 2019	2018-19
Date on which the Associate or Joint Venture was associated or acquired		23/01/2016	11/11/2016	08/05/2018	Not Available
Shares of Associate/Joint Ventures held by the company on the year end.	No.	-	-	-	-
	Amount of Investment in Associates/Joint Venture	₹ (3,42,120.30)	₹ (2,49,471.89)	₹ 2,26,40,985.00	NIL
	Extend of Holding (in Percentage)%	60%	20%	63.33%	61%
Description of how there is significant influence		Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity	Joint control over the economic activity of the entity
Reason why the associate/ joint venture is not consolidated		Consolidated	Consolidated	Consolidated	Unavailability of Financial Statement
Networth attributable to Shareholding as per latest audited		₹ (3,42,120.30)	₹ (2,49,471.89)	₹ 2,26,40,985.00	₹ 0

Balance Sheet					
Profit / Loss for the year	i) Considered in Consolidation	₹ (41,515.00)	₹ (42,359.29)		₹ 0
	ii) Not Considered in Consolidation	₹ (27,677.00)	₹ (42,359.29)	-	-

1. Names of ~~associates or~~ joint ventures which are yet to commence operations. :

2. Names of associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board

Place: Nagpur
Dated: 26/09/2019

ANAND S. SANCHETI
Managing Director
DIN: 00953362

DILIP SURANA
Director
DIN:00953495

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INDEPENDENT AUDITOR'S REPORT

To the Members of

SMS Limited (Formerly known as SMS Infrastructure Limited)

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **SMS Limited (Formerly known as SMS Infrastructure Limited)** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at March 31, 2019, the consolidated statement of Profit and Loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended on that date, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statement of subsidiaries, associates and jointly controlled entities except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2019, their consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

A) SMS Taxicabs Private Limited – Subsidiary of the Holding Company

No statement of account was available in respect loan from Abhyudaya Co-Operative Bank & HDFC Bank. Also no statement of account was available in respect of current account with Abhyudaya Co-Operative Bank, Corporation Bank Malad & Mulund Branch, State Bank of India Fort & Malad Branch and United Bank of India. Also the above bank loan and current accounts, trade receivables, payables and all employee advances are subject to confirmation and reconciliations if any. In absence of the reconciliation / confirmations, we are unable to determine the effect of these transactions on the financial statements of the company

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We conducted our audit of the consolidated financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

A) SMS Taxicabs Private Limited – Subsidiary of the Holding Company

We draw attention to Note No. 2(C) to the Consolidated Financial Statements, which is reproduced as under:

GOING CONCERN

The net-worth of the company has significantly eroded and turned negative as at the end of the previous year. The company has closed its phone a fleet taxi operation in the earlier years and the financial viability of the company greatly depends on its ability to pursue new business ventures and /or strategic business plans. The company started DBO subscription scheme in place of existing taxi operations from the earlier years. Considering this launch of DBO subscription scheme in place of phone a fleet taxi operation, the financials for the year have been prepared under going concern assumption as at the end of the year.

B) Jointly Controlled Entities not consolidated

We draw attention to Note No. 2(C) to the Consolidated Financial Statements, which is reproduced as under:

In absence of the financial statements of six Jointly Controlled Entities, the balances appearing as investment in the books of accounts of holding company is considered as it is without consolidating proportionate share in respective assets & liabilities and Income & expenditure of Jointly Controlled Entities.

According to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the above and our report in terms of sub-sections (3) of Section 143 of the Act, is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
1.	<p>SMS Limited (Formerly known as SMS Infrastructure Limited):</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers” and consideration of unbilled revenue in line with standard (new revenue accounting standard)</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>The company operates majorly in two segments –</p>	<p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"><input type="checkbox"/> Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.<input type="checkbox"/> Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.<input type="checkbox"/> Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.<input type="checkbox"/> Selected samples of continuing and new contracts and performed the following procedures:<ul style="list-style-type: none">• Read, analysed and identified the distinct performance obligations in these contracts.• Compared these performance obligations with that identified and recorded by the Company.• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

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Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
	<p>A) Engineering, Procurement and Construction (EPC) B) Mining</p> <p>Refer Note No. 2 (L), 28, 43, 44 and 53 to the Consolidated Financial Statements.</p>	<ul style="list-style-type: none"> • Samples in respect of revenue recorded using percentage of completion method were tested using a combination of Survey of completion of work, customer acceptances through certifications of bills, subsequent invoicing and historical trend of collections and disputes. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. • We have reviewed the satisfaction of performance obligations in respect of the revenue recognised using percentage of completion method in the current financial, against which the Billing is done in the next financial year. • We have evaluated the adequacy of the disclosures given in Notes to the accounts including disclosures of key assumptions, judgements.
2.	<p>SMS Limited (Formerly known as SMS Infrastructure Limited):</p> <p>Evaluation of impairment of Non-Current investments and Current Loans.</p> <p>Investments and Loans are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If such evidence exists, impairment loss is determined and recognised of accounting policies to the consolidated financial statements.</p> <p>We identified the assessment of impairment indicators and resultant provision, if any, in respect of investment as a key audit matter because of</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures in respect of impairment of investment in and Loans given, included the following :</p> <ul style="list-style-type: none"> • Testing design, implementation and operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models; • Assessing the valuation methodology used by management and management review control is around making the assessment and testing the mathematical accuracy of the impairment models; • Evaluating the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data; • Challenging the appropriateness of the business assumptions used by management, such as sales growth, cost and the probability of success of new products;

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Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
	<ul style="list-style-type: none"> • The significance of the amount of these investments in the consolidated Balance Sheet. • Performance and net worth of these entities and • The degree of management judgement involved in determining the recoverable amount of these investments including: <p>Valuation assumptions, such as discount rates.</p> <p>Business assumptions used by management, such as sales growth and costs and the resultant cash flows projected to be generated from these investments.</p> <p>Refer Note No. 8 and 9 to the Consolidated Financial Statements.</p>	<ul style="list-style-type: none"> • Evaluating past performance where relevant and assessed historical accuracy of the forecast produced by the management; • Enquiring and challenging management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows; • Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached and the associated disclosures; and <p>Performing sensitivity analysis of key assumptions, including future revenue growth rates applied in the valuation models.</p>
3.	<p>SMS Limited (Formerly known as SMS Infrastructure Limited):</p> <p>Evaluation of Contingent Liabilities</p> <p>Claims against the company not acknowledged as debts is disclosed in the Note No. 41 A to the Consolidated Financial Statement.</p> <p>The existence of the payments against these claims requires management judgment to ensure disclosure of most appropriate values of the contingent liabilities.</p> <p>The Company is involved in legal proceedings on disputed tax demands.</p> <p>The Company's management has assessed that the probability of success of the demand is remote and accordingly not provided for the disputed demands.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained understanding of Demand / dispute raised in respect of statutory dues and other legal cases against the company; • We along with our internal tax experts – <p>a) Read and analysed select key correspondences, external legal opinions / consultations by management in this regards;</p> <p>b) Discussed with appropriate senior management and evaluated management's underlying key assumptions of not creating provisions in this regards;</p> <p>c) Assessed management's estimate of the possible outcome of the disputed cases.</p>

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Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
	<p>Management judgement is involved in assessing the accounting for demands, and in considering the probability of a demand being successful and accordingly designated this as a key audit matter.</p>	
4.	<p>SMS Limited (Formerly known as SMS Infrastructure Limited):</p> <p>Revenue recognition in respect of claims for differential tax consequent to migration of Indirect taxes into Goods and Services Tax:</p> <p>Company is having various works contract, some of which are inclusive of taxes, some are exclusive of taxes and some are exempt. But after introduction of GST with effect from 1st July, 2017, exempt contract become taxable and also in cases of inclusive contract there in increase in tax rate from the original contract. This resulted in increased tax liability on the company against which company has raised the claim on concern Department. Outcome of some claim is still pending with the Department. But on the basis of opinion taken from the legal advisor, the company made the provision for the GST impact turnover in books of account.</p> <p>Management estimation is involved in assessing the outcome of the claim raised by the company, and in considering the probability of a recovery of the claims and accordingly designated this as a key audit matter.</p> <p>Refer Note No. 55 to the Consolidated Financial Statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Read, analysed and identified contracts in view of the clause of Levy, Rates and Collection of Indirect tax from the Customer / Department. • Considered the terms of the contracts to determine the transaction price i.e. whether it is inclusive of the Indirect Taxes or not. • Considered the fact as to whether separate conditions are mentioned in the Contract related to change in Indirect Tax Rates / Indirect Tax Law. • Considered the fact as to whether separate conditions are mentioned in the Contract related to change in Indirect Tax Rates / Indirect Tax Law. • Read and analysed select key correspondences, external legal opinions / consultations by management in this regards; • Assessed management's estimate of the possible recovery of the claim raised to the Department.

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

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act- read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the entities included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and jointly controlled entities 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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In preparing the consolidated financial statements, the respective Board of Directors of the entities included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Holding Company's Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and its jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the Independent Auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with management of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- a) We did not audit the financial statements / financial information of six subsidiaries, and eight jointly controlled entities, whose financial statements / financial information reflect total assets of Rs.1,14,129.77 Lacs as at 31st March, 2019, total revenues of Rs. 52,565.36 Lacs and net cash outflows amounting to Rs. 2282.18 Lacs for the year ended on that date, as considered in the consolidated financial statements whose financial statements / financial information have not been audited by us. The consolidated financial statements also include the Group's share of net loss of Rs.0.06 Lacs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

The financial statement of jointly controlled entities are prepared in accordance with accounting principles generally accepted in India (Indian GAAP) and which have been audited by other auditors under generally accepted auditing standards applicable in India. These financial statements are consolidated based on conversion adjustments prepared by the management of the company, which have been checked and considered by us.

- b) We did not audit the financial statements / financial information of two foreign subsidiaries and two jointly controlled entities, whose financial statements / financial information reflect total assets of Rs.5,240.36 Lacs as at 31st March, 2019, total revenues of Rs.4,484.02 Lacs and net cash inflow amounting to Rs.48.60 Lacs for the year ended on that date, as considered in the consolidated financial statements, whose financial statements / financial information have not been audited by us.

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The consolidated financial statements also include the Group's share of net loss of Rs.22.30 Lacs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these foreign subsidiaries, jointly controlled entities and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

The associate company is liable to prepare the Financial Statement's as per Ind AS however the management of associates had prepared their financial statement in accordance with accounting principles generally accepted in India (Indian GAAP). Likewise, the management of two foreign subsidiaries and two jointly controlled entities had prepared their financial statement in accordance with accounting principles generally accepted in India (Indian GAAP). These financial statements are consolidated based on conversion adjustments prepared by the management of the company, which have been checked and considered by us. (Refer Note No.51 to the Consolidated Financial Statements)

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

1. The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the Auditor's Report on Consolidated Financial Statement.
2. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint controlled entities, we report, to the extent applicable, that:

V. K. SURANA & CO.

CHARTERED ACCOUNTANTS

V.C.A. COMPLEX, CIVIL LINES, NAGPUR – 440 001

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- a) We have sought and except for the possible effects of the matters described in the *Basis for Qualified Opinion* paragraphs, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* paragraphs, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) In the absence of specific reporting in Auditors report of subsidiary company – SMS Taxicabs Private Limited, on whether the matters described in Basis of Qualified Opinion paragraph have an adverse effect on the functioning of the subsidiary company or not, we are unable to comment on the same.
- f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, one of the director of the Subsidiary Company-SMS TAXICABS PRIVATE LIMITED is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act *by virtue of suo-motu action initiated by Registrar of Companies vide order dt. 11.09.2017 to strike off of another company (in which above director of Subsidiary Company, was also a director of that company.)*
- g) In the absence of specific reporting in Auditors report of Subsidiary company - SMS Taxicabs Private Limited on whether qualifications as stated in the *Basis of Qualified Opinion paragraph* is related to the maintenance of accounts and other matters connected therewith, or not, we are unable to comment on the same.

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- h) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in “Annexure A” which is based on the auditor’s reports of the Company and its fourteen subsidiaries and one associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting of those companies, for the reasons stated therein.

In case of SMS Taxicabs Private Limited – Subsidiary of the Company, not included above, the reporting under Internal Financial Controls over the financial reporting is not given by the Statutory Auditor of the company, due to which we are unable to comment on the same.

In case of RCCL Infrastructure Private Limited – Associate of the Company, the financial statements / financial information is unaudited and the absence of reporting under Internal Financial Controls over the financial reporting we are unable to comment on the same.

In case of two foreign subsidiary companies, the reporting under Internal Financial Controls over the financial reporting is not applicable as these companies are not incorporated in India, due to which we are unable to comment on the same.

In case of all the jointly controlled entities, the reporting under Internal Financial Controls over the financial reporting is not applicable as the nature of entities are partnership firms and association of persons and not companies, due to which we are unable to comment on the same.

- i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries and associates companies:

- i. Except for the possible effects of the matters described in *the Basis for Qualified Opinion paragraph*, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities. Refer 41 A to the Consolidated Financial Statements.

The Subsidiary of the Company - SMS Taxicabs Private Limited has not disclosed the details of following pending litigation under the contingent liability in its financial statement:

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- a) Litigation of Corporation Bank in The Mumbai Debts & Recovery Tribunal for unpaid amount of secured term loan – Rs. 854.39 Lacs
 - b) Litigation of Creditor Eco Fuel System (I) Pvt Ltd in The National Company Law Tribunal for unpaid amount of outstanding against material supplied. –Rs. 362.38 Lacs.
 - c) Litigation of Employees Shri Surendra Pal and Shri Ajit Rajapure in The Labour Court, Mumbai for unpaid amount of salary, full & final settlement and other salary related dues. – amount not ascertained (The working for these amounts is disputed hence it is unable to quantify the same)
- ii. The Group and its associate companies did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associate companies.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the information and explanations given to us, the remuneration paid by the Holding Company, its subsidiaries and associate companies to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For V. K. Surana & Co.

Chartered Accountants

Firm Reg No.110634W

CA. Sudhir Surana

Partner

Membership No. 43414

Nagpur, September 26, 2019

UDIN - _____

V. K. SURANA & CO.

CHARTERED ACCOUNTANTS

V.C.A. COMPLEX, CIVIL LINES, NAGPUR – 440 001

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ANEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (h) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SMS Limited (Formerly known as SMS Infrastructure Limited) of even date)

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

In conjunction with our audit of the **consolidated** financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **SMS LIMITED (Formerly known as SMS Infrastructure Limited)** (hereinafter referred to as “the Company”), its fourteen subsidiary companies and its one associate companies which are companies incorporated in India, as of March 31, 2019.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its fourteen subsidiary companies and its one associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its fourteen subsidiary companies and its one associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

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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 respect.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the Company, its fourteen subsidiary companies and its one associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

V. K. SURANA & CO.

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Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, its fourteen subsidiary companies and its one associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- A) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to fourteen subsidiary companies and one associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.
- B) In case of SMS Taxicabs Private Limited – Subsidiary of the Company, opinion on the Internal financial controls over the financial reporting is not given by the Statutory Auditor of the company, due to which we are unable to comment on the same.
- C) In case of RCCL Infrastructure Private Limited – Associate of the Company, the financial statements / financial information is unaudited and the absence of reporting under Internal Financial Controls over the financial reporting we are unable to comment on the same.
- D) In case of two foreign subsidiary companies, the reporting under Internal Financial Controls over the financial reporting is not applicable as these companies are not incorporated in India, due to which we are unable to comment on the same.

V. K. SURANA & CO.

CHARTERED ACCOUNTANTS

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E) In case of all the jointly controlled entities, the reporting under Internal Financial Controls over the financial reporting is not applicable as the nature of entities are partnership firms and association of persons and not in the nature of companies, due to which we are unable to comment on the same.

For V. K. Surana & Co.

Chartered Accountants

Firm Reg No.110634W

CA. Sudhir Surana

Partner

Membership No. 43414

Nagpur, September 26, 2019

UDIN - _____

SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Balance Sheet as at 31 March 2019

(₹ in lacs)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	3	23,275.28	26,508.38
(b) Capital work in progress		4,331.28	510.65
(c) Investment property	4	1,559.85	1,567.98
(d) Goodwill	5	681.07	681.07
(e) Other Intangible assets	6	69,097.39	78,911.63
(f) Intangible assets under development	7	15,009.75	17,448.64
(g) Investments accounted for using the equity method	8	(1,108.51)	(1,086.15)
(h) Financial assets			
(i) Other Investments	8	37,608.70	33,328.89
(ii) Loans	9	4,863.89	4,575.56
(iii) Other financial assets	10	23,043.60	23,991.96
(i) Deferred tax assets (net)	11	14,349.89	13,865.74
(j) Other non-current assets	12	289.56	1,825.73
Total non-current assets		1,93,001.76	2,02,130.07
(2) Current assets			
(a) Inventories	13	34,880.51	29,069.68
(b) Financial assets			
(i) Trade receivables	14	34,862.28	34,312.31
(ii) Cash and cash equivalent	15	3,399.14	5,710.29
(iii) Bank Balance other Than (ii) above	15	3,032.29	1,821.68
(iv) Loans	9	13,962.90	7,001.75
(v) Other financial assets	16	24,339.74	9,301.14
(c) Current Tax Assets (Net)	11	2,319.99	2,015.20
(d) Other current assets	17	19,215.73	24,124.51
(e) Assets classified as held for Sale		24.28	-
Total current assets		1,36,036.85	1,13,356.56
Total assets		3,29,038.61	3,15,486.63
Equity and liabilities			
(1) Equity			
(a) Equity Share Capital	18	1,026.14	1,026.14
(b) Other Equity	19	67,246.11	62,238.10
(c) Instruments entirely equity in nature		604.82	599.41
(d) Non-controlling interests		3,708.93	1,771.46
Total equity		72,586.01	65,635.11
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	68,887.77	58,979.98
(ii) Other financial liabilities	21	8,483.89	7,066.19
(b) Provisions	22	50,740.36	59,096.21
(c) Other non current liabilities	23	6,350.56	9,161.48
Total Non-current Liabilities		1,34,462.58	1,34,303.86



SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Balance Sheet as at 31 March 2019

(₹ in lacs)

Particulars	Note	As at	As at
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	56,713.94	45,004.87
(ii) Trade payables dues to Micro and Small Enterprises	25	56.99	205.70
Other than Micro and Small Enterprises.		28,332.63	31,571.08
(iii) Other financial liabilities	26	29,781.64	20,388.87
(b) Other current liabilities	27	4,253.06	7,783.12
(c) Provisions	22	2,851.77	10,594.01
Total Current liabilities		1,21,990.02	1,15,547.66
Total liabilities		2,56,452.60	2,49,851.52
Total equity and liabilities		3,29,038.61	3,15,486.63

Significant Accounting Policies

2

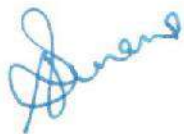
The accompanying notes are an integral part of the Consolidated financial statements.

As per our audit report of even date.

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W




CA Sudhir Surana

Partner

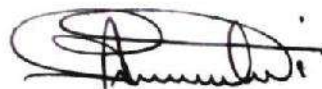
Membership No. 043414

Place : Nagpur

Date : 26/09/2019

UDIN : 19043414 AAAAC42715

For and on behalf of the Board of Directors



ANAND S. SANCHETI

Managing Director

DIN: 00953362



DILIP B SURANA

Director

DIN: 00953495



SUSHANT MUKHERJEE

Chief Financial Officer



SMITA AGARKAR

Company Secretary

SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2019

Particulars	Note No.	(₹ in lacs)	
		Year Ended 31/03/2019	Year Ended 31/03/2018
Revenue from operations	28	1,75,342.29	1,54,279.54
Other income	29	3,163.29	3,932.94
Total income		1,78,505.58	1,58,212.48
Expenses			
Cost of raw material consumed	30	29,699.37	24,647.72
Purchase of Stock-in-trade	31	141.61	143.07
Change in Inventories of Stock in trade and Work in Progress	32	(8,152.30)	(5,943.56)
Direct Expenses	33	73,805.99	74,191.57
Employee benefits expense	34	18,307.84	12,474.88
Finance costs	35	18,340.58	15,746.00
Depreciation and amortization expense	36	23,225.52	23,324.12
Other expenses	37	10,235.24	7,842.20
Total expense		1,65,603.86	1,52,426.00
Profit Before Share of (Loss) from Associate Companies, Exceptional Items and Tax		12,901.72	5,786.48
Share of profit / (loss) of associates		(22.36)	(110.47)
Profit Before Exceptional Items and Tax		12,879.36	5,676.01
Exceptional items		69.88	-
Profit before tax		12,809.49	5,676.01
Tax Expense	38	-	-
Current Tax		4,577.17	3,528.65
Deferred Tax		(254.11)	(1,280.17)
Profit for the year		8,486.42	3,427.53
Attributable to			
Non controlling interest		2,916.44	664.27
Owners of the parent		5,569.98	2,763.26
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or (loss)			
Gain/(Loss) on Recognition of Investment in Equity Instruments at Fair Value		(1,976.16)	(474.66)
Remeasurement benefit of defined benefit plans		(22.99)	(155.56)
Unwinding interest on preference share issued		71.23	-
Unwinding interest income on investment in Preference Shares		(31.41)	(28.30)
Income tax effect on the above		10.03	47.91
Items that will be reclassified to profit or (loss)			
Gain/(Loss) on Recognition of Investment in Debt Instruments at Fair Value		31.52	(10.55)
Income tax effect on the above		(9.00)	2.91



SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2019

Particulars	Note No.	(₹ in lacs)	
		Year Ended 31/03/2019	Year Ended 31/03/2018
Other comprehensive income / (loss) for the year (net of taxes)		(1,926.78)	(618.25)
Attributable to			
Non controlling interest		(978.97)	(251.04)
Owners of the parent		(947.81)	(367.21)
Total comprehensive income for the year		6,559.65	2,809.28
Attributable to			
Non controlling interest		1,937.47	413.23
Owners of the parent		4,622.17	2,396.05
Earning per equity share			
Basic	40	82.70	33.40
Diluted		82.70	33.40
Significant Accounting Policies	2		

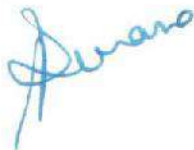
The accompanying notes are an integral part of the Consolidated financial statements.

As per our report of even date

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W



CA Sudhir Surana

Partner

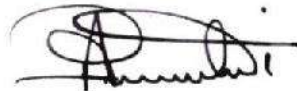
Membership No. 043414

Place : Nagpur

Date : 26/09/2019

UDIN : 19043414AAAA02715

For and on behalf of the Board of Directors



ANAND S. SANCHETI
 Managing Director
 DIN: 00953362



DILIP B SURANA
 Director
 DIN: 00953495



SUSHANT MUKHERJEE
 Chief Financial Officer



SMITA AGARKAR
 Company Secretary



SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Cash flow statement for the year ended 31 March 2019

	Year Ended 31 March, 2019	Year Ended 31 March, 2018
(₹ in lacs)		
Cash flow from operating activities		
Total Comprehensive Income before tax	10,881.68	5,006.95
Adjustment for :		
Depreciation/amortization of Property, Plant and Equipment and intangible assets	23,225.52	23,324.12
Amount Written Off	39.69	171.18
Profit on sale of Fixed Assets	33.20	28.72
Profit on Sale of Investment	49.46	903.83
Profit on sale of Assets held for sale	-	92.11
Foreign Exchange rate fluctuations	150.55	0.36
Gain arising on financial assets measured at fair value through profit or loss	40.37	50.07
Interest income	1,117.57	1,320.12
Dividend income	2.55	160.00
Operating profit before working capital changes	35,540.58	31,057.45
Adjustment for :		
Increase/(decrease) in trade payables	(3,387.17)	5,158.45
Increase / (decrease) in non current provisions	(8,355.85)	50,280.51
Increase / (decrease) in current provisions	(7,742.24)	(61,934.44)
Increase/(decrease) in other current liabilities	(3,530.06)	(397.90)
Increase/ (decrease) in other non current liabilities	(2,810.92)	457.73
Increase/ (decrease) in Other Current financial liabilities	9,392.77	(7,621.52)
Increase/ (decrease) in Other Non-current financial liabilities	1,417.70	75.14
Increase/ (decrease) in Non controlling interest	1,937.47	(4,507.63)
Decrease/(increase) in current trade receivables	(549.97)	2,956.26
Decrease/(increase) in non current trade receivables	-	1,884.52
Decrease/(increase) in Other Non-current financial assets	948.36	(13,339.38)
Decrease/(increase) in Other Current financial assets	(16,249.20)	(33.40)
Decrease/(increase) in Other Current assets	4,908.78	(8,581.71)
Decrease/(increase) in Other Non-current assets	1,536.16	85.55
Decrease/(increase) in other Bank balances	(1,210.61)	9,189.01
Decrease/(increase) in Non Controlling Interest	5.41	599.41
Decrease/(increase) in inventories	(5,810.83)	(9,300.76)
Decrease / (increase) in Other Reserves	(8,142.74)	20,038.51
Decrease / (increase) in Income Tax assets	(788.93)	(5,561.34)
	(2,891.29)	10,504.45
Direct taxes paid (net of refunds)	4,324.09	2,299.31
Net cash flow from/ (used in) operating activities (A)	(7,215.37)	8,205.14
Cash flow from investing activities		
Proceeds from sale of fixed assets, including intangible assets, CWIP and cap	6,132.08	3,024.42
Purchase of fixed assets, including intangible assets, CWIP and capital advan	(12,433.60)	(14,329.15)
Purchase of non-current investments	(4,257.45)	(29,374.26)
Decrease / (increase) in non current loans and advances	(288.33)	13,433.80
Decrease / (increase) in current loans and advances	(6,961.15)	11,599.18
Sale of Assets held for sales	(24.28)	7.89
Goodwill created during consolidation	-0.00	(61.36)
Interest received	1,117.57	1,320.12
Dividends received	2.55	160.00
Net cash flow from/(used in) investing activities (B)	(16,712.62)	(14,219.37)



SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Cash flow statement for the year ended 31 March 2019

Cash flow from financing activities		
Proceeds from long-term borrowings	9,907.79	6,020.29
Proceeds from short-term borrowings	11,709.06	1,051.47
Dividend & DDT paid on equity shares	(0.02)	(32.57)
Net cash flow from/(used in) in financing activities (C)	21,616.84	7,039.19
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(2,311.15)	1,024.96
Cash and cash equivalents at the beginning of the year	5,710.29	4,685.32
Cash and cash equivalents at the end of the year	3,399.14	5,710.29
Components of cash and cash equivalent		
Cash on hand	526.60	463.95
With banks- on current account	2,197.26	3,232.01
Other Cash and cash equivalents	675.28	2,014.33
Total cash and cash equivalents	3,399.14	5,710.29

Significant Accounting Policies

The accompanying notes are an integral part of the Consolidated financial statements.

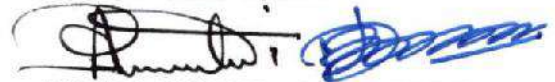
As per our report of even date
For V. K. Surana & Co.
 Chartered Accountants
 Firm Registration No. :110634W



CA Sudhir Surana
 Membership No. 043414
 Place : Nagpur
 Date : 26/09/2019
 UDIN : 19043414 AAAAC42715



For and on behalf of the Board of Directors of SMS Limited



ANAND S. SANCHETI DILIP B SURANA
 Managing Director Director
 DIN: 00953362 DIN: 00953495



SUSHANT MUKHERJEE SMITA AGARKAR
 Chief Financial Officer Company Secretary

A. EQUITY SHARE CAPITAL

Refer Note No. 18

(₹ in lacs)

Issued, subscribed and fully paid up share capital

Particulars	Number of Shares	Amount
Balance as at 1 April 2017	1,02,61,382	1,026.14
Changes in equity share capital during the year	-	-
Balance as at 31 March 2018	1,02,61,382	1,026.14
Changes in equity share capital during the year	-	-
Balance as at 31 March 2019	1,02,61,382	1,026.14

B. OTHER EQUITY

Particulars	Reserves and Surplus				Items of Other Comprehensive Income					Others		Total	Non controlling Interest
	Capital reserve	Securities premium reserve	General reserve	Profit or loss account	Gain/(Loss) on Recognition of Investment in Debt Instruments at Fair Value	Gain/(Loss) on Recognition of Investment in Equity Instruments at Fair Value	Re-measurement gains or losses on defined benefit plans	Unwinding interest income on investment in Preference Shares	Unwinding interest on Preference Shares Issued	Equity component of Preference share capital	Money Received against Share Warrants		
As at 1 April 2017	101.50	11,347.29	1,402.99	38,805.00	-	5.45	25.71	-	-	599.41	8,031.22	60,318.58	1,358.23
Profit for the year	-	-	-	2,736.27	-	-	-	-	-	-	-	2,736.27	-
Other Comprehensive Income for the year	-	-	-	-	(7.04)	(242.11)	(103.63)	-	(14.43)	-	-	(367.21)	-
Others	-	-	-	(4.13)	-	-	-	-	-	-	-	(4.13)	-
Interim Dividend paid	-	-	-	(352.65)	-	-	-	-	-	-	-	(352.65)	-
Increase/(decrease)	-	-	-	-	-	-	-	-	-	-	-	-	413.23
MAT Credit recognised during year	-	-	-	488.10	-	-	-	-	-	-	-	488.10	-
IND AS impact on prior period	-	-	-	18.55	-	-	-	-	-	-	-	18.55	-
At 31 March 2018	101.50	11,347.29	1,402.99	41,691.14	(7.04)	(236.65)	(77.92)	-	(14.43)	599.41	8,031.22	62,837.51	1,771.46
As at 1 April 2018	101.50	11,347.29	1,402.99	41,691.14	(7.04)	(236.65)	(77.92)	-	(14.43)	599.41	8,031.22	62,837.51	1,771.46
Profit for the year	-	-	-	5,567.12	-	-	-	-	-	-	-	5,567.12	-
Other Comprehensive Income for the year	-	-	-	-	20.73	(1,007.80)	(15.95)	71.23	(16.02)	-	-	(947.81)	-
Others	-	-	-	(1.36)	-	-	-	-	-	-	-	(1.36)	-
Increase/(decrease)	-	-	-	-	-	-	-	-	-	5.41	-	5.41	1,937.47
Interim Dividend paid	-	-	-	(0.02)	-	-	-	-	-	-	-	(0.02)	-
IND AS impact on prior period	-	-	-	390.08	-	-	-	-	-	-	-	390.08	-
At 31 March 2019	101.50	11,347.29	1,402.99	47,646.96	13.70	(1,244.46)	(93.87)	71.23	(30.45)	604.82	8,031.22	67,850.94	3,708.93

Capital reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Significant Accounting Policies

The accompanying notes are an integral part of the Consolidated financial statements.
As per our audit report of even date.

For V. K. Surana & Co.
Chartered Accountants
Firm Registration No. :110634W



CA Sudhir Surana
Partner
Membership No. 043414
Place : Nagpur
Date : 26/09/2019
UDIN : 19043414AAAAC42715

For and on behalf of the Board of Directors of SMS Limited

ANAND S. SANCHETI
Managing Director
DIN: 00953362

DILIP B. SURANA
Director
DIN: 00953495

SUSHANT MUKHERJEE
Chief Financial Officer

SMRITI AGARKAR
Company Secretary

1 Corporate information

SMS Limited (the "Company" or "parent") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company having CIN U45201MH1997PLC107906, is located at IT Park, 20 S.T.P.I. Gayatri Nagar, Parsodi, Nagpur-440022, Maharashtra, India.

The consolidated financial statements comprises the financial statements of the Company and its subsidiaries (the Company and its subsidiaries referred to as the "Group") and its associates and joint arrangements. The Group is principally engaged in the business of providing engineering and construction services, infrastructure, mines, waste management and urban development and management.

These consolidated financial statements ("the financial statements") of the Group for the year ended March 31, 2019 were authorised for issue in accordance with resolution of the Board of Directors on 27th Sept, 2019.

2 Significant Accounting Policies

A Basis of preparation:

The financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Group as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Group covers the duration of the project/ contract/ service including the defect liability period, wherever applicable, and extends up to the realization of receivables (including retention monies) within the credit period normally applicable to the respective project.

In case of certain companies of the Group, operating cycle for the business activities, based on the nature of products and time between the acquisition of assets for processing and their realization in cash or cash equivalents have been ascertained as twelve months for the purpose of current / non-current classification of assets and liabilities.

The Group's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

B Principles of consolidation:

The financial statements have been prepared on the following basis:

i Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combination by the Group. The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, Contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.



ii Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

iii Joint Arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint Operations

The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint Ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

C Going Concern

The net-worth of one subsidiary (SMS Taxicabs Pvt. Ltd.), has significantly eroded and turned negative as at the end of the year. The subsidiary has closed its phone a fleet taxi operation and the financial viability of the company greatly depends on its ability to pursue new business ventures and /or strategic business plans. The company has started a DBO subscription scheme in place of existing taxi operations. Considering this launch of DBO subscription scheme in place of phone a fleet taxi operation, the financials for the year have been prepared under going concern assumption as at the end of the year.

D Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Contract Estimates

The Group, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



Recoverability of Claims

The Group has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/discussion with the clients or under arbitration. The reliability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact reliability of these claims.

Deferred Tax Assets

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Overlay Expenditure:

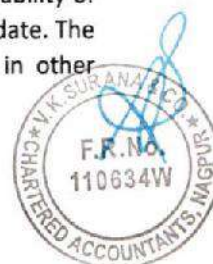
As per the concession Agreement entered with NHAI , the company has a contractual obligation to carry out resurfacing /overlay of the roads under concession.Provision for overlay in respect of toll roads maintained by the company under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facilities to a specified level of serviceability in respect of such asset and hence has recognised the same as an upgrade service and as intangible asset , the timing and amount of such asset are estimated and recognised on a discounted basis. Estimate of the provision is measured using a number of factors such as contractual requirements ,technology , expert opinions and expected price level . Because actual cash flows can differ from estimates due to changes in laws ,regualtions, public expectation ,technology ,prices and conditions and can take place many years in the future , the carrying amounts of provisions is reveiwed at regular intervals and adjusted to take account of such changes.

Property, Plant and Equipment

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

Recognition and measurement of other provisions

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



E Property, Plant and Equipment

"Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Advances paid towards acquisition of property plant & equipment outstanding at each balance sheet date is classified as capital advances under other non current assets and the cost of asset not put to use before such date are disclosed under " Capital work in progress".

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure."

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

F Investment Property

"Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost.

G Intangible Assets

Intangible assets comprise of lease rights, toll collection rights and assets that are incidental for the purpose of Toll Collection and license fees & implementation cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortization and accumulated impairment losses, if any.

i. In case of toll collection, the expenditure on Operation and Maintenance Contracts which are in the nature of enduring nature like construction of new facilities and relaying of Roads are classified as Intangible assets and carried forward, to be written off systematically during the project concession period.

ii. In case of toll collection, the total capital cost towards Project are estimated for the entire Concession period which are measured at the initially present value of estimated cash outflows as on date of financial statement thereafter every year the amortisation is deducted from the cost initially recognised plus/minus changes in the estimate if any after actual expenditure.

The cost of an item of Intangible assets comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of intangible assets if the recognition criteria are met.



H Service concession arrangements

The Group recognizes an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortizations and accumulated impairment losses.

I Depreciation/ Amortization

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation method, useful lives and residual values are reviewed periodically, including at each financial year.

In respect of Amortisation of Project expenditure the Group follows Cost Model (i.e. An intangible asset after initial recognition is carried at cost less accumulated depreciation).

Further the amount of amortisation used is such that reflects the pattern in which the asset's future economic benefit is expected to be consumed by the entity, wherein the case of the company it is calculated as a proportion of actual revenue for the year bears to the estimated total revenue for the entire concession period. The estimates of toll are based on the projected revenue submitted to the bank for financing the Project.

In case of one subsidiary (Maharashtra Enviro Power Limited), for Depreciation of Landfill Asset, the Company evaluates the cost of construction of Landfill and also the capacity of landfill in Metric Ton (MT). Based on this the company evaluates Per MT Rate of depreciation to be charge on landfill. Every year the company evaluates the quantity of waste disposed off in landfill and charge depreciation on landfill by multiplying the Per MT depreciaton rate with the quantity of waste disposed during the year.

Project specific assets are depreciated over the period of contract or useful life of the asset, whichever is lower.

For overseas subsidiaries, depreciation is provided based on estimated useful lives of the fixed assets as determined by the management of such subsidiaries, associates and joint arrangements. In view of different sets of environment in which such entities operate in their respective countries, depreciation is provided based on the management experience of use of assets in respective geographies and local laws. These entities follow straight line method of depreciation spread over the useful life of each individual asset.

In case of one subsidiary (SMS Taxicabs Private Limited), as per Ind AS 38 - Intangible Assets presumes that useful life of intangible assets is unlikely to exceed 10 years, Motor Car Operating Licensee (Under Specified Phone Fleet Taxi Scheme) is amortized on straight line method over 30 years since in the opinion of the management, the licensee which is renewable after 5 years over further periods of 5 year blocks, would be further renewed for an estimated period of 25 years or 5 blocks.

Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and wherever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operation results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating unit is determined based on higher of value-in-use and fair value less cost to sell.



J Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

Initial Recognition

Financial assets, not recorded at fair value through profit or loss (FVPL), are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Group has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Group on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments. Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

De-recognition of Financial Assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



ii. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Financial Liabilities at Amortised Cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.



K Inventories:

Inventories comprise all costs of purchase, conversion and other costs incurred including taxes (not refundable) in bringing the inventories to their present location and condition.

The stock of construction material, stores spares, tools, components, embedded goods and fuel is valued at cost or net realizable value whichever is lower. Cost is determined on weighted average basis.

The Parent is classifying shuttering material and the machine spares as inventory. The management is of the opinion that these inventories are a very large number of indistinguishable minor items and are used in more than one accounting period. Even though they meet the definition of Property Plant and Equipment, the management feels that it would be appropriate to aggregate individually all insignificant items and apply recognition criteria to the aggregate value. Further the company after the technical assessment has found that the estimated life of the shuttering material is five years and thus shuttering material shall depreciated in five years from the date of purchase. The value of machine spares will be depreciated within the life of machine to which the spares relate.

Work-in-Progress and Finished goods

They are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost is determined on weighted average basis. Net realisable value is the estimated contract price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the contract.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

In case if any payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost in such cases are recognised as interest expense over the period of financing under the effective interest method.

L Revenue Recognition:

i. Accounting of Construction Contracts

The Company follows the percentage completion method, based on the stage of completion at the Balance Sheet date, taking into account the contractual price and revision thereto by estimating total revenue including claims/variations as per Ind AS 11, Construction Contracts, and total cost till completion of the contract and the profit so determined proportionate to the percentage of the actual work done.

Revenue is recognised as follows:

- In case of item rate contracts on the basis of physical measurement and survey of work actually completed and which is certified by the client, at the Balance Sheet date.
- Work in progress at the balance sheet date are quantities executed but not certified by the client therefore valued at itemized contract rate less taxes and profit.
- In case of Lump sum contracts, revenue is recognised on the completion of milestones as specified in the contract or as identified by the management. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.

Advance payments received from contractee for which up to the stage of completion at balance sheet date no services are rendered are presented as 'Advance from contractee'.

ii. Accounting of Supply Contracts-Sale of Goods

Revenue from supply contract is recognised when the substantial risk and rewards of ownership is transferred to the buyer, which is generally on dispatch, and the collectability is reasonably measured.

Revenue from product sales are shown as net of all applicable taxes and discounts.



iii. Accounting for Claims

claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received. Interest awarded, being in the nature of additional compensation under the terms of the contract, is accounted as other operating revenue on receipt of favorable arbitration award.

iv. Dividend Income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

v. Direct Landfill and Landfill after Treatment:

Revenue has been recognized under direct landfill on accrual basis at the time of receipt of waste and billing.

vi. Incineration (Plasma based):

The service of disposal by incineration Facility consists of

- (1) Collection of Hazardous waste (waste) from generators,
- (2) Transportation of waste from generator's premises to waste disposal facility (common facility),

(3) Analysis of the waste at common facility,

(4) Storage of the waste at common facility and

(5) Burning of it in incineration (plasma based) plant.

The activities with regard to this facility get completed from process (1) to (4) on receipt of waste material. Only burning in incineration plant is deferred up to the stage of collection of sufficient quantity of waste material so as to efficiently run the activity. Hence, revenue has been recognized in full under Incineration as substantial activities of this service are completed and substantial revenue from the billed amount has been realized.

Note: - The word waste used in this note shall mean "Hazardous waste" as defined in hazardous waste (Handling and Management) rules.

vii. Membership Fees:

Membership fees are collected from customers to let them use the facility of waste disposal. Fees collected are non-refundable in nature and provides customer the rights to use our services for the period for which membership fees is collected. Therefore, membership fees are recognized as income over the period of membership on pro rata basis.

viii. Service Charges:

Service charges are charged to customer for provision of service for a year with a right to adjust the same against billing, if any, in a year. Hence Services charges are recognized as income after expiry of the one calendar year if the same does not get adjusted against the billing done during that period.

ix. Container Maintenance Charges:

Container Maintenance Charges are being booked to income on receipt basis, which is as and when charges are collected from customers.

x. Toll collection

Revenue from toll collection is recognised on actual collections of toll and in case of contractual terms with certain customers the same is recognised on an accrual basis.

xi. Operation and Maintenance Contracts

Revenue from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered.



xii. Operation of Phone fleet taxi / DBO subscription income

The company recognizes income from operating phone fleet taxis on accrual basis for the period of deployment of cars (excluding initial waiver period). During the year the company closed its phone a fleet taxi operations in March 2018 and launched DBO subscription scheme. As per the DBO subscription scheme the taxi is offered for sale to prospective drivers on giving a deposit and daily subscription amount. On full payment of subscription amount the ownership of the taxi would get transferred in favour of the respective driver for his use. The entire subscription amount for the taxi is accounted as a receivable and collection against the same is reduced as and when received. The subscription proportionate to the year is offered as subscription income in the financials and indirect taxes on the same accrued till the time ownership is transferred after which it would be due for payment.

xiii. Advertisement Income

Advertisement Income is recognized after rendering of services for advertisement has been completed.

xiv. Rent, Common Area Maintenance Charges and other charges with relation to the usage of the properties and various utility charges are accounted for on accrual basis except in case where ultimate collection is considered doubtful.

xv. Food Court charges

Food court charges are accounted on revenue sharing / Fixed Rental basis as per the agreement entered with the Parties.

xvi. Car Parking Collection has been accounted on actual basis.

xvii. Power Supply and Transmission Charges

Revenue from Power Supply and Transmission Charges are accounted for on the basis of billing to State Transmission Utility i.e. Maharashtra State Electricity Distribution Corporation Limited.

xviii. Finance and Other Income

Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments.

M Government grants:

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in capital reserve as deferred income and are credited to Profit and Loss on a written down value over the remaining period of the project and presented within other income.

N Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group chief operating decision maker has disclosed business segment as the primary segment the Group operation predominately relate to "Engineering and procurement constructions", "Tolls" "Mining", "Hazardous". The segment revenue, segment result, segment assets and segment liability includes respective amounts identifiable to each of the segment and also amounts allocated on reasonable basis.

O Foreign Currency Transaction:

i. Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.



ii. Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii. Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss. On transition to Ind AS, the Company has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Account" and amortised over the remaining life of the concerned monetary item.

The Group's financial statements are presented in INR. The Company determines the functional currency as INR on the basis of primary economic environment in which the entity operates.

P Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognize the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

i. Defined Contribution plans:

Defined contribution plans are Provident fund, Employee state insurance scheme, Labour welfare fund and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The the Group recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

ii. Defined Benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

Leave entitlement and compensated absences

The cost of short term compensated absences is provided for based on estimates. The company presents the entire leave as a current liability in the balance sheet, since it does not have as unconditional right to defer its settlement for 12 months after the reporting date.



Q Bills Receivables and Trade Payable

The balance of Bills Receivables and Trade Payables are subject to reconciliation with some parties. Any difference which may arise on reconciliation will be dealt in by the Company in subsequent years.

In the opinion of management the net effect may not be material.

R Borrowing Cost

Interest and other costs in connection with the borrowing of funds to the extent related/attributed to the acquisition/construction of qualifying fixed assets are capitalized up to the date when such assets are ready for their intended use. All other borrowing costs are charged to Profit & Loss Account.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted unless that period is a necessary part of the process for the construction of the asset.

S Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised on a straight line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation in the statement of profit and loss.

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease, whichever is lower. For arrangements entered into prior to 1 April 2015, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

T Taxes on Income

Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

i) Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

ii) Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

U Earnings per share:

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

V Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Provision for Landfill Cover Charges

The technical team works out the likely total cost, that will be required to cap the landfill and the likely quantity of waste in Metric Ton (MT) to be disposed off in landfill and derives the Per MT cost of cover charges. Based on this the provision is being done every year for the quantity of waste disposed. The actual cost of capping incurred during the year is adjusted against this provision.

Provision for Escrow Charges (Post Monitoring Charges)

Against the required post monitoring activity, the technical team evaluates the likely cost required for maintenance of each landfill. Based on this, Per Metric Ton Post monitoring cost is worked out and provided for in the books against the actual quantity disposed during the year.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.

Contingent assets are neither recognized nor disclosed in the financial statements.



3 A. Property, plant and equipment

	(₹ in lacs)									
Particular	Leasehold Land	Freehold Land	Building	Plant and Equipments	Motor Cars (Used in Business of Running on Hire)	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
A Gross carrying amounts										
As at 1st April 2017	9.26	120.06	8,065.89	52,084.23	19,686.40	689.14	9,087.88	958.00	952.02	91,652.87
Additions	-	-	416.66	5,939.34	-	56.29	480.72	76.49	102.64	7,072.13
Disposals	-	-	-	2,271.59	7.09	0.50	427.67	1.48	-	2,708.34
Interhead adjustment	-	-	-	(15.71)	-	0.09	15.17	0.46	-	0.00
As at 31st March 2018	9.26	120.06	8,482.56	55,736.26	19,679.30	745.02	9,156.09	1,033.46	1,054.65	96,016.67
As at 1st April 2018	9.26	120.06	8,482.56	55,736.26	19,679.30	745.02	9,156.09	1,033.46	1,054.65	96,016.67
Additions	-	42.30	298.22	2,914.68	-	99.34	321.83	263.53	71.84	4,011.74
Disposals	8.31	-	-	1,579.22	410.59	2.81	93.05	126.33	273.67	2,493.99
As at 31st March 2019	0.95	162.36	8,780.78	57,071.72	19,268.71	841.55	9,384.86	1,170.66	852.82	97,534.41
B Accumulated Depreciation/Impairment										
As at 1st April 2017	6.81	-	4,980.70	35,704.57	13,142.37	524.72	7,990.21	689.54	856.13	63,895.05
Charge for the year	0.61	-	712.35	3,632.90	3,191.62	84.20	490.39	101.89	95.02	8,308.98
Disposals	-	-	-	2,266.25	4.47	0.49	421.66	1.11	-	2,693.97
Interhead adjustment	-	-	-	(0.59)	-	0.09	0.38	0.12	-	(0.00)
As at 31st March 2018	7.42	-	5,693.04	37,070.63	16,329.52	608.52	8,059.33	790.44	951.15	69,510.05
As at 1st April 2018	7.42	-	5,693.04	37,070.63	16,329.52	608.52	8,059.33	790.44	951.15	69,510.05
Charge for the year	0.38	-	546.62	3,484.18	1,965.83	76.38	455.35	87.12	75.86	6,691.71
Disposals	7.71	-	-	1,213.12	383.42	2.90	92.79	3.12	271.43	1,974.49
Written off	-	-	-	21.93	-	-	3.36	-	-	25.29
Interhead adjustment	-	-	-	-	-	-	-	-	-	-
As at 31st March 2019	0.09	-	6,239.67	39,341.69	17,911.94	682.00	8,421.88	874.44	755.58	74,252.57
Net carrying amounts										
As at 31st March 2018	1.84	120.06	2,789.51	18,665.62	3,349.78	136.50	1,096.76	243.03	103.51	26,506.61
As at 31st March 2019	0.86	162.36	2,541.12	17,730.02	1,356.77	159.56	962.99	296.23	97.24	23,281.85

Note :-

In case of Maharashtra Enviro Power Limited, it has received land in the form of Non-monetary grant and same had been recognised at a nominal amount in line with the accounting policy.



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated Financial Statements for the year ended 31st March , 2019

	(₹ in lacs)		
4 Investment Property	LAND	BUILDING	TOTAL
Gross carrying amount			
As on 1st April 2017	1,236.61	379.27	1,615.89
Addition	-	-	-
As on 31st March 2018	1,236.61	379.27	1,615.89
As on 1st April 2018	1,236.61	379.27	1,615.89
Addition	-	-	-
Sum of Interhead Adjustemnt Given	-	-	-
As on 31st March 2019	1,236.61	379.27	1,615.89
Accumulated depreciation /impairment			
As on 1st April 2017	-	41.42	41.42
Depreciation charged	-	6.48	6.48
As on 31st March 2018	-	47.90	47.90
As on 1st April 2018	-	47.90	47.90
Depreciation charged	-	8.13	8.13
As on 31st March 2019	-	56.04	56.04
Net carrying amount			
Net carrying amount as on 31st March 2018	1,236.61	331.37	1,567.98
Net carrying amount as on 31st March 2019	1,236.61	323.23	1,559.85

Information regarding income and expenditure of Investment property	As at 31 March 2019	As at 31 March 2018
Rental income derived from investment properties	23.88	21.40
Direct operating expenses including repairs and maintenance arising from investment property that generated rental income during the year.	0.66	1.36
Depreciation charged on the investment property that generated rental income during the year.	3.90	3.39
Profit arising from investment properties before depreciation and indirect expenses	19.32	16.64
Direct operating expenses including repairs and maintenance arising from investment property that did not generat rental income during the year.	-	5.85
Depreciation charged on the investment property that did not generat rental income during the year.	4.24	3.09
Profit/(Loss) arising from investment properties that did not generat rental income after depreciation and direct expenses	(4.24)	(8.94)
Net Profit/(Loss) from Investment acitivity.	15.08	7.70

The Company's investment properties consist of flats and land in India. The management has determined that the investment properties consist of two classes of assets - Land and Building - based on the nature, characteristics and risks of each property.

The valuation of few of the properties are valued by accredited independent valuer in the last three financial years based on consistent policy followed by the company. In absence of complete valuation of all the investmet property, the fair value of the property are not disclosed.



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Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
5 Goodwill		
Goodwill arising on account of Consolidation	681.07	681.07
Addition during the year	-	-
Disposal during the year	-	-
Closing balance	681.07	681.07



6 Other Intangible Assets

	(₹ in lacs)					
	Computer Software	General Arrangement Drawing	Motor Car Permits	Toll Collection Rights	Other Rights	Total
A Gross carrying amount						
As at 1st April 2017	1,120.70	581.14	7,309.60	85,856.61	20,063.94	1,14,931.99
Additions	340.41	-	-	3,430.96	3.24	3,774.61
Disposal	-	-	-	-	-	-
As at 31st March 2018	1,461.11	581.14	7,309.60	89,287.56	20,067.18	1,18,706.60
Additions	70.73	-	-	4,203.96	50.33	4,325.01
Disposal	205.57	-	-	-	-	205.57
As at 31st March 2019	1,326.27	581.14	7,309.60	93,491.52	20,117.51	1,22,826.04
B Accumulated Amortisation/Impairment						
As at 1st April 2017	560.80	77.82	1,191.81	23,353.61	1,520.71	26,704.75
Charge for the year	118.08	23.68	243.41	12,242.70	462.33	13,090.22
Disposal	-	-	-	-	-	-
As at 31st March 2018	678.88	101.50	1,435.22	35,596.32	1,983.04	39,794.96
Charge for the year	148.91	22.25	243.41	13,246.57	477.85	14,138.98
Disposal	205.30	-	-	-	-	205.30
As at 31st March 2019	622.49	123.75	1,678.63	48,842.88	2,460.89	53,728.65
C Net carrying amounts						
As at 31st March 2018	782.23	479.64	5,874.38	53,691.25	18,084.14	78,911.64
As at 31st March 2019	703.79	457.39	5,630.97	44,648.64	17,656.61	69,097.39



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

7 Intangible Assets Under Development

(₹ in lacs)

Particulars	Admin Building	Other Intangible assets under development	Total
Gross block			
Opening 01.04.2017	-	18,983.60	18,983.60
Addition	8.31	375.17	383.48
Disposal	-	-	-
Closing 31.03.2018	8.31	19,358.77	19,367.08
Opening 01.04.2018	8.31	19,358.77	19,367.08
Addition	4.26	0.08	4.33
Disposal	12.57	43.96	56.52
Closing 31.03.2019	0.00	19,314.90	19,314.90
Accumulation			
Opening 01.04.2017	-	-	-
Depreciation for the year	-	1,918.45	1,918.45
Depreciation on Disposal	-	-	-
Closing 31.03.2018	-	1,918.45	1,918.45
Opening 01.04.2018	-	1,918.45	1,918.45
Depreciation for the year	-	2,386.70	2,386.70
Depreciation on Disposal	-	-	-
Closing 31.03.2019	-	4,305.14	4,305.14
NET Block 31.03.2018	8.31	17,440.33	17,448.64
NET Block 31.03.2019	0.00	15,009.75	15,009.75

Note:- The construction of Admin Building was completed during the year and correspondingly transferred to Toll Collection Rights.

Note- Provision for Construction and overlay Expenses represent the amount to be incurred in future years for execution of the project of Operate, Maintain and transfer Contract of Muzaffarpur-Darbhangra-Purnea, however the same has been provided in accordance with the Indian Accounting standard 37 "Provision, contingent liabilities and contingent assets". Further the same is also required for arriving at the correct amount of amortisation in accordance with matching principal of accounting.



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
8 Non-current Investments		
a Investments accounted for using the equity method		
i In Equity Instrument		
RCCL Infrastructure Pvt. Ltd 15,65,200 (31 March 2018: 15,65,200) Equity shares of ₹ 10 each fully paid	(298.36)	(276.06)
SMS-AAMW Tollways Pvt. Ltd. 2,600 (31 March 2018: 2,600) Equity shares of ₹ 10 each fully paid	(810.15)	(810.09)
	<u>(1,108.51)</u>	<u>(1,086.15)</u>
b Investment In Preference instrument	1,418.83	825.40
c Investment in Joint Ventures	156.05	115.55
d Investment in Partnership Firm	32,497.33	31,107.22
e Investment in Equity instruments	2,613.51	29.13
f Investment in Government Securities	1.36	1.36
g Investment in Mutual Fund	321.38	775.21
h Investment in debt instruments	500.00	475.00
i Other Investments (unquoted): (At Fair Value through Other Comprehensive Income)		
Edelweiss Infrastructure Yeild Plus	100.25	-
	<u>37,608.70</u>	<u>33,328.89</u>

Note :-

In the absence of the financial statement of six Jointly Controlled Entities, the same has not been consolidated in the consolidated financial statements and the balances appearing in the books of accounts of the company are considered. On the basis of information and explanation received from respective Jointly Controlled Entities, there are no substantial transaction initially during the financial year 2018-19.



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Details of Non Current Investments

(₹ in lacs)

**As at 31
March 2019** **As at 31
March 2018**

A Investment in Equity Instruments

Unquoted (Valued at cost)

1	Equity Shares of Abhyudaya Co-operative Bank Limited 99990 (31 March 2018 : 99990) Equity Shares of ₹ 10/- each issued at Par	9.99	9.99
2	Shares in Rupee Co-operative Bank Limited NIL (31 March 2018 : 50000) Equity shares of ₹ 10/- each issued at Par	-	5.00
3	Khamgaon Urban Co-Operative Bank Ltd. 100 (31 March 2018: 100) Equity shares of ₹ 10/- each issued at Par	0.01	0.01
4	Nandura Urban Co-Operative Bank Ltd. 43 (31 March 2018: 43) Equity shares of ₹ 100/- each issued at Par	0.04	0.04
5	Malkapur Urban Co-Operative Bank Ltd. 1,000 (31 March 2018: 1000) Equity shares of ₹ 100/- each issued at par	1.00	1.00
6	Tirupati Urban Co-operative Bank Limited	2.52	2.55
7	Abhyudaya Co-operative Bank Limited	10.49	10.49

Quoted (Valued at fair value through P&L)-Note No. 7(d)

8	Bharat Road Network Limited* 2730000 (31 March 2018: NIL) Equity shares of ₹ 100/- each fully paid	2,589.41	-
		2,613.46	29.09

* The company has purchased 27,30,000 number of Equity share for Rs 45,90,82,755/-. However, as on 31st March 2019 the value per share has reduced to Rs 94.85/-. Hence, Fair value of shares as on 31st March 2019 was Rs 25,89,40,500/-.

B Investment in Preference shares of Associate Companies in India

Unquoted (Valued at cost)

1	Agroh Biaora Tollways Pvt Ltd 70,00,000 (31 March 2018: 70,00,000) 5% Non Cumulative Convertible Preference shares of ₹ 10 each fully paid	700.00	700.00
2	Manawar Kukshi Tollways Pvt Ltd 6,00,000 (31 March 2018: 6,00,000) 1% Cumulative Redeemable Preference shares of ₹ 100 each fully paid	139.19	125.40
3	Ayushajay Construction Pvt. Ltd. 1,00,00,000/-(31 March 2018: NIL) 6.5% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.10 Each)	231.99	
4	Charu Infotech Pvt. Ltd. 7,50,000/-(31 March 2018: NIL) 6.5% Non-Cumulative Non-	17.40	-
5	Khalghat Manawar Toll Pvt. Ltd. 29,30,000/-(31 March 2018: NIL) 6.5% Non-Cumulative Non-	67.98	-
6	Madhav Infracon BK Corridor Pvt. Ltd. 15,00,000/-(31 March 2018: NIL) 6.5% Non-Cumulative Non-	34.80	
7	Sarangpur Agar Toll Pvt. Ltd. 28,25,000/-(31 March 2018: NIL) 6.5% Non-Cumulative Non-	65.53	
8	Shilpy Finlease Pvt. Ltd. 7,60,000/-(31 March 2018: NIL) 6.5% Non-Cumulative Non-	17.63	



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Details of Non Current Investments

(₹ in lacs)

9	Agroh Infrastructure Developers Private Limited 62,20,000/- (31 March 2018: NIL) 6% Non-Cumulative Non-	144.30	-
		1,418.83	825.40

D Investments in Mutual Funds (At Fair Value through Other Comprehensive Income)

Quoted

1	Aditya Birla Sun Life Dynamic Bond Fund-Growth-Regular I	134.34	127.43
2	Aditya Birla Sun Life Credit Risk Fund - Gr. REGULAR	7.37	393.04
3	Franklin India Ultra Short Bond Fund - Super Institutional	-	63.70
4	SBI Credit Risk Fund Regular Growth	12.84	60.79
5	SBI Dynamic Bond Fund - Regular Plan - Growth	118.07	109.86
6	Axis Banking & PSU Debt Fund - Growth (BDGPG)	3.08	-
7	IDFC Banking & PSU Debt Fund - Growth	6.11	-
8	IDFC Corporate Bond Fund	1.76	-
9	Reliance Banking & PSU Debt Fund - Growth	1.76	-
10	Reliance Floating Rate Fund - Growth Plan -	1.76	-
11	UTI Equity Fund - Regular Growth Plan	3.19	-
12	ICICI Prudential Multicap Fund- Growth	2.11	-
13	Edelweiss Balanced Advantage Fund - Growth	4.10	-
14	HDFC Small Cap Fund-Regular	1.02	-
15	Mirae Asset India Equity Fund	1.01	-
16	Reliance Large Cap Fund	1.02	-
17	State Bank of India mutual fund	20.08	20.39

Unquoted

1)	ICICI Prudential Banking & PSU Debt Fund - Growth	1.76	-
		321.38	775.21

E Investments in debentures or bonds (Valued at fair value through Other Comprehensive Income)

Quoted

	SREI Perpetual Debentures Instrument	500.00	475.00
		500.00	475.00

F Investment in Partnership firm : (At amortised cost)

Unquoted

	SAN Finance Corporation (Related Party)	32,497.33	31,107.22
		32,497.33	31,107.22

Additional Disclosure :

	Aggregate value of quoted Investment at Cost	5,384.58	1,256.00
	Aggregate value of quoted Investment at Market Value	3,409.03	1,250.21
	Aggregate value of Unquoted Investment	34,199.67	32,078.68
	Aggregate value of Impairment in value of Investment	NIL	NIL



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Details of Non Current Investments

(₹ in lacs)

Details of Partnership Firm as on 30 Sept 2018

Name of Partnership Firm: SAN Finance Corporation

Sr.no	Partners Name	Partners Capital (current) (Rs in Lacs)	Partners Capital (Fixed) (Rs in Lacs)	Share of each Partner
1)	Abhay Sancheti	(2,533.22)	0.125	36%
2)	Ajay Sancheti	(1,843.63)	0.125	27%
3)	Anand Sancheti	(10,008.81)	0.125	27%
4)	Maharashtra Enviro Power Limited	32,583.86	0.125	10%
	Total	18,198.19	0.50	100%

Note :-

- 1 Due to Non-availability of Financial Statements of the Partnership firm the share in profit/loss is not accounted for.
- 2 Following Mutual Funds & Debenture Instrument are Pledged as security against Axis Bank Cash Credit Limit.
 - a Aditya Birla Sun Life Dynamic Bond Fund - Growth - Regular Plan having Folio No. 1037221761.
 - b Aditya Birla Sun Life Credit Risk Fund Gr. Regular having Folio No.1018373855
 - c SBI Dyanamic Bond Fund - Regular Plan - Growth Folio No. 20003588
 - d SBI Credit Risk Fund Regular Growth Folio No.16544310.
 - e SREI Perpetual Debenture Instrument.



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	Non Current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
9 Loans				
A Loan and advances to related parties				
Unsecured, considered good				
Loans and Advances to Related Parties				
Joint Controlled entitites	2,155.72	(165.54)	4,982.50	3,366.13
	<u>2,155.72</u>	<u>(165.54)</u>	<u>4,982.50</u>	<u>3,366.13</u>
B Other loans and advances				
Unsecured, considered good				
Other Parties	2,708.17	4,741.10	8,980.40	3,635.62
	<u>2,708.17</u>	<u>4,741.10</u>	<u>8,980.40</u>	<u>3,635.62</u>
	<u>4,863.89</u>	<u>4,575.56</u>	<u>13,962.90</u>	<u>7,001.75</u>



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

(₹ in lacs)

	As at 31 March 2019	As at 31 March 2018
10 Non current financial assets		
Capital advances to be recovered	20.00	-
Fixed Deposit with original maturity for more than 12 months*	4,784.47	4,875.48
Earnest Money Deposits	1,808.12	1,736.89
Advance for Acquisition of shares	5,020.00	-
Deposits with Sales tax department	0.41	0.41
Retention Money	6,200.25	7,978.27
Security Deposit	5,064.38	9,268.89
Withheld Amount	38.30	38.28
Other Receivables	107.67	93.72
	23,043.60	23,991.96

* Note:- Most of the Fixed Deposit receipts are held as a Margin Money/ Security Deposit against Letter of Credit/ Bank Guarantee/ Colateral security against Loans/ Other Commitment.



SMS Limited (Formerly known as SMS Infrastructure Limited)
Consolidated Cash flow statement for the year ended 31 March 2019

	As at 31 March 2019	As at 31 March 2018
11 A Current Tax Assets (Net)		
i The details of income tax assets and liabilities		
Income tax assets	14,289.97	10,619.38
Income tax liabilities	11,969.98	8,604.17
Net balance	<u>2,319.99</u>	<u>2,015.20</u>
ii Income tax expense in the Statement of Profit and Loss comprises:		
Current income taxes	4,577.17	3,528.65
Deferred income taxes credit	(254.11)	(1,280.17)
Income tax expenses / (credit) (net)	<u>4,323.06</u>	<u>2,248.49</u>
B Deferred Tax Assets (net)		
Deferred tax assets in case of some entities	14,584.31	14,156.79
Deferred tax liabilities in case of some entities	234.42	291.05
Net deferred tax assets	<u>14,349.89</u>	<u>13,865.74</u>

Note :-

In case of SMS Infolink Private Limited, as per the explanation of management, due to non-virtual certainty of future profits the deferred tax to the extent of the deferred tax asset on unabsorbed depreciation and carry forwarded business losses, has not been recognised. This is in accordance with Accounting Standard IND AS -12.



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
12 Non Current Assets		
a Capital advances	175.06	212.65
b Advances other than Capital Advances		
Security deposit to vendors & utilities	5.42	13.42
Other	103.77	1,589.39
c Prepaid expenses	5.32	10.27
	289.56	1,825.73



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2018

(₹ in lacs)

	As at March 31, 2019	As at March 31, 2018
13 Inventories (As taken and Valued at lower of Cost or Net realisable Value and certified by management)		
Construction & Project Inventory	11,092.81	13,209.17
Work in progress	23,122.93	14,937.54
Stock-in-trade	39.79	44.77
Stores and spares	624.98	878.20
	34,880.51	29,069.68



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	As at 31 March 2019	As at 31 March 2018
14 Trade receivables (Current)		
Considered good, Unsecured		
Related Party	3,514.95	6,233.70
Other parties	31,347.33	28,078.61
	34,862.28	34,312.31



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
15 A Cash and cash equivalents		
Balances with banks:		
In current accounts	2,197.26	3,232.01
Cash on hand		
a) In local currency	526.07	462.21
b) In foreign Currency	0.54	1.74
Marketable securities (Stated at Fair Value)	639.83	1,987.18
Purchase at cost Rs. 599.46 Lacs (P Y 926.54 Lacs)		
POS Receivable	1.63	1.85
Paytm Wallet	27.53	7.82
Debit balance in cash credit account	6.29	17.48
	<u>3,399.14</u>	<u>5,710.29</u>
B Other bank balances		
Fixed Deposits with Banks		
FDR with original maturity for more than 3 months but less than 12 months*	3,032.29	1,821.68
	<u>3,032.29</u>	<u>1,821.68</u>
	<u><u>6,431.43</u></u>	<u><u>7,531.97</u></u>

* Note:- Most of the Fixed Deposit receipts are held as a Margin Money/ Security Deposit against Letter of Credit/ Bank Guarantee/ Colateral security against Loans/ Other Commitment.



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
16 Other Current Financial Assets		
Amount receivable on account of TDS deducted	700.86	1,081.00
Claim from MSEDCL (33 KVA Line RBC & LBC)	169.90	180.90
Interest accrued but not due	117.94	29.26
Retention money	6,617.25	2,120.73
Security deposits	5,342.37	823.93
Other receivables	137.23	167.21
Earnest Money Deposit	15.19	13.78
Water cess receivable	2.56	2.11
Amount due from Partners of Jointly controlled entities	28.82	-
Withheld Amount	11,207.63	4,882.23
	24,339.74	9,301.14



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	As at 31 March 2019	As at 31 March 2018
17 Other Current Assets		
Advances other than Capital Advances		
Advance against expenses & Salary	106.38	322.29
Advance to suppliers	4,052.57	4,548.33
Advance to sub-contractors	712.49	2,616.71
Deposit under protest	4,438.74	4,388.74
Prepaid expenses	926.11	900.90
Mobilisation advance	-	118.12
Rent Deposit	0.25	-
Other advances	317.72	304.44
Statutory dues receivable :		
Goods & Service Tax Receivable	2,384.65	3,738.28
Service Tax Receivable	107.04	105.94
Tax Deducted at Source Receivable	1.50	18.99
Works Contract Tax Receivable	72.80	390.79
Value Added Tax Receivable	6,010.89	6,563.51
Other Balance with Revenue authorities	78.68	106.38
Water & PNG charges recoverable from tenants	5.91	1.09
	19,215.73	24,124.51



	As at 31 March, 2019	As at 31 March, 2018
18 Equity Share capital		
a Authorized shares		
15,000,000 (31st March 2018 : 15,000,000) equity shares of par value ₹ 10/- each	1,500.00	1,500.00
b Issued, subscribed and fully paid-up shares		
10261382 ((31st March 2018 : 1,02,61,382) equity shares of par value ₹ 10/- each	1,026.14	1,026.14
Total Issued, subscribed and fully paid-up share capital	<u>1,026.14</u>	<u>1,026.14</u>

c Reconciliation of the shares outstanding at the beginning and at the end of the financial year

Equity shares	As at 31 March, 2019		As at 31 March, 2018	
	No.	Amount	No.	Amount
At the beginning of the year	1,02,61,382	1,026.14	1,02,61,382	1,026.14
Add : Issued During the Year	-	-	-	-
Outstanding at the end of the year	<u>1,02,61,382</u>	<u>1,026.14</u>	<u>1,02,61,382</u>	<u>1,026.14</u>

d Terms/Rights attached to shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

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 preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

e Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No.	% holding in the class	No.	% holding in the class
Equity shares of par value ₹ 10/- each fully paid				
Shri Abhay Harakchand Sancheti	3214696	31.33%	3214696	31.33%
Shri Ajay Shaktikumar Sancheti	2410997	23.50%	2410997	23.50%
Shri Anand Shaktikumar Sancheti	2410997	23.50%	2410997	23.50%
Femina Industrial Finance Private Limited	-	0.00%	1046131	10.19%
Femina Share Management Services Private Limited	-	0.00%	834184	8.13%
Best Power Plus Private Limited	2224374	21.68%	-	0.00%



	(₹ in lacs)	
	As at 31 March, 2019	As at 31 March, 2018
19 Other Equity		
A Reserves & Surplus		
General Reserve		
Balance as per the last financial statements	1,402.99	1,402.99
Less : Amount utilised during the year	-	-
Closing Balance	1,402.99	1,402.99
B Retained earning i.e. Surplus/(Deficit) in the statement of Profit and Loss		
Balance as per last financial statements	41,691.14	38,805.00
ADD		
Reserves Arising on Account of Consolidation	(2.86)	(26.99)
Profit for the year	5,569.98	2,763.26
Effect of Ind AS 115	390.08	-
Other	(1.36)	(4.13)
Effect of Prior period Items	-	18.55
Interim Dividend Paid	-	(320.08)
Dividend Distribution Tax	(0.02)	(32.57)
MAT credit recognised during the year	-	488.10
Net surplus in the statement of profit and loss	47,646.96	41,691.14
C Other Comprehensive Income		
i Gain/(Loss) on Recognition of Investment in Debt Instruments at Fair Value		
Balance as per last financial statements	(7.04)	-
Addition during the year	20.73	(7.04)
Closing	13.70	(7.04)
ii Gain/(Loss) on Recognition of Investment in Equity Instruments at Fair Value		
Balance as per last financial statements	(236.65)	5.45
Addition during the year	(1,007.80)	(242.11)
Closing	(1,244.46)	(236.65)
iii Re-measurement gains or losses on defined benefit plans		
Balance as per last financial statements	(77.92)	25.71
Addition during the year	(15.95)	(103.63)
Closing	(93.87)	(77.92)
iv Unwinding interest income on investment in Preference Shares		
Balance as per last financial statements	-	-
Addition during the year	71.23	-
Closing	71.23	-
v Unwinding interest on Preference Shares Issued		
Balance as per last financial statements	(14.43)	-
Addition during the year	(16.02)	(14.43)
Closing	(30.45)	(14.43)
Total Closing Balance	(1,283.85)	(336.04)



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

	(₹ in lacs)	
	As at 31 March, 2019	As at 31 March, 2018
D Securities Premium Account		
Balance as per the last financial statements	11,347.29	11,347.29
Add: Additions during the year	-	-
Less: amounts utilized during the year	-	-
Closing Balance	<u>11,347.29</u>	<u>11,347.29</u>
E Capital Reserve		
Balance as per the last financial statements	101.50	101.50
Add: Created during the year	-	-
Less : Utilised during the year	-	-
Closing Balance	<u>101.50</u>	<u>101.50</u>
F Money received against Share Warrant		
Balance as per the last financial statements	8,031.22	8,031.22
Add: amount transferred from surplus balance in the statement of profit and loss	-	-
Less : Amount transferred to General Reserve	-	-
Closing Balance	<u>8,031.22</u>	<u>8,031.22</u>
	<u><u>67,246.11</u></u>	<u><u>62,238.10</u></u>



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	As at 31 March, 2019	As at 31 March, 2018
20 Non-current Borrowings		
I. Secured		
A Term loans		
i Banks		
Axis Bank Limited	160.41	297.12
Indian Overseas Bank	1,130.13	1,354.58
State Bank of India	2,710.33	6,115.72
ICICI Bank Limited	274.99	247.78
Kotak Mahindra Bank Limited	372.76	386.70
HDFC Bank limited	12.44	45.27
Abhyudaya Co-operative Bank Limited	3,621.23	3,625.00
ii Financial Institution		
Indiabulls Housing Finance	46,660.80	30,736.67
Kotak Mahindra Prime Limited	0.38	2.93
Tata Motors Finance Limited	0.44	5.70
SREI Equipment Finance Private Limited	5,535.69	5,674.94
HP Financial Services	20.64	78.81
II. Unsecured		
A Preference Share Capital	5,242.61	5,216.61
B Loans and advances from related parties		
SAN Finance Corporation	83.50	83.46
SMS Limited	231.95	232.03
C Others Parties		
Femina Industrial Finance Private Limited	16.08	17.83
Rian Ventures Private Limited	260.50	259.32
Solar Industries India Limited	-	104.45
Shri Gurudatta Sugars Limited	142.68	126.71
Adeshwar Gems Private Limited	275.33	254.70
Jinendra Diamonds Private Limited	60.06	55.10
R K Sancheti	0.87	0.87
Maharashtra Enviro Power Limited	2,030.10	3,943.61
Raynik FZC	43.86	114.07
	68,887.77	58,979.98

Note : For details of Securities other terms and conditions refer individual bank wise notes given



Additional Information to Secured Long Term Borrowings :

(Figures in Lacs)

Details of Securities and Terms of Repayments

I. SMS Limited (Holding Company)

Secured

(A) Term Loans

(i) From Banks

(1) HDFC Bank Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
82131887 & 82005438	6.8	9.75%	29/07/2016	4	1.74	4 month
82346205	11.78	9.40%	15/12/2016	8	1.52	8 month
Total	18.58					

(2) ICICI Bank Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Instalments Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
LVNAG000356173 96 & LVNAG000356173 58	10.41	9.65%	02/05/2017	12	0.92	1 year
LVNAG000344725 69	4.12	10.00%	08/06/2016	14	0.31	1 year 2 month
LQNAG000371834	18.71	8.60%	31/03/2018	47	0.47	3 year 11 month
LQNAG000373045	190.06	9.00%	03/05/2018	37	5.9	3 year 1 month
LANAG000382729	19.02	9.20%	28/11/2018	33	0.65	2 year 9 month
Total	303.61					

(3) Kotak Mahindra Bank Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti. The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
CE-550675/646/652/	26.27	9.20%	19/06/2017	15	1.86	1 year 3 month
CE-571940	33.49	8.51%	02/09/2017	28	1.32	2 year 4 month
CE-582371/388/394/408	241.91	7.89%	29/09/2017	29	9.24	2 year 5 month
/359/342/365/287/		7.54%				
320/336/582489/582567		8.25%				
CE-645641	193.53	8.65%	13/04/2018	36	6.12	3 year 0 month



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

CE- 550681/701/718	21.19	9.77%	03/06/2017	15	1.51	1 year 3 month
Total	516.38					

(ii) From Others

(1) SREI Equipment Finance Pvt. Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
116982	1,377.59	16.01%	15/10/2016	32	54.73	2 year 8 month
116981	1,452.29	13.99%	15/10/2016	32	56.3	2 year 8 month
117020	2,178.54	14.01%	15/10/2016	32	86.54	2 year 8 month
125001	52.19	9.25%	05/02/2017	23	2.49	1 year 11 month
136411	51.94	10.05%	23/06/2017	19	3.07	1 year 7 month
150960	14.12	7.75%	11/12/2017	20	3.07	1 year 8 month
149928	18.38	7.72%	11/12/2017	20	0.98	1 year 8 month
125103	1,515.18	10.74%	05/04/2018	48	7.42 * 4 & 42.35	4 year 0 month
136419	350.45	10.74%	05/07/2018	28	13.68	2 year 4 month
Total	7,064.05					

(2) HP Financial Services Ltd.

Secured by first charge by way of hypothecation of specific asset as specified in the agreement, vide sanction letter on specific date. The details of individual loans are as under.

LOAN NO.	Outstanding Balance as on 31.03.2019	Rate of interest %	Date of Agreement/ Sanction	No. of inst. due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
5371045837-IND-TNKS-1A1	78.81	12.80%	25/04/2017	4	21.3	1 year 9 month
Total	78.81					

(3) Indiabulls Housing Finance Ltd.

Secured by first charge by way of hypothecation of specific plant & machineries and heavy vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The loans have been guaranteed by Managing Director Mr. Anand Sancheti The details of individual loans are as under:

LOAN NO	Outstanding Balance as on 31.03.2019	Rate of Interest %	Date of Agreement/ Sanction	No. of Inst. Due	Amount of instalment	Maturity period w.r.t. Balance Sheet date
HLAPNAG000424 783	582.12	12.50%	27/03/2018	2	543.31 & 47.41	2 month
HLAPNAG004448 98	4,881.39	16.30%	09/06/2018	13	66.31 * 12 & 4947.70	1 Year & 1 month
HHENAG0047226 9	646.16	15.50%	31/08/2018	13	8.40 * 12 & 658.40	1 Year & 1 month
Total	6,109.67					

Unsecured

Unsecured loan do not have any specific repayment schedule. It will be payable on demand.

II. Maharashtra Enviro Power Limited

(A) Vehicle Loans

Secured by hypothecation of specific vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The details of individual loans are as under. All Loans are having fixed Interest Rate.



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

(1) Axis bank Ltd

Outstanding Balance as on 31.03.2019	Effective Rate of interest %	Nature of Interest	Date of Agreement/Sanction	No of instalments due	Amount of instalment including Interest (Fig in Rs)	Maturity period w.r.t. Balance Sheet date	
2.19	9.86%	Fixed Rate of Interest	26-Oct-15	15.00	0.16	1 Year 3 Months	
2.19	9.86%		26-Oct-15	15.00	0.16	1 Year 3 Months	
4.24	9.86%		26-Oct-15	17.00	0.28	1 Year 5 Months	
4.24	9.86%		26-Oct-15	17.00	0.28	1 Year 5 Months	
4.24	9.86%		26-Oct-15	17.00	0.28	1 Year 5 Months	
4.24	9.86%		26-Oct-15	17.00	0.28	1 Year 5 Months	
4.24	9.86%		26-Oct-15	17.00	0.28	1 Year 5 Months	
2.03	9.86%		26-Oct-15	6.00	0.35	6 Months	
1.39	9.86%		26-Oct-15	6.00	0.24	6 Months	
1.39	9.86%		26-Oct-15	6.00	0.24	6 Months	
1.39	9.86%		26-Oct-15	6.00	0.24	6 Months	
1.39	9.86%		26-Oct-15	6.00	0.24	6 Months	
1.39	9.86%		26-Oct-15	6.00	0.24	6 Months	
2.03	9.86%		26-Oct-15	6.00	0.35	6 Months	
2.03	9.86%		26-Oct-15	6.00	0.35	6 Months	
6.08	9.61%		14-Nov-15	20.00	0.33	1 Year 8 Months	
44.68							

(2) ICICI Bank Ltd

Outstanding Balance as on 31.03.2019	Effective Rate of interest %	Nature of Interest	Date of Agreement/Sanction	No of instalments due	Amount of instalment including Interest (Fig in Rs)	Maturity period w.r.t. Balance Sheet date	
3.70	10.25%	Fixed Rate of Interest	19-Mar-15	12	0.33	1 years	
3.03	11.34%		16-Jul-15	3	1.08	3 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
14.89	8.04%		30-Dec-17	22	0.73	1 Year 10 Months	
7.82	8.32%		30-Dec-17	22	0.39	1 Year 10 Months	
11.77	8.09%		30-Dec-17	22	0.58	1 Year 10 Months	
11.77	8.09%		30-Dec-17	22	0.58	1 Year 10 Months	
7.13	9.25%		07-Sep-18	54	0.16	4 Years 6 Months	
7.13	9.25%		07-Sep-18	54	0.16	4 Years 6 Months	
15.38	8.04%		30-Dec-17	22	0.76	1 Year 10 Months	
15.38	8.04%		30-Dec-17	22	0.76	1 Year 10 Months	
187.34							



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

(3) Kotak Mahindra Bank Ltd

Outstanding Balance as on 31.03.2019	Effective Rate of interest %	Nature of Interest	Date of Agreement/Sanction	No of instalments due	Amount of instalment including Interest (Fig in Rs)	Maturity period w.r.t. Balance Sheet date
34.08	7.98%	Fixed Rate of Interest	02-Sep-17	28	1.35	2 Years 4 Months
4.88	7.98%		05-Jan-18	32	0.17	2 Years 8 Months
4.88	7.98%		05-Jan-18	32	0.17	2 Years 8 Months
24.71	7.76%		02-Sep-17	28	0.98	2 Years 4 Months
68.54						

(4) HDFC Bank Ltd

Outstanding Balance as on 31.03.2019	Effective Rate of interest %	Nature of Interest	Date of Agreement/Sanction	No of instalments due	Amount of instalment including Interest (Fig in Rs)	Maturity period w.r.t. Balance Sheet date
2.44	10.02%	Fixed Rate of Interest	21.10.2016	20	0.13	1 Years 8 Months
2.44	10.02%		21.10.2016	20	0.13	1 Years 8 Months
4.89						

(B) Other Loans

(1) India Bulls Housing Finance Limited

The loan is secured against following property of the company viz. Plot No CHW-1 Butibori Industrial Area, Mandawa and Plot no. 56, Village Ranjagaon MIDC, Taluka Shirur MIDC, Maharashtra. Further, for this loan Co-applicant/ gaurantors are Bharti Sancheti, Abhay Sancheti, Anand Sancheti, Vijaya Sancheti, Shruti Sancheti, Ajay Sancheti, Savita Sancheti, & SMS Limited.

Outstanding Balance as on 31.03.2019	Current Rate of Interest as on date of Signing of Financial Statements (Effective Rate of interest %)	Nature of Interest	Date of Agreement/Sanction	No of instalments due	Amount of instalment (Fig in Rs)	Maturity period w.r.t. Balance Sheet date
30,562.58	12.5% (14.89%)	Fixed Rate of Interest	26-Mar-18	131	465.18	9 years 10 Months

III. Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.

a. Secured By :-

I) The term loans have been secured by the guarantee given by the Holding Company and Directors of the Holding Company and properties of Directors of Holding Company.

II) Term Loans in respect of Rs 140 Crores:

A) Term Loan includes loan from bank/institutions which is secured by a first and exclusive charge as under:

a) Exclusive charge on all amounts owing to, and received by, the company in relation to Toll Receivables and all rights, titles, interests, benefits, claims and demands whatsoever in respect of Toll Receivables, both present and future

b) Exclusive charge on all the bank accounts, both present and future, in relation to the Project, including the Escrow Account and all rights, titles, interests, benefits, claims and demands whatsoever in respect of such bank accounts or any replacement thereof, including all monies, securities, instruments, investments, and other properties deposited in such bank accounts, including investments in mutual funds and fixed deposits.

b. Guarantors :-

* In respect of Term Loan of Rs 140 Crores, the guarantee has been given by SMS Limited and its Directors along with Spark Mall and Parking Private Limited.

* In respect of Term Loan of Rs 50 Crores, the guarantee has been given by SMS Limited, Directors of SMS Limited, Relatives of Directors, Maharashtra Enviro Power Limited, San Finance Corporation, BSS Associates, Veetrag Developers Private Limited and

* In respect of Term Loan of Rs 6.5 Crores, the guarantee has been given by SMS Limited and its Directors.

c. Terms of Repayment are given as under:-

The term loans are repayable in monthly instalments ranging from 6 to 64 for different loans.



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

IV. Spark Mall and Parking Private Limited

I. Additional Information to Secured Long Term Borrowings :

The Long Term portion of Term loans are shown under Non Current borrowings and the current maturities of Non Current borrowings are shown under other current financial liabilities as per the disclosure requirement of Schedule III of Companies Act,

Details of Securities and Terms of Repayment

(a) Term Loans

Date of Agreement/ Sanction	Bank name & account no.	Maturity period w.r.t. Balance Sheet date	Effective Rate of interest %	Total No. of instalments	Amount of instalment	Outstanding Balance as on 31.03.2019
12/06/2010	Indian Overseas Bank A	3 years & 9 month	14.70%	15	1,440	1,514
17/03/2009	SBI A/c no-00000064	3 years & 9 month	16.65%	15	1,455	1,411
17/03/2009	SBI A/c no-00000062	3 years & 9 month	16.65%	15	1,660	1,547

(b) Other Loans

1) India Bulls Housing Finance Limited

Date of Agreement/ Sanction	Agreement No.	Maturity period w.r.t. Balance Sheet date	Effective Rate of interest %	Total No. of instalments	Amount of instalment including Interest	Outstanding Balance as on 31.03.2019
17/07/2018	HLAPNAG00456577	6 months	16.30%	6	2,292	2,148
17/07/2018	HLAPNAG00456589	6 months	16.30%	6	2,725	2,488
30/08/2018	HHENAG00472201	11 months	15.50%	11	742	658

II. Security (for all loan account under consortium arrangement)

Primary

(a) On pari passu basis for a debt component of Rs. 109 Crores.

(b) First charge by way of hypothecation of all movable assets and receivables/revenues both present and future.

(c) First charge on all borrower's bank accounts including without limitation, the escrow account and Debt Service Reserve Account to be established by the borrower and each of the other accounts required to be created by the borrower under any project document or contract.

(d) A first charge /assignment /security interest on the borrower's rights under the projects document, concession agreement, contracts and all licenses, permits, approvals, consents and insurance policies in respect of the project.

(e) A first charge /assignment /security interest on the borrower's rights under the projects document, concession agreement, contracts and all licenses, permits, approvals, consents and insurance policies in respect of the project.

Corporate Guarantee

1 Corporate guarantee given by its holding company SMS Limited.

Collateral

1 NIL

III. Delayed and Default of loan

The Bankers had increased the rate of interest from 14.70 % to 16.65% and same was disputed with bankers and revised rate of interest was not confirmed at the balance sheet date hence it was kept on hold.

The delayed and default of loan details as under:-

Interest Repayment default

Name of Loan-SBI-219

Due date	Amount due	Date of Payment	Amount Paid	Overdue days
31/05/2018	24,06,897.00	05/06/2018	16,99,486.00	5
		30/06/2018	13,00,000.00	30
30/06/2018	23,39,833.00	06/07/2018	23,39,833.00	6
30/09/2018	22,44,387.00	06/10/2018	22,44,387.00	6
31/10/2018	22,42,177.00	09/11/2018	22,42,177.00	9
31/12/2018	21,93,712.00	29/01/2019	21,93,712.00	29
31/01/2019	22,04,606.00	01/02/2019	22,04,606.00	1
28/02/2019	18,45,162.00	30/03/2019	18,45,162.00	30
31/03/2019	21,69,037.00	02/04/2019	21,69,037.00	2



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Name of Loan-SBI-700

Due date	Amount due	Date of Payment	Amount Paid	Overdue days
31/05/2018	21,63,377.00	15/06/2018	21,64,000.00	15
30/06/2018	21,04,041.00	06/07/2018	21,04,041.00	6
30/09/2018	20,30,724.00	06/10/2018	20,30,724.00	6
31/10/2018	20,25,178.00	15/11/2018	20,25,178.00	15
31/12/2018	19,97,664.00	29/01/2019	19,97,664.00	29
28/02/2019	16,78,830.00	30/03/2019	16,78,830.00	30
31/03/2019	19,73,847.00	02/04/2019	19,73,847.00	2

Name of Loan-IOB-0003

Due date	Amount due	Date of Payment	Amount Paid	Overdue days
30/04/2018	20,72,002.00	07/05/2018	13,00,000.00	7
		15/06/2018	7,72,002.00	46
31/05/2018	21,51,022.00	15/06/2018	21,51,022.00	15
30/06/2018	11,40,295.00	04/08/2018	11,40,295.00	35
31/07/2018	22,52,485.00	04/08/2018	22,52,485.00	4
31/08/2018	20,79,505.00	06/09/2018	20,79,505.00	6
30/09/2018	20,01,273.00	06/10/2018	20,01,273.00	6
31/10/2018	19,91,119.00	15/11/2018	19,91,119.00	15
30/11/2018	18,93,479.00	24/01/2019	18,93,479.00	55
31/12/2018	19,68,514.00	19/03/2019	19,68,514.00	78
31/01/2019	19,87,044.00	29/03/2019	19,87,044.00	57
28/02/2019	16,94,583.00	30/04/2019	16,94,583.00	61
31/03/2019	18,84,505.00	03/05/2019	18,84,505.00	33

Principal Repayment default

Name of Loan-SBI-219

Due date	Amount due	Date of Payment	Amount Paid	Overdue days
30/06/2018	97,67,016.00	11/07/2018	97,67,016.00	11
30/09/2018	1,10,67,016.00	12/10/2018	1,10,67,016.00	12
31/12/2018	1,10,67,016.00	30/01/2019	1,10,67,016.00	30

Name of Loan-SBI-700

Due date	Amount due	Date of Payment	Amount Paid	Overdue days
30/06/2018	88,12,539.00	30/06/2018	37,88,367.00	-
		11/07/2018	50,24,172.00	11
30/09/2018	96,00,000.00	12/10/2018	96,00,000.00	12
31/12/2018	96,00,000.00	30/01/2019	96,00,000.00	30

Name of Loan-IOB-0003

Due date	Amount due	Date of Payment	Amount Paid	Overdue days
30/06/2018	1,32,34,994.00	04/08/2018	1,32,34,994.00	35
30/09/2018	96,00,000.00	12/10/2018	96,00,000.00	12
31/12/2018	96,00,000.00	01/02/2019	96,00,000.00	32
31/03/2019	1,14,71,711.00	28/06/2019	1,14,71,711.00	89



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Terms of Preference Shares

- a. the said preference shares shall carry preferential rights to receive dividend at the rate of 12% per annum in the year in which the company declares dividend and shall be *Non Cumulative Optimally Convertible Redeemable Preference Share*. The Dividend in the year in which shares are allotted will be in proportion to the period in respect of which such shares remain paid provided that dividend is declared.
- b. Such Preference Shares Shall be nomenclature as " 12% Optimally Convertible Non Cumulative Redeemable Preference Share" (OCNCRPS)
- c. The OCNCRPS shall be convertible at the option of the shareholder as well as the issuer. Each OCNCRPS shall be convertible after a period of 120 months from the date of allotment into one Fully paid Equity Share of Rs. 10/- each of the company at par at the option of OCNCRPS Shareholders by giving one month's notice.
- d. The said preference shares shall be redeemable at the option of the company at any time before 20 years. Terms of Redemption are as follows:
 - i. OCNCRPS are redeemable at the issue price of Rs. 50 at any time before the expiry of 36 months from the date of allotment.
 - ii. OCNCRPS are redeemable at Rs. 63 at any time after 36 months but before the expiry of 60 months from the date of allotment.
 - iii. OCNCRPS are redeemable at Rs. 74 at any time after expiry of 60 months from the date of allotment but before end of 120 months from the date of allotment.
 - iv. OCNCRPS are redeemable at Rs. 110 at any time after expiry of 120 months from the date of allotment but before end of 180 months from the date of allotment.
 - v. OCNCRPS are redeemable at Rs. 170 at any time after expiry of 180 months from the date of allotment but before end of 235 months from the date of allotment.
 - vi. OCNCRPS are redeemable at Rs. 270 at any time after expiry of 235 months from the date of allotment but before end of 240 months from the date of allotment.
- e. Such preference shares shall carry preferential right for redemption of the capital on the winding up the company.
- f. The voting rights on such Preference Shares shall be in accordance with the provisions of section 47 of the Companies Act, 2013, whenever applicable.

V. SMS-AABS India Tollways Private Limited

(Terms of borrowings)

Overdraft facility of Rs. 50.00 Crore From SBI is a reducible OD, repayable on demand subject to last instalment to be paid by 2022, and the Rate of Interest being 1.85% above MCLR (Marginal Cost of Fund Based lending rate).

VI. SMS Water Grace BMW Pvt. Ltd

14.1 Details of Securities and Terms of Repayments

Secured Loan

(1) HDFC Bank Ltd

Secured by first charge by way of hypothecation of specific vehicle as specified in the schedule annexed to the agreement, vide sanction letter dated 22nd June 2018. The details of individual loans are as under.



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Date of Agreement/Sanction	Outstanding as on 31.03.2019	Rate of interest %	Total No. of Installments	No of instalments due	Amount of instalment (Including Interest)
22/06/2017	5.61	8.30%	42	23	0.26
22/06/2017	5.61	8.30%	42	23	0.26
22/06/2017	5.61	8.30%	42	23	0.26

(2) Axis Bank Ltd.

Secured by first charge by way of hypothecation on entire current assets of the company both present and future, also by first charge on entire fixed assets constructed out of the term loan. collateral security in the form of equitable mortgage/registered mortgage on Plot No 1 to 33, survey no 48/1-B, Mouza -Arni Suitated at ARni, Opp Tahasil Office, Arni, Yawatmal having total Plot Area 13500 sq. meters owned by Mr. Rajiv Nilawar, Mrs. Sheelabai Nilawar and Mrs. Kusum Nilawar. Also secured against the personal guarantees of Mr Paramveer Sancheti and land owner of above stated of land owner. The current rate of interest is 10.30% (MCLR+2.00%) p.a for Term Loan. Term Loan no 1 is payable in 31 installment (30 intsalment of Rs 48390 and last installment of Rs 48300) and term loan no 2 is payable in 34 installment (33 installments of Rs 588240 and last instalment of Rs 588080). The period of maturity w.r.t. balance sheet date for term loan I is 9 months and for term loan II is 10 months.

Total No. of Installments	Outstanding as on 31.03.2019	No of instalments due	Amount of instalment (Excluding interest)	Maturity Period w.r.t. Balance sheet date	Effective Rate of Interest
31	1.57	9	0.48	9 Months	MCLR+2%
34	59.34	10	5.88	10 Months	MCLR+2%

(3) Kotak Mahindra Bank Ltd.

Secured by first charge by way of hypothecation of specific vehicles as specified in the schedule annexed to the agreement, vide sanction letter dated 5th July 2018. The details of individual loans are as under.

Date of Agreement/Sanction	Outstanding as on 31.03.2019	Effective Rate of Interest	Total No. of Installments	No of instalments due	Amount of instalment (Including Interest)	Maturity Period w.r.t. Balance sheet date
05/07/2018	14.26	9.60%	47	38	0.43	3 Years 2 Months

(4) Tata Motors Finance Ltd.

Secured by first charge by way of hypothecation of specific vehicles as specified in the schedule annexed to the agreement, vide sanction letter dated 2nd June 2016. The details of individual loans are as under.

Date of Agreement/Sanction	Outstanding as on 31.03.2019	Effective Rate of Interest	Total No. of Installments	No of instalments due	Amount of instalment (Including Interest)	Maturity Period w.r.t. Balance sheet date
02/06/2016	2.68	11.29%	47	13	0.22	1 Year 1 Month
02/06/2016	2.68	11.29%	47	13	0.22	1 Year 1 Month

VII. SMS ENVOCLEAN PRIVATE LIMITED

(i) Secured Term Loan From Bank

(1) Axis Bank Ltd

Secured by First Hypothecation charge on entire current assets of the company both present and future. Also First charge on entire fixed asset constructed out of the proposed term loan. Also secured by way of collateral security in the form of 1st charge on Plot No 1 to 33 in converted survey no 48/1-B, admeasuring 13500 sq. meters along with personal guarantee of Shri Paramveer Sancheti(land owners of above stated land).



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Total No. of Installments	Outstanding as on 31.03.2019	Effective Rate of Interest	Maturity Period w.r.t. Balance sheet date	Amount of instalment (Excluding interest)	Current Maturity of Long Term Debt	Non Current Portion of Long term Debt
57	8.63	10.90%	7 Months	1.32	8.63	-
60	181.60	10.90%	3 Years	5.00	60.00	121.60
57	47.14	10.90%	4 Years 10 months	1.58	17.37	29.77

(2) Kotak Mahindra Prime Ltd.

Secured by first charge by way of hypothecation of specific vehicle as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The details of individual loans are as under.

Date of Agreement/ Sanction	Total No. of Installments	Effective Rate of Interest	Maturity Period w.r.t. Balance sheet date	Amount of instalment (Including interest)	Current Maturity of Long Term Debt	Non Current Portion of Long term Debt
28/09/2014	59	10.50%	5 Months	0.08	0.39	-
28/09/2014	60	10.70%	1 Year 2 Months	0.19	2.15	0.38

(3) Kotak Mahindra Bank Ltd.

Secured by first charge by way of hypothecation of specific vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The details of individual loans are as under.

Date of Agreement/ Sanction	Total No. of Installments	Effective Rate of Interest	Maturity Period w.r.t. Balance sheet date	Amount of instalment (Including interest)	Current Maturity of Long Term Debt	Non Current Portion of Long term Debt
25/01/2019	47	9.95%	3 Year 10 Months	0.30	2.62	8.99

(4) HDFC Bank Ltd.

Secured by first charge by way of hypothecation of specific vehicle as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The details of individual loans are as under.

Date of Agreement/ Sanction	Total No. of Installments	Effective Rate of Interest	Maturity Period w.r.t. Balance sheet date	Amount of instalment (Including interest)	Current Maturity of Long Term Debt	Non Current Portion of Long term Debt
20/05/2015	60	10.49%	1 Year 2 Months	0.08	0.96	0.1697
02/01/2017	48	9.41%	1 Year 10 Months	0.19	2.02	1.83144

(5) TATA Motors Finance

Secured by first charge by way of hypothecation of specific vehicles as specified in the schedule annexed to the agreement, vide sanction letter on various dates. The details of individual loans are as under.

Date of Agreement/ Sanction	Total No. of Installments	Effective Rate of Interest	Maturity Period w.r.t. Balance sheet date	Amount of instalment (Including interest)	Current Maturity of Long Term Debt	Non Current Portion of Long term Debt
30/11/2014	47.00	10.78%	-	1.08	-	-
31/12/2014	47.00	10.78%	-	2.48	-	-

VIII. SMS VIDHYUT PRIVATE LIMITED

Unsecured

Loan from Riaan Ventures Pvt Ltd & Femina Industrial Finance Ltd does not have specific repayment terms. Interest has been provided on the loan @ of 8% from Riaan ventures Pvt Ltd and @ 7 % on Femina Industrial Finance Pvt Ltd. for FY 18-19.



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	As at 31 March, 2019	As at 31 March, 2018
21 Other Non- Current Financial Liabilities		
Deposits from outsiders	21.89	7.33
Membership Deposits*	3,311.72	2,921.44
Retention Money from sub contractor	2,645.94	1,213.85
Security Deposit	2,348.68	2,882.67
Other Paybles	35.00	35.00
Withheld Amount	120.66	5.89
	8,483.89	7,066.19

*Note :-

Membership Deposit is measured at amortised on undiscounted basis considering the fact that the maturity period of liability is unascertained. Also Includes Rs. 1 Lacs from Butibori CETP Pvt Ltd. (Related Party)



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	Non-current		Current	
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
22 Provisions				
Provision for Employee benefits				
Provision for Gratuity	994.21	224.99	184.60	640.76
Provision for Leave benefit	-	-	415.21	422.81
Other Provisions				
Provision for Overlay Expenses*	2,921.84	4,221.54	685.24	8,133.70
Landfill cover charges payable	1,472.24	1,233.97	-	-
Provision for Toll Rights	42,775.78	51,033.69	-	-
Provision for Escrow Charges	2,576.29	2,382.04	-	-
Provision for Instalment Payable to NHAI			613.57	551.92
Provision for Expenses Payable			79.88	69.43
Provision for audit fees	-	-	2.96	2.72
Provision for Incineration charges	-	-	870.32	772.67
	<u>50,740.36</u>	<u>59,096.21</u>	<u>2,851.77</u>	<u>10,594.01</u>

*Note:- Provision for Contractual obligation is created towards the obligation of construction of Project Facility on an estimation basis, which is in accordance with the principles laid down in the Ind AS -37.



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

	(₹ in lacs)	
	As at 31	As at 31
	March, 2019	March, 2018
23 Other Non-current liabilities		
a Advances		
Mobilisation Advance	3,421.89	3,921.19
Secured Advance	1,995.58	3,946.14
b Other Advances		
Deferred Income-Govt grant	495.97	608.17
Security Deposit from Tenant against Rent	242.42	-
Security Deposit for Point of Sale Terminal	-	349.69
Security deposits from sub contractor	0.50	0.50
Other	194.21	335.79
	<u>6,350.56</u>	<u>9,161.48</u>



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	As at 31 March, 2019	As at 31 March, 2018
24 Current Borrowings		
Loans repayable on demand		
Secured Loans - Banks		
(A) Cash credit from banks (secured)	34,290.41	32,101.87
(B) SBI EVFS	4,995.46	2,206.95
Unsecured Loans		
Loans from related parties	19.41	26.26
From others	12,080.08	10,669.79
	51,385.36	45,004.87

I SMS Limited

1 Cash Credits & EVFS Secured by way of

a) Primary Security on stocks comprising of raw-material, work in progress, consumable stores and spare parts, receivable claims and bills both present and future, collateral securities of properties of the company as specified in sanction terms, its Directors and relatives as mentioned in the Annexures to the Deed of Hypothecation dated 14.12.2018 and TDR to the extent of ₹ 500 lacs (principal amount) ranking on pari-pasu basis amongst participating banks.

b) Personal guarantees of Directors to the extent of ₹ 137000.00 lacs for fund based and non fund based limits.

c) Personal guarantee of relatives of Directors as mentioned in the sanction letter to the extent of value of properties provided by them.

d) The cash credit is repayable on demand and is carries interest within the range of 10.85% to 12.55% p.a.

e) Guarantee of Partnership Firm through its partner as per the sanction terms.

f) Shares of Following promoters are pledge against this cash credit and Non Fund based Limit.

Name of Shareholder	No of Share
Abhay Sancheti	7,90,436
Ajay Sancheti	5,92,687
Anand Sancheti	5,92,687

2 The company has not defaulted in repayment of any loans and interest thereon as on the date of Balance Sheet. Unsecured loan do not have any specific repayment schedule. It will be payable on demand.

II SMS WATER GRACE BMW PRIVATE LIMITED

a)Cash Credit

Secured by first charge by way of hypothecation on entire current assets of the company both present and future, also by first charge on entire fixed assets constructed out of the term loan. collateral security in the form of equitable mortgage/registered mortgage on Plot No 1 to 33, survey no 48/1-B, Mouza -Arni Suitated at Arni, Opp Tahasil OFFice, Arni, Yawatmal having total Plot Area 13500 sq. meters owned by Mr. Rajiv Nilawar, Mrs. Sheelabai Nilawar and Mrs. Kusum Nilawar. Also secured against the personal guarantees of Mr Paramveer Sancheti and land onwer of above stated of land owner. The current rate of interest is 10.05% (MCLR+2.00%) p.a for Cash Credit. Since there is a debit balance in cash credit accounts, the same is grouped under cash and cash equivalent.

b)Unsecured Loan From Other

Loans from Riaan Venture Pvt. Ltd. does not have specific repayment terms and it is repayable on demand. Interest has been provided on the loan @ 8% p.a for FY 2018-19.

III SMS ENVOCLEAN PRIVATE LIMITED

Note: 1

Secured by First Hypothecation charge on entire current assets of the company both present and future and also First charge on entire fixed asset constructed out of the proposed term loan. Also secured by way of collateral security in the form of 1st charge on Plot No 1 to 33 in converted survey no 48/1-B, admeasuring 13500 sq. meters along with personal guarantee of Shri Paramveer Sancheti(land owners of above stated land). The current rate of interest is 10.30%(MCLR 1 +2% PA).

Note: 2

Loans from Vishwanath Infrastructure Ltd and Anup Nilawar does not have specific repayment terms and it is repayable on demand.



MAHARASHTRA ENVIRO POWER LIMITED**Note:-**

The Loan is secured by Hypothecated of entire current assets and movable fixed assets of the company both present and future. Further the loan is secured by Personal Gurantee of Mr. Paramveer Sancheti and Mr. Anand Sancheti and Recuring Deposit at Rs. 5 lacs per month is to be created over the two years period. Also having charge over following investments of the company.

- 1)Aditya Birla Sun Life Dynamic Bond Fund - Growth - Regular Plan having Folio No. 1037221761.
- 2)Aditya Birla Sun Life Credit Risk Fund Gr. Regular having Folio No.1018373855
- 3)SBI Dyanamic Bond Fund - Regular Plan - Growth Folio No. 20003588
- 4)SBI Credit Risk Fund Regular Growth Folio No.16544310.
- 5)SREI Perpetual Debenture Instrument.

IV Spark Mall and Parking Private Limited (Formerly known as SMS**Note:1 Terms of Repayment of unsecured loan and its interest**

The terms of payment are not fixed loans in respect of Loan received from Related Parties i.e. SMS Ltd. And Maharashtra Enviro Power Ltd., and are non-interest bearing.

V SMS VIDHYUT PRIVATE LIMITED**Details of Securities and Terms of Repayments****1. Indiabulls Housing Finance Ltd. Note No. 13.I.(B) (1)**

Registered mortgage of land situated at Chandrapur, Kh No 130/1, 130/2, 130/3, 132, 133,134/1, 135, 136 Village Ghatkul & Kh No 8 Village Tok Tehsil Pomburna & Kh No 43, 45 Village Borghat, Mal, & Kh No 89 Village Chak Dagadtala Tehsil Mul, District-Chandrapur Chandrapur 442401.

Maturity period w.r.t. Balance Sheet date	Total No. of instalments	Total No. of principal instalments	Total No. of interest instalments	Outstandin g Balance as on 31.03.2019
				₹ in Lacs
6 Month	13	2	11	2,428.48
11 Month	12	1	11	2,241.67
6 Month	13	2	11	658.40

2. From Others

The loan from related parties are interest free and repayable on demand.



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

(₹ in lacs)

	As at 31 March, 2019	As at 31 March, 2018
25 Current Trade Payable		
a Letter of Credit Issued and Outstanding	2,795.21	2,562.83
b Trade Payables-MSME	56.99	205.70
c Trade Payables-Others	25,537.42	29,008.26
	28,389.62	31,776.78

Note - Trade Payables

“FA. Trade Payables The following details relating to micro, small and medium enterprises shall be disclosed in the notes:-	As at 31 March 2019	As at 31 March 2018
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year;	56.99	205.70
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	3.62	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	1.09	



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

(₹ in lacs)

	As at 31 March, 2019	As at 31 March, 2018
26 Other Current Financial Liabilities		
Current Maturities of Long Term debt	20,752.06	14,325.98
Expenses Payable	4,760.34	3,591.30
Salary & Consultancy Payable	1,768.46	866.51
Security Deposit	1,150.36	765.28
Interest Payable	660.90	87.82
Retension Money	379.66	309.31
Withheld Amount	-	161.69
MIDC & other Charges Payable	212.30	182.65
Amount Payable for Capital Goods	40.52	0.41
Bonus payable	36.26	43.64
Audit Fees Payable	4.19	5.76
Consultancy Charges payable	2.73	2.64
Credit card dues	0.88	0.66
Current account balance	6.50	27.73
Rent payable	-	12.42
Amount due from Partners of Jointly controlled entities	5.92	5.08
Royalty payable	0.56	-
	29,781.64	20,388.87



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	As at 31	As at 31
	March, 2019	March, 2018
27 Other Current Liabilities		
Advances Received :		
Advance against sale of Investments	12.00	-
Advance From Customers	1,385.13	3,733.56
Mobilisation Advance	13.11	180.22
Statutory Dues payable :		
Goods & Service Tax Payable	410.98	1,324.19
Employee State Insurance Corporation Payable	21.87	22.67
Profession Tax Payable	3.89	6.96
Provident Fund Payable	307.28	186.86
Value Added Tax Payable	652.61	630.90
Service tax payable	94.00	362.85
Tax deducted & collected at source Payable	960.04	751.93
Works Contract Tax Payable	0.70	174.00
Workers Cess Payable	0.34	1.23
Withholding tax	56.33	30.28
Interest payable on Tax collected at source	-	0.02
Municipal taxes payable	77.43	-
Property tax payable	155.60	124.60
Labour welfare fund payable	0.03	0.03
Other Payables :		
Deferred Income-Government grant	101.72	252.82
	4,253.06	7,783.12



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
28 Revenue from operations		
Contract Receipts	1,15,167.72	1,03,126.06
Toll Receipt	42,967.21	35,246.51
Waste Disposal Charges	13,386.23	11,750.51
Logistic Revenue	1,612.11	1,349.41
Rent Income (Operational)	586.66	576.99
Sale of Coal	394.84	-
Revenue from Operating Taxi cabs	337.84	1,405.17
Sale of Bags	223.76	187.24
Sale of Scraps (Operational)	165.93	143.91
AMC Charges recovered	138.75	88.37
Parking Collection	129.85	114.55
Laboratory Income	104.24	75.41
Revenue from DBO Subscriptions	80.64	37.45
Sale of Electricity	41.97	88.05
Shared Services with Food Court	4.04	4.20
Fees for change in name	0.51	0.30
Advertisement Revenue on Operating Taxi cabs	-	85.43
	1,75,342.29	1,54,279.54

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31,2019 by Nature. The Company believe that this disaggregation best depict show the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry,market and other economic factors.

EPC	84,820.05	79,467.23
Toll	43,457.19	35,761.42
Mining	30,252.53	23,143.92
Hazardous	15,492.77	13,506.77
Other	1,319.75	2,400.20
	1,75,342.29	1,54,279.54



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
29 Other income		
Interest income	1,117.57	1,320.12
Grant Received	1,036.80	838.59
Miscellaneous income	383.74	150.09
Scrap Sales	249.43	94.32
Profit on Currency Flactuation	150.55	0.36
Income from Redemption of Liquid Investments	49.46	903.83
Gain arising on financial assets measured at fair value through profit or loss	40.37	50.07
Creditors & Provisions W/off	39.69	171.18
Profit on sale of Fixed Assets	33.20	28.72
Insurance claim received	28.71	82.49
Forefeiture of Expired card	19.55	1.83
Security charges	9.76	-
Membership & subscription fees	3.93	2.05
Dividend Income	2.55	160.00
Rent Received	1.68	1.86
Profit on sale of Assets held for sale	-	92.11
Rental income on Investment Property	(3.68)	9.40
Reversal of Unwinding cost	-	20.82
Reversal of Leave Encashment & Others	-	5.12
	3,163.29	3,932.94



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

	(₹ in lacs)	
	Year ended 31 March 2019	Year ended 31 March 2018
30 Material Consumed		
Opening Stock	13,921.55	10,716.52
Material Purchase	27,499.79	27,852.75
Closing Stock	(11,528.04)	-13,921.55
Transfer of Material	(193.93)	-
	<u>29,699.37</u>	<u>24,647.72</u>
31 Purchase of Stock in trade	<u>141.61</u>	<u>143.07</u>
32 Change in Inventories of Stock in trade & Work in Progress		
Work in Progress		
Opening WIP	14,579.70	8,947.66
Closing WIP	(22,740.86)	-14,860.79
	<u>(8,161.16)</u>	<u>(5,913.14)</u>
Stock in Trade		
Opening Stock in Trade	48.66	14.35
Closing Stock in trade	(39.79)	-44.77
	<u>8.87</u>	<u>(30.42)</u>
	<u>(8,152.30)</u>	<u>(5,943.56)</u>



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

33 Direct Expenses

Advertising and sales promotion	9.63	7.06
Annual Maintainance Charges	39.96	30.78
Custom Duty	227.02	56.48
Legal, technical and professional consultancy fees	203.20	76.98
Power and fuel	388.41	466.52
Rates and taxes	78.19	238.21
Royalty	605.05	682.40
Transportation, logistic and freight Charges	2,124.66	1,783.51
Insurance Expenses	311.68	442.70
Repairs and maintenance- Machineries	2,677.25	1,469.82
Repairs and maintenance- Vehicles	530.76	1,156.08
Change of Scope	111.37	186.79
Labour Cess	-	6.34
Machine Hire Charges	3,860.00	1,435.77
Medical Expenses	7.97	14.55
Travelling and conveyance, Toll Tax and Car Parking Expenses	28.64	100.37
Works contract expenses	49,985.55	54,665.62
GST expenses	56.70	32.71
Loss on Foreign exchange fluctuations	-	205.68
Fees to NHAI	7,165.85	6,443.39
Toll Operating Expenses	-	-
Waste Disposal Expenses	1,787.75	2,089.45
Repairs and maintenance- Buildings	2.58	8.27
MIDC Charges	236.89	198.85
Chemical, stores & spares consumption	1,004.23	549.89
Fooding expenses	-	0.65
Water charges	55.76	46.35
Brokerage & commission	13.39	14.43
Labour expenses	41.92	27.90
Repairs and maintenance- Computers	6.17	32.90
Miscellaneous expenses	4.23	7.25
Toll and Plant Operation Maintenance Expenses	521.81	449.93
Site work expenses	235.55	255.73
Safety & Security Expenses	159.77	175.00
Landfill charges	15.78	(862.91)
Testing and certification expenses	7.51	3.33
Incentive expenses	1.70	1.78
Coal and OB removal expense	323.61	49.08
Power and fuel	0.79	1.95
Maintenance Charges	974.66	1,639.98
	73,805.99	74,191.57



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

	Year ended March 31, 2019	Year ended March 31, 2018
		(₹ in lacs)
34 Employee Benefit Expense		
Salaries, Wages, Ex-gratia and Bonus	16,494.05	11,386.54
Contribution to Provident and other funds	-	-
Contribution to Provident and other funds	1,132.33	549.58
Gratuity expenses	381.50	249.30
Contribution to Employees State Insurance Corporation	79.82	84.22
Staff welfare expenses	220.14	205.23
	<u>18,307.84</u>	<u>12,474.88</u>
35 Finance Costs		
Interest cost		
Loan from Bank & Financial institutions	14,836.77	11,631.00
Loan from others	664.41	864.46
Loan on Mobilisation Advance	601.97	524.23
Unwinding of Interest and Change in discount rate of Provision for Contractual Obligation	773.67	1,323.50
Unwinding Cost of Security Deposit		20.82
Bank finance charges	1,463.77	1,381.99
	<u>18,340.58</u>	<u>15,746.00</u>
36 Depreciation and Amortization Expenses		
Depreciation of tangible assets	6,691.71	8,308.98
Depreciation of Investment Property	8.13	6.48
Amortization of intangible assets	14,138.98	13,090.22
Amortization of intangible assets under development	2,386.70	1,918.45
	<u>23,225.52</u>	<u>23,324.12</u>
Less: Recoupment from revaluation reserve	-	-
	<u>23,225.52</u>	<u>23,324.12</u>
37 Other Expenses		
Fair valuation loss on equity instrument routed through P&L	2,001.42	-
Legal, consultancy and professional fees	1,798.50	1,783.35
Loss on Sale of Investment	520.49	-
Security charges	458.41	442.95
Corporate Social Responsibility	429.83	18.20
Travelling and conveyance	419.59	441.67
Donation	414.41	14.95
Interest and penalty	334.84	201.68
Office Expenses	329.22	426.81
Rates and taxes	289.14	87.73
Rent expenses	229.35	201.30
Lodging & Boarding Charges	200.05	266.37
Accounts written off	177.03	1,325.86
VAT expenses	166.47	215.95
Loss on Foreign exchange fluctuations	78.09	-
Payment to Internal Auditor	55.31	28.09
Payment to Statutory Auditor	41.83	42.73
Payment to Cost Auditor	5.30	5.25



SMS Limited (Formerly known as SMS Infrastructure Limited)**Notes to Consolidated financial statements for the year ended 31 March 2019**

Bank Charges	98.39	109.16
Postage, Telephone & Internet Cost	92.64	165.13
Advertising and sales promotion	123.83	62.98
Printing and stationery	66.53	79.13
Insurance Expenses	53.77	48.59
Vehicle hire charges	50.93	47.04
Miscellaneous expenses	117.33	102.41
Repairs and maintenance Expenses	426.64	527.21
Guest House Expenses	34.51	17.46
Service tax expense	29.39	214.53
GST expenses	37.70	132.14
Tender expenses	17.40	13.25
Membership & Subscription fees	14.00	2.02
Machine Hire Charges	11.33	-
Books & periodicals	0.03	0.06
Power and fuel	1,084.02	636.59
Share of Loss from Joint Venture & Partnership Firm	-	132.75
Transporting Charges	5.47	1.89
Labour Cess	-	0.70
Medical Expenses	1.19	0.02
Brokerage & commission	7.81	19.95
Share issue expenses	-	20.19
Site work expenses	6.94	0.86
Admin charges on PF	0.30	0.30
Director sitting fees	0.80	0.40
Sales tax expenses	-	4.57
Investment written off	5.00	-
	<u>10,235.24</u>	<u>7,842.20</u>
38 Tax Expenses		
Adjustment of tax relating to earlier periods	0.55	16.85
Deferred Tax	(137.50)	(745.00)
Current Tax	4,576.61	3,511.80
MAT Credit Available	(116.60)	(535.17)
	<u>4,323.06</u>	<u>2,248.49</u>



39 Capital Management

The primary objective of the company capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
Non-current Borrowings	68,887.77	58,979.98
Current Borrowing	56,713.94	45,004.87
Current Maturities of Non current Borrowing	20,752.06	14,325.98
Total Debt	1,46,353.77	1,18,310.83
Less : Cash & Cash Equivalent	3,399.14	5,710.29
Net debt	1,42,954.63	1,12,600.54
Equity	72,586.01	65,635.11
Total capital	72,586.01	65,635.11
Capital and net debt	2,15,540.64	1,78,235.66
Gearing Ratio	66.32%	63.18%

40 Earnings Per Share (EPS)

Profit/(loss) after tax	8,486.42	3,427.53
Net profit for calculation of basic EPS	8,486.42	3,427.53
Effect of dilution	-	-
Net profit/(loss) for calculation of diluted EPS	8,486.42	3,427.53
Weighted average number of equity shares in calculating basic EPS	1,02,61,382	1,02,61,382
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	1,02,61,382	1,02,61,382
1,02,61,382 (1,02,61,382) equity shares of ₹ 10/- each		
Earnings per equity share:		
Basic	82.70	33.40
Diluted	82.70	33.40



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

41 A Contingent Liabilities and Guarantees

	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
Contingent Liability		
Claims against the company not acknowledged as debts		
Income Tax Act	1,930.41	-
Service Tax including Penalty of Rs. 18,593.58 Lacs (Rs. 18,830.24 Lacs) *	42,398.74	42,538.92
Custom	80.00	80.00
Sales Tax/VAT	3,000.34	7,688.71
Life Time road transport tax	721.79	721.79
Legal Cases against company	306.03	7,386.84
Employees State Insurance Corporation	2.24	-
Other	346.74	46.64
Guarantees excluding Financial Guarantees		
Corporate Guarantees to associate companies and joint venture	40,586.52	39,901.39
Performance Bank Guarantees of Subsidiaries & Associates Co's.	6,429.63	5,632.08
	95,802.43	1,03,996.37

SMS Limited (Formerly known as SMS Infrastructure Limited)

Note :-

- 1 * Includes Rs. 14,185 Lacs against appeal number ST/86550/2017 pending before CESTAT, Mumbai, wherein it is contended that the total demand of irregular credit cannot exceed the actual amount of credit availed and that reversal of credit is equivalent to non-availment of credit. Further, the Commissioner (Appeal), Central Excise & GST, Nagpur in order in appeal no. NGP/EXCUS/000/APPL/03/18-19/1245 dated 23.08.2018 has accepted that computation of reversal of credit made by SMS and dropped the entire demand as the company had reversed credit of INR 104.52 Lacs. It may be noted that the order passed by Commissioner (Appeal) is also for the same period of dispute, i.e., 2011-12 to 2014-15, as in aforesaid appeal no. ST/86550/2017 pending before CESTAT, Mumbai.

In view of the aforesaid legal precedents and order dated 23.08.2018 passed by Commissioner (Appeal), company is of the view that the total demand which may arise as outcome of the aforesaid appeal no. ST/86550/2017 pending before CESTAT, Mumbai should not exceed INR 104.52 Lacs i.e., actual amount of common credit availed by SMS Limited.

- 2 Rs. 4,413.33 Lakhs amount is deposited under Protest/ Pre-deposit and kept under the head "Other Current Assets".



41 A Contingent Liabilities and Guarantees (₹ in lacs)

Spark Mall and Parking Private Limited (Formerly known as SMS Parking Solution Private limited)

The company has received notice from NDMC demanding property tax Rs. 229.34/- (135.73 lacs) Lakhs on parking area for the period 01.04.2014 to 2018-19. Company have challenged the same in Hon'ble Supreme Court, as the liability can not be ascertained reliably, the company has made other provisions on the best estimate amounting to RS. 91.61 Lacs with cumulative liability of RS. 187.21 lacs (93.60 Lacs).

B Commitments

Capital Commitment	4,403.53	4,880.96
Revenue Commitment	1,14,828.09	1,44,365.83
	1,19,231.62	1,49,246.79

42 Payment to Auditors (Excluding Taxes)

As Auditor:

Audit fee	33.38	33.03
Tax audit fee	5.40	6.50
Reimbursement of Expenses	0.36	0.50

In other capacity:

Other services (Certification Fees)	2.70	2.70
	41.84	42.72



(₹ in lacs)

- 43 While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 333734.04 lakhs out of which 32.68% is expected to be recognised as revenue in the next year and the balance thereafter.

44 Disclosure in accordance with Ind AS 115 'Revenue From Contracts with Customers' -

(₹ in lacs)

PARTICULARS		2018-19
A	Contracts with customers	
i	Revenue recognised from contracts with customers, which the entity shall disclose separately from its other sources of revenue	Yes
ii	Any impairment losses recognised (in accordance with Ind AS 109) on any receivables or contract assets arising from an entity's contracts with customers, which the entity shall disclose separately from impairment losses from other contracts	NA
Contract balances		
i	Opening Balances	
	Contract Receivable	28,732.79
	Contract Assets	20,376.13
	Contract Liability	8,842.28
ii	Closing Balance	
	Contract Receivable	29,498.09
	Contract Assets	32,827.49
	Contract Liability	5,464.14
i	Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	3,378.15
ii	Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (for example, changes in transaction price).	Nil
	Performance obligation satisfied when the services related with the work was completed.	Nil
	The significant payment term are when the work completed the related payment is due. The consideration receivable against the performance obligation are variable and the all the factor related with the estimation of variable payment are considered at the the of recognition.	Nil



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated Financial Statements for the year ended 31 March 2019

iii	An explanation of the significant changes in the contract asset and the contract liability balances during the reporting period	Nil
	There is no significant change in the contract assets and contract liability balance during the reporting period.	Nil
Significant judgement in the application of standard		
i	An entity shall disclose the judgements, and changes in the judgements, made in applying this Standard that significantly affect the determination of the amount and timing of revenue from contracts with customers. In particular, an entity shall explain the judgements, and changes in the judgements, used in determining both of the following	Yes
	The timing of satisfaction of performance obligations	Yes
	The transaction price and the amounts allocated to performance obligations	Yes
Determining the timing of satisfaction of performance obligations		
i	the methods used to recognise revenue (for example, a description of the output methods or input methods used and how those methods are applied)	Yes
ii	an explanation of why the methods used provide a faithful depiction of the transfer of goods or services.	Yes



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(₹ in lacs)

45 Operating Lease Disclosures as per IND AS 17

- (a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:
- Not later than one year - Rs. 3,042.38 Lakhs (Rupees Thirty Crore Thirty Eight Lakh Nine Thousand Sixty Three)
 - Later than one year and not later than five years - Rs. 3,073.58 Lakhs (Rupees Thirty Crore Seventy Three Lakh Fifty Eight Thousand one Hundred thirty Nine)
 - Later than five years - Nil.
- (b) The total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date - Nil.
- (c) Lease payments recognized in the statement of profit and loss for the year ended 31st March, 2019, with separate amounts for minimum lease payments and contingent rents.
- Lease Payment - Rs. 27.52 Lakhs
 - Contingent Rent - Nil.
- (d) Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the year ended 31st March, 2019 - Nil.
- (e) A general description of the lessee's significant leasing arrangements:
- Name of Lessor : SREI Equipment Finance Limited
 - Machines Description:

Sr. No.	LESSEE	CONTRACT NO	ASSET
1	SREI	132998	JUMBO DRILL
2	SREI	132982	Underground Mining Equipment AJK-15 LHD
3	SREI	138192	TH430 Under Ground Mining equip.
4	SREI	133012	LHD Mining Equip.
5	SREI	138214	LOCOMOTIVES
6	SREI	138229	TH430 Under Ground Mining equip.
7	SREI	138215	FACE MASTER 2.3
8	SREI	138226	FACE MASTER 2.3
9	SREI	138228	TH430 Under Ground Mining Equip.
10	HP	5371045837 INDTNKS2A1	SAP
11	SREI	119885	Shuttle Car TC790-064
12	SREI	157257	15 NOS MAHINDRA TIPPER
13	SREI	157258	15 NOS MAHINDRA TIPPER
14	SREI	138227	FACE MASTER 2.3
15	SREI	138191	1 no Pedestal Boom B500
16	SREI	160586	UTIMEC MF 328
17	SREI	138179	2 No. ACY 4A LHD



iii. Lease rent and end date of lease.

Lease	Contract No	Lease Rent	Last Date of Lease Rent
1	132998	28.89 Lakhs	15/06/2020
2	132982	27.01 Lakhs	15/09/2020
3	138192	14.46 Lakhs	15/11/2020
4	133012	26.54 Lakhs	15/11/2020
5	138214	8.82 Lakhs	15/11/2020
6	138229	14.32 Lakhs	15/11/2020
7	138215	12.29 Lakhs	15/11/2020
8	138226	12.87 Lakhs	01/03/2022
9	138228	14.95 Lakhs	01/03/2022
10	045837INDTNK	9.71 Lakhs	01/02/2020 (Quarterly)
11	119885	31.03 Lakhs	15/09/2021
12	157257	4.93 Lakhs	01/02/2022
13	157258	4.32 Lakhs	01/02/2022
14	138227	13.06 Lakhs	01/01/2021
15	138191	3.37 Lakhs	01/05/2021
16	160586	11.62 Lakhs	01/05/2022
17	138179	18.39 Lakhs	01/07/2021

iv. Option for the company at the end of lease period.

1. Renew the lease arrangement (on the terms mutually agreed between the lessor and lessee) or
2. Surrender the machine in the operating order, repair and condition and appearance as when originally delivered to the company (fair wear and tear excepted) or
3. Purchase the machine at fair market value.

To exercise any of the above option the company must give a written notice to the Lessor at least 90 days prior to the end of lease term, otherwise, the existing lease shall be deemed to be extended for a further period 6 months on the existing terms and Conditions.

v. Restrictions imposed by the lease arrangement :

1. Company makes proper use of the machinery leased and in such value from time to time as expected of similar machine put to proper use.
2. Company keeps the machinery insured.
3. Company does not cease or threaten to cease carrying on the business.

Company does not attempt to sell, encumber or part with possession of the machinery in any way without lessor's written consent.



SMS Vidhyut Private Limited

Operating Lease Disclosures as per IND AS 17

(a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:

- i. Not later than one year - Rs. 0.11 Lakhs (Rupees eleven Thousand)
- ii. Later than one year and not later than five years - Rs. 0.63 Lakhs (Rupees Sixty three Thousand)
- iii. Later than five years - Rs. 3.54 Lakhs (Rupees Three lacs fifty four Thousand)

(b) The total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date - Nil.

(c) Lease payments recognized in the statement of profit and loss for the year ended 31st March, 2019, with separate amounts for minimum lease payments and contingent rents.

- i. Lease Payment - Rs.9,835
- ii. Contingent Rent - Nil.

(d) Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the year ended 31st March, 2019 - Nil.

(e) A general description of the lessee's significant leasing arrangements:

i. Name of Lessor : Government Of Maharashtra, Water Resources Department

ii. Assets Description:

Name of	Survey No.	Area in Ha.	Remark
Kamthi Kh	2	1.5 Ha	RBC Hydro power projects
Deoli	1	3 Ha	LBC Hydro power projects

iv. Terms and condition of lease.

- 1 The term of the lease shall be same as that of Hydro Power Development Agreement dated 22nd October, 2007. If Hydro Power Development Agreement is terminated for any of the reasons as mentioned in Hydro Power Development Agreement Land Lease shall stand terminated accordingly..
- 2 Generating company shall pay to GOMVVRD land lease charges. Land lease shall be RS. 1 (Rupee One) per kw per annum to be calculated on the basis of Installed capacity of the project as approved in Techno Economic Feasibility Report for the first year.



SMS Limited (Formerly SMS Infrastructure Limited)

Notes to Consolidated Financial Statements for the year ended 31 March 2019

(₹ in lacs)

- 3 Land Lease charges will be increased in every subsequent year by 5% by compounding. Year for the calculation of Land Lease, shall be from 1st of April to 31st of March. Land Lease charges for the first year shall be applicable from the first date of month in which GOMWRD intimates Generating Company about site, being ready for delivery to 31st March of next calendar year. Generating company shall pay the Lease Rent of first year in advance within 30 days from the date on which it is intimated about readiness of the land for delivery. Land Lease charges of subsequent years shall also be paid in advance up to 30th of April of every subsequent year.
- 4 If Generating Company fails to pay the Land Lease charges in stipulated time, it will have to pay Land Lease charges with interest at 8% prime, lending rate plus 2% (Two percent) per annum on delayed payment for delayed period. However, if the Generating Company fails to pay the Land Lease Charges with interest up to 31st of the March of that year GOMWRD shall recover the same from Performance Security Deposit. And the Generating Company shall be intimated to recoup the Performance Security Deposit within 30 days. And failure of the Generating Company to recoup Performance Security Deposit within stipulated period it will be treated as event of default and the agreement shall be terminated.
- 5 Land Lease charges as mentioned in section 4 above shall be reviewed after 30 years if GOMWRD decides to extend; the term of this agreement. However, such extension shall be solely at the discretion of the GOMWRD.
- 6 Generating company shall hand over the land along with the structure, plant & equipment on it at free of cost to GOMWRD at the end of lease period.
- 7 Generating company shall keep all Dam Components in intact position. Also the Generating Company shall provide for access in leased area to the local authorities for inspection of Dam components.



46 Employees Benefit

(` in lacs)

This section provides the Report under IND AS 19 in respect of Gratuity Plan.

Table I: Assumptions

Assumptions	March 31, 2019	March 31, 2018
Discount Rate	7% TO 8% per annum	6.8% TO 8.08% per
Rate of increase in Compensation levels	6% TO 7.00% per annum	6.00% per annum
Rate of Return on Plan Assets	7.74% per annum	7.50% per annum
Rate of Employee Turnover	10% & 2%	10 & 2 %
Mortality Rate During Employment	Indian Assured Lives	Indian Assured
Mortality Rate After Employment	N.A	N.A

Table II: Service Cost

All Figures in INR	March 31, 2019	March 31, 2018
Current Service Cost	264.79	104.51
Past Service Cost (including curtailment Gains/Losses)*	-	27.78
Gains or losses on Non Routine settlements	-	-
Total	264.79	132.29

*The Past Service Cost is due to the change in the Gratuity ceiling from INR 10 Lakhs to INR 20

Table III: Net Interest Cost

All Figures in INR	March 31, 2019	March 31, 2018
Interest Cost on Defined Benefit Obligation	53.74	31.88
Interest Income on Plan Assets	11.30	8.65
Net Interest Cost (Income)	42.44	23.24

Table IV: Change in Present Value of Obligations

All Figures in INR	March 31, 2019	March 31, 2018
Opening of defined benefit obligations	897.02	593.16
Service cost	298.68	174.59
Interest Cost	69.31	44.16
Benefit Paid	-86.78	-47.87
Actuarial (Gain)/Loss on total liabilities:	13.25	132.98
- due to change in financial assumptions	-1.96	-27.48
- due to change in demographic assumptions	-	-
- due to experience variance	29.95	161.45
Closing of defined benefit obligation	1,206.21	898.01

Table V: Change in Fair Value of Plan Assets

All Figures in INR	March 31, 2019	March 31, 2018
Opening fair value of plan assets	145.94	115.32
Actual Return on Plan Assets	8.42	5.62
Employer Contribution	73.18	70.55
Benefit Paid	-73.18	-45.55
Closing fair value of plan assets	154.36	145.94

Table VI: Actuarial (Gain)/Loss on Plan Asset

All Figures in INR	March 31, 2019	March 31, 2018
Expected Interest Income	11.30	8.65
Actual Income on Plan Asset	8.42	5.62
Actuarial gain /(loss) on Assets	2.88	3.03

Table VII: Other Comprehensive Income

All Figures in INR	March 31, 2019	March 31, 2018
Opening amount recognized in OCI outside P&L account	-	-
Actuarial (gain) / loss on liabilities	-22.91	-160.58
Actuarial (gain) / loss on assets	-2.88	-3.03
Closing amount recognized in OCI outside P&L account	-25.78	-163.61

Table VIII: The amount to be recognized in Balance Sheet Statement

All Figures in INR	March 31, 2019	March 31, 2018
Present Value of Obligations	893.11	640.78
Fair value of plan assets	154.36	145.94
Net Obligations	736.22	480.59
Amount not recognized due to asset limit	-	-
Net defined benefit liability / (assets) recognized in balance	736.22	480.59

Table IX: Expense Recognized in Statement of Profit and Loss

All Figures in INR	March 31, 2019	March 31, 2018
Service cost	298.68	174.59
Net Interest Cost	58.07	35.51
Expenses Recognized in the statement of Profit & Loss	356.75	210.10

Table X: Change in Net Defined Obligations

All Figures in INR	March 31, 2019	March 31, 2018
Opening of Net defined benefit liability	599.63	343.63
Service cost	274.21	147.88
Net Interest Cost	46.26	25.60
Re-measurements	25.52	153.56
Employer Contribution	-74.67	-71.04
Closing of Net defined benefit liability	870.95	599.63

Note:- While preparing consolidated disclosure of Employee benefit we considered only financial of those subsidiaries in which these disclosures are available.



SMS Limited (Formerly SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019
47 Segment Reporting

a The company's primary business segments comprises of EPC,Toll and Mining. The business segments have been identified in line with IND AS 108 on Segment Reporting.

b Segment Revenue Results & Other Information

(' In lacs)

Particulars	2018-19						2017-18					
	EPC	Toll	Mining	Hazardous	Other	Total	EPC	Toll	Mining	Hazardous	Other	Total
Revenue												
External sales	84,820.05	43,457.19	30,252.53	15,492.77	1,333.88	1,75,356.42	79,467.23	35,761.42	23,143.92	13,506.77	2,400.20	1,54,279.54
Inter segment sales					-14.12	-14.12	-	-	-	-	-	-
Total revenue	84,820.05	43,457.19	30,252.53	15,492.77	1,319.75	1,75,342.29	79,467.23	35,761.42	23,143.92	13,506.77	2,400.20	1,54,279.54
Results												
Segment results	9,033.73	29,335.94	4,891.10	8,078.93	-116.48	51,223.22	5,601.84	24,867.50	5,117.19	7,924.80	-1,405.79	42,105.54
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-
Inter segment Expenses	109.69	32.88		-83.57	-	59.00	59.89	175.60	-	842.50	-	1,077.98
Operating profit	8,924.04	29,303.06	4,891.10	8,162.49	-116.48	51,164.22	5,541.96	24,691.91	5,117.19	7,082.30	-1,405.79	41,027.56
Other Income	1,160.64	447.82	155.40	1,263.06	136.38	3,163.29	1,972.05	169.59	570.19	1,020.01	201.09	3,932.94
Finance costs	6,204.18	2,916.32	2,211.56	4,808.77	2,204.43	18,345.25	6,194.35	2,105.65	2,081.49	3,971.94	1,421.34	15,774.78
Depreciation / Amortisation	969.29	15,729.43	1,185.48	2,384.26	2,957.06	23,225.52	931.81	14,263.84	1,098.88	2,810.92	4,218.68	23,324.12
Profit before tax	2,911.20	11,105.14	1,649.47	2,232.52	-5,141.59	12,756.74	387.85	8,492.00	2,507.02	1,319.46	-6,844.73	5,861.60
Segment assets	1,22,669.32	92,849.24	40,869.27	52,557.06	40,875.42	3,49,820.31	1,09,755.84	88,250.64	47,940.80	50,815.68	43,716.71	3,40,479.66
Intercompany assets	-12,305.88	-2,954.46	-192.84	-1,219.56	-9.05	-16,681.80	-17,095.73	-4,764.95	-283.85	5.98	-	-22,138.55
Unallocated assets							-	-	-	-	-	-
Total assets	1,10,363.44	89,894.78	40,676.43	51,337.50	40,866.36	3,33,138.51	92,660.10	83,485.69	47,656.95	50,821.66	43,716.71	3,18,341.11
Segment liabilities	1,70,613.73	70,970.04	13,803.21	43,274.04	51,159.28	3,49,820.31	1,68,783.47	72,981.95	5,900.69	43,842.92	48,970.63	3,40,479.66
Intercompany liabilities	-3,352.00	-914.78	-5,709.65	-7.63	-6,697.74	-16,681.80	-968.96	-865.04	-5,470.48	-382.03	-14,452.04	-22,138.55
Unallocated liabilities							-	-	-	-	-	-
Total liabilities	1,67,261.73	70,055.26	8,093.56	43,266.42	44,461.55	3,33,138.51	1,67,814.51	72,116.91	430.21	43,460.89	34,518.59	3,18,341.11



48 Related Party Disclosures as required in terms of "Indian Accounting Standard [IND AS] 24 are given below:

1 Relationships (Related Party relationships are as identified by the Company and relied upon by the auditors)

A Joint Ventures

- 1 SMSIL-MBPL-BRAPL (J.V)
- 2 SMSIL-KTCO (JV)
- 3 SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. JV
- 4 Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd. JV
- 5 SMS Infrastructure Ltd. Shreenath Enterprises J.V.
- 6 SRRCIPL-SMSL-BEKEM-JV
- 7 SMSL-SRRCIPL (J V)
- 8 GDCL-SMSIL (J.V.)
- 9 Bhartiya SMSIL (JV)
- 10 SMSIL-West Coast Engineering Corp-JV
- 11 SMSIL-BIL JV-(BRAMHAPUTRA PROJET)
- 12 SMSIL-BCL JV-(BRAMHAPUTRA PROJET)
- 13 SMS Infrastructure Ltd - Aarti Infra-Projects Pvt. Ltd. J.V.
- 14 GSJ Envo Ltd. In consortium with SMS Infrastructure Ltd.
- 15 Sanbro Corporation
- 16 SMSIL-MBPL(J.V)

B Associates

- 1 RCCL Infrastructure Ltd.
- 2 SMS AAMW Tollways Pvt. Ltd.

C Key Management Personnel

- 1 Abhay H. Sancheti - Chairman & Director
- 2 Anand S. Sancheti -Managing Director
- 3 Ajay Shaktikumar Sancheti (Non executive Director)
- 4 Dilip B Surana - Director
- 5 Ajay Kumar Lakhotia
- 6 Ramendra Gupta
- 7 Renu Challu
- 8 Akshay A Sancheti
- 9 Arun Patil
- 10 Shailendra Singhal
- 11 Vijay Kisanlal Sancheti
- 12 Dattatrya Laxmanrao Kinage
- 13 Saurabh Gautam
- 14 Chetan Bora
- 15 Amit Nilawar
- 16 Anup Nilawar
- 17 Hemant Lodha
- 18 Asif Hussain
- 19 Chittaranjan Sarkar
- 20 Rajesh Kawale
- 21 Pranav Akhileshwar Kumar
- 22 Amit Kedarnath Somani



48 Related Party Disclosures as required in terms of "Indian Accounting Standard [IND AS] 24 are given below:

1 Relationships (Related Party relationships are as identified by the Company and relied upon by the auditors)

D Other Related Parties

- 1 SMS Envocare Ltd.
- 2 SMS Waluj CETP Pvt. Ltd.
- 3 SMS Multi Objective Organisation
- 4 Atul Multi Objective Organisation
- 5 Valencia Constructions Pvt. Ltd.
- 6 Veetrag Explorations & Minerals Pvt. Ltd. (Formerly known as Veet Rag Homes Pvt. Ltd.)
- 7 Veetrag Hospitality Pvt. Ltd.
- 8 San Commercials Pvt. Ltd.
- 9 Adianubhav Developers Pvt. Ltd.
- 10 Bio-waste Management (U) Ltd.
- 11 M/s San Finance Corporation
- 12 M/s Sanson Developers
- 13 M/s Sanbro Corporation
- 14 BSS Associates
- 15 Paramveer A Sancheti
- 16 Nirbhay A Sancheti
- 17 Anil H. Sancheti
- 18 KPANV Mines & Minerals LLP
- 19 SPANV Medisearch Life Science Private Limited



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

2 Related Party transactions during the year are as follows:

SR. NO.	Particulars	Joint Ventures		Associates		Key management personnel and relatives		Enterprises owned and significantly influenced by key management personnels or their relatives		Other Related Party	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
1	Advances Given/ Repaid	315.29	1,923.88	-	-	288.95	-	-	-	19.53	54.43
2	Advances taken/recovered	256.85	4,229.15	-	-	-	-	-	-	1.14	732.18
3	Loan Granted/Repaid	2738.58	1,417.92	-	111.32	9.4	9.60	-	-	57,975.35	60,945.02
4	Loan Taken/Recovered	6261.13	606.22	178.59	-	3.00	-	-	-	34,150.36	68,953.17
5	Sale of Services	-	-	-	-	-	-	-	-	536.46	-
6	Contractual payment	16150.55	16,619.76	-	-	-	-	-	-	182.80	-
7	Expenses Incurred	-	-	-	1.16	-	-	-	-	-	-
8	Interest Paid	-	-	-	11.10	-	-	-	-	547.38	754.52
9	Interest Received	-	-	-	-	-	-	-	-	5.35	-
10	Bonus	-	-	-	-	3.55	3.29	-	-	-	-
11	Conveyance Reimbursement	-	-	-	-	2.40	2.40	-	-	-	-
12	Loans and advance returned	-	-	-	-	-	0.02	-	-	-	-
13	Managerial Remuneration	-	-	-	-	561.82	344.67	-	-	-	-
14	Purchase of Service	-	-	-	-	-	-	-	-	-	328.55
15	Remuneration	-	-	-	-	54.40	136.75	-	-	147.58	248.00
16	Rent	-	-	-	-	10.00	0.84	-	-	14.40	14.40
17	Tax paid /Other Transaction (paid)	-	-	-	-	-	-	-	128.03	-	5.36
18	Tax paid /Other Transaction Recd	-	-	-	-	-	-	-	128.03	-	9.87
19	Fees for Mgmt services	-	-	-	-	-	-	-	7.08	-	-
21	Purchase of Material/Services	-	-	-	-	-	-	-	47.62	-	7.84
22	Repair maintenance	-	-	-	-	-	-	-	14.29	-	-
23	Repayment of Loan	-	-	-	-	-	-	-	0	-	-



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

2 Related Party transactions during the year are as follows:

24	Sale of Services	-	-	-	-	-	-	1530.97	276.83	49.20
25	Share Purchased	-	-	-	-	-	-	1300	-	-
26	Director Sitting Fees	-	-	-	12.00	-	-	-	-	13.20
27	Investment	226.41	-	-	-	-	-	-	6,410.15	29,241.53
28	Loan/Advances Received	-	-	-	-	-	-	-	-	4,430.10
29	Managerial Remuneration	-	-	-	-	-	-	-	-	24.00
30	Payment Made against Services	-	-	-	-	-	-	-	12.07	8.77
31	Payment Received against Services	-	-	-	-	-	-	-	76.01	39.26
32	Sale	-	-	-	-	-	-	-	266.28	-
33	Outstanding Balances included in Assets/liabilities	5397.891699	4,882.05	1044.67	1,110.30	49.86	-21.68	-20.07	379.76	28,878.81



49 Financial instruments

(₹ in lacs)

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments	34,097.67	2,589.41	921.63	37,608.70	37,608.70
Trade receivables	34,862.28	-	-	34,862.28	34,862.28
Loans	18,826.79	-	-	18,826.79	18,826.79
Others financial assets	47,383.34	-	-	47,383.34	47,383.34
Cash and cash equivalents	3,399.14	-	-	3,399.14	3,399.14
Other bank balances	3,032.29	-	-	3,032.29	3,032.29
Liabilities:					
Borrowings	1,25,601.71	-	-	1,25,601.71	1,25,601.71
Trade payables	-	-	-	-	-
Other financial liabilities	38,265.53	-	-	38,265.53	38,265.53

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments	32,078.68		1250.21	33,328.89	33,328.89
Trade receivables	34,312.31	-	-	34,312.31	34,312.31
Loans	11,577.31	-	-	11,577.31	11,577.31
Others financial assets	33,293.10	-	-	33,293.10	33,293.10
Cash and cash equivalents	5,710.29	-	-	5,710.29	5,710.29
Other bank balances	1,821.68	-	-	1,821.68	1,821.68
Liabilities:					
Borrowings	1,03,984.85	-	-	1,03,984.85	1,03,984.85
Trade payables	-	-	-	-	-
Other financial liabilities	27,455.06	-	-	27,455.06	27,455.06



50 Financial Risk Management

The Company's activities expose it to the following risks:

- Credit risk
- Interest risk
- Liquidity risk

A Credit Risk

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

i Trade receivables

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Credit risk exposure

The Company's credit period generally ranges from 30 – 60 days are as below.

Particulars	(₹ in lacs)	
	As at 31 March 2019	As at 31 March 2018
Trade receivables	34,862.28	34,312.31
Work in progress	23,122.93	14,937.54
Total	57,985.21	49,249.84

The Company evaluates the concentration of risk with respect to trade receivables as low as they are spread across multiple geographies and multiple industries.

Exposure to the Credit risk on the financial guarantee:

Particulars		
	As at 31 March 2019	As at 31 March 2018
Letter of Credit	5,024.58	78,058.41
Bank Guarantees	72,874.57	4,941.61
Total	77,899.15	83,000.02

ii Financial instruments and deposits with banks

Credit risk is limited as we generally invest in deposits with banks and financial institutions with high credit

B Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below.

Particulars		
	As at 31 March 2019	As at 31 March 2018
Cash and cash equivalent	3,399.14	5,710.29
Bank balance other cash and cash equivalent	3,032.29	1,821.68
Total	6,431.43	7,531.97



Maturity patterns of borrowings

At 31st March 2019	Up to 1 year	1 to 5 years	Beyond 5 Years	Total
Long term borrowings	1,456.01	18,280.15	19,963.96	39,700.12
Short term borrowings	11,131.07	-	-	11,131.07
Other				74,770.53
Total	12587.07	18280.15	19963.96	125601.71

At 31st March 2018	Up to 1 year	1 to 5 years	Beyond 5 Years	Total
Long term borrowings	1,665.55	8,623.66	31,748.76	42,037.97
Short term borrowings	13,540.41	-	-	13,540.41
Other				48,406.47
Total	15,205.96	8,623.66	31,748.76	1,03,984.85

Maturity patterns of other Financial Liabilities

₹ in Lacs

As at 31st March, 2019	6 months or less	6-12 months	Beyond 12 months	Total
Trade payable	540.42	-	-	540.42
Creditors for Capital goods	80.81	40.52	-	121.33
Other Financial Liability (Current	7,723.70	62.38	3,311.72	11,097.80
Total	8,344.92	102.90	3,311.72	11,759.54

As at 31st March, 2018	6 months or less	6-12 months	Beyond 12 months	Total
Trade payable	791.62	49.60	-	841.22
Creditors for Capital goods	381.57	0.41	-	381.98
Other Financial Liability (Current	1,805.76	53.67	2,921.44	4,780.87
Total	2,978.95	103.68	2,921.44	6,004.07

C Market Risk**Foreign exchange rates**

The Company has balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affected the results of the Company, and may fluctuate substantially in the future. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Interest rate

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company's borrowings are short term / working capital in nature and hence is not exposed to significant interest rate risk.

AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:-

Particulars	31.03.2019	31.03.2018
Variable Rate borrowings	142.73	95.50



Price Risk

Price risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in equity shares and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.

Particulars	Note No	31.03.2019	31.03.2018
Investments in Listed Equity Shares	5	2,589	-
		2,589	-

Sensitivity Analysis

Price Risk Analysis	Impact on profit/loss	
	For the year ended Mar 31, 2019	For the year ended Mar 31, 2018
Increase or decrease in Share Price by 5%	129	-

Note - In case of decrease in Share Price, profit will reduce and vice versa



51 Interest in other entities**i Subsidiaries**

The Group's subsidiaries as at 31 March 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Sr. No.	Name of the entity	Country of incorporation	Ownership interest held by the group (%)		Ownership interest held by non controlling		Principal activities
			31-Mar 2019	31-Mar 2018	31-Mar 2019	31-Mar 2018	
1	SMS Bhatgaon Mines Extension Pvt. Ltd.	India	51.00%	51.00%	49.00%	49.00%	Mining Contractor
2	SMS Envoclean Pvt. Ltd.	India	56.02%	56.02%	43.98%	43.98%	Bio Medical Waste Treatment Service
3	SMS Infolink Pvt. Ltd.	India	100.00%	100.00%	0.00%	0.00%	Information Technology
4	SMS Mine Developers Pvt. Ltd.	India	51.00%	51.00%	49.00%	49.00%	Mining Contractor
5	Spark Mall and Parking Private Limited (Formerly known as SMS Parking Solutions Private Limited)	India	100.00%	100.00%	0.00%	0.00%	Multi Level Car Parking & Commercial Complex
6	SMS Taxi Cabs Pvt. Ltd.	India	60.00%	60.00%	40.00%	40.00%	Rent A Cab
7	SMS Vidyut Pvt. Ltd.	India	100.00%	100.00%	0.00%	0.00%	Hydro Power Plant
8	SMS Water Grace BMW Pvt. Ltd	India	56.03%	56.03%	43.97%	43.97%	Bio Medical Waste Treatment Service
9	SMS Tolls And Developers Ltd.	India	100.00%	100.00%	0.00%	0.00%	Toll Activity
10	SMS-AABS India Tollways Private Limited	India	51.00%	51.00%	49.00%	49.00%	Toll Activity
11	SMS Waste Management Pvt. Ltd.	India	100.00%	100.00%	0.00%	0.00%	Hazardous Waste Treatment Service
12	PT. SMS Minerals International*	Indonesia	80.00%	80.00%	20.00%	20.00%	Trading of Mineral
13	Solar Bhatgaon Extension Mines Pvt. Ltd.	India	51.00%	51.00%	49.00%	49.00%	Mining Contractor
14	Ayodhya Gorakhpur SMS Tolls Pvt. Ltd.	India	100.00%	100.00%	0.00%	0.00%	Toll Activity
15	Patwardhan Infrastructure Pvt. Ltd.	India	100.00%	100.00%	0.00%	0.00%	Toll Activity
16	Maharashtra Enviro Power Ltd.	India	92.08%	92.08%	7.92%	7.92%	Hazardous Waste Treatment Service
17	PT. SMS Mines Indonesia*	Indonesia	100%	100%	0.00%	0.00%	Trading of Mineral

Note:- * While preparing the consolidated financial statement the unaudited figures are considered. This is because, in these companies the operating revenue is NIL and as per the rules and regulation existing in that country, if the operating revenue is NIL then audit is not required.

The subsidiaries had prepared their financial statement in accordance with accounting principles generally accepted in India (Indian GAAP). These financial statements are consolidated based on conversion adjustments.



51 Interest in other entities

ii Non-controlling interests (NCI)

(₹ in lacs)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations

Non-controlling interests (NCI)	SMS Water Grace BMW Pvt. Ltd		SMS Envoclean Pvt. Ltd.		SMS Taxi Cabs Pvt. Ltd.	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2019	2018	2019	2018	2019	2018
Non-current assets	528.16	352.59	1,729.13	1,228.99	12,447.67	15,329.23
Current assets	328.21	324.39	664.96	522.84	489.00	441.85
Non-current liabilities	29.77	93.48	186.87	218.91	480.21	444.15
Current liabilities	197.90	204.37	558.93	494.23	16,400.68	16,183.99
Net assets	628.70	379.13	1,648.29	1,038.69	-3,944.22	-857.06
Net assets attributable to NCI	276.44	166.70	724.92	456.81	-1,577.69	-342.83
Revenue	788.11	684.69	1,979.63	1,629.33	418.47	1,528.04
Profit for the year	249.89	121.91	609.20	434.60	-3,087.16	-3,272.92
Other comprehensive income	-0.33	-1.69	0.40	-2.36	-	-
Total comprehensive income	249.56	120.22	609.60	432.25	-3,087.16	-3,272.92
Profit/(Loss) allocated to NCI	109.88	53.61	267.92	191.14	-1,234.86	-1,309.17
OCI allocated to NCI	-0.15	-0.74	0.18	-1.04	-	-
Total comprehensive income allocated to NCI	109.73	52.86	268.10	190.10	-1,234.86	-1,309.17

Non-controlling interests (NCI)	Maharashtra Enviro Power Ltd.		SMS Bhatgaon Mines Extension		SMS-AABS India Tollways Private	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2019	2018	2019	2018	2019	2018
Non-current assets	41,383.07	39,217.37	-	-	17,343.41	18,872.16
Current assets	7,923.16	9,168.82	0.35	112.97	5,163.34	5,635.10
Non-current liabilities	37,265.04	37,528.67	-	99.26	3,925.10	4,823.53
Current liabilities	4,928.50	5,196.78	4.85	37.18	2,523.19	9,279.21
Net assets	7,112.71	5,660.74	-4.50	-23.47	16,058.46	10,404.52
Net assets attributable to NCI	563.33	448.33	-2.20	-11.50	7,868.64	5,098.21
Revenue	12,725.04	11,192.76	-	-	23,121.02	18,239.26
Profit for the year	1,430.43	-517.73	18.97	-11.17	7,584.15	3,732.96
Other comprehensive income	21.54	-11.24	-	-	-1,930.21	-506.87
Total comprehensive income	1,451.97	-528.97	18.97	-11.17	5,653.94	3,226.09
Profit/(Loss) allocated to NCI	113.29	-41.00	9.30	-5.47	3,716.23	1,829.15
OCI allocated to NCI	1.71	-0.89	-	-	-945.80	-248.36
Total comprehensive income allocated to NCI	115.00	-41.89	9.30	-5.47	2,770.43	1,580.78



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

Non-controlling interests (NCI)	Solar Bhatgaon Extension Mines Pvt. Ltd.		PT. SMS Minerals International		SMS Mine Developers Pvt. Ltd.	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2019	2018	2019	2018	2019	2018
Non-current assets	-	121.73	11.18	24.49	-	-
Current assets	0.32	0.37	3,401.79	3,403.78	37.30	1.50
Non-current liabilities	-	13.70	3,438.99	3,231.50	-	-
Current liabilities	0.30	14.41	2,438.41	2,395.41	37.02	1.01
Net assets	0.02	93.99	-2,464.45	-2,198.64	0.28	0.49
Net assets attributable to NCI	0.01	46.06	-492.89	-439.73	0.14	0.24
Revenue	-	-	394.84	0.37	-	-
Profit for the year	-93.97	-1.80	-193.23	-265.41	-0.21	-0.02
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-93.97	-1.80	394.84	-265.41	-0.21	-0.02
Profit/(Loss) allocated to NCI	-46.05	-0.88	78.97	-53.08	-0.10	-0.01
OCI allocated to NCI	-	-	-	-	-	-
Total comprehensive income allocated to NCI	-46.05	-0.88	78.97	-53.08	-0.10	-0.01



51 Interest in joint ventures

iii The Group's joint ventures as at 31 March 2019 are set out below.

Sr. No.	Name of the entity	Country of incorporation	Ownership interest	Carrying amount as at		Principal activities
				31-Mar	31-Mar	
				2019	2018	
1	SMS Infrastructure Ltd. & D. Thakkar Construction Pvt. Ltd. JV	India	70.00%	603.43	534.22	Infrastruture
2	SMS Infrastructure Ltd. & Brahamaputra Infrastructure Ltd (JV)*	India	51.00%	-	-	Infrastruture
3	SMS Infrastructure Ltd. & Brahamaputra Consortium Ltd (JV)*	India	51.00%	-	-	Infrastruture
4	SMS Infrastructure Ltd - Aarti Infra-Projects Pvt. Ltd. J.V.	India	51.00%	52.02	145.67	Infrastruture
5	SMS Infrastructure Ltd. Shreenath Enterprises J.V.*	India	36.50%		68.96	Infrastruture
6	Shaktikumar M. Sancheti Ltd. & S N Thakkar Construction Pvt. Ltd. JV	India	65.00%	278.47	276.37	Infrastruture
7	GSJ Envo Ltd. In consortium with SMS Infrastructure Ltd. (AOP)	India	70.00%	193.83	223.87	Infrastruture
8	SMSIL KTCO (JV)	India	50.00%	4.22	3.25	Infrastruture
9	Bhartia SMSIL (JV)	India	49.00%	4.27	3.06	Infrastruture
10	SMSIL-MBPL-BRAPL (JV)	India	63.33%	18.00	5.45	Infrastruture
11	GDCL-SMSIL (J.V.)*	India	40.00%			Infrastruture
12	SMSL-SRRCIPL (J V)	India	60.00%	-3.42	76.02	Infrastruture
13	SRRCIPL-SMSL-BEKEM JV	India	20.00%	-2.49	88.03	Infrastruture
14	SMSIL-WESTCOAST ENGINEERING CORP. (JV)*	India	51.00%	-	-	Infrastruture
15	SMS Infrastructure Ltd.& B. P. Construction Co. Pvt Ltd (JV)*	India	61.00%	-	-	Infrastruture
16	Sanbro Corporation	India	26.00%	-86.66	-54.06	
17	SMSIL-MBPL (JV)	India	66.66%	226.41	-	
				1,288.09	1,370.84	

Note:- * Due to unavailability of financial statement the financial effect of these six Joint Controlled Entities are not considered in the consolidated financial statement and balances appearing in the books of accounts of the holding company is considered as investment.

The Jointly controlled entities had prepared their financial statement in accordance with accounting principles generally accepted in India (Indian GAAP). These financial statements are consolidated based on conversion adjustments.



51 Interest in other entities

iv Table below provide summarised financial information for Joint venture

(₹ in lacs)

Particulars	SMS & SNT		SMS & DTC		SMS & AIPPL	
	31-Mar 2019 65%	31-Mar 2018 65%	31-Mar 2019 70%	31-Mar 2018 70%	31-Mar 2019 51%	31-Mar 2018 51%
Non-current assets	-	-	158.22	14.99	-	-
Current assets						
Cash and cash equivalents	1.95	65.63	22.48	148.58	4.69	3.58
Other assets	1563.77	1650.54	8,687.90	10,422.25	812.29	850.92
Current assets	1,565.72	1,716.17	8,710.38	10,570.83	816.98	854.50
Non-current liabilities						
Financial liabilities (excluding trade payables)	-	-	5,479.56	5,483.21	-	-
Other liabilities	-	-	-	-	-	-
Non-current liabilities	-	-	5,479.56	5,483.21	-	-
Current liabilities						
Financial liabilities (excluding trade payables)	-	-	-	-	-	-
Other liabilities	1,130.19	1,291.00	2,529.27	4,339.43	568.93	568.88
Current liabilities	1,130.19	1,291.00	2,529.27	4,339.43	568.93	568.88
Net assets	435.54	425.18	859.77	763.18	248.06	285.63
Group share of net assets	283.10	276.37	601.84	534.22	126.51	145.67
Revenue	1,534.59	243.36	5,503.56	4,235.40	-	0.48
Works Direct Expenses	1,517.94	228.92	5,348.09	3,811.77	-	-
Administrative Expenses	1.38	2.28	5.13	3.77	-	-
Depreciation and amortisation	-	-	-	-	-	-
Finance cost	-	-	-	372.78	-	-
Other Expense	-	-	-	-	0.07	1.44
Profit/ (Loss) for the year before tax	15.28	12.16	150.34	47.07	(0.07)	(0.97)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	15.28	12.16	150.34	47.07	-0.07	-0.97
Group share of profit/ (Loss)	9.93	7.91	105.24	32.95	-0.04	-0.49
Group share of OCI	-	-	-	-	-	-
Group share of total comprehensive income	9.93	7.91	105.24	32.95	-0.04	-0.49



51 Interest in other entities

iv Table below provide summarised financial information for Joint venture

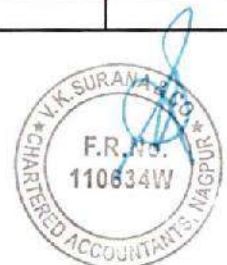
Particulars	SMS & AIPPL		SMS & Shreenath		SMS & KTCO	
	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar
	2019	2018	2019	2018	2019	2018
	51%	51%	36.50%	36.50%	50%	50%
Non-current assets	-				4.99	5.05
Current assets						
Cash and cash equivalents	4.69	3.58		7.21	0.48	0.47
Other assets	812.29	850.92		1,630.96	3.93	37.97
Current assets	816.98	854.50	-	1,638.17	4.40	38.44
Non-current liabilities						
Financial liabilities (excluding trade payables)	-	-	-	-	-	-
Other liabilities						
Non-current liabilities	-	-	-	-	-	-
Current liabilities						
Financial liabilities (excluding trade payables)						
Other liabilities	568.93	568.88		1,449.24	0.95	37.00
Current liabilities	568.93	568.88	-	1,449.24	0.95	37.00
Net assets	248.06	285.63	-	188.93	8.44	6.50
Group share of net assets	126.51	145.67	-	68.96	4.22	3.25
Revenue	-	0.48		2,290.70	2.97	-
Works Direct Expenses	-	-		2,220.89	-	-
Administrative Expenses		-		1.14	0.59	0.52
Depreciation and amortisation	-	-		-	-	-
Finance cost	-	-		0.01	-	-
Other expenses	0.07	1.44		4.82	-	-
Profit/ (Loss) for the year before tax	(0.07)	(0.97)	-	63.84	2.38	(0.52)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-0.07	-0.97	-	63.84	2.38	-0.52
Group share of profit/ (Loss)	-0.04	-0.49	-	23.30	1.19	-0.26
Group share of OCI	-	-	-	-	-	-
Group share of total comprehensive income	-0.04	-0.49	-	23.30	1.19	-0.26



51 Interest in other entities

iv Table below provide summarised financial information for Joint venture

Particulars	GDCL-SMSIL JV		SMSIL & GSJ		SMSIL & Bhartiya	
	31-Mar 2019 40%	31-Mar 2018 40%	31-Mar 2019 70%	31-Mar 2018 70%	31-Mar 2019 49%	31-Mar 2018 49%
Non-current assets				9.15	-	-
Current assets						
Cash and cash equivalents		1.19	12.03	15.68	0.15	0.14
Other assets		4,132.49	2,819.39	5,370.91	766.95	349.86
Current assets	-	4,133.67	2,831.42	5,386.59	767.09	350.00
Non-current liabilities						
Financial liabilities (excluding trade payables)		-	2,575.32	4,975.32	416.46	-
Other liabilities		4,133.67	-			
Non-current liabilities	-	4,133.67	2,575.32	4,975.32	416.46	-
Current liabilities						
Financial liabilities (excluding trade payables)	-					
Other liabilities		-	100.73	100.61	340.45	343.76
Current liabilities	-	-	100.73	100.61	340.45	343.76
Net assets	-	0.00	155.36	319.82	10.19	6.24
Group share of net assets	-	0.00	108.76	223.87	4.99	3.06
Revenue		4,638.44	186.25	632.06	546.62	648.21
Works Direct Expenses		4,638.44	187.50	461.59	540.89	648.21
Administrative Expenses		-	100.25	67.38	1.79	-
Depreciation and amortisation		-	1.38	1.39		-
Finance cost		-	26.94	82.31		0.00
Profit/ (Loss) for the year before tax			(129.81)	19.39	3.95	(0.00)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-129.81	19.39	3.95	-0.00
Group share of profit/ (Loss)	-	-	-90.87	13.57	1.93	-0.00
Group share of OCI	-	-	-	-	-	-
Group share of total comprehensive income	-	-	-90.87	13.57	1.93	-0.00
	-	-				



SMS Limited (Formerly known as SMS Infrastructure Limited)

Notes to Consolidated financial statements for the year ended 31 March 2019

51 Interest in other entities

iv Table below provide summarised financial information for Joint venture

Particulars	SMSIL-MBPL-BRAPL		SMSL-SRRCIPL JV		SRRCIPL-SMS-BEKEM	
	31-Mar 2019	31-Mar 2018	31-Mar 2019	31-Mar 2018	31-Mar 2019	31-Mar 2018
	57%	57%	60%	60%	20%	20%
Non-current assets	61.73	-		-	1,595.05	
Current assets						
Cash and cash equivalents	8.85	35.35	0.19	0.04	0.27	0.40
Other assets	3,698.22	1,998.30	1,159.55	923.91	2,379.34	3,561.31
Current assets	3,707.08	2,033.65	1,159.74	923.95	2,379.62	3,561.70
Non-current liabilities						
Financial liabilities (excluding trade payables)	-	-	-	-	1,562.71	-
Other liabilities						
Non-current liabilities	-	-	-	-	1,562.71	-
Current liabilities						
Financial liabilities (excluding trade payables)	-	-	1,033.06			
Other liabilities	3,737.98	2,025.04	-	797.26	1,971.81	3,121.54
Current liabilities	3,737.98	2,025.04	1,033.06	797.26	1,971.81	3,121.54
Net assets	30.83	8.60	126.68	126.69	440.15	440.17
Group share of net assets	17.57	4.90	76.01	76.02	88.03	88.03
Revenue	10,508.58	6,128.46	3,861.47	1,729.56	8,861.53	20,632.23
Works Direct Expenses	10,388.92	6,112.14	3,861.47	1,729.56	8,861.53	-
Administrative Expenses	76.59	16.32	0.68	-	2.10	
Depreciation and amortisation	10.77			0.96		
Finance cost	-		0.01	0.02	0.02	0.03
Other Expenses						10.19
Profit/ (Loss) for the year before tax	32.30	(0.00)	(0.69)	(0.98)	(2.12)	20,622.02
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	32.30	-0.00	-0.69	-0.98	-2.12	20,622.02
Group share of profit/ (Loss)	18.41	-0.00	-0.42	-0.59	-0.42	4,124.40
Group share of OCI	-	-	-	-	-	-
Group share of total comprehensive income	18.41	-0.00	-0.42	-0.59	-0.42	4,124.40



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

51 Interest in other entities

v Table below provide summarised financial information for Associates (₹ in lacs)

The Group's associates as at 31 March 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest (%)	Carrying amount as at		Principal activities
			31-Mar 2019	31-Mar 2018	
RCCL Infrastructure Pvt. Ltd.*	India	34%	-298.36	-274.35	Infrastructure
SMS-AAMW Tollways Pvt. Ltd.	India	26%	-810.67	-810.09	Toll
			-1,109.03	-1,084.44	

Note:-* The Associates company had prepared their financial statement in accordance with accounting principles generally accepted in India (Indian GAAP). These financial statements are consolidated based on conversion adjustments.

Due to non availability of Audited Financial Statement, this financial statement prepared on the basis of unaudited financial statement.



SMS Limited (Formerly known as SMS Infrastructure Limited)
Notes to Consolidated financial statements for the year ended 31 March 2019

51 Interest in other entities

(₹ in lacs)

vi Table below provide summarised financial information for Associates

Particulars	RCCL Infrastructure		SMS-AAMW Tollways Private	
	31-Mar 2019	31-Mar 2018	31-Mar 2019	31-Mar 2018
Non-current assets	3,306	460.32	4.25	4.25
Current assets			-	-
Cash and cash equivalents	1.19	0.91	137.63	137.63
Other assets	1.09	1.09	131.25	131.25
Current assets	2.28	2.01	268.88	268.88
Non-current liabilities	121.44	372.43	3,386.97	3,386.97
Current liabilities	4,064.32	901.84	2.15	1.91
Revenue	-	-	-	61.65
Profit/ (Loss) for the year before tax	-65.59	-56.63	-0.24	-0.45
Other comprehensive income		-	-	-
Total comprehensive income	-65.59	-56.63	-0.24	-0.45



52 A Disclosure in Respect of Expenditure on Corporate Social Responsibility Activities

a) Gross amount required to be spend by the company during the year Rs 127.7 Lacs (Previous year March 31st 2018, Rs 139.18 Lacs)

b) The company has spend Rs 429.83 Lacs during the current financial year (Previous year March 31st 2018: Rs 25.57 Lacs) as per the provision of Section 135 of the companies Act 2013 towards Corporate Social Responsibility (CSR) activities grouped under "Other Expenses" as per the details below :

	(₹ in lacs)
	Amount Spent
Year Ended March 31, 2019	
i) Construction/ acquisition of any Asset	184.82
ii) On Purpose other than (i) above	245.01
TOTAL	429.83
Year Ended March 31, 2018	
i) Construction/ acquisition of any Asset	7.95
ii) On Purpose other than (i) above	17.62
TOTAL	25.57

To the following Companies CSR provisions are not Applicable because Companies not fulfilling any of criteria of Section 135 of the Companies Act 2013.

- i SMS Envoclean Private Limited
- ii SMS Water Grace BMW Private Limited
- iii SMS Infolink Private Limited
- iv Patwardhan Infrastructure Private Limited
- v Spark Mall & Parking Private Limited
- vi Pt. SMS Mineral International
- vii SMS Mine Developers Private Limited
- viii SMS Bhatgaon Mines extension private Limited
- ix Solar Bhatgaon Extension Mines Private Limited
- x Pt. SMS Mines Indonesia
- xi SMS Tolls & Developers private Limited
- xii SMS-AABS Tollways Private Limited
- xiii Sms Taxicabs Private Limited
- xiv SMS Vidhyut Private limited
- xv SMS Waste Management Private Limited

AYODHYA GORAKHPUR SMS TOLLS PRIVATE LIMITED

As per section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profits for the immediately preceeding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

- A Gross amount required to be spent by the Company during the year is Rs 15,64,190/-.



- B As per disclosure in Annual Report the Company could not spend the required amount on CSR activities due to certain limitations under Concession Agreement entered with NHA to whom subsequent amount of cash inflows are to be paid each month on or before particular date with a significant escalation periodically. And this when combined with other liabilities of day to day operations, the company is left with little scope for contribution in CSR activities.

53 **Reconciliation of Ind AS 115 and Ind As 11 in caase of Holding Company**

Particulars	Amount (Ind AS 11) ₹ in lacs	Amount (Ind AS 115) ₹ in lacs
Revenue from Operations	96,746.30	1,01,884.05
Work - in - Progress	12,281.56	7,515.63
Trade Receivable	24,360.34	29,498.09

- 54 In respect of Bhatgaon Mines Private limited and Bhatgaon Extension Mines Private Limited, the total expenses incurred is Rs. 90.37 crore out of which SMS Limited has incurred Rs. 34.32 Crore and balance Rs. 56.05 is incurred by JV Partner.

However by virtue of Supreme Court decision, mine got deallocated and project was abandoned. Consequently, the Joint venture has raised a claim for refund of deposits and various expenses incurred for the development of mine through Arbitration. Against this claim, Rs. 73.59 crore was awarded under the arbitration to the Joint Venture company, out of which Rs. 22.45 Crore is the share of SMS Limited. However, in this award the cost of land aquisition was not considered, against which, the Chhattisgarh Mineral Development Corporation Limited (CMDC) has raised the claim an Ministry of Coal.

However, as per the leagal advice taken by the company, this cost is recoverable by the Joint Venture company as the cost is incurred by Joint Venture and not by CMDC.

- 55 Company is having verious works contract, some of which are inclusive of taxes, some are exclusive of taxes and some are exempt. But after introduction of GST with effect from 1st July, 2017, exempt cotract become taxable and also in cases of inclusive contract there in increase in tax rate from the original contract. This resulted in increased tax liability on the company against which company filed the claim with the concerned Department. Outcome of this claim is still pending with the Department. But on the basis of opinion taken from the legal advisor, the company made the provision for the GST impact turnover in books of account.

- 56 The company had made investments to the tune of Rs. 1,747 lacs and 3,577 lacs in two subsidiaries, SMS Taxicabs Pvt Ltd and SMS Parking Solutions P Ltd.

SMS Taxicabs P Ltd. (STPL) was floated to run a fleet of Radiocabs in the city of Mumbai for 2800 taxis. STPL owns licenses to run taxis and the same are perpetual in nature. STPL, though was making good profits in the initial years, is in to losses due to severe competition from large corporates. However, the licenses owned by the company are of perpetual in nature and SMS will be able to recoup substantial money by sale of these licenses.



SMS Parking Solutions P Ltd. (SPSPL) was floated to Develop and Operate a Multilevel Fully Automated Car Parking System and Commercial Complex in Kamlanagar, Delhi. Since inception, SPSPL is in losses. This was due to recession in the retail sales of the malls across India. However, recently, the SPV has changed the product mix and had shifted its focus from retail trade to services. Hence, food outlets and gaming zones are being introduced. The company is also in an advanced stage of starting two 40 seater miniplexes. A new management team has been introduced which has started turning around the business and the recovery post April 2018 has picked up drastically. Also the management is hopeful of revival of economy and boost to property market.

Hence, the parent company is very optimistic that over the period of the project, it will make good money over and above the invested amount. Considering these facts, despite substantial losses in these two companies, the management intends to carry these investments at its historical cost without any impairment.

- 57 SMS Ltd had invested an amount of Rs. 143.78 lacs in equity and Rs. 5479.89 lacs as unsecured loan to its foreign JV in Indonesia with the name Pt. SMS Minerals International. The company is in the business of trading coal in the province of Sumatra. This JV company had huge reserves of coal and substantial portion of the same has been mined and sold with good returns. However, since last two years, there is no business in the JV company as the balance portion of the coal reserves is stuck beneath a river. The approval for river diversion is already put with the concerned authorities in Indonesia. SMS Ltd is optimistic that once the approval for diversion of river is obtained, it can recoup its entire investment in the JV company along with the loan advanced.
- 58 SMS Limited had invested an amount of Rs. 992 lacs in SMS Vidyut Private Limited. The company is engaged in the business of Hydro Power generation across the river Pench. The concessioning authority had ensured a minimum guaranteed supply of water and a power purchase agreement was already in place. However, the concessioning authority had failed to supply the minimum guaranteed water, owing to which desired output was not generated, resulting into losses to the company on a year or year basis. The company had already taken up this matter with the concessioning authority and claimed compensation for the losses of the previous years. The company is confident of getting an award and hence, The management intends to carry the value of investment in SMS Vidyut Private Limited at its historical cost.
- 59 During the year company had received amount of Rs. 2934.46 Lakhs From Ayodhya Gorakhpur Tollways Pvt. Ltd.(AGSTPL). On account of proposed sale of investment in subsidiary company Spark Mall & Parking Private Limited. However, the said shares are pledged with India Bulls Housing Finance Co. Ltd. and as such such shares could not be transferred to AGSTPL. Pending transfer of shares the same is kept as advance under the head other Current Liability.
- 60 The Company has proposed 5% Dividend amounting to 51.31 Lacs(Rs. .50/- per share) which will be distributed to equity share holders for the financial year 2018-19.



- 61 The Company has granted Loans & Advances from time to time to SMS AAMW Tollways Pvt. Ltd. (hereinafter referred as an 'associate company'). As at year end the outstanding amount is Rs. 1,037.61 Lakhs.

Associate company has raised a claim of Rs. 8,046.31 Lacs on South Delhi Municipal Corporation which is disputed by later. Against this, Associate company had approached Hon. High Court of Delhi, for appointment of Arbitrator to resolve the dispute.

Hon. High Court vide its order dated 17.06.2016, appointed Sole Arbitrator. However, the same was challenged by South Delhi Municipal Corporation in Hon. Supreme Court and the same was granted by Hon. Court in their favour.

Thereafter on 22/11/2018, the Associate company had again filed a Special Leave Petition for clarification of earlier Order of the Hon. Supreme Court. The company is of view that Hon. Supreme Court will allow appointment of Arbitrator. The Company is hopeful of outcome of claim of Associate company and consequently the money will be recovered from it associate company.

62 MAT Credit Recognition:

During the year the company has recognized MAT credit entitlement, as management believes the credit will be utilised against the payment of income tax in the subsequent financial years after amalgamation with the holding company. Hence, complete MAT Credit has been recognized retrospectively. The balance as at 1st April 2017 of the reserves has been accordingly restated with Rs 4,91,46,204/- and the comparatives of previous year has also been restated.

(1) Opening Reserves	Rs 3,36,593/-
MAT Credit Recognized	<u>Rs 4,88,09,611/-</u>
Reserves Balance as at 1st April 2017	Rs 4,91,46,204/-
(2) Profit originally reported for FY 17-18	Rs 21,70,33,121/-
MAT Credit Recognized	<u>Rs 5,35,16,512/-</u>
RESTATED PROFIT for FY 17-18	Rs 27,05,49,634/-
(3) Other Current Assets Balance Originally Reported for FY 17-18	Rs 19,24,44,113/-
MAT Credit Recognized	<u>Rs 10,23,26,123/-</u>
Other Current Assets Restated Balance for FY 17-18	Rs 29,47,70,236/-



63 Change in Accounting Estimates:

In case of SMS Envoclean Private Limited and Maharashtra Enviro Power Limited, during the year company has changed the accounting estimates for Landfill Capping charges and Post Monitoring Charges based on increased estimated capacity of Landfill according to the technical estimation.

64 In case of Maharashtra Enviro Power Limited, It has during the year derecognised the Landfill -I at Butibori amounting to Rs. Net Block Rs. 2.17 Lacs (Gross Carrying Value Rs. 1087.02 Lacs & Accumulated depreciation 1084.85)

65 In case of Spark Mall and Parking Private Limited , Food Court collection (unconsumed balance) Rs. 8.62/- Lakhs (previous year: Rs. 5.82/- Lakhs) shown in other current liabilities consist of the amount payable to the consumers availing the food court facility. The consumer has the right to claim the unconsumed amount within a period of 1 year from the date of last transaction failing

66 In case of Spark Mall and Parking Private Limited, during the year company entered into an LLP agreement with Cine Square Entertainment Pvt Ltd but has not made any investment.

67 Overdue balance of 33 KVA transmissions Line for Hydro Power plant at Right Bank Canal and at Left Bank Canal

The company is having Hydro power plant at Right bank canal and at Left Bank canal near reservoir on Pench river. The evacuation/ transmission of power from power plant to nearby relay station have to be done through a 33 KVA transmission line. The company has erected this facility for Maharashtra State Electricity Distribution Company Ltd. for evacuation/ transmission of power from RBC power plant and handed over to Maharashtra State Electricity Distribution Company Ltd. For this 33 KVA transmission line the company has incurred and claimed expense of Rs 2.30 Cr. Against this claim the Maharashtra State Electricity Distribution Company Ltd has approved and paid a total due of Rs. 1.10 Cr only. The company has taken up the matter with MSEDCL for recovery of balance amount and hopeful of its recovery.

68 There was a fraud/misappropriation of funds identifies by the company on 02/09/2019 of Rs 57 lacs carried out by employee of the company through its vigil mechanism. The company is in the process of verifying the exact quantum of the fraud/misappropriation. The company is evaluating necessary action for recovery of the amount and action against the employee.

69 Note:- Due to serious financial irregularities including very high NPA and window dressing , RBI has appointed the Central Bank as a administrator in February 2002 to safeguard the interest of depositors. Also RBI has issued the show cause notice for the cancellation of banking licence.Considering the possibility of recovery the company decided to write off this investment.

70 The Balance Confirmations of some parties are not received as on the date of signing of Financial

71 Previous Years figures are regrouped and rearranged wherever necessary.

72 Figures in bracket denotes figures of previous year.

For V. K. Surana & Co.

Chartered Accountants

Firm Registration No. :110634W



CA Sudhir Surana

Partner

Membership No. 043414


Place : Nagpur

Date : 26/09/2019

UDIN : 19043414 AAAC42715



For and on behalf of the Board of Directors



ANAND S. SANCHETI

Managing Director

DIN: 00953362



DILIP B SURANA

Director

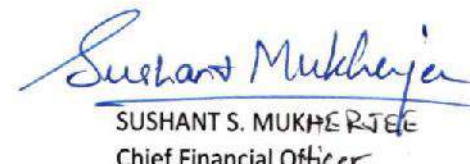
DIN: 00953495



SMITA P. AGARKAR

Company Secretary

2107



SUSHANT S. MUKHERJEE

Chief Financial Officer

Notice to the 22nd Annual General Meeting

NOTICE is hereby given that the Twenty Second Annual General Meeting (AGM) of the Members of SMS Limited will be held at Shorter Notice on Saturday the 28th day of September, 2019 at 12.30 P.M. at IT Park, 20, S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022, to transact the following business:-

ORDINARY BUSINESS:

Item no. 1

To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March, 2019 along with the reports of the Board of Directors and Auditors thereon.

- b) the Audited Consolidated Financial Statements of the Company for the Financial year ended 31 March, 2019 together with the Report of the Auditors thereon.

Item no. 2

To declare dividend for the financial year 2018-19 on Equity Shares.

Item no. 3

To appoint a Director in place of Mr. Anand Sancheti (DIN: 00953362) who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board

Place: Nagpur
Date: 26.09.2019

For SMS Limited

Sd/-
Smita Agarkar
Company Secretary

NOTE:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAT TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY PERSON OR MEMBER.

IN ORDER THAT THE APPOINTMENT OF A PROXY IS EFFECTIVE, THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LATER THAN 48 HOURS BEFORE THE COMMENCE OF THE MEETING.

2. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORISED REPRESENTATIVES TO ATTEND THE ANNUAL GENERAL MEETING, PURSUANT TO SECTION 113 OF THE COMPANIES ACT, 2013, ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION, AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE AT THE AGM.
3. MEMBERS, PROXIES AND AUTHORISED REPRESENTATIVES ARE REQUESTED TO BRING TO THE MEETING, THE ATTENDANCE SLIP ENCLOSED HERewith DULY COMPLETED AND SIGNED FOR ATTENDING THE MEETING.
4. A ROUTE MAP SHOWING THE DIRECTIONS TO REACH THE VENUE OF THE ANNUAL GENERAL MEETING IS GIVEN AT THE END OF THIS NOTICE AS PER THE REQUIREMENT OF THE SECRETARIAL STANDARDS-2 ON 'GENERAL MEETING'.
5. THE REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND THEIR SHAREHOLDING, MAINTAINED UNDER SECTION 170 OF THE COMPANIES ACT, 2013 WILL BE AVAILABLE FOR INSPECTION BY THE MEMBERS AT THE ANNUAL GENERAL MEETING OF THE COMPANY.
6. THE REGISTER OF CONTRACTS OR ARRANGEMENTS IN WHICH THE DIRECTORS ARE INTERESTED, MAINTAINED UNDER SECTION 189 OF THE COMPANIES ACT, 2013 WILL BE AVAILABLE FOR INSPECTION BY THE MEMBERS AT THE ANNUAL GENERAL MEETING OF THE COMPANY.
7. IN COMPLIANCE WITH THE PROVISIONS OF SECTION 129(3) OF THE COMPANIES ACT, 2013, (THE ACT) THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY INCLUDE THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ALL ITS SUBSIDIARIES AS DEFINED IN THE ACT FOR CONSIDERATION AND ADOPTION BY THE MEMBERS OF THE COMPANY.
8. THE EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT') RELATING TO THE SPECIAL BUSINESS (IF ANY) TO BE TRANSACTED AT THE ENSUING ANNUAL GENERAL MEETING IS ANNEXED HERETO AND FORMS PART OF THIS NOTICE.
9. MEMBERS MAY ALSO NOTE THAT THE NOTICE OF ANNUAL GENERAL MEETING AND THE ANNUAL REPORT 2018-19 WILL ALSO BE AVAILABLE ON COMPANY'S WEBSITE: WWW.SMSL.CO.IN FOR DOWNLOAD.
10. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2018-19 IS BEING SENT TO ALL MEMBERS WHOSE EMAIL IDS ARE REGISTERED WITH THE COMPANY FOR COMMUNICATION PURPOSES UNLESS ANY MEMBER HAS REQUESTED FOR A HARD COPY OF THE SAME. FOR MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL



ADDRESS (IF ANY), PHYSICAL COPIES OF THE ANNUAL REPORT FOR 2018-19 ARE BEING SENT TO THEM IN THE PERMITTED MODE.

11. ALL DOCUMENTS REFERRED TO IN THE ACCOMPANYING NOTICE SHALL BE OPEN FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY BETWEEN 11.00 AM AND 1 PM ON ALL WORKING DAYS EXCEPT SATURDAYS, UP TO AND INCLUDING THE DATE OF THE ANNUAL GENERAL MEETING OF THE COMPANY.

By Order of the Board

Place: Nagpur
Date: 26.09.2019

For SMS Limited

Sd/-
Smita Agarkar
Company Secretary



Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

-Form No. MGT-11

SMS Limited

CIN: U45201MH1997PLC107906

Registered Office: IT Park, 20 S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022

Name of the member (s):

Registered address
:
E-mail Id
:
Folio No
:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name.....E-mail
Id:.....
Address:..... Signature:..... or
failing him

2. Name..... E-mail
Id:.....
Address:..... Signature:.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 28th day of September, 2019 At 12.30 p.m. at "IT Park, 20 S.T.P.I., Gayatri Nagar, Parsodi, Nagpur-440022, and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with 5 columns: Resolution No., Resolution, and three columns under 'Vote optional see note 2 (Please mention no. of shares)'. Rows include resolutions for financial statements, dividends, and director appointments.

Signed thisday of.....2019

Affix
Revenue
Stamp of not
less than ₹ 1

Signature of shareholder(s):

Signature of Proxy holder(s):

Note:

- 1.This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'For, Against or Abstain' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he may deem appropriate.

ROUTE MAP TO AGM VENUE

