

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**Note - 1**

**General Information**

SKIL Infrastructure Limited is a company limited by shares, incorporated and domiciled in India. The registered office of the company is located at SKIL House, 209 Bank Street Cross Lane, Fort , Mumbai 400023). The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is Infrastructure Company developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors

These Financial Statements of the Company for the year ended March 31, 2019 were authorised for issue by Board of Directors on May 28, 2019. Pursuant to the provisions of the section 130 of the Act, the Central Government, Income Tax Authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the Board of Directors of the Company have power to amend/re-open the Financial Statements approved by the Board/adopted by the members of the Company.

**Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a Basis of Preparation of Financial Statements:**

The 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] on accrual basis and other relevant provisions of the Act. Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III, applicable Ind AS, other applicable pronouncements and regulations.

**b Basis of Measurement**

The financial statements have been prepared on a historical cost basis, except for the following:

- i Certain financial assets and liabilities that are measured at fair value;
- ii Defined benefit plans - Plan assets measured at fair value; and
- iii Assets held for sale – measured at fair value less cost to sell;

**c Functional and Presentation Currency:**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the functional currency for the Company.

**d Use of Estimates:**

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised and if material, their effects are disclosed in the notes to the Financial Statements.

**Estimates and assumptions are required in particular for:**

- i. Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.
- ii. **Recognition and measurement of defined benefit obligations**  
The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.
- iii. **Recognition of deferred tax assets**  
Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

iv. **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.

v. **Discounting of long-term financial liabilities**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

vi. **Determining whether an arrangement contains a lease**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

vii. **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives include Foreign Currency Forward Contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts is determined using the rates published by Reserve Bank of India (RBI). Fair value of Interest Rate Swaps is determined with respect to current market rate of interest.

e. **Current Versus Non Current Classification:**i. **The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset is current when it is:**

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
  - 2 Held primarily for the purpose of trading
  - 3 Expected to be realised within twelve months after the reporting period, or
  - 4 Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

ii. **A liability is current when it is:**

- 1 Expected to be settled in normal operating cycle
  - 2 Held primarily for the purpose of trading
  - 3 Due to be settled within twelve months after the reporting period, or
  - 4 There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are treated as non - current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

f. **Other Significant Accounting Policies:**I. **Property, Plant and Equipments:**

- i. The Company has measured all of its Property, Plant and Equipments historical cost at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date.
- ii. Property, Plant and Equipments are stated at cost net of cenvat / value added tax less accumulated depreciation and impairment loss, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use are capitalised as part of total cost of assets.
- iii. Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

II. **Depreciation:**

- i. Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful life specified in Schedule II to the Companies Act, 2013.

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**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

- ii. In respect of additions/extensions forming an integral part of existing assets, depreciation has been provided over residual life of the respective assets. Significant additions which are required to be replaced/performed at regular interval are depreciated over the useful life of their specific life.
- iii. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

**III Borrowing Costs:**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

**IV Intangible Assets:**

Intangible Assets having finite life are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Software, which is not an integral part of the related hardware is classified as an intangible asset and is amortized over the useful life of 5 years.

**V Fair Value Measurement:**

Fair value is the price that would be received to sell an assets or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an assets or liability is measured using the assumptions that market participants would use when pricing the assets or liability, acting in their best economic interest. The fair value of plant and equipments as at transition date to Ind- AS have been taken based on valuation performed by an independent technical expert. The Company used valuation techniques which were appropriate in circumstances and for which sufficient data were available considering the expected loss/profit in case of financial assets or liabilities.

**VI Revenue Recognition:**

- i Revenue from operation include income from sale of goods, services and service tax/Goods and Service Tax and is net of value added tax and sales tax recovered.
- iii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established. Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

**VII Foreign Currency Transactions:**

- i. Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

**VIII 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.

**Financial Assets**

**i Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**ii Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**iii Financial Assets measured at amortised cost:**

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

using the Effective Interest Rate (EIR) method. The losses arising from impairment are recognised in the Statement of Profit or Loss. This category generally applies to trade and other receivables.

**iv Financial Assets measured at fair value through other comprehensive income (FVTOCI):**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**v Financial Assets measured at fair value through profit or loss (FVTPL):**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

**vi Investment in Subsidiaries, Associates & Joint Ventures:**

The Company has measured all of its Investment in equity instruments of Subsidiaries, Associates and Joint Ventures at fair value at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date. Subsequently, these Investments in equity instruments of Subsidiaries, Associates and Joint Ventures are measured at deemed cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment which is other than temporary.

**vii Investment in Equity Instruments:**

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from other comprehensive income to profit or loss.

**viii Investment in Debt Instruments:**

A debt instrument is measured at amortised cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. Debt instruments included with in the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**ix Derecognition of Financial Assets**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**x Impairment of Financial Assets**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not valued through Profit and Loss.

**Financial Liabilities****i Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

**ii Initial recognition and measurement**

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**iii Subsequent measurement**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

**iv Loans and Borrowings**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. 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.

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**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**v Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**vi Derivative Financial Instrument and Hedge Accounting**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**IX Leases:**

**i Lease payments**

Payments made under operating leases are recognised in Statement of Profit and Loss. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**ii Lease assets**

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

**X Employee Benefits:**

**i Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**ii. Defined benefit plans**

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

**iii. Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement is recognised in Statement of Profit and Loss in the period in which they arise.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

**XI Provision for Current and Deferred Tax:**

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- 1 has legally enforceable right to set off the recognised amounts and;
- 2 intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

**ii. Deferred Tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rate and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilised. Deferred tax relating to items recognised in other comprehensive income and directly in equity is recognised in correlation to the underlying transaction.

**Deferred tax assets and liabilities are offset only if:**

- 1 entity has legally enforceable right to set off current tax assets against current tax liabilities ; and
- 2 deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**XII Impairment of Assets:**

At each Balance Sheet date, the Company assesses whether there is any indication that any Property, Plant and Equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**XIII Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

**XIV Earnings per share**

- i Basic earnings per share: Basic earnings per share is calculated by dividing:
  - 1 the profit attributable to owners of the Company
  - 2 by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
- ii Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
  - 1 the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
  - 2 the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 2: Property, plant and equipment**

Particulars	Tangible Assets				Tangible Total	Intangible Assets	Total
	Freehold Land	Furniture and fixtures	Office equipment	Vehicles		Computer Software	
<b>Gross Block</b>							
<b>Balance at 1 April 2017</b>	<b>21,945.39</b>	<b>88.71</b>	<b>170.58</b>	<b>1,221.97</b>	<b>23,426.66</b>	<b>7.38</b>	<b>7.38</b>
Additions	-	-	3.36	-	3.36	-	-
Disposals	-	0.12	0.10	2.23	2.45	-	-
<b>Balance at 31 March 2018</b>	<b>21,945.39</b>	<b>88.59</b>	<b>173.85</b>	<b>1,219.74</b>	<b>23,427.57</b>	<b>7.38</b>	<b>7.38</b>
Additions	-	-	1.99	-	1.99	-	-
Disposals	-	0.21	0.09	3.93	4.23	-	-
<b>Balance at 31 March 2019</b>	<b>21,945.39</b>	<b>88.38</b>	<b>175.75</b>	<b>1,215.81</b>	<b>23,425.33</b>	<b>7.38</b>	<b>7.38</b>
<b>Accumulated depreciation</b>							
<b>Balance at 1 April 2017</b>	-	<b>86.63</b>	<b>167.20</b>	<b>1,105.38</b>	<b>1,359.21</b>	<b>6.70</b>	<b>6.70</b>
Depreciation charge for the year	-	0.98	1.85	32.52	35.35	0.68	0.68
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2018</b>	-	<b>87.61</b>	<b>169.07</b>	<b>1,137.90</b>	<b>1,394.55</b>	<b>7.38</b>	<b>7.38</b>
Depreciation for the year	-	0.48	1.85	19.65	21.98	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	-	<b>88.09</b>	<b>170.90</b>	<b>1,157.55</b>	<b>1,416.53</b>	<b>7.38</b>	<b>7.38</b>
<b>Net Block</b>							
<b>Balance at 31 March 2019</b>	<b>21,945.39</b>	<b>0.30</b>	<b>4.85</b>	<b>58.26</b>	<b>22,008.80</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance at 31 March 2018</b>	<b>21,945.39</b>	<b>0.98</b>	<b>4.80</b>	<b>81.84</b>	<b>22,033.02</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance at 31 March 2017</b>	<b>21,945.39</b>	<b>2.08</b>	<b>3.38</b>	<b>116.59</b>	<b>22,067.45</b>	<b>0.68</b>	<b>0.68</b>

Note: In accordance with the Ind-AS 36 on "Impairment of Assets", the Management has during the year carried out an exercise of identifying the assets that would have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.

**Note 3: Capital Work in Progress**

Particulars	Balance as at 31.03.2019	Balance as at 31.03.2018
<b>Assets under construction</b>	27,620.07	27,620.07

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## Note 4

## Investments in Subsidiaries and Joint venture

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Long Term Trade Investments (Unquoted and fully paid up unless specified)- Financial Assets measured at cost</b>						
<b>In Equity Instruments of Subsidiary Companies</b>						
SKIL Himachal Infrastructure & Tourism Limited	100.00%	Rs. 10	5,00,00,000	5,00,00,000	6,715.86	6,715.86
SKIL Shipyard Holdings Private Limited	100.00%	Rs. 10	50,000	50,000	12,015.41	12,015.41
SKIL (Singapore) Pte Ltd.	100.00%	SGD 1	1,63,322	1,63,322	50.25	50.25
SKIL Advanced Systems Private Limited	100.00%	Rs. 10	50,000	50,000	5.00	5.00
Gujarat Dwarka Portwest Limited	73.60%	Rs. 10	7,03,33,314	7,03,33,314	38,426.48	38,426.48
Metrotech Technology Park Pvt Ltd	100.00%	Rs. 10	2,00,000	2,00,000	75.70	75.70
Chiplun FTWZ Private Limited	52.00%	Rs. 10	4,67,99,970	4,67,99,970	27,484.63	27,484.63
Pipavav Electronic Warfare Systems Pvt. Ltd. of Rs.10 Each, Rs.2 paidup	100.00%	Rs. 10	50,000	50,000	1.00	1.00
					<b>84,774.33</b>	<b>84,774.33</b>
<b>In Equity Instruments of Joint Venture - Unquoted</b>						
Sohar Free Zone LLC	27.18%	OMR 1	10,11,886	7,55,245	1,360.66	899.40
					<b>86,134.99</b>	<b>85,673.73</b>
Less: Provision for Impairment					65,148.31	65,148.31
				<b>Total</b>	<b>20,986.68</b>	<b>20,525.42</b>

## 4.1 Aggregate amount of Non Current Investments.

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Unquoted Investments	20,986.68	-	20,525.42	-

4.2 Refer note no 16 for details of Investments pledged with Lenders for loan facilities availed by the Company

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 5**

**Non-Current Investments- Others**

Particulars	% of holding	Face Value	Numbers		Amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>Long Term Trade Investments (Unquoted and fully paid up)- Financial Assets measured at cost</b>						
<b>In Equity Instruments of Associate Companies - Unquoted</b>						
Rosoboronservice (India) Limited	20.00%	100	13,500	13,500	81.00	81.00
Urban Infrastructure Holdings Private Limited	35.00%	10	12,41,56,500	12,41,56,500	3,17,850.15	3,17,850.15
<b>In Equity Instruments - Quoted(FVTOCI)</b>						
Everonn Education Ltd.	6.94%	10	16,69,565	16,69,565	204.44	204.44
Fastlane Distriparks & Logistics Limited's Trust	2.74%	10	59,34,328	59,34,328	593.43	593.43
Horizon Country Wide Logistics Limited's Trust	4.30%	10	93,08,160	93,08,160	930.82	930.82
Reliance Naval and Engineering Limited	0.00%	10	-	1,85,39,230	-	5,107.55
<b>In Equity Instruments - Unquoted(FVTOCI)</b>						
Mumbai SEZ Limited	6.49%	10	14,64,08,090	14,64,08,090	14,333.35	14,333.35
Donyi Polo Petrochemicals Limited	11.26%	10	26,25,500	26,25,500	42.85	247.86
Karanja Terminal & Logistics Pvt. Ltd.	0.12%	10	24,500	24,500	2.45	2.45
Shriram New Horizons Ltd.	18.52%	10	50,00,000	50,00,000	500.00	500.00
Navi Mumbai SMART CITY Infrastructure Ltd	6.75%	10	10,12,783	10,12,783	121.53	50.84
				<b>Total</b>	<b>3,34,660.02</b>	<b>3,39,901.89</b>

**5.1 Details of shares pledged :**

- (a) Investment in Everonn Education Limited are pledged with the lenders of one of the subsidiary Company.  
(b) Refer note no 16 for details of Investments pledged with Lenders for loan facilities availed by the Company.

**5.2 Aggregate amount of Non Current Investments.**

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	1,728.69	1,728.69	6,836.24	6,836.24
Unquoted Investments	3,32,931.33	-	3,33,065.65	-

**Note 6**

**Other Financial Assets** Rs. In Lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits with Related Parties	54.02	54.02
Others		
- Considered good	1,351.64	1,357.17
- Considered doubtful	150.00	150.00
	1,555.66	1,561.19
Less Provision for Expected Credit Loss	150.00	150.00
	<b>1,405.66</b>	<b>1,411.19</b>
Loan to Body Corporates- Considered Good	-	9,332.99
<b>Total</b>	<b>1,405.66</b>	<b>10,744.18</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 7****Other Non- Current assets****(Unsecured and considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	3,127.54	6,246.04
Advance Tax	1,780.60	1,780.60
<b>Total</b>	<b>4,908.14</b>	<b>8,026.64</b>

**Note 8****Current Investments**

Particulars	Numbers		Amount	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>In Equity Shares -Financial Assets carried at fair value through profit &amp; loss</b>				
<b>Quoted Fully Paid up</b>				
Varun Industries Ltd. of Rs. 10 each	1,105	1,105	0.03	0.03
Total A			<b>0.03</b>	<b>0.03</b>
<b>In Units -Financial Assets carried at fair value through profit &amp; loss</b>				
<b>Quoted Fully Paid up</b>				
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan - Wholesale -Daily Dividend of Rs. 10 each	47927	47927	4.87	4.87
Investment in HDFC Cash Mgmt. Fund - Treasury Adavantage Plan - Retail -Daily Dividend of Rs. 10 each	19476.35	16589.89	2.00	1.68
<b>Unquoted Fully Paid up</b>				
Urban Infrastructure Opportunities Fund (Face Value Rs 1 Lakhs)	2750	2750	417.09	161.85
Total B			423.96	168.40
<b>Total A+B</b>			<b>423.99</b>	<b>168.43</b>

**8.1 Aggregate amount of Current Investments.**

Particulars	As At March 31, 2019		As At March 31, 2018	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	6.90	6.90	6.58	6.58
Unquoted Investments	417.09	-	161.85	-

**Note 9 Trade Receivables (Unsecured)**

Particulars	As at March 31, 2019	As at March 31, 2018
Considered Good		
Considered Doubtful	5,940.68	5,940.68
	5,940.68	5,940.68
Less: Provision for Impairment	5,940.68	5,940.68
<b>Total</b>	<b>-</b>	<b>-</b>

9.1 Trade receivables are non - interest bearing and receivable in normal operating cycle

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 10**

**Cash and Cash Equivalents**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Balances with Banks In Current Accounts	13.86	79.20
Cash on hand	4.67	2.31
<b>Total</b>	<b>18.52</b>	<b>81.51</b>

**Note 11**

**Other Bank Balances**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Balance with Banks in dividend account	0.45	1.44
<b>Total</b>	<b>0.45</b>	<b>1.44</b>

**Note 12**

**Other Current Financials Assets**

**(Unsecured & considered good)**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Loans and Advances		
- Related Parties	37,644.60	34,565.25
- Directors and other officers	-	0.60
- Others (Refer Note 12.2 below)		
Considered Good	54,970.00	54,709.56
Considered Doubtful	145.58	
	55,115.58	
Less: Provision for Doubtful Debts	145.58	
<b>Total</b>	<b>54,970.00</b>	<b>89,275.41</b>

**12.1 Details of Loans to Subsidiary and Associate Companies pursuant to regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

<b>Company Name</b>	<b>Closing Balance</b>	<b>Closing Balance</b>
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Subsidiary Company</b>		
Gujarat Dwarka Portwest Limited	21,319.53	19,829.24
SKIL Advanced Systems Private Limited	5.94	452.35
SKIL Shipyard Holdings Private Limited	4,435.58	2,485.79
SKIL (Singapore) Pte Ltd.	10,814.24	10,814.24
Pipavav Electronic Warfare Systems Pvt. Ltd	40.75	40.63
<b>Associate</b>		
Rosoboronservice (India) Limited	1,028.55	943.00
<b>Directors and Key Managerial Persons</b>		
Nilesh Mehta	-	0.60

a) All the above Loans are given for meeting working capital requirements of the Subsidiary and Associate Companies and non interest bearing

b) Loans to employee and reimbursement of expenses are not considered for this clause.

c) There are no investments by the Loanees at March 31, 2019 in the shares of the Company and Subsidiary Companies.

**12.2** The above advances includes Rs. 50,653.15 Lakhs receivable from RNEL and its subsidiaries mainly on account of invocation of RNEL shares owned by us, by the Lenders of RNEL and its subsidiaries. These shares were pledged as securities to the lenders of RNEL and its subsidiaries when the Company was promoter of RNEL. The Company has ceased to be the promoter of RNEL and its Subsidiaries since January 2016. The Company has filed claim against Promoters of RNEL for the said invocation under the Arbitration Proceedings. The Company has also challenged this invocation and the matter is sub-judice.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 13****Other Current Assets****(Unsecured & considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	1.82	2.48
<b>Total</b>	<b>1.82</b>	<b>2.48</b>

**Note 14****Share Capital**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b>		
91,00,00,000 (Previous Year: 91,00,00,000) Equity Shares of Rs. 10/- each	91,000.00	91,000.00
<b>Issued, Subscribed and fully paid up</b>		
21,65,71,232 (Previous Year: 21,65,71,232) Equity Shares of Rs. 10/- each fully paid up	21,657.12	21,657.12

**14.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year:**

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Shares at the beginning of the year	21,65,71,232	21,65,71,232
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>21,65,71,232</b>	<b>21,65,71,232</b>

**14.2 Shareholders holding more than 5% Shares in the Company:**

Shares held by	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Metropolitan Industries	7,70,72,724	35.59	8,27,43,840	38.33
Montana Infrastructure Ltd	5,00,65,611	23.12	3,23,98,791	14.94
Ashoka Investment Holdings Private Ltd	1,12,76,659	5.21	1,12,76,659	5.21
SREI Infrastructure Finance Limited	-	-	1,76,66,820	8.16

**14.3 Terms and Rights attached to Equity Shares**

The Company has only one class of Equity Share having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity share holders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 15****OTHER EQUITY**

Particulars	As at March 31, 2019		As at March 31st, 2018	
<b>Capital Reserve</b>				
Opening Balance	3,15,530.25		3,15,530.25	
Additions during the year	-	3,15,530.25	-	3,15,530.25
<b>Securities Premium Account</b>				
Opening Balance	9,400.17		9,400.17	
Add :- On Issue of Shares	-	9,400.17	-	9,400.17
<b>Other Reserve</b>				
Opening Balance	38,195.37		38,195.37	
Additions during the year	-	38,195.37	-	38,195.37

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

Particulars	As at March 31, 2019	As at March 31st, 2018
<b>Retained Earnings</b>		
Opening Balance	(1,16,231.55)	(73,655.91)
Add:- Transfer from OCI to Retained Earning	(7,794.78)	
Add:- Profit(loss) for the year as per profit or loss statement	<u>(17,336.14)</u>	<u>(42,575.64)</u>
	(1,41,362.47)	(1,16,231.55)
<b>Other Comprehensive Income</b>		
Opening Balance	(7,796.48)	(215.03)
Less: Transfer to Retained Earnings	(7,794.78)	(7,581.45)
Add: Movement During the year (net)	<u>(131.04)</u>	<u>(7,796.48)</u>
	<u><b>2,21,630.58</b></u>	<u><b>2,39,097.78</b></u>

Capital Reserve: Created pursuant to amalgamation of the Company as per order of High Court Mumbai in the financial year 2011 - 2012. The same can be utilised as per provision of the Act.

Securities Premium Account: This reserve is created to record premium on issue of shares. The same can be utilised in accordance with the provision of the Act.

Other Reserves: Other Reserve was created pursuant to first time adoption of Ind-AS as at April 01, 2017. and not available for distribution as dividend

**Note 16**

**Long Term Borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured Loans</b>		
<b>Rupee Term Loans from:</b>		
Banks	30,603.78	35,483.26
Financial Institutions	24,870.00	24,870.00
Body Corporates	-	-
<b>Vehicle Loans</b>	2.73	15.44
<b>Redeemable Non Convertible Bonds*</b>		
175 Nos.(previous year 175 Nos) 0.01% (PY 0.01%)Redeemable Non Convertible Bonds of Rs.100 Lakhs each	12,916.72	11,430.73
829 Nos.(previous year 829 Nos) 0.01% (PY 0.01%) Redeemable Non Convertible Bonds of Rs.100 Lakhs each	54,148.99	47,919.46
<b>Inter Corporate Deposits from:</b>		
Related Parties	9,006.19	7,970.07
<b>Total Secured Loans</b>	<u><b>1,31,548.40</b></u>	<u><b>1,27,688.96</b></u>

**\* Accounted on Fair Value**

**16.1** Term loan from Bank / Financial Institution referred to above and Rs. 20,252.14 Lakhs included in current maturities of long term debt in Note No. 20 are secured as under:

- i) Term loan from Union Bank of Rs. 564.14 Lakhs and accrued interest of Rs. 177.37 Lakhs is outstanding as on 31-03-2019. The amount is outstanding with Union Bank for more than 12 months. The loan is secured by first charge on mortgage of immovable properties held by other body corporates along with corporate guarantee given by the same companies. The above loan is secured by Personal Guarantee of one director of the Company.
- ii) Term loan of Rs. 37,058.95 Lakhs from Yes Bank is secured by :
  - First and Exclusive charge on the entire moveable and immovable assets, current assets of the Company both present & future related to CFS project.
  - Exclusive charge on immovable property of other body corporate.
  - Pledge of 58,00,000 shares of the Company held by others.
  - Pledge of 10,64,00,000 shares & NDU on 1,77,56,500 shares of Urban Infrastructure Holdings Pvt. Ltd. held by the Company.
  - Pledge of 2,04,00,000 shares of the Company held by the Promoters of the Company.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

- First pari-passu charge on immovable property of subsidiary company and NDU for the same subsidiary.
  - Corporate Guarantee given by subsidiary, promoter firm and other body corporates.
  - Personal guarantee given by two directors of the Company
- iii) Term loan of Rs. 3,336.99 Lakhs from IDBI Bank is secured by :
- First mortgage and charge on all immovable and moveable properties of the Company (related to erstwhile Horizon Infrastructure Ltd) , both present and future project.
  - Exclusive charge on immovable property of Subsidiary.
  - Pledge of investment of Shares in Subsidiary.
  - Pledge of 68,80,657 shares of the Company held by others.
  - Personal guarantee given by two Directors of the Company.
- The said term loan and accrued interest of Rs. 1,299.44 lakhs is outstanding as on 31.03.2019.
- v) Rs. 24,870.00 Lakhs from a Financial Institution is secured by:
- pledge of 2,62,11,397 shares of the Company held by the promoter
  - 2nd charge over land mortgaged with Union Bank of India held by other body corporates along with corporate guarantee given by the same companies.
  - mortgage of immovable properties held by other body corporates.
  - These securities are held on Pari Paasu basis with loans availed by Gujarat Dwarka Port West Ltd. & SKIL Himachal Infrastructure & Tourism Ltd.(subsidiaries of the Company) from the said financial institution.
  - Personal Guarantee given by two directors of the Company.
- vi) Loan of Rs. 9,802.00 lakhs is secured by pledge of 94,41,726 shares of the Company held by others.
- vii) 0.01% RNCB of Rs. 12,916.72 Lakhs and Rs. 54,148.99 Lakhs are secured by
- creating pledge (on First and Exclusive charge basis as well as on sub-subservient/residual charge basis) on the Company's share holding in various companies.
  - pledge of some of investment of Company on first charge and some investment of Company on Second charge / residual charge.
  - creating hypothecation (on Subservient/Residual Charge basis) on all the Company assets such as land, tangible assets (including all current, fixed and moveable assets) and all receivables, cash and bank balances.
- viii) Loan from Religare Finvest Ltd. of Rs. 78.43 Lakhs is secured by way of equitable mortgage of land owned by other Body Corporate.
- ix) Company has given Demand Promissory Note & PDC/UDC to the above lenders.
- x) An amount of Rs. 9,802.00 lakhs shown as received from Reliance Commercial Finance Ltd., a part of ADAG Group Company, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, are not payable till such time a sum of Rs. 50,653.15 lakhs shown as receivable / recoverable under the head "Other Advances" in schedule "Other Current Financial Assets", from ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani are received and the obligations in accordance with the Purchase Agreement dated 4th March, 2015 signed between the Company, SKIL Shipyard Holdings Pvt. Ltd. & others with the ADAG Group Companies, promoted, owned and controlled by Shri Anil Dhirubhai Ambani, viz, Reliance Infrastructure Limited and Reliance Defence Systems Pvt. Ltd. are fulfilled by ADAG Group Companies. Its a part of composite transaction emanating from and in connection with the sale of Pipavav Defence project to ADAG Group in accordance with the said Purchase Agreement and also based on the facts, circumstances and documents available on record. In view of above, the Company do not acknowledge or accept the liability of Reliance Commercial Finance Ltd.

16.2 Term loan from Bank / Financial Institution and Inter Corporate Deposits referred to above and Rs. 20,252.14 Lakhs included in current maturities of long term debts are guaranteed by two of the Directors of the Company in their personal capacity, carry interest rates ranging from 13.00% to 17.50%. and are to be repaid as under :

Year	Amount in lakhs
2019-20	20,252.14
2020-21	31,512.27
2021-22	6,642.27
2022-23	7,666.09
2023-24	9,655.88

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**16.3** Vehicles Loans referred to above and Rs. 15.40 Lakhs included in current maturities of long term debts are secured by way of the hypothecation of the specific vehicles financed. The loans are repayable in 36 to 60 monthly installments (Including interest) as per repayment schedule.

**16.4** 175 Nos. 0.01% Redeemable Non-Convertible Bonds of Rs. 100 Lakhs each mature in FY 2021-22 and 829 Nos. 0.01% Redeemable Non-Convertible bonds of Rs. 100 Lakhs each mature in FY 2022-23

**16.5** As on March 31st 2019, the Company has overdue of Rs. 15,356.85 Lakhs and Rs.6,179.35 Lakhs towards principal and interest amount respectively.

**Note 17**

**Non Current Provisions**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Provision for Employee Benefits	30.70	27.83
<b>Total</b>	<b>30.70</b>	<b>27.83</b>

**Note 18**

**Deferred Tax (NET)**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Opening Balance	-	0.43
<b>Tax Expenses (Income) recognised in:</b>		
Disallowance in income tax		(0.43)
Closing Balance	-	-

**18.1 Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate:**

Since the Company has incurred loss during the year ended March 31, 2019 and previous year, hence no tax is payable for these years as per provisions of Income Tax Act, 1961, the calculation of effective tax rate is not relevant and hence not given.

**Note 19**

**Short Term Borrowings**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Secured Term Loans from:</b>		
Body Corporates	3,300.00	3,300.00
<b>Unsecured Loans from:</b>		
Related Party		-
Body Corporates	400.00	400.00
<b>Total</b>	<b>3,700.00</b>	<b>3,700.00</b>

19.1 Inter Corporate Deposit of Rs. 3,300 Lakhs is secured by way of (a) equitable mortgage of land owned by other Body Corporate (b) 2,57,68,234 Equity Shares of the Company held by Promoters of the Company and (c) 3,85,629 Shares of Montana Infrastructure Ltd held by other.

**Note 20**

**Other Current Financial Liabilities**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Current Maturities of Long Term Debts	20,252.14	29,100.90
Interest accrued and due on borrowings	16,621.57	12,389.52
Interest accrued but not due on borrowings	981.17	3,937.53
Redemption Premium Payable on Redeemable Non Convertible Bonds	36,886.46	36,886.46
<b>Total</b>	<b>74,741.35</b>	<b>82,314.41</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Note 21****Other Current Liabilities**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Advances from Related Parties	37,881.97	32,692.57
Advances from others	9,821.61	1,996.22
Unpaid Dividend	0.45	1.44
Statutory Dues		
TDS	227.37	402.11
Provident Fund	0.54	0.25
Other statutory dues	2,733.96	2,741.39
Other Payables	620.91	6,006.68
<b>Total</b>	<b>51,286.82</b>	<b>43,840.66</b>

**Note 22****Provisions**

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
for Employee Benefits	50.20	50.14
for Wealth Tax (net)	3.60	3.60
<b>Total</b>	<b>53.80</b>	<b>53.74</b>

**Note 23****Revenue from Operations**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Other Operating Revenue	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 24****Other Income**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Interest Income	-	7.25
Misc. Income	0.03	-
Foreign Exchange Gain/(Loss)	0.15	-
FV on Current Investment	791.48	-
Dividend on Current Investments	0.32	0.29
Sundry Balances written back	1,828.75	200.00
<b>Total</b>	<b>2,620.73</b>	<b>207.54</b>

**Note 25****Employee Benefits Expenses**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Salaries, Wages and Allowances	235.49	261.11
Contribution to Provident and Other Funds	1.64	11.04
Staff Welfare Expenses	2.30	0.73
<b>Total</b>	<b>239.43</b>	<b>272.88</b>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**25.1 Employee Benefits**

**a Defined Benefit Plan- Gratuity**

The Company has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company provides for the liability in its books of accounts based on the actuarial valuation. The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the respective plans. The present value of the obligation is determined based on actuarial valuation using Projected Units Credit Method, which recognizes each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to build up the final obligation.

**i) Reconciliation of opening and closing balances of the present value of the defined gratuity benefit obligation.**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Defined Benefit Obligation at beginning of the year	77.98	69.30
Current Service Cost	2.12	0.91
Past Service Cost	-	8.78
Current Interest Cost	4.07	2.96
Actuarial (Gain) / Loss	(3.28)	(1.09)
Benefits paid	-	(2.87)
Defined Benefit Obligation at end of the year	80.90	77.98

**ii) Reconciliation of Present Value of Obligation and Fair Value of Plan Assets**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	80.90	77.98
Liabilities / (Assets) recognised in the Balance Sheet- Current	50.20	50.15
Liabilities / (Assets) recognised in the Balance Sheet- Non Current	30.70	27.83

**iii) Expenses recognised during the year**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Current Service Cost	2.12	0.91
Past Service Cost	-	8.78
Interest Cost	-	2.96
Expected Return on Plan Assets	4.07	0
Net Cost Recognised in profit or loss	6.20	12.65
Actuarial (Gain) / Loss recognised in other comprehensive income	(3.28)	(1.09)

**iv) Assumptions used to determine the defined benefit obligations**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Mortality Table (LIC)	Indian Assured Lives Mortality	
Discount Rate (p.a.)	7.60%	7.70%
Retirement age	60 Years	60 Years
Expected Rate of increase in Salary (p.a.)	7.00%	7.00%

The estimates of rate of increase in salary are considered in actuarial valuation, taking into account, inflation, seniority, promotion, attrition and other relevant factors including supply and demand in the employment market. The above information is certified by Actuary.

**v) Sensitivity Analysis:**

<b>Particulars</b>	<b>Changes in assumptions</b>		<b>Effect on Gratuity Obligation increase/ (decrease)</b>	
	<b>2018-19</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2017-18</b>
Discount Rate	0.50%	0.50%	5.32	5.06
Salary Growth Rate	0.50%	0.50%	5.78	5.57

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

The above sensitivity analysis is based on an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the Balance Sheet.

**vi) Risk Exposure :**

- 1 Investment Risk: The Present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of reporting period on government bonds
- 2 Interest Risk: A decrease in the bond interest rate will increase the plan liability: however, this will be partially offset by an increase in the return on the plan debt investment.
- 3 Liquidity Risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
- 4 Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**vii) Details of Asset-Liability Matching Strategy :-** Gratuity benefits liabilities of the Company are unfunded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

**viii) The expected payments towards the gratuity in future years :**

Particulars	2018-19	2017-18
with in one year	50.20	50.15
1-5 years	25.11	22.76
More than 5 years	5.59	5.06

The average duration of the defined benefit plan obligation as at March 31, 2019 is 9.06 years (March 31, 2018: 5.89)

**Note 26****Finance Costs**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest Expenses	24,561.91	25,810.14
Redemption Premium	-	1,414.17
Other Borrowing Cost	-	19.49
<b>Total</b>	<b>24,561.91</b>	<b>27,243.80</b>

**Note 27****Other Expenses**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Advertisement & Business Promotion Expenses	5.50	4.44
Bank Charges & Commission	0.37	0.06
Donation	0.10	-
Rent	-	4.77
Rates and Taxes	15.54	12.12
Printing and Stationery	1.61	1.41
Postage, Courier & Communication Expenses	11.61	11.09
Repair and Maintenance - Other	18.75	22.10
Manpower & Security Charges	3.20	3.17
Travelling, Conveyance & Vehicle Expenses	73.02	29.52
Legal and Professional Charges	192.39	242.04

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Loss on Sale of Investment	2,477.70	6,344.30
Administrative, Office Expenses & Other expenses	21.44	28.36
Payment to Auditors (Refer Note No.29.1)	24.78	24.78
Other Miscellaneous expenses	0.17	49.46
Sitting Fees to Directors	8.02	8.24
Insurance Charges	1.01	1.05
Interest on TDS & Service Tax	1.42	0.96
Penalty	0.40	137.85
Provision for Doubtful Debts	145.58	-
<b>Total</b>	<b>3,002.59</b>	<b>6,925.71</b>

**27.1 Payment to Auditors includes:**

<b>Particulars</b>	<b>For the year ended 31st March, 2019</b>	<b>For the year ended 31st March, 2018</b>
Audit Fees	20.65	20.65
Tax Audit Fees	2.95	2.95
Other Matters	1.18	1.18
<b>Total</b>	<b>24.78</b>	<b>24.78</b>

**Note 28**

**Contingent Liabilities and Commitments**

**Contingent Liabilities**

<b>Sr. No.</b>	<b>Particulars</b>	<b>MARCH 31, 2019</b>	<b>MARCH 31, 2018</b>
a)	Corporate Guarantee (Given to Banks, Financial Institutions and Body Corporates for credit facilities taken by subsidiary and other companies)	1,65,800.00	79,800.00
b)	Demands not acknowledged as Debts (net)		
	i) Income Tax	9,051.34	3,002.11
	ii) Suits filed against Company not acknowledge as debt	2,126.49	2,126.49

The Company has filed a suit in the Commercial court Ahmedabad against the lenders of Reliance Naval & Engineering Limited (RNEL) for illegally/unlawfully enforcing/invoking the securities furnished by the Company including the Corporate Guarantee. These securities were created in favour of the lenders of RNEL when the Company was the promoter of RNEL. The Company has ceased to be the promoter of RNEL and its Subsidiaries since January 2016. As the matter is sub-judice, no accounting effect has been given in the Financial Statements for Corporate Guarantees invoked amounting to Rs. 12,87,028.00 Lakhs. The lenders of RNEL have also filed recovery proceedings against the Company on account of Corporate Guarantee in Debt Recovery Tribunal (DRT) and the same is also challenged by the Company. The Company has filed claim against the Promoters of RNEL under the Arbitration Proceedings for the said invocation.

**Note 29**

**Fair Value Measurements**

The fair value of the financial assets and liabilities are included at the amount that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price and financial instruments like Mutual Funds for which NAV is published by the Mutual Fund Operator. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and Mutual Fund are valued using the Closing NAV.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value and instruments are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include forward exchange contract derivatives

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in this level. Instruments in level 3 category for the Company include unquoted equity shares and FCCDs, unquoted units of mutual funds and unquoted units of venture capital funds.

**a) Financial Instrument by Category****Financial Assets**

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Non Current Investments in Equity Instrument		16,728.87			21,970.74	
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	423.99			168.43		
Trade Receivables						
Cash and Cash Equivalents			18.52			81.51
Other Bank Balances			0.45			1.44
Other Non Current Financial Assets			1,405.66			10,744.18
Other Current Financial Assets			92,614.60			89,275.41
	<b>424.02</b>	<b>16,728.87</b>	<b>94,039.23</b>	<b>168.46</b>	<b>21,970.74</b>	<b>1,00,102.55</b>

The carrying amount of Financial Assets carried at amortised cost is reasonably approximate to its fair value.

**Financial Liabilities**

The Liability in case of Redeemable Non Convertible Bonds and Long Term Inter Corporate Deposit from related parties are initially recognised on fair value and the difference between fair value and transaction price is considered as Other Income. Subsequently the liability is measured at amortised cost using the effective interest rate. The impact on this account has been recognised as Other Income on the transaction date and subsequent impact are recognised as Finance Cost in the Statement of Profit and Loss.

The carrying amount of all other Financial Liabilities is reasonably approximate to its fair value. The fair values disclosed above are based on discounted cash flows using current borrowing rate. These are classified at level 2 fair values in the fair value hierarchy due to the use of observable inputs.

During the years mentioned above, there have been no transfers amongst the levels of the hierarchy

**b) Valuation process**

The Company evaluates the fair value of the financial assets and financial liabilities on periodic basis using the best and most relevant data available. Also the Company internally evaluates the valuation process periodically

**c) Fair value hierarchy**

Particulars	As at March 31, 2019			As at March 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non Current Investments in Equity Instrument	1,728.69		15,000.18	6,836.24		15,134.50
Current Investments in Equity Instrument	0.03			0.03		
Current Investments in Units of Mutual Fund	6.87	417.09		6.55	161.85	
	<b>1,735.59</b>	<b>417.09</b>	<b>15,000.18</b>	<b>6,842.82</b>	<b>161.85</b>	<b>15,134.50</b>

**d) Discription of the inputs used in the fair value measurement:**

Particulars	As at March 2018	Valuation Techniques	Input Used	Sensitivity
Financial Assets designated at fair value through profit or loss	15,000.18	Book Value	Financial Statement	No Material Impact on Fair Valuation
Unlisted Equity Instrument				

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**e) Reconciliation of fair value measurement categorised with in level 3 of the fair value hierarchy:**

<b>Particulars</b>	
Fair Value as at April 1, 2017	15,209.30
Loss on Fair Valuation	74.20
Sale of Shares	(149.00)
Fair Value as at March 31, 2018	15,134.50
Loss on Fair Valuation	(134.32)
Fair Value as at March 31, 2019	<b>15,000.18</b>

**Note 30**

**Financial Risk Management Objective and Policies**

The Company's principal financial liabilities comprise of loans & borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects under implementation. The Company's principal Financial Assets include Investment, loans and advances, trade and other receivables and cash and bank balances that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors, reviews and agrees policies for managing each of these risks, which are summarised below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a Financial Asset will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial Assets affected by market risk include loans and borrowings, deposits and derivative financial instruments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

**I Interest rate exposure profile appended in the table below**

<b>Borrowings</b>	<b>MARCH 31, 2019</b>	<b>MARCH 31, 2018</b>
Floating Rate Loans	40,960.09	55,489.98
Fixed Rate Loans	1,10,840.45	1,01,299.87
<b>Total</b>	<b>1,51,800.54</b>	<b>1,56,789.85</b>

**II Interest Risk Sensitivity**

With all other variables held constant, the following table reflects the impact of borrowing cost on floating rate portion of total Debt

<b>Risk Exposure</b>	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
Effect on profit/ (loss) before tax due to following change in interest rates	20 basis Points Increase	20 basis Points Decrease	20 basis Points Increase	20 basis Points Decrease
On Floating Rate Loans	81.92	81.92	110.98	110.98

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in Foreign Currency is not material.

**Credit risk**

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

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

**Trade receivables**

Customer 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. An impairment analysis is performed at each reporting date on an individual basis for major clients.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

**Liquidity risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank Overdrafts, Letter of Credit and Working Capital Limits.

The below table summarizes the maturity profile of the company's financial liability based on contractual undiscounted cash flows:

<b>Liquidity Profile</b>	<b>Less than 1 year</b>	<b>1-3 Year</b>	<b>3-5 Year</b>	<b>More than 5 Year</b>	<b>Total</b>
<b>As at March 31, 2019</b>					
Non Current Borrowings	37,854.89	45,820.62	9,655.88	-	93,331.39
Current Borrowings	3,700.00	-	-	-	3,700.00
Other financial liabilities	-	-	1,12,958.36	-	1,12,958.36
<b>Total</b>	<b>41,554.89</b>	<b>45,820.62</b>	<b>1,22,614.24</b>	<b>-</b>	<b>2,09,989.75</b>
<b>As at March 31, 2018</b>					
Non Current Borrowings	45,427.95	36,432.57	14,308.36	9,627.77	1,05,796.65
Current Borrowings	3,700.00	-	-	-	3,700.00
Other financial liabilities	-	-	1,04,206.72	-	1,04,206.72
<b>Total</b>	<b>49,127.95</b>	<b>36,432.57</b>	<b>1,18,515.08</b>	<b>9,627.77</b>	<b>2,13,703.37</b>

**Note 31****Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

**Note 32****Segment Reporting****Segment information as per Ind AS - 108 on Operating Segment :**

The risk - return profile of the Company's business is determined predominantly by the nature of its products. The Company is engaged in the business of Infrastructure development. Further based on the organisational structure and internal management reporting system, there are no separate reportable segments.

**Note 33****Post Reporting Events**

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation

**Note 34**

**Related Party Disclosures**

**a) List of Related parties**

**1 Subsidiary Companies**

SKIL Himachal Infrastructure & Tourism Limited

SKIL Shipyard Holdings Private Limited

SKIL Singapore Pte Ltd.

SKIL Advanced Systems Private Limited

Chiplun FTWZ Pvt. Ltd.

Metrotech Technology Park Pvt. Ltd.

Gujarat Dwarka Portwest Company Limited

Pipavav Electronic Warfare Systems Pvt. Ltd.

**2 Associates**

Urban Infrastructure Holding Private Limited

Rosoboronservice (India) Ltd.

**3 Joint Ventures**

Sohar Free Zone LLC

**4 Key Managerial Personnel**

Mr. Nikhil P. Gandhi

Mr. Bhavesh P. Gandhi

Mr. Shankar Agarwal

Mr. Nilesh Mehta

Mr. Shekhar Gandhi

**5 Other Related Parties**

Grevek Investment & Finance P. Ltd.

Awaita Properties Pvt. Ltd.

Nikhil P. Gandhi HUF

Bhavesh P. Gandhi HUF

Metropolitan Industries

**b) Terms and Conditions of transactions with related parties**

The Transactions with related parties are at arm's length price and in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest have been accounted on market rate except the advances given. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

## c) 1 Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Subsidiary Companies

<b>i Investment at the end of the year</b>	<b>2018-19</b>	<b>2017-18</b>
SKIL Himachal Infrastructure & Tourism Limited	6,715.86	6,715.86
SKIL Shipyard Holdings Private Limited	12,015.41	12,015.41
SKIL (Singapore) Pte Ltd.	50.25	50.25
SKIL Advanced Systems Private Limited	5.00	5.00
Gujarat Dwarka Portwest Limited	38,426.48	38,426.48
Metrotech Technology Park Pvt Ltd	75.70	75.70
Chiplun FTWZ Private Limited	27,484.63	27,484.63
Pipavav Electronic Warfare Systems Pvt. Ltd.	1.00	1.00
<b>Loan and Advances</b>		
<b>ii Received</b>		
Metrotech Technology Park Pvt Ltd	470.50	1,923.67
<b>iii Repayment</b>		
SKIL Himachal Infrastructure & Tourism Limited	213.65	713.46
Metrotech Technology Park Pvt Ltd	522.66	-
Chiplun FTWZ Pvt. Ltd.	9.47	4.33
<b>iv Balances at the end of year</b>		
Chiplun FTWZ Pvt. Ltd.	2,291.93	2,301.40
SKIL Himachal Infrastructure & Tourism Limited	4,214.53	4,428.18
Metrotech Technology Park Pvt Ltd	1,871.51	1,923.67
<b>v Given</b>		
SKIL Shipyard Holdings Pvt. Ltd.	1,949.93	1,400.47
Pipavav Electronic Warfare Systems Pvt. Ltd.	0.11	0.34
SKIL Advanced Systems Private Limited	464.99	17.65
Gujarat Dwarka Portwest Limited	1,490.29	6,042.63
<b>vi Received back</b>		
SKIL Shipyard Holdings Pvt. Ltd.	0.14	4.00
SKIL Advanced Systems Private Limited	911.41	0.30
Gujarat Dwarka Portwest Limited	-	0.85
<b>vii Receivable at the end of the year</b>		
SKIL Shipyard Holdings Pvt. Ltd.	4,435.58	2,485.79
SKIL Singapore Pte. Ltd.	10,814.24	10,814.24
Pipavav Electronic Warfare Systems Pvt. Ltd.	40.74	40.63
SKIL Advanced Systems Private Limited	5.94	452.36
Gujarat Dwarka Portwest Limited	21,319.54	19,829.25
<b>viii Corporate Guarantee Given</b>		
SKIL Himachal Infrastructure & Tourism Limited	4,300.00	4,300.00
Gujarat Dwarka Portwest Limited	37,000.00	37,000.00
SKIL Shipyard Holdings Pvt. Ltd.	27,500.00	27,500.00
Chiplun FTWZ Pvt. Ltd.	-	2,500.00

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

<b>c) 2</b>	<b>Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Associate Companies</b>		
<b>i</b>	<b>Investment at the end of the year</b>	<b>2018-19</b>	<b>2017-18</b>
	Urban Infrastructure Holdings Pvt. Ltd.	3,17,850.15	3,17,850.15
	Rosoboronservice (India) Ltd.	81.00	81.00
<b>ii</b>	<b>Advances Given</b>		
	Rosoboronservice (India) Ltd.	85.55	-
<b>iii</b>	<b>Advances received back</b>		
	Rosoboronservice (India) Ltd.	-	-
<b>iv</b>	<b>Advance Receivable at the end of the year</b>		
	Rosoboronservice (India) Ltd.	1,028.55	943.00
<b>c) 3</b>	<b>Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Joint Ventures</b>		
	<b>Investment purchased/alloted during the year</b>	<b>2018-19</b>	<b>2017-18</b>
	Sohar Free Zone LLC	461.26	899.40
<b>i</b>	<b>Investment at the end of the year</b>		
	Sohar Free Zone LLC	1,360.66	899.40
<b>c) 4</b>	<b>Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Other Related Parties</b>		
	<b>Loans and Advances</b>		
<b>i</b>	<b>Received</b>	<b>2018-19</b>	<b>2017-18</b>
	Grevek Investment & Finance Pvt.Ltd.	5,276.63	7,125.41
	Metropolitan Industries	1,112.50	-
<b>iii</b>	<b>Repayment</b>		
	Grevek Investment & Finance Pvt.Ltd.	924.45	522.29
	Metropolitan Industries	-	0.64
<b>iv</b>	<b>Balances of at the end of year</b>		
	Grevek Investment & Finance Pvt.Ltd.	28,389.91	24,037.73
	Metropolitan Industries	1,114.09	1.59
<b>v</b>	<b>Advances received back</b>		
	Nikhil Gandhi HUF	-	365.82
	Bhavesh Gandhi HUF	-	250.18
<b>vi</b>	<b>Advance Receivable at the end of the year</b>		
	Nikhil Gandhi HUF	-	-
	Bhavesh Gandhi HUF	-	-
<b>vii</b>	<b>Deposit Given</b>		
	Awaita Properties Pvt Ltd.	-	54.02

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

<b>viii Corporate Guarantee Given</b>			
Grevek Investment & Finance Pvt.Ltd.	-		8,500.00
<b>ix Redeemable Non convertible Bonds at the end of the year</b>			
Grevek Investment & Finance Pvt.Ltd.	67,065.71		59,350.18
<b>x Redemption Premium Payable</b>			
Grevek Investment & Finance Pvt.Ltd.	36,886.46		35,472.29
<b>xi Inter-Corporate Deposit</b>			
Grevek Investment & Finance Pvt.Ltd.	9,006.19		7,970.07
<b>xi Interest Expenses</b>			
Grevek Investment & Finance Pvt.Ltd.	12.55		3.38
<b>xii Redemption Premium</b>			
Grevek Investment & Finance Pvt.Ltd.	-		1,414.17
<b>c) 5 Transactions with related parties for the year ended March 31, 2019 (for the period of relationship exist)- Key Managerial Persons</b>			
		<b>2018-19</b>	<b>2017-18</b>
i Managerial Remuneration-Short Term Employee Benefits		122.00	98.83
ii Advance Receivable at the end of the year		-	0.60
<b>d) Details of Loans given, Investment made and Guarantee given, covered u/s 186(4) of the Companies Act, 2013</b>			
i Advances given and investment made are given under the respective head			
ii Corporate Guarantee have been issued on behalf of related parties, details of which are given in related party transactions above			

**Note 35****Jointly Controlled Entity**

Name	Ownership interest	
	As at December 31, 2018	As at December 31, 2017
Sohar Free Zone LLC	33.34%	27.18%
<b>Particulars</b>	<b>As at December 31, 2018</b>	<b>As at December 31, 2017</b>
<b>Assets</b>		
- Long Term Assets	5,034.83	3,344.97
- Current Assets	3,967.79	3,637.57
<b>Liabilities</b>		
- Non Current Liabilities	2,436.82	2,557.83
- Current Liabilities & Provisions	2,654.13	2,014.14
<b>Income</b>	3,128.84	2,236.90
<b>Expenses</b>	2,003.30	1,449.57

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Rs. in Lakhs)

**Note 36**

The Company along with other past promoters of Reliance Naval and Engineering Limited ("RNEL") have filed claim of approximately over Rs. 10,500 crore against Reliance Group (ADAG) viz. Reliance Defence Systems Pvt. Ltd. ("RDSPL") and Reliance Infrastructure Limited ("R-Infra") the current promoters of RNEL on account of invocation of shares, invocation of Guarantees etc. in accordance with the terms and conditions of the Share Purchase Agreement dated 4th March 2015.

The Current promoters of RNEL viz. RDSPL and R-Infra have filed a Arbitration case with Singapore International Arbitration Centre ("SIAC") on 07/03/2018 and a claim of Rs. 5440.38 crores is raised on the Company and all the other past promoters of RNEL including Mr. Nikhil Gandhi and Mr. Bhavesh Gandhi, . The said claim has been raised towards breach of the terms and conditions of the Share Purchase Agreement dated 4th March, 2015. The Company has denied any breach of the said terms and conditions of the Purchase Agreement and has decided to effectively defend itself during the process of Arbitration.

**Note 37**

Exceptional items for the year include gain on account of financial charges written back on Loans from Bank & Financial Institution.

**Note 38**

Previous year figures regrouped/rearranged weherever necessary.

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**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**For Kailash Chand Jain & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 112318W**

**Nikhil Gandhi**  
**Chairman**  
**DIN : 00030560**

**Saurabh Chouhan**  
**Partner**  
**Membership No. 167453**

**Shekhar Gandhi**  
**CFO**

**Date: 28-05-2019**  
**Place: Mumbai**

**Nilesh Mehta**  
**Company Secretary**