



SKIL Ports & Logistics Limited - SPL
Project Update
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SKIL Ports & Logistics Limited
22 April 2015

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SKIL Ports & Logistics Limited
("SPL" or the "Company")

Project update

Developments and near term plans

- Completion of the East approach trestle
- Ground improvement and compaction works expected to commence in the coming weeks
- Approximately 4 hectares of land reclaimed
- Moving to 24 hour operations in the near term
- Laying surface for the container and bulk cargo storage yards in the next quarter

SPL, which is developing a modern port and logistics facility in Mumbai, India, is pleased report that works completed during the first quarter of 2015 include the completion of the East approach trestle, which is roughly 280 metres long and reclamation is now well underway, with approximately four hectares of land reclaimed. Fabrication of the piling gantry is complete and expected to be assembled to enable the start of piling works in the coming weeks.

The Company has recently reduced activity on site in order to resolve certain local community issues. The Company is hopeful that these will be resolved shortly and once normal activity re-starts the on-site works will move from a 12 hour shift to near 24 hour operations in the coming weeks, which the Board expects will boost productivity by 60-70 per cent.

It is expected that the coming quarter will see continuation of reclamation and piling activities. In early Q3, which is predominantly the monsoon season, in addition to continued jetty construction activities, the contractors are scheduled to commence ground improvement works including laying pre-fabricated vertical band drains across the length and breadth of the reclaimed area followed by laying a 3-4 meter surcharge. This process will enable extraction of the moisture from the soil and compaction of the ground to enable it to be ready to handle heavy container loads. The ground improvement process will be followed by laying concrete paver blocks (interlocking concrete blocks) which will form the ultimate surface of the container and bulk cargo storage yards.

The Company has entered into discussions with a number of potential users of the facility. The initial feedback is positive and encouraging.

The Company expects to release its results for the year ended 31 December 2014 on or before 22 May 2015.

Nikhil Gandhi Executive Chairman of SPL said, "Progress has been made and the pace of works earlier this year gives me confidence that the management will deliver a part operating facility by the end of 2015. I do not see these short term delays significantly impacting our timetable. The outlook for the ports and logistics sector in India remains positive and I am confident our facility in Karanja will play its part in the growth of the sector and the country."

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