



# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053  
Email: arushi.88@gmail.com

### INDEPENDENT AUDITOR'S REPORT

To the Members of METROTECH TECHNOLOGY PARK PVT. LTD  
Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of METROTECH TECHNOLOGY PARK PVT. LTD ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, its loss and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is other information included in Board of Directors Report including Annexures to such report but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Responsibility for the Financial Statements







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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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.







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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### 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 and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 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".
  - g) 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; we would like to state that section 197 is not applicable to the Company.





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- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

### AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAH8975

PLACE: Mumbai

DATE : 08/07/2020







# ARUSHI SHAH & CO.

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### Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of **METROTECH TECHNOLOGY PARK PVT. LTD** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020. We report that:

- 1) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.  
  
(c) The title deeds of Immovable properties are held in the name of the company.
- 2) The Company doesn't have any inventory, hence the clause of the Para 3 (ii)(a), (b) and (c) is Not Applicable
- 3) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. And hence the clause of the Para 3 (iii)(a), (b) and (c) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- 5) According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
- 6) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section(1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
- 7) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March 2020, for the period of more than six months from the date becoming payable except Interest on TDS Payable of Rs.28834/-  
  
(b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excess Duty, VAT and cess on account of any dispute which have not been deposited.







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- 8) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.
- 9) In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer ( including Debt Instruments) and term loans applied for the purpose for which they were raised, Therefore the provision of clause (ix) of para 3 is not applicable.
- 10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- 11) In our opinion, and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Therefore the provision of clause (xi) of para 3 is not applicable.
- 12) The company is not a Nidhi Company. Therefore the provision of clause (xii) of para 3 is not applicable.
- 13) In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc, as required by the applicable accounting standard.
- 14) In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures under review. Therefore the provisions of clause (xiv) of para 3 is not applicable.
- 15) The company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provision of clause (xv) of para 3 is not applicable.
- 16) In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of The Reserve Bank of India Act, 1934. Therefore the provision of clause (xvi) of para 3 is not applicable.

For ARUSHI SHAH & CO.,  
Chartered Accountants  
(Firm Registration No.138260W)

  
(ARUSHI B. SHAH)  
PROPRIETOR  
Membership No. 141472  
UDIN: 20141472AAAAAH8975  
PLACE : MUMBAI  
DATED :08/07/2020







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### Annexure B to the Independent Auditors' Report

The Annexure referred to in our report to the members of **METROTECH TECHNOLOGY PARK PVT. LTD** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020.

Report on the Internal Financial Controls 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 **METROTECH TECHNOLOGY PARK PVT. LTD** ("the Company") as of March 31, 2020 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and as 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.

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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.







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### 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.

### 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, 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, 2020, 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.

### AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAH8975



PLACE: Mumbai

DATE : 08/07/2020



**Metrotech Technology Park Private Limited**  
**FINANCIAL STATEMENTS**  
**Balance Sheet As At March 31, 2020**

(Amount in Rs.)

Balance Sheet as at	NOTE NO.	March 31,2020	March 31,2019
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	2	3,17,24,470	3,17,30,106
Capital work-in-progress	3	84,53,574	80,03,574
Intangible assets		-	-
Financial assets			
- Investments		-	-
- Loans		-	-
Other Non-current assets	4	1,53,52,180	1,62,82,250
<b>Total Non- Current Assets</b>		<b>5,55,30,224</b>	<b>5,60,15,930</b>
<b>2 Current Assets</b>			
Inventories			
Financial assets			
- Investments			
- Trade Receivables			
- Cash and cash equivalents	5	4,82,103	2,70,719
- Other Financial Assets	6	-	19,00,00,000
Other Current Assets	7	-	11,602
<b>Total Current Assets</b>		<b>4,82,103</b>	<b>19,02,82,320</b>
<b>Total Assets</b>		<b>5,60,12,327</b>	<b>24,62,98,250</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	8	20,00,000	20,00,000
Other Equity	9	(1,18,27,950)	(1,11,49,349)
<b>Total Equity</b>		<b>(98,27,950)</b>	<b>(91,49,349)</b>
<b>2 Liabilities</b>			
<b>A Non Current Liabilities</b>			
Financial Liabilities			
- Borrowings		-	-
- Other Financial Liabilities	10	-	28,48,811
Provisions		-	-
Deferred Tax Liabilities (Net)		-	-
<b>Total Non- Current Liabilities</b>		<b>-</b>	<b>28,48,811</b>
<b>B Current Liabilities</b>			
Financial Liabilities			
- Borrowings	11	-	-
- Trade Payables	12	40,500	69,955
- Other Financial Liabilities	13	6,57,66,442	25,25,00,000
Other Current Liabilities	14	33,335	28,834
Provisions		-	-
<b>Total Current Liabilities</b>		<b>6,58,40,277</b>	<b>25,25,98,789</b>
<b>Total Liabilities</b>		<b>6,58,40,277</b>	<b>25,54,47,600</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,60,12,327</b>	<b>24,62,98,250</b>

Significant Accounting Policies

1

Notes to Financial Statements

2 to 21

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg No. 138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020

FOR AND ON BEHALF OF THE BOARD

Shekhar Gandhi

Director

DIN : 01829198

Ketan Shah

Director

DIN : 01836504





**Metrotech Technology Park Private Limited**  
**Statement of Profit & Loss for the Year ended March 31, 2020**

(Amount in Rs.)

	Note No.	2019-20	2018-19
<b>INCOME</b>			
Other Income	15	-	-
<b>Total</b>		-	-
<b>EXPENDITURE</b>			
Finance Cost	16	-	56,70,548
Depreciation and Amortisation Expenses	17	5,636	5,636
Other Expenses	18	6,61,366	71,741
<b>Total expenses</b>		<b>6,67,002</b>	<b>57,47,925</b>
<b>Profit / (Loss) before Tax</b>		<b>(6,67,002)</b>	<b>(57,47,925)</b>
<b>Tax Expenses</b>			
Current Tax		-	8,02,153
Income Tax Earlier Years		11,599	-
<b>Profit for the year</b>		<b>(6,78,601)</b>	<b>(65,50,078)</b>
<b>Other Comprehensive Income</b>			
i Items that will not be reclassified to profit or loss		-	-
ii Income tax relating to items that will not be reclassified to profit or loss		-	-
iii Items that will be reclassified to profit or loss		-	-
iv Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the year</b>		<b>(6,78,601)</b>	<b>(65,50,078)</b>
Earnings Per Share of Rs.10/- each (Refer Note No.14)			
- Basic & Diluted	19	(3.34)	(28.74)
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes to the Financial Statements</b>	<b>2 to 21</b>		

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg.No. 138260W



(ARUSHI B. SHAH)

PROPRIETOR


Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



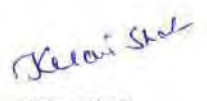
FOR AND ON BEHALF OF THE BOARD

Shekhar Gandhi

Director

DIN : 01829198



Ketan Shah

Director

DIN : 01836504



## Metrotech Technology Park Private Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Year ended 31st March, 2020	Year ended 31st March, 2019
	Amount in Rs.	Amount in Rs.
<b><u>A CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit Before Tax and Extraordinary Items	(6,67,002)	(57,47,925)
<b><u>Adjustments for :-</u></b>		
Depreciation and ammortization expenses	5,636	5,636
Sundry Balances Written Off	-	
Interest & Financial Charges	-	56,70,548
Gain on sale of Investments	-	
Interest on TDS	-	-
<b>Operating Profit Before Working Capital Charges</b>	<b>(6,61,366)</b>	<b>(71,741)</b>
<b><u>Adjustments for :-</u></b>		
Trade & Other Receivales	-	
Loans advances and other financial assets	19,00,00,000	6,00,00,000
Other Non-Current assets	4,80,069	(9,49,997)
Other Current Assets	-	
Other Financial Liabilities	(18,95,82,366)	19,77,15,786
Other Current Liabilities	4,501	13,200
Trade & Other Payables	(29,455)	750
<b>Cash Generated from operations</b>	<b>2,11,384</b>	<b>25,67,07,998</b>
Less: Direct Taxes Paid	-	(8,02,153)
<b>Net Cash Flow From Operating Activities</b>	<b>2,11,384</b>	<b>25,59,05,845</b>
<b><u>B CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets	-	-
Payment towards Capital Expenditure	-	-
Gain on sale of Investments	-	-
<b>Net Cash Flow From Investing Activities</b>	<b>-</b>	<b>-</b>
<b><u>C CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Repayment of Borrowings	-	(25,00,00,000)
Interest Paid	-	(56,70,548)
Proceeds From Issue of Share Capital	-	-
<b>Net Cash Used In Financing Activities</b>	<b>-</b>	<b>(25,56,70,548)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>2,11,384</b>	<b>2,35,297</b>
Cash & Cash Equivalents as at beginning of the year (Opening Balance)	2,70,719	35,422
<b>Cash &amp; Cash Equivalents as at end of the year (Closing Balance)</b>	<b>4,82,103</b>	<b>2,70,719</b>

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg No. 138260W


  
(ARUSHI B. SHAH)  
PROPRIETOR

Membership No. 141472

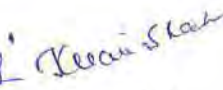
PLACE : Mumbai  
DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD

  
Shekhar Gandhi  
Director

DIN : 01829198

  
Ketan Shah  
Director

DIN : 01836504



Metrotech Technology Park Private Limited  
Statement of Changes in Equity

a. Equity Share Capital:		
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount in Rs.
Balance at 1 April 2018	2,00,000	20,00,000
Changes in equity share capital during 2018-19 on equity shares issued (Note 8)	-	-
Balance at 31 March 2019	2,00,000	20,00,000
Changes in equity share capital during 2019-20 on equity shares issued (Note 8)	-	-
Balance at 31 March 2020	2,00,000	20,00,000

b. Other Equity:

For the year ended 31 March 2019

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 9)	General reserve (Note 9)	Retained earnings (Note 9)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 1st April 2018	-	-	-	(45,99,271)	(45,99,271)
Net Profit for the year	-	-	-	(65,50,078)	(65,50,078)
Other comprehensive income for the year, net	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(65,50,078)	(65,50,078)
Shares issued during the period	-	-	-	-	-
Premium received on equity shares issued during the year	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	-	-	-	<b>(1,11,49,349)</b>	<b>(1,11,49,349)</b>

For the year ended 31 March 2020

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 9)	General reserve (Note 9)	Retained earnings (Note 9)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 31st March 2019	-	-	-	(1,11,49,349)	(1,11,49,349)
Net Profit for the year	-	-	-	(6,78,601)	(6,78,601)
Other comprehensive income for the year, net	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(6,78,601)	(6,78,601)
Premium received on equity shares issued during the year	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	-	-	-	<b>(1,18,27,950)</b>	<b>(1,18,27,950)</b>

See accompanying notes forming part of the financial statements



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Metrotech Technology Park Private Limited  
NOTES TO FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies

1) **Basis of Preparation:**

i) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) **Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except certain financial assets and liabilities that is measured at fair value.

2) **Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3) **Taxes on Income**

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Provision for current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 for the relevant assessment year. Deferred Tax Adjustments comprising of deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

4) **Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an



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insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 5) Financial instruments:

### (i) Financial assets

#### Initial recognition and measurement:

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, except for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

#### Subsequent measurement:

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b) **Measured at fair value through other comprehensive income :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.



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(c) **Measured at fair value through profit or loss:** A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

#### **Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### **(ii) Financial liabilities**

##### **Initial recognition and measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

##### **Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

##### **Derecognition:**

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.



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#### Guarantee:

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the differences of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

#### Equity investments (other than Investments in subsidiaries, associates and joint venture):

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Restated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 6) Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the Statement of Profit and Loss.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

#### *Depreciation methods, estimated useful lives and residual value:*

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at



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the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

#### 7) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### 8) Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is 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 disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.



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**Metrotech Technology Park Private Limited**  
**NOTES TO FINANCIAL STATEMENTS**

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

	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Land	Total
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
<b>Cost or deemed cost (gross carrying amount)</b>							
Balance at 1 April 2018	-	-	77,541	-	-	3,17,16,300	3,17,93,841
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	-	-	77,541	-	-	3,17,16,300	3,17,93,841
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	-	-	77,541	-	-	3,17,16,300	3,17,93,841
<b>Accumulated depreciation</b>							
Balance at 1 April 2018	-	-	58,099	-	-	-	58,099
Depreciation charge for the year	-	-	5,636	-	-	-	5,636
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	-	-	63,735	-	-	-	63,735
Depreciation charge for the year	-	-	5,636	-	-	-	5,636
Disposals	-	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	-	-	69,371	-	-	-	69,371
<b>Net Book Value</b>							
Balance at 31 March 2020	-	-	8,170	-	-	3,17,16,300	3,17,24,470
Balance at 31 March 2019	-	-	13,806	-	-	3,17,16,300	3,17,30,106

**Note 3: Capital Work in Progress**

**Capital work in Progress**

Balance as at 31.03.2020	Balance as at 31.03.2019
Amt in Rs.	Amt in Rs.
84,53,574	80,03,574

Note: Company had pledged part of its land to IDBI for Loan availed by Holding Co.



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**Metrotech Technology Park Private Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4: Other non-current assets**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Capital Advances	1,40,47,500	1,44,97,500
Other Advances	11,00,000	15,80,070
Security Deposit	2,04,680	2,04,680
	<b>1,53,52,180</b>	<b>1,62,82,250</b>

**Note 5: Current Financial Assets-Cash and Cash Equivalents**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Balances with banks in:		
Current Accounts	4,78,745	2,67,361
Deposit accounts (original maturity of 3 months or less)		-
Cash on hand	3,358	3,358
	<b>4,82,103</b>	<b>2,70,719</b>

**Note 6: Current Financial Assets-Other Financial Assets**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Unsecured, considered good		
Capital Advances	-	19,00,00,000
	<b>-</b>	<b>19,00,00,000</b>

**Note 7: Other Current assets**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Balance with government authorities (includes CENVAT credit receivable, VAT receivable, Custom Duty and Income Tax paid under protest)	-	11,602
Other advances		
	<b>-</b>	<b>11,602</b>



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Metrotech Technology Park Private Limited  
NOTES TO FINANCIAL STATEMENTS

**Note 8: Share Capital**

**Authorised Share Capital**

	As at 31st March 2020	As at 31st March 2019
2,00,000 Equity shares of Rs.10/- each	20,00,000	20,00,000
	20,00,000	20,00,000

**Issued, Subscribed & Paid-Up equity capital**

2,00,000 Equity shares of Rs.10/- each	20,00,000	20,00,000
	20,00,000	20,00,000

**Information of shareholders**

	31 March 2020		31 March 2019	
	No. of equity shares	Percentage	No. of equity shares	Percentage
SKIL Infrastructure Limited - Holding Company	2,00,000	100.00%	2,00,000	100.00%
	2,00,000	100.00%	2,00,000	100.00%

**Note 9: Other equity**

	As at 31st March 2020	As at 31st March 2019
<b>Retained Earnings</b>		
As per Last Balance Sheet	(1,11,49,349)	(45,99,271)
Add : Profit during the year	(6,78,601)	(65,50,078)
(Less): Other comprehensive income	-	-
<b>Closing Balance</b>	<b>(1,18,27,950)</b>	<b>(1,11,49,349)</b>



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**Metrotech Technology Park Private Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 10: Non-current financial liabilities - Other financial liabilities**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Advances from Related Party	-	28,48,811
	<b>-</b>	<b>28,48,811</b>

**Note 11: Current financial liabilities - Borrowings**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Unsecured:		
From Others	-	-
	<b>-</b>	<b>-</b>

**Note 12: Current financial liabilities - Trade payables**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Trade Payables		
Dues of micro enterprises and small ent		
Dues of creditors other than micro ent and small ent	40,500	69,955
	<b>40,500</b>	<b>69,955</b>

**Note 13: Current financial liabilities - Other financial liabilities**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Other Payables		
-Other	6,57,66,442	25,25,00,000
	<b>6,57,66,442</b>	<b>25,25,00,000</b>

**Note 14: Other current liabilities**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Statutory liabilities		
TDS payable	4,500	-
Interest & Levy on TDS payable	28,834	28,834
	<b>33,334</b>	<b>28,834</b>



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**Metrotech Technology Park Private Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 15: Other income**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Gain on Sale of Investment	-	-
	-	-

**Note 16: Finance Cost**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Interest		
On borrowings	-	56,70,548
	-	<b>56,70,548</b>

**Note 17: Depreciation and amortization expenses**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Depreciation on Property, Plant and Equipment (note 2)	5,636	5,636
	-	-
	<b>5,636</b>	<b>5,636</b>

**Note 18: Other expenses**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Auditors' remuneration (refer note below)	45,000	45,000
Bank Charges	-	59
Professional Fees	7,250	750
Interest & Levy on TDS	-	13,200
ROC Filing Fees	3,248	12,732
Balances Written off	6,05,868	-
	<b>6,61,366</b>	<b>71,741</b>

**Note:**

**Payments to the auditor**

Statutory audit fees	30,000	30,000
Other services	15,000	15,000
Out of pocket expenses	-	-
<b>Total</b>	<b>45,000</b>	<b>45,000</b>



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Metrotech Technology Park Private Limited  
NOTES TO FINANCIAL STATEMENTS

**Note 19: Earnings per share (EPS)**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Face value per equity share	10	10
Weighted average number of equity shares outstanding (Nos.)	2,00,000	2,00,000
(Loss)/Profit for the year	(6,67,002)	(57,47,925)
<b>Basic and diluted earnings per share</b>	<b>(3.34)</b>	<b>(28.74)</b>

**Note 20: Related party disclosures**

**A) Name of the Related Party**

**Holding Company**

SKIL Infrastructure Limited

**Fellow Subsidiary Company**

SKIL Advanced Systems Private Limited

SKIL Shipyard Holding Private Limited

SKIL - Himachal Infrastructure & Tourism Limited

Gujarat Dwarka Portwest Limited

Chiplun FTWZ Private Limited

SKIL (Singapore) Pte. Limited (Foreign Company, Singapore)

# Related Parties relationships are identified by the company and relied upon by the Auditor.

**B) Transaction with Related Parties**

Particular	31-Mar-20	31-Mar-19
<b>a) Loan Taken</b>		
Holding Company	4,17,632	5,22,65,786
<b>b) Loan Repaid</b>		
Holding Company	32,66,443	10,70,50,000
<b>c) Closing Balance</b>		
Holding Company	-	28,48,811
<b>d) Capital advance Given</b>		
Holding Company	-	4,70,50,000
<b>e) Capital Advance received back</b>		
Holding Company	19,00,00,000	10,70,50,000
<b>f) Closing Balance</b>		
Holding Company	-	19,00,00,000

**Note 21:**

Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary.

**AS PER OUR REPORT OF EVEN DATE**

For ARUSHI SHAH & CO.  
Chartered Accountants  
(Firm Reg. No. 138260W)

(ARUSHI B. SHAH)  
PROPRIETOR

Membership No. 141472

Place : Mumbai

Date : 08/07/2020

**FOR AND ON BEHALF OF THE BOARD**



*Shekhar Gandhi*

Shekhar Gandhi  
Director  
DIN : 01829198

*Ketan Shah*

Ketan Shah  
Director  
DIN : 01836504





# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.

Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053

Email: arushi.88@gmail.com

### INDEPENDENT AUDITOR'S REPORT

To the Members of SKIL ADVANCED SYSTEMS PRIVATE LIMITED  
Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of SKIL ADVANCED SYSTEMS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, its loss and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is other information included in Board of Directors Report including Annexures to such report but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.







# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.

Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053

Email: arushi.88@gmail.com

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.







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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Emphasis of Matter

The attention is drawn towards the Note no.3 to the financial results in which Capital Work in Progress is written off.

Our opinion is not modified in respect of these matters.

### 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 and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.







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- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 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".
- g) 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; we would like to state that section 197 is not applicable to the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

### AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAG1468

PLACE: Mumbai

DATE : 08/07/2020





# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

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### Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of **SKIL ADVANCED SYSTEMS PRIVATE LIMITED** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020. We report that:

- 1) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.  
  
(c) The Company does not hold any immovable property; hence clause (c) is not applicable
- 2) The Company doesn't have any inventory, hence the clause of the Para 3 (ii)(a), (b) and (c) is not Applicable
- 3) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. And hence the clause of the Para 3 (iii)(a), (b) and (c) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- 5) According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
- 6) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section(1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
- 7) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2020, for the period of more than six months from the date becoming payable.  
  
(b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excess Duty, VAT and cess on account of any dispute which have not been deposited.
- 8) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.







# ARUSHI SHAH & CO.

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- 9) In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer ( including Debt Instruments) and term loans applied for the purpose for which they were raised, Therefore the provision of clause (ix) of para 3 is not applicable.
- 10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- 11) In our opinion, and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Therefore the provision of clause (xi) of para 3 is not applicable.
- 12) The company is not a Nidhi Company. Therefore the provision of clause (xii) of para 3 is not applicable.
- 13) In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc, as required by the applicable accounting standard.
- 14) In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures under review. Therefore the provisions of clause (xiv) of para 3 is not applicable.
- 15) The company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provision of clause (xv) of para 3 is not applicable.
- 16) In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of The Reserve Bank of India Act, 1934. Therefore the provision of clause (xvi) of para 3 is not applicable.

For ARUSHI SHAH & CO.,  
Chartered Accountants  
(Firm Registration No.138260W)

  
(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAG1468

PLACE : MUMBAI

DATED :08/07/2020







# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

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### **Annexure B to the Independent Auditors' Report**

The Annexure referred to in our report to the members of **SKIL ADVANCED SYSTEMS PRIVATE LIMITED** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020.

Report on the Internal Financial Controls 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 **SKIL ADVANCED SYSTEMS PRIVATE LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and as 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.

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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.







# ARUSHI SHAH & CO.

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### 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.

### 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, 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, 2020, 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.

### AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAG1468

PLACE: Mumbai

DATE : 08/07/2020



SKIL Advanced Systems Private Limited  
NOTES TO FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies

1) **Basis of Preparation:**

i) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) **Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except certain financial assets and liabilities that is measured at fair value.

2) **Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3) **Taxes on Income**

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Provision for current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 for the relevant assessment year. Deferred Tax Adjustments comprising of deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

4) **Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an



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insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 5) Financial instruments:

### (i) Financial assets

#### Initial recognition and measurement:

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, except for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

#### Subsequent measurement:

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

**(a) Measured at amortised cost :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

**(b) Measured at fair value through other comprehensive income :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.



(c) Measured at fair value through profit or loss: A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

#### Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### (ii) Financial liabilities

##### Initial recognition and measurement:

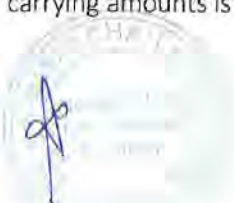
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

##### Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

##### Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.



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#### Guarantee:

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the differences of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

#### Equity investments (other than investments in subsidiaries, associates and joint venture):

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Restated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 6) Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the Statement of Profit and Loss.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

#### *Depreciation methods, estimated useful lives and residual value:*

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or

Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at



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the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

#### 7) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### 8) Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is 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 disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.





SKIL Advanced Systems Private Limited  
FINANCIAL STATEMENTS  
Balance Sheet As At March 31, 2020

Balance Sheet as at	NOTE NO.	March 31,2020	March 31,2019
(Amount in Rs.)			
<b>ASSETS</b>			
<b>Non -current assets</b>			
Property, plant and equipment	2	-	-
Capital work-in-progress	3	-	4,39,25,201
Intangible assets		-	-
Intangible assets under development		-	-
Financial assets		-	-
- Investments	4	-	-
- Loans	5	-	-
Other Non-current assets	6	-	-
<b>Total Non- Current Assets</b>		<b>-</b>	<b>4,39,25,201</b>
<b>Current Assets</b>			
Inventories		-	-
Financial assets		-	-
- Investments		-	-
- Trade Receivables		-	-
- Cash and cash equivalents	7	3,08,395	2,74,004
- Loans		-	-
- Other Financial Assets		-	-
Other Current Assets		-	-
<b>Total Current Assets</b>		<b>3,08,395</b>	<b>2,74,004</b>
<b>Total Assets</b>		<b>3,08,395</b>	<b>4,41,99,206</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	8	5,00,000	5,00,000
Other Equity	9	(4,59,16,908)	(19,43,128)
<b>Total Equity</b>		<b>(4,54,16,908)</b>	<b>(14,43,128)</b>
<b>Liabilities</b>			
<b>A Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Borrowings		-	-
- Other Financial Liabilities	10	4,56,76,140	4,55,94,016
Provisions		-	-
Deferred Tax Liabilities (Net)		-	-
<b>Total Non- Current Liabilities</b>		<b>4,56,76,140</b>	<b>4,55,94,016</b>
<b>B Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Borrowings	11	-	-
- Trade Payables	12	45,210	46,960
- Other Financial Liabilities	13	3,952	1,357
Other Current Liabilities	14	-	-
Provisions		-	-
<b>Total Current Liabilities</b>		<b>49,162</b>	<b>48,317</b>
<b>Total Liabilities</b>		<b>4,57,25,302</b>	<b>4,56,42,333</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,08,395</b>	<b>4,41,99,206</b>
Significant Accounting Policies	1		

**Notes to Financial Statements**

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg No. 138260W

  
(ARUSHI B. SHAH)  
PROPRIETOR

Membership No. 141472

PLACE : Mumbai  
DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD

  
Jigar Shah  
Director  
DIN : 00235505

  
Shekhar Gandhi  
Director  
DIN : 01829198

SKIL Advanced Systems Private Limited  
Statement of Profit & Loss for the Year ended March 31, 2020

	Note No.	2019-20	2018-19
<b>INCOME</b>			
Other Income		-	-
<b>Total</b>		<u>-</u>	<u>-</u>
<b>EXPENDITURE</b>			
Finance Cost		-	-
Depreciation and Amortisation Expenses		-	-
Other Expenses	15	4,39,73,780	41,971
<b>Total expenses</b>		<u>4,39,73,780</u>	<u>41,971</u>
<b>Profit / (Loss) before Tax</b>		<b>(4,39,73,780)</b>	<b>(41,971)</b>
<b>Tax Expenses</b>			
Current Tax		-	-
Deffered tax		-	-
<b>Profit for the year</b>		<u>(4,39,73,780)</u>	<u>(41,971)</u>
<b>Other Comprehensive Income</b>			
I. Items that will not be reclassified to profit or loss		-	-
II. Income tax relating to items that will not be reclassified to profit or loss		-	-
III. Items that will be reclassified to profit or loss		-	-
IV. Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the year</b>		<u>(4,39,73,780)</u>	<u>(41,971)</u>
Earnings Per Share of Rs.10/- each (Refer Note No.14)			
- Basic & Diluted	16	<b>(879.48)</b>	<b>(0.84)</b>
Significant Accounting Policies	1		

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg. No. 138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD

  
Jigar Shah  
Director  
DIN : 00235505

  
Shekhar Gandhi  
Director  
DIN : 01829198



SKIL Advanced Systems Private Limited  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Year ended 31st March, 2020	Year ended 31st March, 2019
	Amount in Rs.	Amount in Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	(4,39,73,780)	(41,971)
<i>Adjustments for :-</i>		
Depreciation and ammortization expenses	-	-
Sundry Balances Written Off	-	-
Interest & Financial Charges	-	-
Gain on sale of Investments	-	-
Prior Period Expenses adjustment on account of IND AS	-	-
Interest on TDS	-	-
<i>Operating Profit Before Working Capital Charges</i>	<u>(4,39,73,780)</u>	<u>(41,971)</u>
<i>Adjustments for :-</i>		
Trade & Other Receivales	-	0
Loans advances and other financial assets	-	-
Other Financial Liabilities	84,720	(10,05,839)
Trade & Other Payables	(1,750)	1,750
<b>Net Cash Flow From Operating Activities</b>	<u>(4,38,90,810)</u>	<u>(10,46,060)</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Paid for Investments	-	-
Payment towards Capital Expenditure	4,39,25,201	12,41,029
<b>Net Cash Flow From Investing Activities</b>	<u>4,39,25,201</u>	<u>12,41,029</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	-	-
Interest Paid	-	-
Proceeds From Issue of Share Capital	-	-
<b>Net Cash Used In Financing Activities</b>	<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	34,391	1,94,969
Cash & Cash Equivalents as at beginning of the year (Opening Balance)	2,74,004	79,035
<b>Cash &amp; Cash Equivalents as at end of the year (Closing Balance)</b>	<u>3,08,395</u>	<u>2,74,004</u>

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg No. 138260W



(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD



Jigar Shah  
Director  
DIN : 00235505



Shekhar Gandhi  
Director  
DIN : 01829198

## Statement of Changes in Equity

a. Equity Share Capital:		
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount in Rs.
Balance at 1 April 2018	50,000	5,00,000
Changes in equity share capital during 2018-19 on equity shares issued (Note 8)	-	-
Balance at 31 March 2019	50,000	5,00,000
Changes in equity share capital during 2019-20 on equity shares issued (Note 8)	-	-
Balance at 31 March 2020	50,000	5,00,000

## b. Other Equity:

## For the year ended 31 March 2018

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 9)	General reserve (Note 9)	Retained earnings (Note 9)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 1st April 2018				(19,01,157)	(19,01,157)
Net Profit for the year				(41,971)	(41,971)
Other comprehensive income for the year, net of income tax				-	-
<b>Total comprehensive income for the year</b>				<b>(41,971)</b>	<b>(41,971)</b>
Shares issued during the period				-	-
Balance as at 31 March 2018	-	-	-	<b>(19,43,128)</b>	<b>(19,43,128)</b>

## For the year ended 31 March 2020

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 9)	General reserve (Note 9)	Retained earnings (Note 9)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 1st April 2019	-	-	-	(19,43,128)	(19,43,128)
Net Profit for the year				(4,39,73,780)	(4,39,73,780)
Other comprehensive income for the year, net of income tax				-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>(4,39,73,780)</b>	<b>(4,39,73,780)</b>
Balance as at 31 March 2020	-	-	-	<b>(4,59,16,908)</b>	<b>(4,59,16,908)</b>

See accompanying notes forming part of the financial statements





SKIL Advanced Systems Private Limited  
NOTES TO FINANCIAL STATEMENTS

Note 2: Property, plant and equipment

	Plant and Machinery	Furniture and fixtures	Mobile Phone	Computers	Land	Total
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
<b>Cost or deemed cost (gross carrying amount)</b>						
Balance at 1 April 2018	-	-	41,800	2,72,666	-	3,14,466
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	-	-	41,800	2,72,666	-	3,14,466
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	-	-	41,800	2,72,666	-	3,14,466
<b>Accumulated depreciation</b>						
Balance at 31 March 2018	-	-	41,800	2,72,666	-	3,14,466
Depreciation charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	-	-	41,800	2,72,666	-	3,14,466
Depreciation charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	-	-	41,800	2,72,666	-	3,14,466
<b>Net Book Value</b>						
Balance at 31 March 2020	-	-	-	-	-	-
Balance at 31 March 2019	-	-	-	-	-	-

Note 3: Capital Work in Progress

	Balance as at 31.03.2020	Balance as at 31.03.2019
	Amt in Rs.	Amt in Rs.
<b>Capital work in Progress</b>	-	4,39,25,201

The Company has since the inception of the project, incurred various pre-operative expenses such as cost of professional fees for various studies/reports, salaries, administrative/operative/office expenses, finance cost etc. All these expenses/cost have been booked under CWIP. However considering the current status of the project and overall economic conditions prevailing in the country, it seems that it will take a considerable period for the project to take off. Hence as per the principle of Prudence and IND AS Standards and on a conservative basis, the Management has taken a view that the said CWIP amounting to Rs. 4.39 crores be written off.



SKIL Advanced Systems Private Limited  
NOTES TO FINANCIAL STATEMENTS

**Note 4: Non- Current Financial Assets- Investments**

Particulars	Amount	
	31 March 2020	31 March 2019
	-	-
	-	-

**Note 5: Non- Current Financial Assets- Loans**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Unsecured, considered good</b>		
Loans to others	-	-
	-	-

**Note 6: Other non-current assets**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Security Deposit	-	-
	-	-

**Note 7: Current Financial Assets-Cash and Cash Equivalents**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Balances with banks in:		-
Current Accounts	2,70,573	2,51,182
Deposit accounts (original maturity of 3 months or less)	-	-
Cash on hand	37,822	22,822
	<b>3,08,395</b>	<b>2,74,004</b>





SKIL Advanced Systems Private Limited  
NOTES TO FINANCIAL STATEMENTS

**Note 8: Share Capital**

**Authorised Share Capital**

50,000 Equity shares of Rs.10/- each

As at 31st March 2020

As at 31st March 2019

5,00,000

5,00,000

**5,00,000**

**5,00,000**

**Issued, Subscribed & Paid-Up equity capital**

50,000 Equity shares of Rs.10/- each

5,00,000

5,00,000

**5,00,000**

**5,00,000**

**Information of shareholders**

SKIL Infrastructure Limited - Holding Company

31 March 2020		31 March 2019	
No. of equity shares	Percentage	No. of equity shares	Percentage
50,000	100.00%	50,000	100.00%
<b>50,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>

**Note 9: Other equity**

As at 31st March 2020

As at 31st March 2019

**Retained Earnings**

As per Last Balance Sheet

(19,43,128)

(19,01,157)

Add : Profit during the year

(4,39,73,780)

(41,971)

(Less): Other comprehensive income

-

-

**Closing Balance**

**(4,59,16,908)**

**(19,43,128)**



SKIL Advanced Systems Private Limited  
NOTES TO FINANCIAL STATEMENTS

**Note 10: Non-current financial liabilities - Other financial liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Secured</b>		
Advances from Others (Refer Note No. 10.1)	4,50,00,000	4,50,00,000
<b>Unsecured</b>		
Advances from Related Party	6,76,140	5,94,016
	<b>4,56,76,140</b>	<b>4,55,94,016</b>

10.1 The above advances are secured by pledge of 256,641 Equity Shares of Sohar Free Zone LLC held by Holding Company

**Note 11: Current financial liabilities - Borrowings**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Unsecured:</b>		
From Others	-	-
	-	-

**Note 12: Current financial liabilities - Trade payables**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Trade Payables</b>		
Dues of micro enterprises and small ent		
Dues of creditors other than micro ent and small ent	45,210	46,960
	<b>45,210</b>	<b>46,960</b>

**Note 13: Current financial liabilities - Other financial liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Other Payables</b>		
	3,952	1,357
	<b>3,952</b>	<b>1,357</b>

**Note 14: Other current liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Statutory liabilities</b>		
Statutory Dues	-	-
	-	-





**SKIL Advanced Systems Private Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 15: Other expenses**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Auditors' remuneration (refer note below)	27,500	27,500
General Office expenses	7,434	1,750
Legal & Professional Fees	11,000	-
Rates and taxes	500	-
ROC Filing Fees	2,028	11,482
Bank charges	117	1,239
Sundry Balances Written off	4,39,25,201	
	<b>4,39,73,780</b>	<b>41,971</b>

**Note:**

**Payments to the auditor**

Statutory audit fees	20,000	20,000
Other services	7,500	7,500
Out of pocket expenses	-	-
<b>Total</b>	<b>27,500</b>	<b>27,500</b>



A handwritten signature in blue ink, consisting of stylized initials and a surname.

**SKIL Advanced Systems Private Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 16: Earnings per share (EPS)**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Face value per equity share	10	10
Weighted average number of equity shares outstanding (Nos.)	50,000	50,000
(Loss)/Profit for the year	(4,39,73,780)	(41,971)
<b>Basic and diluted earnings per share</b>	<b>(879.48)</b>	<b>(0.84)</b>

**Note 17: Related party disclosure**

**A) Name of the Related Party**

**Holding Company**

SKIL Infrastructure Limited

**Fellow Subsidiary Company**

Metrotech Technology Park P. Ltd.

SKIL Shipyard Holding Private Limited

SKIL - Himachal Infrastructure & Tourism Limited

Gujarat - Dwarka Portwest Limited

Chiplun FTWZ Private Limited

SKIL (Singapore) Pte. Limited (Foreign Company, Singapore)

# Related Parties relationships are identified by the company and relied

**B) Transaction with Related Parties**

Particular	31-Mar-20	31-Mar-19
<b>a) Loan Taken</b>		
Holding Company	3,02,124	4,64,84,372
<b>b) Loan Repaid</b>		
Holding Company	2,20,000	9,11,26,292
<b>c) Closing Balance</b>		
Holding Company	6,76,140	5,94,016

**Note 18:**

Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary.

**AS PER OUR REPORT OF EVEN DATE**

**For ARUSHI SHAH & CO.**

**Chartered Accountants**

**Firm Reg No. 138260W**



**(ARUSHI B. SHAH)**

**PROPRIETOR**

**Membership No. 141472**



**PLACE : Mumbai**

**DATED : 08/07/2020**

**FOR AND ON BEHALF OF THE BOARD**



**Jigar Shah**

**Director**

**DIN : 00235505**



**Shekhar Gandhi**

**Director**

**DIN : 01829198**





# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053  
Email: arushi.88@gmail.com

### INDEPENDENT AUDITOR'S REPORT

To the Members of SKIL SHIPYARD HOLDINGS PRIVATE LIMITED  
Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the accompanying Financial Statements of **SKIL SHIPYARD HOLDINGS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, its loss and its cash flows for the year ended on that date *except for the effects/ possible effects of the matters stated in Basis of Qualified Opinion below:*

#### Basis for Opinion

- a. Attention is drawn towards the Note No.8 of the financial statements wherein in case of IL&FS Financial Services Ltd., and based on that, the Company, during the year ended 31<sup>st</sup> March, 2020 has not accounted interest of Rs.2619.40 lakhs on the loans received from Reliance Commercial Finance Ltd and Reliance Infrastructure Limited. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.
- b. Attention is drawn towards the Note No.8 stated below the financial results, and based on that, the Company, during the year ended 31<sup>st</sup> March, 2020 has not accounted for an interest of Rs.286.62 lakhs on 14% Non convertible debentures issued to E Cap Equities Limited. Had this been accounted, the Loss and the Liabilities would have increased to the extent of the amount specified above.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the 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 Code of





# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053  
Email: arushi.88@gmail.com

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

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

The company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is other information included in Board of Directors Report including Annexures to such report but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

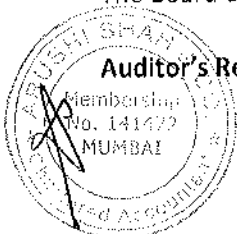
### Management's Responsibility for the Financial Statements

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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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







# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
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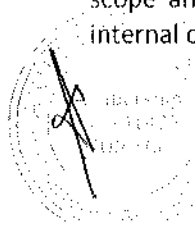
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Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance 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 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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.
- 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.





# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053  
Email: arushi.88@gmail.com

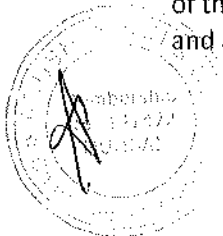
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### Emphasis of Matter

- a) The attention is drawn towards note no. 19 to the financial results in which advances of Rs.20.796.22 lakhs have been impaired  
Our opinion is not modified in respect of these matters.

### 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 and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 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".
  - g) 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; we would like to state that there is no remuneration which is paid by the Company to its directors and hence section 197 is not applicable to the Company.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:







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- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

  
(ARUSHI B. SHAH)

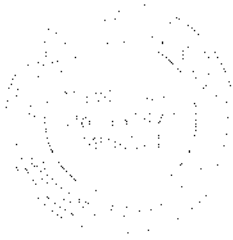
PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAA1381

PLACE: Mumbai

DATE : 08/07/2020





# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

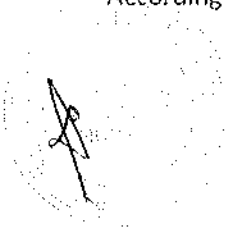
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### Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of **SKIL SHIPYARD HOLDINGS PRIVATE LIMITED**("the Company") for the year Ended on 31<sup>st</sup> March, 2020. We report that:

- 1) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.  
  
(c) The Company does not hold any immovable property; hence clause (c) is not applicable.
- 2) The Company doesn't have any inventory, hence the clause of the Para 3 (ii)(a), (b) and (c) is Not Applicable
- 3) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. And hence the clause of the Para 3 (iii)(a), (b) and (c) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- 5) According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
- 6) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section(1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
- 7) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in







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respect of the aforesaid dues were outstanding as at 31st March 2020, for the period of more than six months from the date becoming payable except TDS on Interest payable of Rs.2,61,22,129/-, TDS on Rent of Rs.1,12,500/- and Interest on TDS Payable of Rs.29,93,309/

- 8) (b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excess Duty, VAT and cess on account of any dispute which have not been deposited.
- 9) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders except for amount payable to Financial Institution aggregating to Rs. 3,78,01,65,596/- The lender wise details are tabulated as under:

Sr.no.	Particulars	Principal Default	Period of default since	Interest Default	Period of default since
1	14% Non Convertible Debentures	82,11,72,515/-	Jan 2019	5,97,46,772/-	Jan 2019
				2,89,77,266/-	Sep 2019
				2,89,77,266/-	Dec 2019
				1,12,91,777/-	March 2020
2	Reliance Capital Limited	2,30,21,38,000/-	October 2018	21,26,79,708	Mar 17
				31,51,82,292	Apr 18
	<b>TOTAL</b>	<b>3,12,33,10,515/-</b>		<b>65,68,55,081/-</b>	

- 10) In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer ( including Debt Instruments) and term loans applied for the purpose for which they were raised, Therefore the provision of clause (ix) of para 3 is not applicable.
- 11) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information





# ARUSHI SHAH & CO.

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and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

- 12) In our opinion, and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Therefore the provision of clause (xi) of para 3 is not applicable.
- 13) The company is not a Nidhi Company. Therefore the provision of clause (xii) of para 3 is not applicable.
- 14) In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc, as required by the applicable accounting standard.
- 15) In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures under review. Therefore the provisions of clause (xiv) of para 3 is not applicable.
- 16) The company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provision of clause (xv) of para 3 is not applicable.
- 17) In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of The Reserve Bank of India Act, 1934. Therefore the provision of clause (xvi) of para 3 is not applicable.

For ARUSHI SHAH & CO.,  
Chartered Accountants  
(Firm Registration No.138260W)

(ARUSHI B. SHAH)  
PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAI1381

PLACE : MUMBAI

DATED :08/07/2020







# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

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### **Annexure B to the Independent Auditors' Report**

The Annexure referred to in our report to the members of **SKIL SHIPYARD HOLDINGS PRIVATE LIMITED**("the Company") for the year Ended on 31<sup>st</sup> March, 2020.

Report on the Internal Financial Controls 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 **SKIL SHIPYARD HOLDINGS PRIVATE LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and as 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.

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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





# ARUSHI SHAH & CO.

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### 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.

### 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, 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, 2020, 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.

### AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

  
(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAI1381

PLACE: Mumbai

DATE : 08/07/2020





**SKIL SHIPYARD HOLDINGS PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1: Significant Accounting Policies**

**1) Basis of Preparation:**

**i) Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**ii) Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except certain financial assets and liabilities that is measured at fair value.

**2) Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

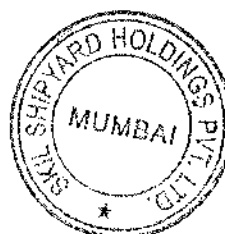
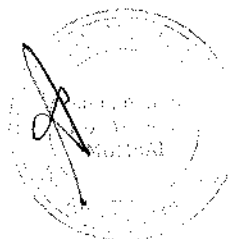
**3) Taxes on Income**

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Provision for current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 for the relevant assessment year. Deferred Tax Adjustments comprising of deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

**4) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an



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insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 5) Financial instruments:

### (i) Financial assets

#### Initial recognition and measurement:

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, except for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

#### Subsequent measurement:

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b) **Measured at fair value through other comprehensive income :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.



Yes



(c) **Measured at fair value through profit or loss:** A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**(ii) Financial liabilities**

**Initial recognition and measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

**Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**Derecognition:**

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.



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#### Guarantee:

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the differences of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

#### Equity investments (other than Investments in subsidiaries, associates and joint venture):

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Restated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 6) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.





7) Provisions and contingent liabilities

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is 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 disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

*Handwritten initials/signature*



**SKIL SHIPYARD HOLDING PRIVATE LIMITED**  
**FINANCIAL STATEMENTS**  
**Balance Sheet As At March 31, 2020**

(Amount in Rs.)

Balance Sheet as at	NOTE NO.	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment		-	-
Capital work-in-progress		-	-
Intangible assets		-	-
Intangible assets under development		-	-
Financial assets			
- Investments	2	-	-
- Loans		-	-
Other Non-current assets	3	-	10,000,000
<b>Total Non- Current Assets</b>		<b>-</b>	<b>10,000,000</b>
<b>2 Current Assets</b>			
Inventories		-	-
Financial assets			
- Investments		-	-
- Trade Receivables		-	-
- Cash and cash equivalents	4	1,893,163	1,795,572
- Loans		-	-
- Other Financial Assets		-	-
Other Current Assets	5	1,333,805	2,080,946,435
<b>Total Current Assets</b>		<b>3,226,968</b>	<b>2,082,742,007</b>
<b>Total Assets</b>		<b>3,226,968</b>	<b>2,092,742,007</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	6	500,000	500,000
Other Equity	7	(5,000,381,496)	(2,719,061,368)
<b>Total Equity</b>		<b>(4,999,881,496)</b>	<b>(2,718,561,368)</b>
<b>2 Liabilities</b>			
<b>A Non Current Liabilities</b>			
Financial Liabilities			
- Borrowings	8	-	3,123,310,515
- Other Financial Liabilities	9	967,985,706	917,853,439
Provisions		-	-
<b>Total Non- Current Liabilities</b>		<b>967,985,706</b>	<b>4,041,163,954</b>
<b>B Current Liabilities</b>			
Financial Liabilities			
- Borrowings		-	-
- Trade Payables	10	29,274,212	12,673,766
- Other Financial Liabilities	11	3,975,490,987	710,386,393
Other Current Liabilities	12	30,357,558	47,079,262
Provisions		-	-
<b>Total Current Liabilities</b>		<b>4,035,122,758</b>	<b>770,139,422</b>
<b>Total Liabilities</b>		<b>5,003,108,463</b>	<b>4,811,303,375</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,226,968</b>	<b>2,092,742,007</b>
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 20		

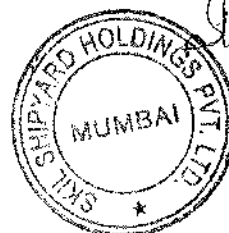
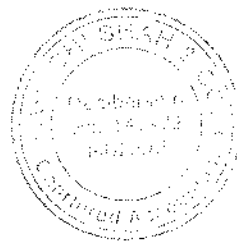
AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.  
Chartered Accountants  
Firm Reg No. 138260W

(ARUSHI B. SHAH)  
PROPRIETOR  
Membership No. 141472

PLACE : Mumbai  
DATED : 08/07/2020

FOR AND ON BEHALF OF THE BOARD



Shekhar Gandhi  
Director  
DIN: 01829198

Ketan Shah  
Director  
DIN: 01836504

**SKIL SHIPYARD HOLDING PRIVATE LIMITED**  
**Statement of Profit & Loss for the Year ended March 31, 2020**

(Amount in Rs.)

	Note No.	2019-20	2018-19
<b>INCOME</b>			
Other Income	13	107,507	1,576,250
<b>Total</b>		<b>107,507</b>	<b>1,576,250</b>
<b>EXPENDITURE</b>			
Finance Cost	14	173,309,909	465,904,077
Depreciation and Amortisation Expenses		-	-
Other Expenses	15	28,495,347	2,698,076
Provision for Expected Credit Loss	19	2,079,622,378	-
<b>Total expenses</b>		<b>2,281,427,634</b>	<b>468,602,153</b>
<b>Profit / (Loss) before Tax</b>		<b>(2,281,320,127)</b>	<b>(467,025,903)</b>
<b>Tax Expenses</b>			
Current Tax			-
Deffered tax			-
<b>Profit for the year</b>		<b>(2,281,320,127)</b>	<b>(467,025,903)</b>
<b>Other Comprehensive Income</b>			
i Items that will not be reclassified to profit or loss			-
ii Income tax relating to items that will not be reclassified to profit or loss			-
iii Items that will be reclassified to profit or loss			-
iv Income tax relating to items that will be reclassified to profit or loss			-
<b>Total Comprehensive Income for the year</b>		<b>(2,281,320,127)</b>	<b>(467,025,903)</b>
Earnings Per Share of Rs.10/- each (Refer Note No.14)			
- Basic & Diluted	16	(45,626.40)	(9,340.52)
<b>Significant Accounting Policies</b>	1		
<b>Notes to the Financial Statements</b>	2 to 20		

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg No. 138260W

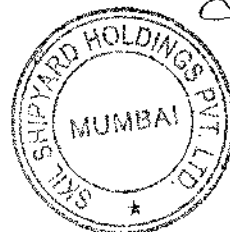
(ARUSHI E. SHAH)

PROPRIETOR

Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD

*Shekhar Gandhi*

Shekhar Gandhi

Director

DIN: 01829198

*Ketan Shah*

Ketan Shah

Director

DIN: 01836504



## SKIL SHIPYARD HOLDING PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Year ended 31st March, 2020	Year ended 31st March, 2019
	Amount in Rs.	Amount in Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	(2,281,320,127)	(467,025,903)
<b>Adjustments for :-</b>		
Depreciation and ammortization expenses	-	-
Interest & Financial Charges	173,309,909	465,904,077
Loss on sale of Investments	-	-
Interest Income	(107,507)	(1,576,250)
<b>Operating Profit Before Working Capital Charges</b>	<b>(2,108,117,725)</b>	<b>(2,698,076)</b>
<b>Adjustments for :-</b>		
Other Current Assets	2,089,612,630	1,495,006
Other Financial Liabilities	50,132,267	571,956,662
Other Current Liabilities	125,072,375	(31,491,211)
Trade & Other Payables	16,600,446	12,433,682
<b>Net Cash Flow From Operating Activities</b>	<b>173,299,993</b>	<b>551,696,063</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including Capital Work in Progress	-	-
Payment towards Capital Expenditure	-	-
Sale of Investments	-	-
Interest Income	107,507	1,576,250
<b>Net Cash Flow From Investing Activities</b>	<b>107,507</b>	<b>1,576,250</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redemption of Debentures During the Year	-	(106,977,485)
Repayment of Long Term Borrowings	-	-
Proceeds From Short Term Borrowings	-	-
Interest Paid	(173,309,909)	(465,904,077)
Proceeds From Issue of Share Capital	-	-
<b>Net Cash Used In Financing Activities</b>	<b>(173,309,909)</b>	<b>(572,881,562)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	97,591	(19,609,249)
Cash & Cash Equivalents as at beginning of the year (Opening Balance)	1,795,572	21,404,821
<b>Cash &amp; Cash Equivalents as at end of the year (Closing Balance)</b>	<b>1,893,163</b>	<b>1,795,572</b>

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH &amp; CO.

Chartered Accountants

Firm Reg No. 138260W

(ARUSHI B. SHAH)

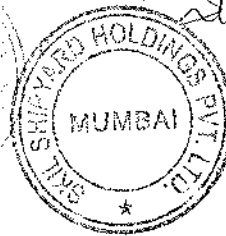
PROPRIETOR

Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020

FOR AND ON BEHALF OF THE BOARD



Shekhar Gandhi

Director

DIN: 01829198

Ketan Shah

Director

DIN: 01836504

**SKIL SHIPYARD HOLDING PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2: Non-current Financial assets- Investments**

**In Equity Shares of Other Company**

<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Amt in Rs.</b>	<b>Amt in Rs.</b>
-	-
-	-

**Note 3: Other non-current assets**

**Security Deposit**

<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Amt in Rs.</b>	<b>Amt in Rs.</b>
-	1,00,00,000
-	1,00,00,000

**Note 4: Current Financial Assets-Cash and Cash Equivalents**

**Balances with banks in:**

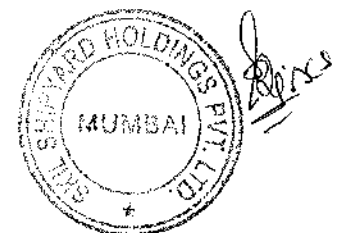
- Current Accounts
- Deposit accounts
- Cash on hand

<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Amt in Rs.</b>	<b>Amt in Rs.</b>
18,490	18,609
17,99,011	17,01,251
75,662	75,712
<b>18,93,163</b>	<b>17,95,572</b>

**Note 5: Other Current assets**

- Balance with government authorities (includes CENVAT credit receivable, VAT receivable, Custom Duty and Income Tax paid under protest)
- Considered Good
- Considered Doubtful Debts
- less : Provision for Doubtful Debts

<b>31 March 2020</b>	<b>31 March 2019</b>
<b>Amt in Rs.</b>	<b>Amt in Rs.</b>
13,25,476	13,14,901
8,329	2,07,96,31,534
<u>2,07,96,22,378</u>	
<u>2,07,96,30,707</u>	
<u>2,07,96,22,378</u>	8,329
<b>13,33,805</b>	<b>2,08,09,46,435</b>



**SKIL SHIPYARD HOLDING PRIVATE LIMITED**

**Statement of Changes in Equity**

a. Equity Share Capital:		
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount in Rs.
Balance at 1 April 2018	50,000	5,00,000
Changes in equity share capital during 2018-19 on equity shares issued (Note 6)	-	-
Balance at 31 March 2019	50,000	5,00,000
Changes in equity share capital during 2019-20 on equity shares issued (Note 6)	-	-
Balance at 31 March 2020	50,000	5,00,000

**b. Other Equity:**

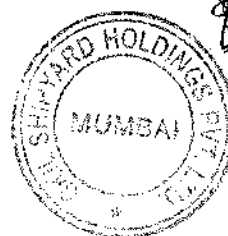
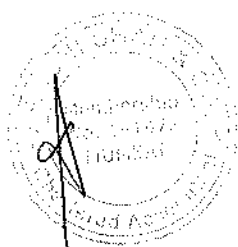
**For the year ended 31 March 2019**

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 7)	General reserve (Note 7)	Retained earnings (Note 7)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 1st April 2018				(2,25,20,35,466)	(2,25,20,35,466)
Net Profit for the year				(46,70,25,903)	(46,70,25,903)
Other comprehensive income for the year, net of income tax				-	-
<b>Total comprehensive income for the year</b>				<b>(2,71,90,61,369)</b>	<b>(2,71,90,61,369)</b>
Shares issued during the period				-	-
Premium received on equity shares issued during the year				-	-
<b>Balance as at 31 March 2019</b>	-	-	-	<b>(2,71,90,61,369)</b>	<b>(2,71,90,61,369)</b>

**For the year ended 31 March 2020**

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 7)	General reserve (Note 7)	Retained earnings (Note 7)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 31st March 2019	-	-	-	(2,71,90,61,369)	(2,71,90,61,369)
Net Profit for the year				(2,28,13,20,127)	(2,28,13,20,127)
Other comprehensive income for the year, net of income tax				-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>(2,28,13,20,127)</b>	<b>(2,28,13,20,127)</b>
Premium received on equity shares issued dur	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	-	-	-	<b>(5,00,03,81,496)</b>	<b>(5,00,03,81,496)</b>

See accompanying notes forming part of the financial statements





**SKIL SHIPYARD HOLDING PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 6: Share Capital**

**Authorised Share Capital**

50,000 Equity shares of Rs.10/- each

As at 31st March 2020	As at 31st March 2019
5,00,000	5,00,000
<b>5,00,000</b>	<b>5,00,000</b>

**Issued, Subscribed & Paid-Up equity capital**

50,000 Equity shares of Rs.10/- each

5,00,000	5,00,000
<b>5,00,000</b>	<b>5,00,000</b>

**Information of shareholders**

SKIL Infrastructure Limited - Holding Company

As at 31st March 2020		As at 31st March 2019	
No. of equity shares	Percentage	No. of equity shares	Percentage
50,000	100.00%	50,000	100.00%
<b>50,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>

**Note 7: Other equity**

**Retained Earnings**

As per Last Balance Sheet

Add : Profit during the year

( Less): Other comprehensive income

**Closing Balance**

As at 31st March  
2020

As at 31st March  
2019

(2,71,90,61,368)

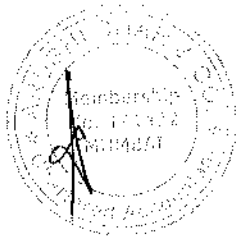
(2,25,20,35,466)

(2,28,13,20,127)

(46,70,25,903)

**(5,00,03,81,496)**

**(2,71,90,61,368)**



SKIL SHIPYARD HOLDING PVT. LTD.  
 NOTES TO FINANCIAL STATEMENTS  
 Note 8: Current financial liabilities - Borrowings

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Secured Loan		
14% NCD	-	82,11,72,515
Loan from NBFC	-	2,30,21,38,000
	-	<b>3,12,33,10,515</b>

(a) Above 275 Nos of 14% Secured Non convertible Debentures (NCD's) has been secured by way of:

- (i) First charge on immovable property of other entities
- (ii) Pledge of 2,57,68,234 Nos of shares of Holding company held by promoter of the Holding Company
- (iii) Pledge of 3,85,629 Nos Of Shares of Montana Infrastructure Ltd held by Other Entity
- (iv) Pledge of 1950 Units of Urban Infrastructure Opportunity Fund Held by the Holding Company
- (v) Irrevocable and unconditional Personal Guarantee by Mr Nikhil Gandhi And Mr Bhavesh Gandhi
- (vi) Corporate Guarantee by the Holding Company

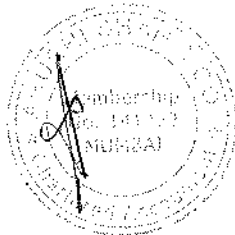
The above securities are held on Pari Passu Basis for loan availed by SKIL Infrastructure Limited.

(b) Secured loans of Rs. 2,30,21,38,000/- is secured by way of hypothecation of Book debts and other movable properties of the company. The overdue amount is Rs.2,30,21,38,000/- and Rs.52,78,62,000/- towards principal and interest amount respectively. Due to ongoing litigation, the Company has not booked interest for the current financial year

(c) Inter Corporate Deposit of Rs. 6,50,00,000/- carries interest of 12.5% p.a is included in Current Maturities of Loan term debt. The overdue amount is Rs.6,50,00,000/- and Rs.1,49,70,014/- towards principal and interest amount respectively. Due to ongoing litigation, the Company has not booked interest for the current financial year

(d) The Company has not booked the Interest of Rs.286.62 lakhs on 14% Non Convertible Debentures of Rs.8211.72 lakhs issued to ECL Finance Limited for the current financial year. As per the negotiations carried on between the Company and ECL Finance Limited, a one time settlement amount is to be paid by the Company.

(e) An amount of Rs. 23,021.38 lakhs shown as received from Reliance Commercial Finance Ltd., and Rs. 650.00 Lakhs shown as received from Reliance Infrastructure Limited, 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. 20,796.22 lakhs shown as receivable / recoverable under the head "Other Advances", 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 Infrastructure Limited & others with the 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 Infrastructure Limited & 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.



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**SKIL SHIPYARD HOLDING PVT. LTD.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 9: Non-current financial liabilities - Other financial liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Advances from Related Party	50,26,08,751	45,25,06,484
Others	46,53,76,955	46,53,46,955
	<b>96,79,85,706</b>	<b>91,78,53,439</b>
<b>Advance received from related party</b>		
SKIL Infrastructure Limited -Holding Company	49,36,60,377	44,35,58,110
Gujarat- Dwarka Portwest Ltd- Fellow Subsidiary	89,48,374	89,48,374
	<b>50,26,08,751</b>	<b>45,25,06,484</b>

**Note 10: Current financial liabilities - Trade payables**

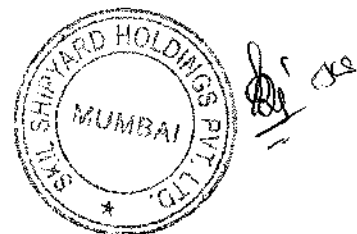
	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Trade Payables		
Dues of micro enterprises and small ent	-	-
Dues of creditors other than micro ent and small ent	2,92,74,212	1,26,73,766
	<b>2,92,74,212</b>	<b>1,26,73,766</b>

**Note 11: Current financial liabilities - Other financial liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Current maturity of long term loans	3,18,83,10,515	6,50,00,000
Interest Accrued & Due	78,71,80,472	64,53,86,393
Interest Accrud but not Due	-	-
	<b>3,97,54,90,987</b>	<b>71,03,86,393</b>

**Note 12:Other current liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Statutory liabilities		
TDS payable	2,63,51,749	3,30,73,453
Interest on TDS payable	29,93,309	29,93,309
Other Payables	10,12,500	1,10,12,500
	<b>3,03,57,558</b>	<b>4,70,79,262</b>





**SKIL SHIPYARD HOLDING PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 13: Other income**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Interest Income	1,07,507	15,76,250
	<b>1,07,507</b>	<b>15,76,250</b>

**Note 14: Finance Cost**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Redemption Premium on NCD	-	3,35,67,996
Interest Expenses	17,33,09,909	43,23,36,081
	<b>17,33,09,909</b>	<b>46,59,04,077</b>

**Note 15: Other expenses**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Auditors' remuneration (refer note below)	1,06,200	1,06,200
Compounding Charges	2,69,99,806	-
Director Sitting Fees	53,100	17,700
Interest on TDS	-	21,50,680
Professional Fees	12,78,800	2,60,904
Bank Charges	118	-
ROC Filing Fees	7,411	6,406
General Office Expenses	49,912	1,56,186
	<b>2,84,95,347</b>	<b>26,98,076</b>

**Note:**

**Payments to the auditor**

Statutory audit fees	88,500	88,500
Other services	17,700	17,700
Out of pocket expenses	-	-
<b>Total</b>	<b>1,06,200</b>	<b>1,06,200</b>



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**SKIL SHIPYARD HOLDING PRIVATE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 16: Earnings per share (EPS)**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Face value per equity share	10	10
Weighted average number of equity shares outstanding (Nos.)	50,000	50,000
(Loss)/Profit for the year	(2,28,13,20,127)	(46,70,25,903)
<b>Basic and diluted earnings per share</b>	<b>(45,626.40)</b>	<b>(9,340.52)</b>

**Note 17: Related party disclosures**

**A) Name of the Related Party**

**Holding Company**  
SKIL Infrastructure Limited

**Fellow Subsidiary Company**  
SKIL Advanced Systems Private Limited  
Metrotech Technology P. Ltd.  
SKIL - Himachal Infrastructure & Tourism Limited  
Gujarat Dwarka Portwest Limited  
Chiplun FTWZ Private Limited  
SKIL (Singapore) Pte. Limited (Foreign Company, Singapore)

# Related Parties relationships are identified by the company and relied upon by the Auditor.

**B) Transaction with Related Parties**

Particular	31-Mar-20	31-Mar-19
<b>a) Advances received</b>		
Holding Company	5,01,02,267	19,49,92,546
Fellow subsidiary Company- Gujarat Dwarka Portwest Limited	-	-
<b>b) Advances Repaid</b>		
Holding Company	-	13,790
Fellow subsidiary Company- Gujarat Dwarka Portwest Limited	-	-
<b>c) Closing Balance</b>		
Holding Company	49,36,60,377	44,35,58,110
Fellow subsidiary Company- Gujarat Dwerka Portwest Limited	89,48,374	89,48,374

**Note 18:**

1) The Current promoters of Reliance Naval and Engineering Limited ("RNEL") viz. Reliance Defence Systems Private Limited and Reliance Infrastructure Limited have filed a Arbitration case with the Singapore International Arbitration Centre ("SIAC") on 07/03/2018 and a claim of Rs. 5440.38 crores is raised on the Company and on Mr. Nikhil Gandhi, Mr. Bhavesh Gandhi, SKIL Infrastructure Limited and Grevek Investments and Finance Private Limited (all the 5 entities are past promoters of RNEL). 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. On account of non-payment of fees by RDSPL and R-Infra, the Arbitration forum has removed the application of RDSPL and R-Infra against the Company and others.

2) The Company alongwith other promoters (Past Promoters) of RNEL have issued notice to Reliance Defence Systems Private Limited ("RDSPL") and Reliance Infrastructure Limited ("RIL") ( Present promoters) towards breach of the terms and conditions of the Share Purchase Agreement dated 4th March 2015 entered into with RDSPL and RIL and have claimed losses of Rs.8130 crores.

**Note 19: Impairment**

Considering the current business scenario globally, on-going litigations, liquidity tightness in the market, project status and also the impact of COVID-19, the Company has undertaken Provision for Impairment of its Advances to Parties ,aggregating to Rs. 20,796.22 Lakhs.

**Note 20:**

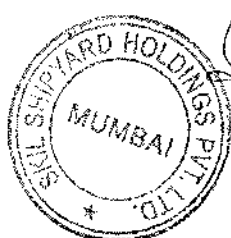
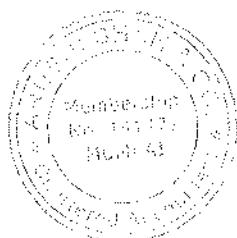
Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For ARUSHI SHAH & CO.  
Chartered Accountants  
(Firm Reg. No. - 138260W)

(ARUSHI B. SHAH)  
PROPRIETOR  
Membership No. 141472



*Shekhar Gandhi*  
Shekhar Gandhi  
Director  
Din: 01829198

*Ketan Shah*  
Ketan Shah  
Director  
Din: 01836504

Place : Mumbai  
Date : 08/07/2020



# ARUSHI SHAH & CO.

## CHARTERED ACCOUNTANTS

512, Vyapar Bhavan, 49, P. D'Mello Road, Carnac Bunder, Mumbai - 400 009.  
Phone: (022) 2348 1027, 2348 3536 • Mobile : +91 9833508053  
Email: arushi.88@gmail.com

### INDEPENDENT AUDITOR'S REPORT

To the Members of GUJARAT DWARKA PORTWEST LIMITED  
Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the accompanying Financial Statements of **GUJARAT DWARKA PORTWEST LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2020, its loss and its cash flows for the year ended on that date *except for the effects/ possible effects of the matters stated in Basis of Qualified Opinion below:*

#### Basis for Opinion

- Attention is drawn towards the Note No.10 of the financial statements wherein in case of IL&FS Financial Services Ltd., and based on that, the Company, during the year ended 31<sup>st</sup> March, 2020 has not accounted interest of Rs.444.05 Lacs on the loan taken from IL&FS Financial Services Ltd. Had this been accounted, the Loss for the year and the Liabilities would have increased to the extent of the amount specified above.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is other information included in Board of Directors Report







# ARUSHI SHAH & CO.

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including Annexures to such report but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Responsibility for the 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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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





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aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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.
- 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 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Emphasis of Matter

- a) The attention is drawn towards Note no.3 to the financial statements in which Capital Work in Progress is written off.





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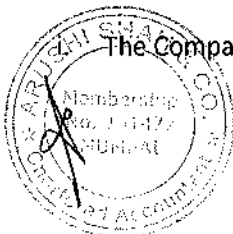
Email: arushi.88@gmail.com

- b) The attention is drawn towards note no. 4 to the financial results in which advances of Rs.29,765/- lacs have been impaired  
Our opinion is not modified in respect of these matters.

### 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 and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 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".
  - g) 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; we would like to state that there is no remuneration which is paid by the Company to its directors and hence section 197 is not applicable to the Company.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

The Company does not have any pending litigations which would impact its financial position;







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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**AS PER OUR REPORT OF EVEN DATE**

**For ARUSHI SHAH & CO.**

**Chartered Accountants**

**Firm Registration No. 138260W**

**(ARUSHI B. SHAH)**

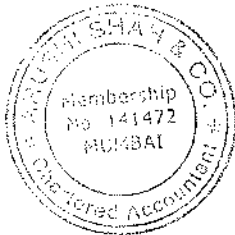
**PROPRIETOR**

**Membership No. 141472**

**UDIN: 20141472AAAAAJ6462**

**PLACE: Mumbai**

**DATE : 08/07/2020**





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### Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of **GUJARAT DWARKA PORTWEST LIMITED** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020. We report that:

- 1) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.  
  
(c) The Company does not hold any immovable property; hence clause (c) is not applicable.
- 2) The Company doesn't have any inventory, hence the clause of the Para 3 (ii)(a), (b) and (c) is Not Applicable
- 3) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. And hence the clause of the Para 3 (iii)(a), (b) and (c) is not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- 5) According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
- 6) We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section(1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
- 7) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2020, for the period of more than





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six months from the date becoming payable except TDS on Interest payable of Rs.45006849/-, Interest on TDS Payable of Rs.4,74,600/ and Professional tax payable of Rs.1100/-

(b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excess Duty, VAT and cess on account of any dispute which have not been deposited.

- 8) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders except for amount payable to Financial Institution aggregating to Rs.766511132/- The lender wise details are tabulated as under:

Sr.no.	Particulars	Interest Default	Period of default since
1	Loan From IL&FS Financial Services	1,49,202	MAR 2016
2	Loan From IL&FS Financial Services	47,27,94,807	MAR 2017
3	Loan From IL&FS Financial Services	29,35,67,123	JUNE 2019

- 9) In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer ( including Debt Instruments) and term loans applied for the purpose for which they were raised, Therefore the provision of clause (ix) of para 3 is not applicable.
- 10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- 11) In our opinion, and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Therefore the provision of clause (xi) of para 3 is not applicable.
- 12) The company is not a Nidhi Company. Therefore the provision of clause (xii) of para 3 is not applicable.







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- 13) In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc, as required by the applicable accounting standard.
- 14) In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures under review. Therefore the provisions of clause (xiv) of para 3 is not applicable.
- 15) The company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provision of clause (xv) of para 3 is not applicable.
- 16) In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of The Reserve Bank of India Act, 1934. Therefore the provision of clause (xvi) of para 3 is not applicable.

For ARUSHI SHAH & CO.,  
Chartered Accountants  
(Firm Registration No.138260W)

(ARUSHI L. SHAH)  
PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAJ6462

PLACE : MUMBAI

DATED :08/07/2020





# ARUSHI SHAH & CO.

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### Annexure B to the Independent Auditors' Report

The Annexure referred to in our report to the members of **GUJARAT DWARKA PORTWEST LIMITED** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020.

Report on the Internal Financial Controls 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 **GUJARAT DWARKA PORTWEST LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and as 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.

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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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### 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.

### 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, 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, 2020, 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.

### AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Registration No.138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

UDIN: 20141472AAAAAJ6462

PLACE: Mumbai

DATE : 08/07/2020





**GUJARAT DWARKA PORTWEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1: Significant Accounting Policies**

**1) Basis of Preparation:**

**i) Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**ii) Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except certain financial assets and liabilities that is measured at fair value.

**2) Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**3) Taxes on Income**

Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Provision for current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 for the relevant assessment year. Deferred Tax Adjustments comprising of deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

**4) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an



insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 5) Financial instruments:

### (i) Financial assets

#### Initial recognition and measurement:

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, except for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

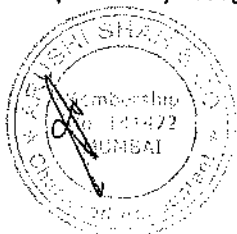
#### Subsequent measurement:

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b) **Measured at fair value through other comprehensive income :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.



(c) **Measured at fair value through profit or loss:** A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

#### **Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### **(ii) Financial liabilities**

##### **Initial recognition and measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

##### **Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

##### **Derecognition:**

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.



A handwritten signature in black ink, consisting of stylized cursive letters.



#### Guarantee:

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the differences of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

#### Equity investments (other than Investments in subsidiaries, associates and joint venture):

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Restated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 6) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### 7) Provisions and contingent liabilities



A handwritten signature in black ink, consisting of stylized cursive letters.

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are not recognised for future operating losses. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure require to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is 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 disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.



**GUJARAT DWARKA PORTWEST LTD.**  
**FINANCIAL STATEMENTS**  
**Balance Sheet As At March 31, 2020**

Balance Sheet as at	NOTE NO.	March 31,2020	March 31,2019
<b>(Amount in Rs.)</b>			
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	2	-	-
Capital work-in-progress	3	-	3,66,75,95,890
Intangible assets		-	-
Intangible assets under development		-	-
Financial assets			
- Investments		-	-
- Loans		-	-
Other Non-current assets	4	-	22,65,00,000
<b>Total Non- Current Assets</b>		<b>-</b>	<b>3,89,40,95,890</b>
<b>2 Current Assets</b>			
Inventories			
Financial assets			
- Investments			
- Trade Receivables			
- Cash and cash equivalents	5	1,11,411	1,14,315
- Loans		-	-
- Other Financial Assets	6	-	-
Other Current Assets	7	1,17,00,85,189	3,92,00,85,189
<b>Total Current Assets</b>		<b>1,17,01,96,600</b>	<b>3,92,01,99,504</b>
<b>Total Assets</b>		<b>1,17,01,96,600</b>	<b>7,81,42,95,394</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	8	95,56,59,910	95,56,59,910
Other Equity	9	(6,62,98,84,999)	16,06,86,965
<b>Total Equity</b>		<b>(5,67,42,25,089)</b>	<b>1,11,63,46,875</b>
<b>2 Liabilities</b>			
<b>A Non Current Liabilities</b>			
Financial Liabilities			
- Borrowings	10	-	2,50,00,00,000
- Other Non- Current Liabilities	11	2,13,25,00,910	2,13,19,53,362
Provisions		-	-
<b>Total Non- Current Liabilities</b>		<b>2,13,25,00,910</b>	<b>4,63,19,53,362</b>
<b>B Current Liabilities</b>			
Financial Liabilities			
- Borrowings			
- Others			
- Trade Payables	12	3,74,630	17,00,408
- Other Financial Liabilities	13	4,46,65,11,132	1,81,89,16,612
Other Current Liabilities	14	24,50,35,017	24,53,78,137
Provisions		-	-
<b>Total Current Liabilities</b>		<b>4,71,19,20,779</b>	<b>2,06,59,95,157</b>
<b>Total Liabilities</b>		<b>6,84,44,21,689</b>	<b>6,69,79,48,519</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,17,01,96,600</b>	<b>7,81,42,95,394</b>
<b>Significant Accounting Policies</b>	1		

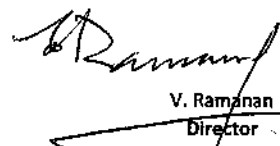
AS PER OUR REPORT OF EVEN DATE  
For ARUSHI SHAH & CO.  
Chartered Accountants  
Firm Reg No. 138260W


(ARUSHI B. SHAH)  
PROPRIETOR  
Membership No. 141472

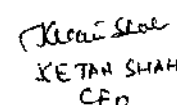
PLACE : Mumbai  
DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD

  
V. Ramanan  
Director  
DIN: 02754562

  
Shekhar Gandhi  
Director  
DIN: 01829198

  
Ketan Shah  
CFO



**GUJARAT- DWARKA PORTWEST LIMITED**  
**Statement of Profit & Loss for the Year ended March 31, 2020**

	Note No.	2019-20	2018-19
<b>INCOME</b>			
Other Income		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>EXPENDITURE</b>			
Finance Cost		-	-
Employee Benefit Expenses	15	-	-
Other Expenses	16	3,81,40,71,964	2,26,959
Provision for Expected Credit Loss	19	2,97,65,00,000	-
<b>Total expenses</b>		<b>6,79,05,71,964</b>	<b>2,26,959</b>
<b>Profit / (Loss) before Tax</b>		<b>(6,79,05,71,964)</b>	<b>(2,26,959)</b>
<b>Tax Expenses</b>			
Current Tax		-	-
Deffered tax		-	-
<b>Profit for the year</b>		<b>(6,79,05,71,964)</b>	<b>(2,26,959)</b>
<b>Other Comprehensive Income</b>			
i Items that will not be reclassified to profit or loss		-	-
ii Income tax relating to items that will not be reclassified to profit or loss		-	-
iii Items that will be reclassified to profit or loss		-	-
iv Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the year</b>		<b>(6,79,05,71,964)</b>	<b>(2,26,959)</b>
Earnings Per Share of Rs.10/- each (Refer Note No.17)			
- Basic & Diluted	17	(7.11)	(0.00)
<b>Significant Accounting Policies</b>	<b>1</b>		

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg. No. 138260W

(ARUSHI B. SHAH)

PROPRIETOR

Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD

*V. Ramani*  
V. Ramani  
Director  
DIN: 02754562

*Shekhar Gandhi*  
Shekhar Gandhi  
Director  
DIN: 01829198

*Ketan Shah*  
KETAN SHAH  
CEO

**GUJARAT DWARKA PORTWEST LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

	Year ended 31st	Year ended 31st
	March, 2020	March, 2019
	Amount in Rs.	Amount in Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	(6,79,05,71,964)	(2,26,959)
<u>Adjustments for :-</u>		
Depreciation and ammortization expenses	-	-
Sundry Balances Written Off	3,81,38,99,462	
Provision for Impairment	2,97,65,00,000	-
<b>Operating Profit Before Working Capital Charges</b>	<b>(1,72,502)</b>	<b>(2,26,959)</b>
<u>Adjustments for :-</u>		
Loans and advances and other assets	(14,63,03,572)	-
Other Financial Liabilities	14,75,94,520	44,30,68,494
Other Current Liabilities	(3,43,120)	1,91,907
Trade & Other Payables	(13,25,778)	(9,580)
Other Non-Current Liabilities	5,47,548	14,90,28,743
<b>Net Cash Flow From Operating Activities</b>	<b>(2,904)</b>	<b>59,20,52,605</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Payment towards Capital Expenditure	-	(59,20,23,541)
CWIP written off	-	-
<b>Net Cash Flow From Investing Activities</b>	<b>-</b>	<b>(59,20,23,541)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	-	-
Interest Paid	-	-
Proceeds From Issue of Share Capital	-	-
<b>Net Cash Used In Financing Activities</b>	<b>-</b>	<b>-</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	(2,904)	29,064
Cash & Cash Equivalents as at beginning of the year (Opening Balance)	1,14,315	85,251
<b>Cash &amp; Cash Equivalents as at end of the year (Closing Balance)</b>	<b>1,11,411</b>	<b>1,14,315</b>

AS PER OUR REPORT OF EVEN DATE

For ARUSHI SHAH & CO.

Chartered Accountants

Firm Reg No. 138260W



(ARUSHI B. SHAH)

PROPRIETOR

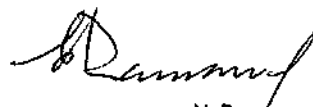
Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



FOR AND ON BEHALF OF THE BOARD



V. Ramanan  
Director  
DIN: 02754562



Shekhar Gandhi  
Director  
DIN:01829198

KE TAN SHAH  
CFO

**GUJARAT DWARKA PORTWEST LIMITED**

**Statement of Changes in Equity**

a. Equity Share Capital:		
Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount in Rs.
Balance at 1st April 2018	95,56,59,910	95,56,59,910
Changes in equity share capital during 2018-19 on equity shares issued (Note 8)	-	-
Balance at 31st March 2019	95,56,59,910	95,56,59,910
Changes in equity share capital during 2019-20 on equity shares issued (Note 8)	-	-
Balance at 31st March 2020	95,56,59,910	95,56,59,910

**b. Other Equity:**

**For the year ended 31st March 2019**

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 9)	General reserve	Retained earnings (Note 9)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 31st March 2018	-	16,60,92,036	-	(51,78,112)	16,09,13,924
Net Profit for the year	-	-	-	(2,26,959)	(2,26,959)
Other comprehensive income for the year, net of income tax	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>(2,26,959)</b>	<b>(2,26,959)</b>
Premium received on equity shares issued dur	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	-	<b>16,60,92,036</b>	-	<b>(54,05,071)</b>	<b>16,06,86,965</b>

**For the year ended 31 March 2020**

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 9)	General reserve	Retained earnings (Note 9)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 31st March 2019	-	16,60,92,036	-	(54,05,071)	16,06,86,965
Net Profit for the year	-	-	-	(6,79,05,71,964)	(6,79,05,71,964)
Other comprehensive income for the year, net of income tax	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>(6,79,05,71,964)</b>	<b>(6,79,05,71,964)</b>
Premium received on equity shares issued dur	-	-	-	-	-
<b>Balance as at 31st March 2020</b>	-	<b>16,60,92,036</b>	-	<b>(6,79,59,77,035)</b>	<b>(6,62,98,84,999)</b>

See accompanying notes forming part of the financial statements





**GUJARATI JWARKA PORT WEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

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

**Cost or deemed cost (gross carrying amount)**

	Furniture and fixtures Amt in Rs.	Vehicles Amt in Rs.	Office equipment Amt in Rs.	Computers Amt in Rs.	Land Amt in Rs.	Total Amt in Rs.
Balance at 1 April 2018	-	45,14,795	58,497	2,14,720	-	47,88,012
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 March 2019	-	45,14,795	58,497	2,14,720	-	47,88,012
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 March 2020	-	45,14,795	58,497	2,14,720	-	47,88,012
<b>Accumulated depreciation</b>						
Balance at 1 April 2018	-	45,14,795	58,497	2,14,720	-	47,88,012
Depreciation charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 March 2019	-	45,14,795	58,497	2,14,720	-	47,88,012
Depreciation charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 31 March 2020	-	45,14,795	58,497	2,14,720	-	47,88,012
<b>Net Book Value</b>						
Balance at 31 March 2019	-	-	-	-	-	-
Balance at 31 March 2018	-	-	-	-	-	-

**Note 3: Capital Work in Progress**

Balance as at 31.03.2020 Amt in Rs.	Balance as at 31.03.2019 Amt in Rs.
-	3,66,75,95,890

**Capital work in Progress**



The Company has since the inception of the project, incurred various pre-operative expenses such as cost of land development, roads construction, professional fees for various studies/reports, salaries, administrative/operative/office expenses, finance cost etc. All these expenses/cost have been booked under CWIP. However, considering the current status of the project and overall economic conditions prevailing in the country, it seems that it will take a considerable period for the project to take off. Hence as per the principle of Prudence and IND AS Standards and on a conservative basis, the Management has taken a view that the said CWIP amounting to Rs. 381.38 crores be written off.

**GUJARAT DWARKA PORTWEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

<b>Note 4: Other non-current assets</b>			
		<b>31 March 2020</b>	<b>31 March 2019</b>
		Amt in Rs.	Amt in Rs.
Capital advances		22,65,00,000	22,65,00,000
Less : Provision for Impairment		22,65,00,000	
		-	<b>22,65,00,000</b>
<b>Note 5: Current Financial Assets-Cash and Cash Equivalents</b>			
		<b>31 March 2020</b>	<b>31 March 2019</b>
		Amt in Rs.	Amt in Rs.
Balances with banks in:			
Current Accounts		86,211	89,875
Deposit accounts (original maturity of 3 months or less)			
Cash on hand		25,200	24,440
		<b>1,11,411</b>	<b>1,14,315</b>
<b>Note 6: Current Financial Assets-Other financial assets</b>			
		<b>31 March 2020</b>	<b>31 March 2019</b>
		Amt in Rs.	Amt in Rs.
		-	-
		-	-
<b>Note 7: Other Current assets</b>			
		<b>31 March 2020</b>	<b>31 March 2019</b>
		Amt in Rs.	Amt in Rs.
Balance with government authorities (includes CENVAT credit receivable, VAT receivable, Custom Duty and Income Tax paid under protest)		-	-
Advances to Related party - SKIL Shipyard Holdings P. Ltd.		89,48,374	89,48,374
Other advances			3,91,11,36,815
Considered Good	1,16,11,36,815		
Considered Doubtful Debts	2,75,00,00,000		
	3,91,11,36,815		
Provision for Expected Credit Loss	2,75,00,00,000	1,16,11,36,815	
		<b>1,17,00,85,189</b>	<b>3,92,00,85,189</b>



**GUJARAT DWARKA PORTWEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 8: Share Capital**

**Authorised Share Capital**

	As at 31st March 2020	As at 31st March 2019
10,00,00,000 Equity shares of Rs.10/- each	1,00,00,00,000	1,00,00,00,000
	<b>1,00,00,00,000</b>	<b>1,00,00,00,000</b>

**Issued, Subscribed & Paid-Up equity capital**

95565991/- Equity shares of INR 10 each	95,56,59,910	95,56,59,910
	<b>95,56,59,910</b>	<b>95,56,59,910</b>

**Information of shareholders**

	31 March 2020		31 March 2019	
	No. of equity shares	Percentage	No. of equity shares	Percentage
SKIL Infrastructure Limited - Holding Company	7,03,33,314	73.60%	7,03,33,314	73.60%
Visionfirst Capital Limited	2,52,31,977	26.40%	2,52,31,977	26.40%
	<b>9,55,65,291</b>	<b>100.00%</b>	<b>9,55,65,291</b>	<b>100.00%</b>

**Note 9: Other equity**

	As at 31st March 2020	As at 31st March 2019
<b>Securities premium Account</b>		
As per Last Balance Sheet	16,60,92,036	16,60,92,036
Add: Premium received on equity shares issued during the year	-	-
<b>Closing Balance</b>	<b>16,60,92,036</b>	<b>16,60,92,036</b>
<b>Retained Earnings</b>		
As per Last Balance Sheet	{54,05,071}	{51,78,112}
Add : Profit during the year	(6,79,05,71,964)	(2,26,959)
(Less): Other comprehensive income	-	-
<b>Closing Balance</b>	<b>(6,79,59,77,035)</b>	<b>(54,05,071)</b>

Note1: Prior period expenses of Rs.7670/- pertains to FY 15-16 and earlier which is adjusted in opening balance of retained earnings and hence the figures are restated as per IND AS 8 wherein retrospective adjustment of prior period expenses needs to be made.



**GUJARAT DWARKA PORTWEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 10: Non-current financial liabilities - Borrowings**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Secured Loans	-	2,50,00,00,000
	-	<b>2,50,00,00,000</b>

Rs.37,000.00 Lacs from a Financial Institution is secured by:

- pledge of 2,62,11,397 shares of Company held by promoter
- 2nd charge over mortgage of immovable properties held by other body corporates.
- These securities are held Pari Paasu with Loans availed by Holding Company & SKIL- Himachal Infrastructure & Tourism Ltd.(fellow subsidiary of the Company) from the said financial institution.
- Personal Guarantee given by two directors of the company.

On account of ongoing dispute with IL&FS considering facts, circumstances, documents and particular nature of transactions the Company has not booked any interest on amount of Rs. 37,000 lacs shown as received from IL&FS . The matter is under litigation and pending with appropriate judicial forum.

**Note 11: Other Non- Current Liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Advances from Related Party	2,13,25,00,910	2,13,19,53,362
	<b>2,13,25,00,910</b>	<b>2,13,19,53,362</b>
<b>Advance received from related party</b>		
SKIL Infrastructure Limited -Holding Company	2,13,25,00,910	2,13,19,53,362

**Note 12: Current financial liabilities - Trade payables**

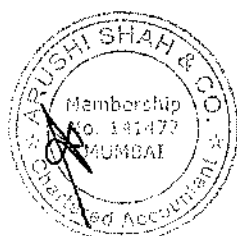
	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Trade Payables		
Dues of micro enterprises and small ent		
Dues of creditors other than micro ent and small ent	3,74,630	17,00,408
	<b>3,74,630</b>	<b>17,00,408</b>

**Note 13: Current financial liabilities - Other financial liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Current Maturities of Borrowings	3,70,00,00,000	1,20,00,00,000
Interest accrued and due on borrowings	76,65,11,132	47,29,44,009
Interest Accrud but not Due on Borrowings	-	14,59,72,603
	<b>4,46,65,11,132</b>	<b>1,81,89,16,612</b>

**Note 14: Other current liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Statutory Dues	4,50,28,069	4,55,18,569
Provisions	4,74,600	4,74,600
Advances Received	19,95,20,548	19,93,84,968
Other Payable	11,800	-
	<b>24,50,35,017</b>	<b>24,53,78,137</b>





**GUJARAT DWARKA PORTWEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 15: Employee Benefit Expenses**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Employee Benefit Expenses	-	-
	-	-

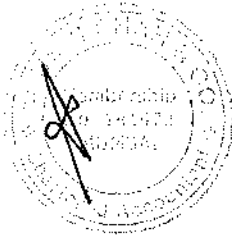
**Note 16: Other expenses**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Auditors' remuneration (refer note below)	1,06,200	1,06,200
Internal audit Fees	11,800	11,800
Professional Fees	-	44,023
Bank Charges	-	12,246
Sundry Balance Written off	3,81,38,99,462	-
Director Sitting Fees	47,200	45,800
ROC Filing Fees	7,302	6,610
Interest on TDS	-	280
	<b>3,81,40,71,964</b>	<b>2,26,959</b>

**Note:**

**Payments to the auditor**

Statutory audit fees	88,500	88,500
Other services	17,700	17,700
Out of pocket expenses	-	-
<b>Total</b>	<b>1,06,200</b>	<b>1,06,200</b>



**GUJARAT DWARKA PORTWEST LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 17: Earnings per share (EPS)**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Face value per equity share	10	10
Weighted average number of equity shares outstanding (Nos.)	95,56,59,910	95,56,59,910
(Loss)/Profit for the year	(6,79,05,71,964)	(2,26,959)
<b>Basic and diluted earnings per share</b>	<b>(7.106)</b>	<b>(0.000)</b>

**Note 18: Related party disclosures**

**A) Name of the Related Party**

Holding Company

SKIL Infrastructure Limited

Fellow Subsidiary Company

SKIL Advanced Systems Private Limited

SKIL Shipyard Holding Private Limited

SKIL - Himachal Infrastructure & Tourism Limited

Chiplun FTWZ Private Limited

SKIL (Singapore) Pte. Limited (Foreign Company, Singapore)

Metrotech Technology Park Pvt. Ltd.

# Related Parties relationships are identified by the company and relied upon

**B) Transaction with Related Parties**

Particular	31-Mar-20	31-Mar-19
<b>i) Holding Company</b>		
a) Advanced Received	-	-
b) Advances Repaid	-	-
c) Expenses incurred on behalf of Company	5,47,548	14,90,28,743
Closing Balance	2,13,25,00,910	2,13,19,53,362
<b>ii) Fellow Subsidiary</b>		
<b>SKIL Shipyard Holdings Pvt Ltd.</b>		
Advance Given	-	-
Closing Balance	89,48,374	89,48,374

**Note 19:**

Considering the current business scenario globally, on-going litigations, liquidity tightness in the market, project status and also the impact of COVID-19, the Company has undertaken Provision for Impairment of its Assets i.e. receivables on a conservative basis aggregating to Rs. 29765 lakhs Lakhs.

**Note 20**

Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary.

**AS PER OUR REPORT OF EVEN DATE**

**For ARUSHI SHAH & CO.**

Chartered Accountants

Firm Reg. No. 188750W



(ARUSHI B. SHAH)

PROPRIETOR


Membership No. 141472

PLACE : Mumbai

DATED : 08/07/2020



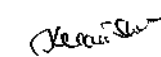
**FOR AND ON BEHALF OF THE BOARD**



V. Ramanani  
Director  
DIN: 02754562



Shekhar Gandhi  
Director  
DIN:01829198



KETAN SHAH  
CFO

# KAILASH CHAND JAIN & CO. (Regd.)

CHARTERED ACCOUNTANTS

"Edena" 1st Floor,  
97, Maharshi Karve Road,  
Near Income Tax Office,  
Mumbai - 400 020.

e-mail : mail@kcjainco.com, kcjainco@gmail.com

Phone : 022-22009131

022-22065373

022-22005373

Fax : 022-22089978

To the Members of Skil Himachal Infrastructure and Tourism Limited

Report on the Audit of the Financial Statements

## Qualified Opinion

We have audited the financial statements of Skil Himachal Infrastructure and Tourism Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, 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 financial statements, including a summary of the significant accounting policies and other explanatory information.

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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its Loss (Financial Performance including Other Comprehensive Income) changes in equity and its cash flows for the year ended on that date.

## Basis for Qualified Opinion

- Attention is drawn towards the Note No. 13.3 of the financial statement in case of IL&FS Financial Services Ltd., and based on that, the Company, during the year ended 31st March, 2020 has not accounted interest of Rs. 518.36 lakhs on the loan taken from IL&FS Financial Services Ltd. respectively. Had this been accounted, the Loss for the year and the Liabilities would have increased to the extent of the amount specified above.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw your attention to Note No. 19 of the financial statement, as regards to the impairments identified and accounted during the year and management's assessment of the financial impact due to restrictions and conditions related to COVID-19 pandemic situation. Our opinion is not modified in respect of these matters.

### **Other Information**

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

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated, if based on the work we performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those charged with Governance for the 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including Other Comprehensive Income), Changes In Equity and Cash Flows of the company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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





## **Auditor's Responsibilities for the Audit of Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 Company has adequate internal financial controls with reference to financial statements 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.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

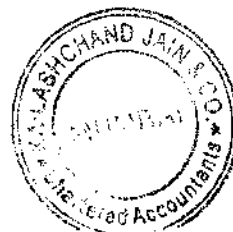


relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

### 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 Section 143 (11) 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, 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 statement of cash flows dealt with by this report are in agreement with the books of account
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act
  - (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) 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 explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act
  - (h) 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 opinion and to the best of our information and according to the explanations given to us:



- i. The company does not have any pending litigation which would impact financial position.
- 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

For Kailash Chand Jain & Co.  
Chartered Accountants  
Firm Registration No.: 112318W



Saurabh Chouhan  
Partner

Membership No.: 167453



Place : Mumbai

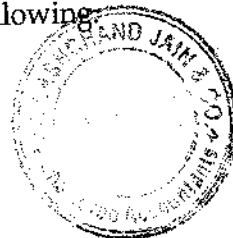
Date :09/07/2020

UDIN: 20167453AAAAGS9058

## Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of **SKIL Himachal Infrastructure and Tourism Limited** ("the Company") for the year Ended on 31<sup>st</sup> March, 2020. We report that:

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) All the fixed assets has been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets and no material discrepancies were noticed on such physical verification.  
(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS Financial Statements and according to the information and explanations given by the management, the title deed of immovable properties are held in the name of the company.
2. The Company doesn't have any inventory, hence the clause of the Para 3 (ii) is Not Applicable.
3. The company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act. However, since the loan is repayable on demand clause of the Para 3 (iii) (a), (b) and (c) is not applicable.
4. In our opinion and according to the information and explanations given to us, the provisions of section 185 of the Companies Act, 2013 has been complied with. However, with regard the provisions of section 186 the company has granted loan to body corporate which exceeds the limit specified and the same was provided interest free.
5. According to information and explanation given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable for the year under audit.
6. We have been informed by the management that the Central Government has not prescribed maintenance of cost records for the Company under sub-section (1) of section 148 of the Companies Act, 2013. Therefore the provision of clause (vi) of para 3 is not applicable.
7. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident funds, goods and service tax and other material statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March 2020, for the period of more than six months from the date becoming payable except the following:





Sr.no	Particulars	Amount
1.	Interest payable on TDS	Rs. 1,42,811.00
	<b>Total</b>	<b>Rs. 1,42,811.00</b>

(b) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Goods and Service Tax, Customs Duty, Excess Duty, VAT, Goods and Service tax and cess on account of any dispute which have not been deposited.

8. According to the records of the company examined by us and the information and explanations given to us by the Management, we are of the opinion that as on 31<sup>st</sup> March 2020, the Company has defaulted in repayment of dues to banks, financial institutions and debenture holders. The lender wise details are tabulated as under:

Sr.no.	Particulars	Principal Default	Period of default since	Interest Default	Period of default since
1.	Loan from IL&FS	43,00,00,000	Oct-18	8,59,52,878	July-18
	<b>Total</b>	<b>43,00,00,000</b>		<b>8,59,52,878</b>	

9. In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including Debt Instruments) and term loans applied for the purpose for which they were raised, Therefore the provision of clause (ix) of para 3 is not applicable
10. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS Financial Statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The company is not a Nidhi Company. Therefore the provision of clause (xii) of para 3 is not applicable.
13. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of



Companies Act, 2013 where applicable and the details have been disclosed in the Ind AS Financial Statements etc, as required by the applicable Ind AS accounting standard.

14. In our opinion, and according to the information and explanations given to us, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures under review. Therefore the provisions of clause (xiv) of para 3 is not applicable.
15. The company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provision of clause (xv) of para 3 is not applicable.
16. In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45IA of The Reserve Bank of India Act, 1934. Therefore the provision of clause (xvi) of para 3 is not applicable.

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



Saurabh Chouhan  
Partner

Membership No. 167453

Place : Mumbai

Dated : 09/07/2020

UDIN: 20167453AAAAGS9058



**Annexure - B to the Independent Auditors' Report of even date on the financial statements  
Skil Himachal Infrastructure and Tourism Limited.**

Referred to in Paragraph 2 (f) of 'Report on Other Legal and Regulatory Requirements' section of our Report of even date.

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

We have audited the internal financial controls over financial reporting of **Skil Himachal Infrastructure and Tourism Limited.** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

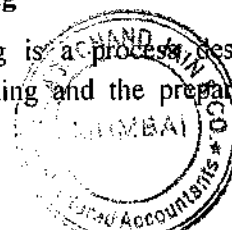
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, 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, 2020 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.

**For Kailash Chand Jain & Co.**

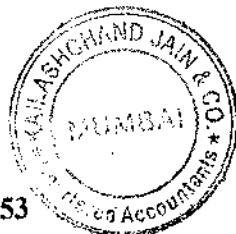
**Chartered Accountants**

**Firm's Registration Number: 112318W**

  
**Saurabh Chouhan**

**Partner**

**Membership Number: 167453**



**Place : Mumbai**

**Date : 09/07/2020**

**UDIN: 20167453AAAAGS9058**



## SKIL Himachal Infrastructure &amp; Tourism Limited

CIN No: U74899DL2005PLC143781

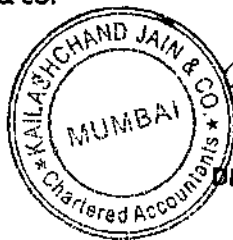
Balance Sheet as at 31st March 2020

(Amount in Rs.)

	NOTE NO.	As at March 31,2020	As at March 31,2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	9,69,72,425	9,69,72,425
Capital work-in-progress	3	-	25,60,17,951
<b>Financial assets</b>			
- Loans & Advances	4	20,900	20,900
Other Non-current assets	5	22,85,038	1,99,47,538
<b>Total Non- Current Assets</b>		<b>9,92,78,363</b>	<b>37,29,58,814</b>
<b>Current Assets</b>			
<b>Inventories</b>			
<b>Financial assets</b>			
- Cash and cash equivalents	6	5,44,222	6,67,317
- Loans & Advances	7	61,01,08,510	71,51,44,831
<b>Total Current Assets</b>		<b>61,06,52,732</b>	<b>71,58,12,148</b>
<b>Total Assets</b>		<b>70,99,31,095</b>	<b>1,08,87,70,963</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	8	50,00,00,000	50,00,00,000
Other Equity	9	(30,69,63,622)	(1,60,68,792)
<b>Total Equity</b>		<b>19,30,36,378</b>	<b>48,39,31,208</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Borrowings	10	-	43,00,00,000
Other non-current liability	11	-	10,00,00,000
<b>Total Non- Current Liabilities</b>		<b>-</b>	<b>53,00,00,000</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
- Trade Payables	12	3,20,757	52,60,126
- Other Financial Liabilities	13	51,63,03,986	6,92,77,706
Other Current Liabilities	14	2,69,975	3,01,924
<b>Total Current Liabilities</b>		<b>51,68,94,718</b>	<b>7,48,39,756</b>
<b>Total Liabilities</b>		<b>51,68,94,718</b>	<b>60,48,39,756</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>70,99,31,095</b>	<b>1,08,87,70,963</b>
Significant Accounting Policies	1		

The Accompanying Notes forms an integral part of Financial Statements

For KAILASH CHAND JAIN &amp; CO.

Chartered Accountants  
Firm Reg No. 112318WSaurabh Chouhan  
Partner  
Membership No. 167453J Alexander  
(Director)  
DIN No : 004857

For and on behalf of Board of Directors

Shekhar Gandhi  
(CFO)Ketan Shah  
(Director)  
DIN No.: 01836504PLACE : Mumbai  
DATED : 09/07/2020

**SKIL Himachal Infrastructure & Tourism Limited**  
**CIN No: U74899DL2005PLC143781**  
**Profit & Loss Account for the year ended March 31, 2020**

(Amount in Rs.)

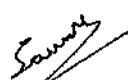
	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations		-	-
Other Income		17,60,000	-
		<b>17,60,000</b>	-
Employee Benefit Expenses		-	-
Depreciation & Amortisation Expenses		-	-
Other Expenses	15	29,26,54,830	8,88,975
<b>Total expenses</b>		<b>29,26,54,830</b>	<b>8,88,975</b>
<b>Profit / (Loss) before Tax</b>		<b>(29,08,94,830)</b>	<b>(8,88,975)</b>
Tax Expenses			
Current Tax		-	-
Deffered tax		-	-
<b>Profit for the year</b>		<b>(29,08,94,830)</b>	<b>(8,88,975)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the year</b>		-	-
Earnings Per Share of Rs.10/- each (Refer Note No.14)			
- Basic & Diluted	16	<b>(58.18)</b>	<b>(0.18)</b>
<b>Significant Accounting Policies</b>	<b>1</b>		

The Accompanying Notes forms an integral part of Financial Statements

For KAILASH CHAND JAIN & CO.

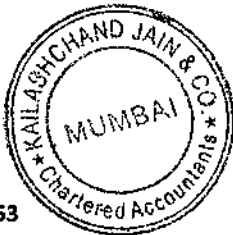
Chartered Accountants

Firm Reg No. 112318W

  
Saurabh Chouhan

Partner

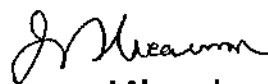
Membership No. 167453



PLACE : Mumbai

DATED : 09/07/2020

For and on behalf of Board of Directors

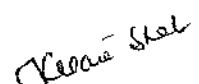


J Alexander  
(Director)

DIN No : 00485766



Shekhar Gandhi  
(CFO)



Ketan Shah  
(Director)

DIN No.: 01836504



**SKIL Himachal Infrastructure & Tourism Limited**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

	Year ended 31st March, 2020	Year ended 31st March, 2019
	Amount in Rs.	Amount in Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	(29,08,94,830)	(8,88,975)
<u>Adjustments for :-</u>		
Depreciation and ammortization expenses	-	-
Sundry Balances Written Off	27,36,68,898	-
Interest & Financial Charges	-	-
Gain on sale of Investments	-	-
Interest on TDS	-	-
<b>Operating Profit Before Working Capital Charges</b>	<b>(1,72,25,932)</b>	<b>(8,88,975)</b>
<u>Adjustments for :-</u>		
Loans and advances and other assets	12,26,98,822	2,14,55,643
Liabilities & Provisions	(8,79,45,038)	4,82,40,517
<b>Net Cash Flow From Operating Activities</b>	<b>1,75,27,852</b>	<b>6,88,07,185</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Capitalisation during the year	(1,76,50,947)	(6,88,00,001)
Gain on sale of Investments	-	-
<b>Net Cash Flow From Investing Activities</b>	<b>(1,76,50,947)</b>	<b>(6,88,00,001)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	-	-
Interest Paid	-	-
Proceeds From Issue of Share Capital	-	-
<b>Net Cash Used In Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,23,095)</b>	<b>7,183</b>
Cash & Cash Equivalents as at beginning of the year (Opening Balance)	6,67,318	6,60,135
<b>Cash &amp; Cash Equivalents as at end of the year (Closing Balance)</b>	<b>5,44,222</b>	<b>6,67,318</b>

For KAILASH CHAND JAIN & CO.

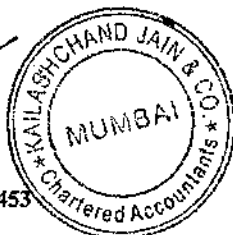
Chartered Accountants

Firm Reg No. 112318W

Saurabh Chouhan

Partner

Membership No. 167453



PLACE : Mumbai

DATED : 09/07/2020

*J Alexander*

J Alexander  
(Director)

DIN No : 00485766

For and on behalf of Board of Directors

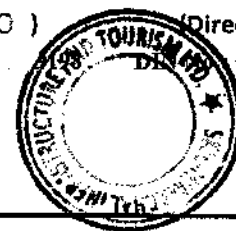
*Shekhar Gandhi*

Shekhar Gandhi  
(CFO)

*Ketan Shah*

Ketan Shah  
(Director)

01836504



**SKIL-Himachal Infrastructure & Tourism Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1: Significant Accounting Policies**

**1) Basis of Preparation:**

**i) Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015.

**ii) Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis and on accrual basis, except certain financial assets and liabilities that is measured at fair value.

**2) Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**3) Taxes on Income**

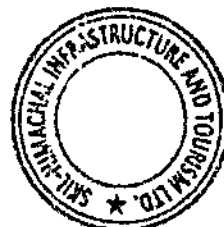
Income tax for the period comprises of current tax and deferred tax. Income tax is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in 'Other comprehensive income or directly in equity, in which case the tax is recognised in 'Other comprehensive income' or directly in equity, respectively.

Provision for current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 for the relevant assessment year. Deferred Tax Adjustments comprising of deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

**4) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;



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- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

5) Financial instruments:

(i) Financial assets

**Initial recognition and measurement:**

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value. Transaction costs are expensed in the Statement of Profit and Loss, except for financial instruments carried at amortised cost, where transaction costs are adjusted in the amortised cost of the asset.

**Subsequent measurement:**

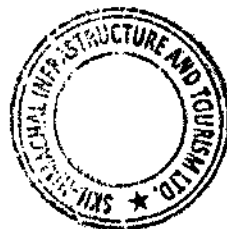
Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

(a) **Measured at amortised cost :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model with the objective of holding the assets to collect contractual cash flows, are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. 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 in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised in the Statement of Profit and Loss.

(b) **Measured at fair value through other comprehensive income :** Financial assets which have contractual cash flows that are solely payments of principal and interest on the principal outstanding and is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, is measured at fair value through other comprehensive income. It is subsequently measured at fair value with unrealised gains or losses recognised in the other comprehensive income ('OCI'), except for interest income which is recognised as 'other income' in the Statement of Profit and Loss using the EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) **Measured at fair value through profit or loss:** A financial asset not measured at either amortised cost or FVOCI, is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.



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All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

#### Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset. On transfer of the financial asset, the Company evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### (ii) Financial liabilities

##### Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value plus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

##### Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, 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 recognized in the statement of profit or loss.

#### Guarantee:

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows



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between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

**Equity investments (other than Investments in subsidiaries, associates and joint venture):**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the Restated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**6) Property, plant and equipment**

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Losses arising from the retirement of, and gains or losses arising from disposal of assets which are carried at cost is recognised in the Statement of Profit and Loss.

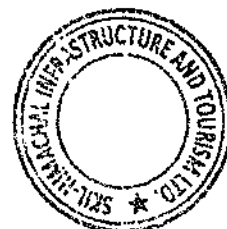
Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. The depreciation rates are prescribed in Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter or longer than that envisaged in the aforesaid Schedule, depreciation is provided at a higher or lower rate respectively, based on the management's estimate of the useful life/remaining life.

*Depreciation methods, estimated useful lives and residual value:*

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or Property, plant and equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).



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**SKIL Himachal Infrastructure & Tourism Limited**

**Statement of Changes in Equity**

**a. Equity Share Capital:**

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount in Rs.
Balance at 1 April 2018	5,00,00,000	50,00,00,000
Changes in equity share capital during 2018-19 on equity shares issued (Note 10)	-	-
Balance at 31 March 2019	5,00,00,000	50,00,00,000
Changes in equity share capital during 2019-20 on equity shares issued (Note 10)	-	-
Balance at 31 March 2020	5,00,00,000	50,00,00,000

**b. Other Equity:**

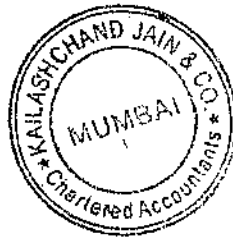
**For the year ended 31 March 2019**

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 10)	General reserve (Note 10)	Retained earnings (Note 10)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 1st April 2019	-	-	-	(1,51,79,817)	(1,51,79,817)
Net Profit for the year	-	-	-	(8,88,975)	(8,88,975)
Other comprehensive income for the year, net of income tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(8,88,975)	(8,88,975)
Shares issued during the period	-	-	-	-	-
Balance as at 31 March 2020	-	-	-	(1,60,68,792)	(1,60,68,792)

**For the year ended 31 March 2020**

Particulars	Share application money pending allotment	Reserves & Surplus			Total other equity
		Securities premium account (Note 10)	General reserve (Note 10)	Retained earnings (Note 10)	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
Balance as at 31st March 2020	-	-	-	(1,51,79,817)	(1,51,79,817)
Net Profit for the year	-	-	-	(29,08,94,830)	(29,08,94,830)
Other comprehensive income for the year, net of income tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(29,08,94,830)	(29,08,94,830)
Balance as at 31 March 2020	-	-	-	(30,60,74,647)	(30,60,74,647)

See accompanying notes forming part of the financial statements





**SKIL Himachal Infrastructure & Tourism Limited**  
**NOTES TO FINANCIAL STATEMENTS**

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

	Land at 15 Mile #		Land at Bharmot #		Land at Majaj#		Furniture and fixtures		Office equipment		Vehicles		Computer & Laptop		Total	
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
<b>Cost or deemed cost (gross carrying amount)</b>																
Balance at 31 March 2018	7,31,43,193	1,72,34,750	65,94,482	13,35,219	4,54,170	95,31,267	11,78,301	10,94,71,382								
Additions	-	-	-	-	-	-	-	-								
Disposals	-	-	-	-	-	-	-	-								
Balance at 31 March 2019	7,31,43,193	1,72,34,750	65,94,482	13,35,219	4,54,170	95,31,267	11,78,301	10,94,71,382								
Additions	-	-	-	-	-	-	-	-								
Disposals	-	-	-	-	-	-	-	-								
Balance at 31 March 2020	7,31,43,193	1,72,34,750	65,94,482	13,35,219	4,54,170	95,31,267	11,78,301	10,94,71,382								
<b>Accumulated depreciation</b>																
Balance at 31 March 2018	-	-	-	12,81,086	4,54,170	95,31,267	11,78,301	1,24,44,824								
Depreciation charge for the year	-	-	-	6,315	-	-	-	6,315								
Disposals	-	-	-	47,818	-	-	-	47,818								
Balance at 31 March 2019	-	-	-	13,35,219	4,54,170	95,31,267	11,78,301	1,24,98,957								
Depreciation charge for the year	-	-	-	-	-	-	-	-								
Disposals	-	-	-	-	-	-	-	-								
Balance at 31 March 2020	-	-	-	13,35,219	4,54,170	95,31,267	11,78,301	1,24,98,957								
<b>Net Book Value</b>																
Balance at 31 March 2020	7,31,43,193	1,72,34,750	65,94,482	-	-	-	-	9,69,72,425								
Balance at 31 March 2019	7,31,43,193	1,72,34,750	65,94,482	-	-	-	-	9,69,72,425								
Balance at 31 March 2018	7,31,43,193	1,72,34,750	65,94,482	54,133	-	-	-	9,70,26,558								

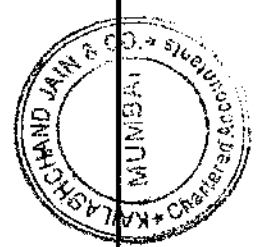
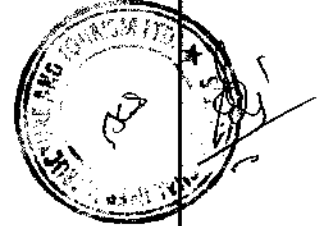
**Notes:**

i) Refer exemption availed under note 1 on first time adoption of Ind AS.

**Note 3: Capital Work in Progress**

Balance as at 31.03.2020	Balance as at 31.03.2019
Amt in Rs.	Amt in Rs.
-	25,60,17,951

**Capital work in Progress**



**SKIL Himachal Infrastructure & Tourism Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4: Non- Current Financial Assets- Loans**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
<b>Security Deposit</b>		
to parties other than related parties		
- considered good	20,900	20,900
	<b>20,900</b>	<b>20,900</b>

**Note 5: Other non-current assets**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Capital Advances	1,99,47,538	1,99,47,538
Less: Provision for Impairment	1,76,62,500	
	<b>22,85,038</b>	<b>1,99,47,538</b>

**Note 6: Cash and Cash Equivalent**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Balances with banks in:		
Current Accounts	3,94,977	3,57,272
Cash on hand	1,49,245	3,10,045
	<b>5,44,222</b>	<b>6,67,317</b>

**Note 7: Loans & Advances**

	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Related party : SKIL Infrastructure Limited	42,37,74,847	42,14,53,294
Others	18,63,33,662	29,36,91,537
	<b>61,01,08,510</b>	<b>71,51,44,831</b>



## SKIL Himachal Infrastructure &amp; Tourism Limited

## NOTES TO FINANCIAL STATEMENTS

## Note 8: Share Capital

Authorised Share Capital

Equity shares of INR 10 each	Equity shares	
	No. of shares	Amt in Rs.
Balance at 1 April 2018	5,00,00,000	50,00,00,000
Increase / (decrease) during the year	-	-
Balance at 31 March 2019	5,00,00,000	50,00,00,000
Increase / (decrease) during the year	-	-
Balance at 31 March 2020	<u>5,00,00,000</u>	<u>50,00,00,000</u>

Issued equity capital

## Equity shares of INR 10 each issued, subscribed and fully paid

Balance at 1 April 2018	5,00,00,000	50,00,00,000
Changes during the year	-	-
Balance at 31 March 2019	5,00,00,000	50,00,00,000
Changes during the year	-	-
Balance at 31 March 2020	<u>5,00,00,000</u>	<u>50,00,00,000</u>

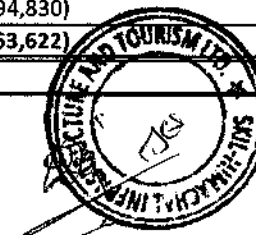
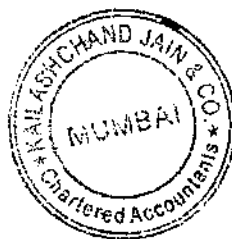
## Details of shareholders holding more than 5% shares in the Company

	31 March 2020		31 March 2019	
	No. of equity shares	Percentage	No. of equity shares	Percentage
SKIL Infrastructure Limited - Holding Company	5,00,00,000	100.00%	5,00,00,000	100.00%
	<u>5,00,00,000</u>	<u>100.00%</u>	<u>5,00,00,000</u>	<u>100.00%</u>

## Note 9: Other equity

## Retained earnings

	31 March 2020	31 March 2019
Retained earnings at the beginning of the year	(1,60,68,792)	(1,51,79,817)
Add: Profit during the year	(29,08,94,830)	(8,88,975)
At the end of the year	<u>(30,69,63,622)</u>	<u>(1,60,68,792)</u>



**SKIL Himachal Infrastructure & Tourism Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 10: Non Current Borrowings**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
<b>Secured:</b>		
Loan From IL & FS	-	43,00,00,000
	-	43,00,00,000

11.1:- Rs. 43.00 Crores from a financial institution is secured by 2,62,11,397 shares of holding company held by its promoter and further secured by second charge over land mortgaged with Union Bank of India held by other body corporates along with Corporate Guarantees given by the same Companies. Extension of mortgage on immovable properties held by other body corporate along with corporate guarantee given by the same companies. These securities are held pari passu with loans availed by Gujarat- Dwarka Portwest Ltd. and SKIL Infrastructure Ltd. from the said Financial Institution.

11.2:- Above secured loan is further Guaranteed by one director

11.3:- Above secured loan carries an interest rate of 16% and repayable at the end of 48 months from the date of first disbursement i.e. 03/11/2016

**Note 11: Other non current liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Other payable	-	10,00,00,000
	-	10,00,00,000

**Note 12: Current financial liabilities - Trade payables**

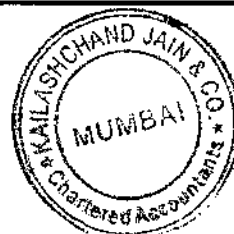
	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Trade Payables		
Dues of micro enterprises and small enterprises	-	-
Dues of creditors other than micro and small enterprises	3,20,757	52,60,126
	3,20,757	52,60,126

**Note 13: Current financial liabilities - Other financial liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Current Maturity of Long Term Loan	43,00,00,000	-
Interest Accrued	8,59,52,878	5,18,35,617
Interest Accrued but Not Due on borrowing	-	1,69,64,384
Creditors for Expenses	3,51,108	4,77,705
	51,63,03,986	6,92,77,706

**Note 14: Other current liabilities**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Salary Payable	81,158	81,158
Statutory liabilities : TDS payable along with Interest	1,88,817	2,20,766
	2,69,975	3,01,924





**SKIL Himachal Infrastructure & Tourism Limited**  
**NOTES TO FINANCIAL STATEMENTS**

<b>Note 15: Other expenses</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
	Amt in Rs.	Amt in Rs.
Employee Benifit Expenses	-	-
Postage and Telegrams	10,290	
Printing and Stationery Exp	29,631	
Professional Fees	9,24,750	5,20,000
Audit Fees	1,29,800	1,29,800
ROC Filing Fees	8,048	21,180
Interst On TDS Payable	-	-
Bank charges	1,375	10,295
Sitting Fees	29,500	39,900
Misc. Expenses	52,330	12,800
Travelling Expenses	1,37,708	1,55,000
Pre Operative Expenses Written off	27,36,68,898	-
Impairment - Advances	1,76,62,500	
	<b>29,26,54,830</b>	<b>8,88,975</b>



**SKIL Himachal Infrastructure & Tourism Limited**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 16: Earnings per share (EPS)**

	31 March 2020	31 March 2019
	Amt in Rs.	Amt in Rs.
Face value per equity share	10	10
Weighted average number of equity shares outstanding (Nos.)	5,00,00,000	5,00,00,000
(Loss)/Profit for the year	(8,88,975)	(9,47,730)
<b>Basic and diluted earnings per share</b>	<b>(0.0178)</b>	<b>(0.0190)</b>

**Note 17: Related party transactions**

**(A) Name of the Related Party with whom transactions have taken place during the year**

Holding Company  
SKIL Infrastructure Limited

# Related Parties relationships are identified by the company and relied upon by the Auditor.

**(B) The following transaction were carried out during the year with related parties in the ordinary course of business**

Holding Company

Particular	31-Mar-20	31-Mar-19
<b>Loans and Advances</b>		
SKIL Infrastructure Limited		
(I) Advances Given	35,68,597	
(II) Advances recived back	12,47,044	2,13,64,643
<b>Outstanding Balances</b>		
<b>Payable</b>		
SKIL Infrastructure Limited	42,37,74,847	42,14,53,294

**Note 18:**

Contingent Liabilities as on 31st March, 2020 is Rs. 5,18,35,616 (P.Y. NIL)

**Note 19:**

Considering the current business scenaria globally, on going litigations, liquidity tightness in the market, project status and also the impact of COVID-19, the Company has undertaken Provision for impairment of its Assests in form of Advances agreegating to Rs.176.63 Lakhs.

**Note 20:**

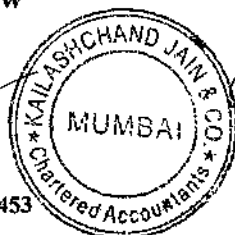
Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary.

For **KAILASH CHAND JAIN & CO.**

Chartered Accountants

Firm Reg No. 112318W

*Saurabh Chouhan*  
Saurabh Chouhan  
Partner  
Membership No. 167453



*J Alexander*  
J Alexander  
(Director)  
DIN No : 00485766

*Shekhar Gandhi*  
Shekhar Gandhi  
(CFO)

*Ketan Shah*  
Ketan Shah  
(Director)

DIN No.: 01836504



PLACE : Mumbai  
DATED : 09/07/2020