

INDEPENDENT AUDITOR'S REPORT

To the members of MAZAGON DOCK SHIPBUILDERS LIMITED Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Mazagon Dock Shipbuilders Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



Emphasis of Matter

We draw attention to the following matters in the notes to the standalone Ind AS financial statements:

1. Registration formalities are pending in respect of certain properties. (Refer Note 2 Point no. (i))
2. In respect to the balances due from / to Indian Navy. (Refer Note 36 Point no. 2)
3. Balance of Advance to Vendors and balance outstanding in Trade Payables are subject to confirmation. (Refer Note 36 Point no. 1)

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 in terms of Section 143(11) of the Act, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by the directions issued by the office of the Comptroller & Auditor General of India under Section 143(5) of the Act, we give in "Annexure II", a statement on the matters referred to in those directions.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The provisions of Section 164(2) of the Companies Act, 2013 are not applicable to the Government Company.
 - 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 III". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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 our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.



- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For M/s. JCR & Co.
Chartered Accountants
FRN- 105270W**



**Mitesh Chheda
Partner
Mem. No. - 160688**



**Date: 17/06/2019
Place: Mumbai**

ANNEXURE 'I' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Mazagon Dock Shipbuilders Limited of even date)

i. In respect of the Company's Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Title deeds of the immovable properties are held in the name of the Company except for the following-

Sr. No.	Plot No.	Location	Type of Property	Area (Sq. Mtrs.)	Remarks
1	Plot No. 355 PH-I	Dockyard Road, Mumbai	Leasehold	6240.14	Lease renewal of the plots is under consideration of MBPT. Awaiting formulation of Land Policy.
2	Plot No. 355 PH-II	Dockyard Road, Mumbai	Leasehold	1960.93	
3	Extension	Dockyard Road, Mumbai	Leasehold	3746.00	
4	Additional Water Area for further extension of slipway to 20 Mtr.	Dockyard Road, Mumbai	Leasehold	1850.00	
5	JN- 4 Type Sector 10	Vashi, Navi Mumbai	Quarters	61.20	Deed of Apartments & its registration is under process.

ii. In respect of the Company's Inventory:

- (a) As per the information and explanations given to us, the Inventory (except those held with third parties) has been physically verified by the management and the external auditor during the year at reasonable intervals.
- (b) The discrepancies between the physical inventory and the book records noticed on physical verification were not material and have been properly dealt with in the books of accounts.

iii. The Company has not granted any loan or given any guarantee or provided any security to companies, firms or other parties covered in the register maintained under Section 189 of the Act.

iv. The Company has not granted any loan, given any guarantee or provided any security covered under Section 185 of the Act. Section 186 of the Act relating to investments, loans granted, guarantees given and security provided is not applicable to the Company being a Government Company engaged in Defense production.

The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.



- vi. We have broadly reviewed the cost records maintained by the Company, as prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate and complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed arrears of statutory dues outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

Name of the Statute	Period	Amount (Rs. In Lakhs)	Forum where dispute is pending
Central Excise Act, 1944	FY 2001-02 to FY 2003-04 and FY 2007-08	421	CESTAT, Mumbai
	FY 2000-01	15	Additional Commissioner, Mumbai
BST Act, 1959	FY 1980-81 to FY 2004-05	1,07,983	Maharashtra Sales Tax Tribunal, Mumbai
MVAT Act, 2002	FY 2005-06 to FY 2013-14	6,467	Jt. Commissioner of Sales Tax
Karnataka Sales Tax Act	FY 1989-90, FY 1990-91, FY 1992-93, FY 1995-96 to FY 1996-97	304	Karnataka Sales Tax Appellate Tribunal
Service Tax	FY 2001-02 to FY 2003-04	4,140	Bombay High Court
	FY 2004-05 to FY 2013-14	2,928	Commissioner of Service Tax-I, Mumbai
Custom Duty	FY 2007-08	8	Assistant Commissioner of Customs

- viii. The Company has taken Short Term Loans or borrowings from banks against the Fixed Deposits amounting to Rs. 335 Crores and was also repaid during the year.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.



In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information given to us and as per the records examined by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. JCR & Co.
Chartered Accountants
FRN- 105270W



Mitesh Chheda
Partner
Mem. No. - 160688



Date: 17/06/2019
Place: Mumbai

ANNEXURE 'II' TO THE INDEPENDENT AUDITOR'S REPORT

To the Members of Mazagon Dock Shipbuilders Limited

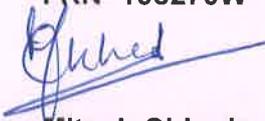
As referred to in Paragraph 2 under ' Report on Other Legal and Regulatory Requirements' in our Auditor's Report of even date and as required by the directions issued by the Office of the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, we give below our comments on the matters referred therein:

- 1. Whether the Company has System in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated.**
 - According to the information and explanations given to us and based on the records of the Company examined by us, the Company has ERP system in place to process all the transactions through IT System. All the processes and transactions are mapped through ERP.

- 2. Whether there is restructuring of an existing loan or cases of waiver/ write off of debt/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.**
 - According to the information and explanations given to us and based on the records of the Company examined by us, there were no cases of waiver/ write off of debt/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan in FY 2018-19.

- 3. Whether funds received/ receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.**
 - According to the information and explanations given to us and based on the records of the Company examined by us, there were no cases of any funds received by the Company during FY 2018-19 from Central/State governments under any schemes.

**For M/s. JCR & Co.
Chartered Accountants
FRN- 105270W**



**Mitesh Chheda
Partner
Mem. No. - 160688**



**Date: 17/06/2019
Place: Mumbai**

ANNEXURE "III" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Mazagon Dock Shipbuilders Limited of even date)

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For M/s. JCR & Co.
Chartered Accountants
FRN- 105270W



Mitesh Chheda
Partner
Mem. No. - 160688



Date: 17/06/2019
Place: Mumbai

MAZAGON DOCK SHIPBUILDERS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019

₹ in lakhs

Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018 (Restated)	As at 1st April, 2017
ASSETS				
Non-current assets				
Property, plant and equipment	2	73,098	61,796	52,490
Capital work-in-progress	3	8,877	8,538	9,843
Other intangible assets	2	2,298	2,841	2,135
		84,273	73,175	64,468
Financial assets				
Investments	4	600	600	600
Trade receivable	5	1,578	1,593	1,605
Loans	6	666	894	869
Other financial assets	7	14,352	340	340
Deferred tax assets (net)	8	57,464	54,438	49,882
Non-current tax assets (net)		19,338	20,672	18,113
Other non-current assets	9	54,251	36,440	14,201
Total non-current assets		2,32,522	1,88,152	1,80,078
Current assets				
Inventories	10	3,79,030	3,78,597	4,02,865
Financial assets				
Trade receivables	11	1,47,131	1,10,883	80,873
Cash and cash equivalents	12	72,968	37,356	14,288
Bank balances other than cash and cash equivalents	13	6,74,000	6,81,600	8,22,000
Loans	14	429	91	102
Other financial assets	15	22,130	11,054	14,767
Contract assets		90,131	73,794	1,16,324
Assets held for sale		205	1	3
Other current assets	16	4,21,665	4,10,601	2,97,416
Total current assets		18,07,689	17,03,977	17,48,638
TOTAL ASSETS		20,40,211	18,92,129	18,98,716
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	17	22,410	22,410	24,900
Other equity		2,58,179	2,19,843	2,37,554
Total equity		2,80,589	2,42,253	2,62,454
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Trade payables	18	1,578	1,593	1,605
Other financial liabilities	19	102	68	14
Other long-term liabilities	20	15,784	15,974	16,694
Long-term provisions	21	1,25,186	1,22,460	1,21,212
Total non-current liabilities		1,42,650	1,40,095	1,39,525
Current liabilities				
Financial liabilities				
Trade payables				
i. total outstanding dues of micro and small enterprises		1,868	1,342	1,316
ii. total outstanding dues other than (i) above	22	2,89,857	2,37,765	91,318
Other financial liabilities	23	23,670	25,787	17,471
Contract liability		12,89,554	12,31,888	13,75,957
Other current liabilities	24	2,206	988	2,512
Short-term provisions	25	9,817	12,011	8,163
Total current liabilities		16,16,972	15,09,781	14,96,737
Total liabilities		17,59,622	16,49,876	16,36,262
TOTAL EQUITY AND LIABILITIES		20,40,211	18,92,129	18,98,716
Significant accounting policies and notes to the financial statements	1 to 56			

As per our report of even date

For and on behalf of the Board of Directors

For
JCR & Co
Chartered Accountants
Firm Registration No. 105270W

Mitesh Chheda
Partner
Membership No. 160688



For and on behalf of the Board of Directors
Cmdr. Rakesh Anand, IN (Retd)
Chairman and Managing Director

Sanjiv Sharma
Director (Finance)

Vijayalakshmi Kamal Kumar
Company Secretary

Date - 17th June, 2019
Place - Mumbai

MAZAGON DOCK SHIPBUILDERS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ in lakhs

Particulars	Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018 (Restated)
INCOME			
Revenue from operations	26	4,64,915	4,48,798
Other income	27	64,038	60,386
Total income		5,28,953	5,09,184
EXPENSES			
Cost of materials consumed	28	2,55,712	2,69,288
Procurement of base and depot spares		60,805	9,172
Employee benefit expenses	29	68,947	88,562
Finance costs	30	410	385
Depreciation and amortization expenses		6,142	5,021
Sub-contract		17,590	32,269
Power and fuel		1,926	2,262
Other expenses - project related	31	8,091	15,123
Other expenses	32	19,184	13,706
Provisions	33	7,478	3,743
Total expenses		4,46,285	4,39,531
Profit before tax		82,668	69,653
Tax expense			
Current tax		33,211	29,152
Deferred tax (credit) / charge		(3,026)	(4,556)
Adjustment of tax relating to earlier years		543	1,064
Profit for the year		51,940	43,993
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plan		(2,379)	(5,993)
Income tax effect		831	2,074
Total comprehensive income for the year		50,392	40,074
Earning per share			
Basic and Diluted		23.18	18.28
Significant accounting policies and notes to the financial statements	1 to 56		

As per our report of even date

For
JCR & Co
Chartered Accountants
Firm Registration No. 105270W



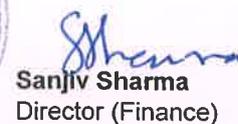
Mitesh Chheda
Partner
Membership No. 160688



For and on behalf of the Board of Directors



Cmde. Rakesh Anand, IN (Retd)
Chairman and Managing Director



Sanjiv Sharma
Director (Finance)



Vijayalakshmi Kamal Kumar
Company Secretary

Date - 17th June, 2019
Place - Mumbai

MAZAGON DOCK SHIPBUILDERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

₹ in lakhs

Sr. No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018 (Restated)
A	Cash flow from operating activities		
	Profit before tax (as restated)	82,668	69,653
	Adjustments for :		
	(+) Non cash expenditure and non operating expenses		
	Depreciation / amortization	6,142	5,021
	Finance cost	410	385
	Amortization of prepaid rentals	15	66
	(-) Non operating income		
	Profit / Loss on sale of fixed assets	18	19
	Interest income	(54,115)	(48,271)
	Dividend received	(4,700)	(4,671)
	Amortization gain on deferred deposits of vendors	(13)	(7)
	Amortization of deferred revenue (customer funded assets)	(737)	(733)
	Interest Income on deferred payment liability to foreign supplier	(377)	(379)
	Interest Income on deferred deposit with MbPT	(18)	(16)
	Operating profit before working capital changes	29,293	21,067
	Movement in working capital		
	Decrease / (Increase) in Inventories	(433)	24,268
	Decrease / (Increase) in Trade receivables and loans and advances	(35,948)	(29,617)
	Decrease / (Increase) Other current and non current assets	(63,290)	51,169
	(Decrease) / Increase in Trade payables and provisions	50,346	1,45,179
	(Decrease) / Increase in Other current and non current liabilities	57,382	(1,37,203)
	Cash flow from operations	37,350	74,863
	Direct tax paid (net of refunds)	(31,589)	(30,701)
	Net cash from (used in) operating activities (A)	5,761	44,162
B	Cash flow from investing activities		
	Purchase of property, plant and equipment (net of adjustments)	(17,154)	(15,087)
	Capital work in progress	(339)	1,305
	Proceeds from sale of property, plant and equipment	27	35
	Capital advance	579	(14)
	Interest received	54,115	48,271
	Dividend received	4,700	4,671
	Net cash from / (used in) investing activities (B)	41,928	39,181
C	Cash flow from financing activities		
	Buy back of equity share capital	-	(29,537)
	Payment of buy back tax	-	(25,349)
	Dividend paid (including dividend distribution tax thereon)	(12,056)	(5,389)
	Finance costs	(21)	-
	Net cash from / (used in) financing activities (C)	(12,077)	(60,275)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	35,612	23,068
	Cash and cash equivalents at the beginning of the period	37,356	14,288
	Cash and cash equivalents at the end of the period	72,968	37,356

Note: Figure in bracket indicate outflow

Sr. No.	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018 (Restated)
	Components of cash and cash equivalents:		
	Balances with banks:-		
	- In Current accounts		
	i) In India	3,205	164
	ii) Outside India	71	97
	- In cash credit accounts	2	-
	- In flexi deposit accounts	69,690	37,095
	Total	72,968	37,356

As per our report of even date

For
JCR & Co
Chartered Accountants
Firm Registration No. 105270W

Mitesh Chheda
Partner
Membership No. 160688



For and on behalf of the Board of Directors

For
Cmde. Rakesh Anand, IN (Retd)
Chairman and Managing Director

Sanjiv Sharma
Director (Finance)

Vijayalakshmi Kamal Kumar
Company Secretary

Date - 17th June, 2019
Place - Mumbai

MAZAGON DOCK SHIPBUILDERS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2019

(A) Equity share capital

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018	1st April, 2017
Opening balance	22,410	24,900	24,900
Changes in equity share capital during the period			
Buy Back of Equity Shares	-	(2,490)	-
Closing balance	22,410	22,410	24,900

Shareholders in Annual General Meeting held on 28th September 2017 have approved split of equity shares from face value of ₹ 100 to ₹ 10 per share. Accordingly, the number of equity shares have increased from 249 lakhs to 2490 lakhs.

(B) Other equity

For the period ended 31st March, 2019

₹ in lakhs

Particulars	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Other Comprehensive Income (OCI)	Total Other Equity
Balance as at 1st April, 2018	(5,497)	2,19,032	5	9,882	(3,579)	2,19,843
Profit / (loss) for the year	51,940					51,940
Remeasurement of defined employee benefit plan (net of tax)					(1,548)	(1,548)
Dividends						
Interim	(10,000)					(10,000)
Final						-
Tax on dividends	(2,056)					(2,056)
Balance as at 31st March, 2019	34,387	2,19,032	5	9,882	(5,127)	2,58,179

For the year ended 31st March, 2018 (Restated)

₹ in lakhs

Particulars	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Other Comprehensive Income (OCI)	Total Other Equity
Balance as at 1st April, 2017	(14,564)	2,44,381	5	7,392	340	2,37,554
Profit / (loss) for the year	43,993					43,993
Remeasurement of defined employee benefit plan (net of tax)					(3,919)	(3,919)
Buyback of shares at premium		(22,859)				(22,859)
Transfer from general reserve to capital redemption reserve		(2,490)		2,490		-
Tax on buyback	(5,389)					(5,389)
Dividends						
Interim	(18,000)					(18,000)
Final	(6,541)					(6,541)
Tax on dividends	(4,996)					(4,996)
Balance as at 31st March, 2018	(5,497)	2,19,032	5	9,882	(3,579)	2,19,843

The description of the nature and purpose of each reserve within equity is as follows:

Dividend: The board has recommended the payment of final dividend of ₹ 5582 lakhs. This proposed dividend is subject to the approval of shareholders in ensuing Annual General Meeting.

Capital reserve: The capital reserve was created till 1974 on the realized profit on sale of fixed asset.

Capital redemption reserve: These reserves are created out of redemption of 7% redeemable cumulative preference shares and buyback of equity shares.

per our report of even date

For and on behalf of the Board of Directors

For
JCR & Co
 Chartered Accountants
 Firm Registration No. 105270W

Mitesh Chheda
 Partner
 Membership No. 160688

Date - 17th June, 2019
 Place - Mumbai



Cmdr. Rakesh Anand, IN (Retd)
 Chairman and Managing Director

Sanjiv Sharma
 Director (Finance)

Vijayalakshmi Kamal Kumar
 Company Secretary

MAZAGON DOCK SHIPBUILDERS LIMITED

Note 1: Statement of Significant Accounting Policies

1) Corporate information:

The Company is a Government Company domiciled and incorporated in India. The registered office of the Company is located at Dockyard Road, Mumbai.

The Company is principally engaged in building and repairing of ships, submarines, various types of vessels and related engineering products for its customers.

2) Significant accounting policies:

2.1 Basis of preparation:

These financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Summary of significant accounting policies:

a) Use of estimates:

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

Estimates and assumptions are required in particular for:

i. Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized:

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support.

ii. Recognition and measurement of defined benefit obligations:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

iii. Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary difference and the unused tax losses can be utilized. The management assumes that taxable profits will be available while recognising deferred tax assets.

iv. Recognition and measurement of other provisions:



The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may vary-

v. Discounting of long-term financial liabilities

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

vi. Determination of estimated cost to complete the contract is required for computing revenue as per Ind AS 115 on 'Revenue from contracts with customers'. The estimates are revised periodically.

b) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

i. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

ii. A liability is treated as current when it is:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non - current.

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

c) Property, plant and equipment:

- i. Property, plant and equipment, including capital work-in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital works executed internally are valued at prime cost plus appropriate overheads.
 - Cost means cost of acquisition, inclusive of inward freight, duties, taxes and other incidental expenses incurred in relation to acquisition of such assets. It also includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised.
 - When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.
 - When a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are



satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

- Spares purchased along with PPE are capitalised.
- The present value of the expected cost for decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- Unserviceable tangible assets are valued at the net realisable value. In case the net realisable value is not available, the same is considered at 5% of original cost as scrap value. For IT hardware assets, i.e. end user devices such as desktops, laptops, etc. residual value is considered as nil.
- An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company has elected to measure all its Property Plant & Equipment, on the date of transition i.e. 1st April 2015, at deemed cost being the carrying value of the assets in accordance with previous GAAP.

Funds received from customers for acquisition or construction of property, plant and equipment from 1st April, 2015, are recognised as deferred revenue, which is amortised equally over the useful lives of the assets.

ii. Depreciation:

- (a) Depreciation is calculated on a straight-line basis, based on the useful lives specified in Schedule II to the Companies Act, 2013 except for the following items, where useful lives are estimated on technical assessment by technical experts, past trends and management estimates:

Asset class	Description	Years
Plant & Machinery	Wet basin	60
Plant & Machinery	Goliath crane (300 ton capacity)	30

- (b) Loose tools costing over ₹ 5000 is written off evenly over a period of five years commencing from the year of purchase.
- (c) Additions to assets individually costing ₹ 5000 or less are depreciated at 100%.
- (d) Spares purchased along-with the main asset are depreciated over the estimated useful life of that asset.
- (e) In respect of additions / extensions forming an integral part of the existing assets, depreciation has been provided over residual life of the respective assets.
- (f) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (g) Depreciation on property, plant and equipment commences when the assets are ready for intended use
- (h) In respect of assets whose useful life has been revised, the unamortised depreciable amount has been charged over the revised remaining useful life of the assets.



- (i) The residual value of all the assets have been considered at 5% of the original cost of the respective assets, except for computer and related hardware assets, where the residual value is considered to be nil.
- (ii) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

d) Intangible assets:

Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment, if any. Amortisation is done over their estimated useful life of five years on straight line basis from the date they are available for intended use.

e) Impairment of assets:

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. An asset's recoverable amount is the higher of the asset's or cash-generating unit's fair value less cost of disposal and its value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f) Investment in associate:

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but it is not control over those policies.

Company has investment in equity shares of its associate and it is measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment which is other than temporary.

Exemption availed under Ind AS 101: On transition to Ind AS, Company has elected to continue with the carrying value of its investments in its associate as at April 1, 2015, measured as per previous GAAP and used that carrying value as the deemed cost of the same.

g) Foreign currency transactions:

The financial statements are prepared in Indian Rupees being the functional currency.

- Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing on the date of the transaction.
- Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange at the reporting date.
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
- Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

h) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds and includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

i) Inventory valuation

- i. Raw materials and stores and general spares are valued at weighted average cost.
- ii. Equipment for specific projects are valued at cost.
- iii. Stock-in-transit is valued at cost.



- iv. Cost of inventories comprises of purchase cost, conversion and other cost incurred in bringing them to the present location and condition.
- v. Provision for obsolescence will be made for raw materials, stores and spares not moved for over 3 years. For Project specific material, obsolescence is provided to the items for which shelf life is expired.
- vi. Scrap is valued at estimated net realizable value.
- vii. Work in progress and finished goods other than construction contracts & ship repair contracts have been valued at lower of cost and net realisable value.

j) Revenue recognition

i. Ship construction & repair contracts

Revenue from Ship Construction / repair Contracts shall be recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met-

- (a) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs
- (b) the Company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced or
- (c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

When the control of the produced good and rendered services is transferred over time to the customer, revenue is recognised over time (i.e. under the percentage of completion method). For the application of the overtime method (PoC method), the measure of the progress towards complete satisfaction of a performance obligations is based on inputs (i.e. cost incurred).

Fixed Price Contract:

Revenues from construction contracts with customers are recognized over time using input method i.e. by comparing the actual costs incurred to the total costs anticipated for the entire contract. These estimates are revised periodically.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

When the outcome of a construction / repair contract cannot be reliably estimated, contract revenue is recognized only to the extent of contract cost incurred that are likely to be recoverable.

Cost Plus Contract:

In case of Cost plus contracts, contract revenue is recognized on the basis of cost incurred plus profit margin applicable on the contract, when such cost can be estimated reliably.

Additional revenue, in respect of contracts completed in earlier years, is accounted for as contract revenue in the year in which such revenue materializes.

Contract Asset:

The company's right to consideration in exchange for goods or services that the company has transferred to a customer when that right is conditioned on something other than the passage of time (for example, the entity's future performance).



Contract Liability:

The company's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer

Revenue from supply of Base & Depot (B&D) spares:

Revenue from supply of B&D spares is to be recognised based on satisfaction of performance obligation satisfied at a point in time based on proof of receipts of goods from Naval stores.

ii. Dividend income

Dividend income from investments is recognized when the Company's right to receive payment has been established.

iii. Interest income

For all debt instruments, interest income is recorded using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

iv. Insurance claims:

Amounts due against insurance claims are accounted for on accrual basis; in respect of claims which are yet to be finally settled at the end of reporting date by the underwriter, credits are reckoned, based on the company's estimate of the realisable value.

k) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:**i. Classification:**

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

ii. Initial recognition and measurement:

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

iii. Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

iv. Financial assets measured at fair value through other comprehensive income (FVTOCI):

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

v. Financial assets measured at fair value through profit or loss (FVTPL):

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

vi. Investment in equity instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income.



vii. **Investment in debt instruments:**

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

viii. **Impairment of financial asset:**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of all the financial assets that are debt instrument and trade receivable.

ix. **Derecognition of financial assets:**

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

Financial liabilities:

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

The Company's financial liabilities include loans & borrowings, trade and other payables.

i. **Classification, initial recognition and measurement**

Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Financial liabilities are classified as subsequently measured at amortized cost. 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 effective interest rate (EIR). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective rate of interest.

ii. **Subsequent measurement**

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. In each financial year, the unwinding of discount pertaining to financial liabilities is recorded as finance cost in the statement of profit and loss.

iii. **De-recognition of financial liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 income or finance cost.

iv. **Retentions**

Retention amount payable / receivable under the terms of the contracts with the vendors / customers are retained towards performance obligation under the normal terms of trade and do not constitute financial arrangement and hence are not amortised.

v. **Security deposit**

Security Deposits obtained from vendors below ₹ 1 lakh individually are not amortised as the same is not considered material.

I) Leases

i. As a lessee

Leases of property, plant and equipment where the Company, as lessee, where substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are



capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Contingent rent shall be charged as expense in the period in which they are incurred.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

ii. As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

m) Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

iii. Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity and post-retirement medical scheme for non executives; and
- (b) defined contribution plans such as provident fund, pension and post-retirement medical scheme for executives.

Gratuity

Gratuity Fund, a defined benefit scheme, is administered through duly constituted independent Trust and yearly contributions based on actuarial valuation are charged to revenue. Any additional provision as may be required is provided for on the basis of actuarial valuation as per Ind AS 19 on Employee Benefits.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.



Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Post-retirement medical scheme

The post-retirement medical scheme to the non executives employees is a defined benefit plan and is determined based on actuarial valuation as per Ind AS 19 on Employee Benefits using Projected Unit Credit method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

The post-retirement medical scheme liability towards executives is recognised on accrual basis and charged to statement of profit and loss, which is a contribution plan.

Provident fund and Pension

Retirement benefits in the form of Provident fund and Family pension funds are defined contribution plans and the contribution is charged to Statement of Profit and Loss of the year when the contributions to the respective funds are due in accordance with the relevant statute.

Defined contribution to Superannuation Pension Scheme is charged to statement of Profit & Loss at the applicable contribution rate as per approved Pension scheme.

n) Dividend to equity shareholders

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

o) Provision for current & deferred tax

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

Current income tax:

Current tax comprises of the expected tax payable on the taxable income for the year. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

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

Deferred tax:

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

Deferred tax assets and liabilities are offset only if:

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



p) Provision for doubtful debts and loans and advances:

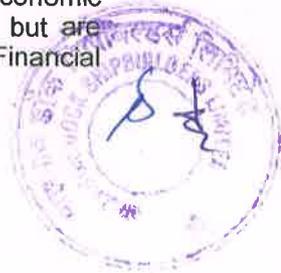
Provision is made in the accounts for doubtful debts, loans and advances in cases where the management considers the debts, loans and advances to be doubtful of recovery.

q) Warranty provision:

Provision for warranty related costs are recognised when the product is sold or services are rendered to the customer in terms of the contract. Initial recognition is based on the historical experience and management estimates. The initial estimate of warranty related costs are revised periodically.

r) Provision, contingent liabilities and contingent assets:

A provision is recognised if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.



Sr. No.	Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
		Cost as on 01-04-18	Additions	Adjustments	Disposal	Balance 31-03-19	Opening 01-04-18	For the period	Adjustments	Disposal	Balance 31-03-19	As on 31.03.2019	As on 31-03-18
A	Assets Owned by MIDL	4,695	5,000	-	-	9,695	-	-	-	-	-	9,695	4,695
1	Freehold Land	1,772	1,018	-	4	2,786	186	103	-	-	288	2,498	1,584
2	Buildings: i) Factory Building ii) Office and Staff Quarters a) RCC b) Non RCC iii) Others (Temporary structure)	1,897	766	-	1	2,652	137	106	-	-	242	2,420	1,760
3	Road	715	102	-	28	789	48	33	-	-	55	734	667
4	Plant and Equipment	9	4	-	-	13	9	1	-	-	10	3	315
5	Furniture and Fixtures	20,790	2,010	-	188	22,612	368	126	-	-	484	19,147	18,689
6	Vehicles	1,438	187	-	16	1,608	2,101	1,517	-	-	3,465	997	979
7	Office Equipment	1,924	24	-	28	1,920	459	180	-	-	612	1,035	1,268
8	Computers and Data Processing Units i) Desktops, Laptops etc. ii) Server and Network	1,910	738	-	686	1,952	867	341	-	-	707	1,255	1,043
9	Loose Tools	554	466	-	399	603	205	367	-	-	173	450	348
10	Ship - Launches and Boats	2,847	1,187	-	211	3,823	549	657	-	-	1,008	2,815	2,298
11	Electrical Installation and Equipments	380	160	-	8	532	270	71	-	-	333	199	110
	Sub-total	1,454	386	-	-	4,936	46	185	-	-	87	4,849	390
	Previous Year's Figures	41,454	16,552	-	1,569	56,477	6,339	3,963	-	-	8,980	47,497	35,755
		30,117	11,816	-	440	41,493	3,677	3,055	-	-	6,341	35,152	26,440

Note: Vessels under the head "Launches and Boats" costing ₹ 4936 lakhs (Previous year - ₹ 436 lakhs) out of which ₹ 4936 lakhs (Previous year - ₹ 302 lakhs) are registered in the name of CMD of the Company to comply with the requirement of Indian Coastal Act, 1938 / Indian Vessels Act, 1917.

Sr. No.	Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
		Cost as on 01-04-18	Additions	Adjustments	Disposal	Balance 31-03-19	Opening 01-04-18	For the period	Adjustments	Disposal	Balance 31-03-19	As on 31.03.2019	As on 31-03-18
B	Jointly Funded Assets												
1	Buildings: i) Factory Building ii) Office and Staff Quarters a) RCC b) Non RCC	18,149	54	-	-	18,203	1,159	560	-	-	1,739	16,464	16,990
2	Roads	1,621	-	-	-	1,621	31	28	-	-	59	1,562	1,590
3	Plant and Equipment	133	-	-	-	133	27	25	-	-	52	81	106
4	Electrical Installation and Equipments	6,656	59	-	-	6,715	914	308	-	-	1,222	5,493	5,742
5	Furniture and Fixtures	649	-	-	-	649	67	62	-	-	129	520	562
6	Office Equipment	226	-	-	10	216	27	21	-	-	45	171	199
7	Computers and Data Processing Units i) Server and Network ii) Launches and Boats	153	-	-	-	153	35	28	-	-	63	90	118
8	Ship - Launches and Boats	338	-	-	-	338	115	57	-	-	172	166	223
	Sub-total	1,143	-	-	-	1,143	50	39	-	-	89	1,054	1,093
	Previous Year's Figures	29,068	113	-	10	29,171	2,425	1,148	-	-	3,570	25,601	26,643
		27,338	1,728	-	-	29,067	1,288	1,134	-	-	2,422	26,645	26,050
	Total Tangible Assets (A+B)	70,562	16,665	-	1,579	85,648	8,764	5,111	-	-	12,550	73,098	61,798
	Previous Year's Figures	57,455	13,545	-	440	70,560	4,965	4,189	-	-	8,763	61,796	52,490



Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
		Cost as on 01-04-18	Additions	Adjustments	Disposal	Balance 31-03-19	For the period 01-04-18	Adjustments	Disposal	Balance 31-03-19	As on 31.03.2019	As on 31-03-18
A	Assets Owned by MDL											
1	Computer Software/SAP-ERP	794				794	400			562	232	394
2	Other than SAP-ERP	3,800	489			4,289	1,459			2,292	1,997	2,341
	Sub Total	4,594	489			5,083	1,859			2,854	2,229	2,735
	Previous Year's Figures	3,112	1,542		80	4,694	1,119			1,859	2,735	1,993

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
		Cost as on 01-04-18	Additions	Adjustments	Disposal	Balance 31-03-19	For the period 01-04-18	Adjustments	Disposal	Balance 31-03-19	As on 31.03.2019	As on 31-03-18
B	Jointly Funded Assets											
1	Computer Software/SAP-ERP	1,000				1,000	1,000			1,000		
2	Other than SAP-ERP	181				181	76			112	69	105
	Sub Total	1,181				1,181	1,076			1,112	105	105
	Previous Year's Figures	1,181				1,181	1,039			1,075	106	142
	Total Intangible Assets (A+B)	5,775	489			6,264	2,935			3,966	2,298	2,840
	Previous Year's Figures	4,293	1,542		60	5,775	2,158			2,934	2,841	2,135
	Total Assets (I+II)	76,337	17,154		1,579	91,912	11,699			16,516	75,396	64,638
	Previous Year's Figures	61,748	15,087		500	76,335	7,123			11,697	64,637	54,825

(i) Residential Building at Vashi: Registration formalities are pending in respect of flats at Vashi purchased from CIDCO amounting to ₹ 14 lakhs (previous year: ₹ 14 lakhs)

(ii) Government of Kerala has assigned "Free of Cost" 40.52 acres of land and handed over the same to the Company in September 2010 for setting up National Institute of Warship/Submarine design and indigenisation centre. A society titled "National Institute for Research and Design in Defence Shipbuilding" (NIRDESH) has been formed in 2010-11 by Government of India, Ministry of Defence, having representation from all the shipyards including the Company under the control of Ministry of Defence, Department of Defence Production. As per the order of Government of Kerala dated 24.04.2015, the ownership of land shall be retained by the Company and only possession will be handed over to NIRDESH for undertaking future infrastructure development.

(iii) Depreciation has been charged on single shift basis during the period except for wet basin on which depreciation has been charged on double shift basis.

(iv) No provision for impairment of assets has been considered necessary during the period as required under Indian Accounting Standard - 36.

(v) As envisaged under the Schedule II to the Companies Act 2013, the Company has charged the depreciation on its existing tangible assets on straight line basis over the balance life of the assets keeping a residual value of five percent, except for computers, data processing units and loose tools where no residual value is retained.

(vi) Assets jointly funded by MDL and Indian Navy.

Sr. No.	Particulars	Assets jointly funded by MDL and Indian Navy								Total as on 31-03-18		
		Office and Factory Building	Electric Installations & Equipment	Plant and Equipment	CDPU	Temporary Structure	Ships, Launches & Boats	Office Equipment	Furniture and Fixtures	Intangible assets	Roads	Total as on 31-03-2019
1	Total Cost upto 31.03.2019	34,053	649	65,211	345	96	1,142	156	241	1,418	133	1,03,341
2	Less: Funded By Navy	25,484	628	61,346	345	96	983	156	241	1,181		90,349
3	Funded By MDL	8,569	21	3,865			159	8	8	237	133	12,992
	Previous Year's Figures	8,569	21	3,865			159	8	8	237	133	11,492



Sr. No.	Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
		Cost as on 01-04-17	Additions	Adjustments	Disposal	Balance 31-03-18	Opening 01-04-17	For the period	Adjustments	Disposal	Balance 31-03-18	As on 31-03-18	As on 31-03-17
A	Assets Owned by MDL												
1	Freehold Land	2,867	1,828	-	-	4,695	-	85	-	-	4,695	188	2,867
2	Buildings: i) Factory Building ii) Office and Staff Quarters a) RCC b) Non RCC iii) Others (Temporary structure)	1,741	32	-	1	1,772	104	57	1	1,896	1,584	137	1,637
3	Road	1,878	19	-	-	1,896	81	23	-	715	1,759	48	1,797
4	Plant and Equipment	393	322	-	-	715	6	126	-	9	667	9	368
5	Furniture and Fixtures	667	7,213	6	65	673	1,031	1,128	58	232	315	358	435
6	Vehicles	13,648	96	(6)	3	20,790	302	1,438	3	2,101	18,689	459	12,617
7	Office Equipment	1,345	220	-	24	1,438	437	242	23	1,043	979	656	1,043
8	Computers and Data Processing Units i) Desktops, Laptops etc. ii) Server and Network	1,728	188	-	17	1,910	551	332	16	1,291	1,268	667	1,291
9	Loose Tools	1,739	260	-	136	554	96	245	136	205	1,043	205	1,188
10	Ship - Launches and Boats	1,897	1,143	-	193	2,847	318	384	153	549	2,298	271	334
11	Electrical Installation and Equipments	251	129	-	-	380	79	192	-	109	1,09	46	1,579
	Sub-total	1,302	134	-	-	436	30	16	-	390	1,007	447	272
	Previous Year's Figures	30,117	11,816	-	440	41,502	3,677	3,055	391	6,341	35,152	26,440	26,440
		24,320	6,948	-	1,150	30,117	2,125	2,655	1,105	3,675	26,440	22,196	22,196

Note: 10 Vessels under the head "Launches and Boats" costing ₹ 436 lakhs (Previous year - ₹ 302 lakhs) are registered in the name of CMD of the Company to comply with the requirement of Indian Coastal Act, 1938 / Indian Vessels Act, 1917 and registration of one vessel costing ₹ 134 lakhs in the name of CMD is under process as on 31st March, 2018.

B	Jointly Funded Assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
		Cost as on 01-04-17	Additions	Adjustments	Disposal	Balance 31-03-18	Opening 01-04-17	For the period	Adjustments	Disposal	Balance 31-03-18	As on 31-03-18	As on 31-03-17
1	Buildings: i) Factory Building ii) Office and Staff Quarters a) RCC b) Non RCC	17,994	155	-	-	18,149	582	578	-	-	1,160	16,989	17,412
2	Roads	1,565	55	-	-	1,621	2	28	-	30	1,591	30	1,563
3	Plant and Equipment	133	-	-	-	133	2	25	-	27	106	131	131
4	Electrical Installation and Equipments	5,294	1,362	-	-	6,656	615	298	-	913	5,743	4,679	4,679
5	Furniture and Fixtures	626	23	-	-	649	5	61	-	66	583	621	621
6	Office Equipment	226	8	-	-	234	6	21	-	27	199	220	220
7	Computers and Data Processing Units i) Server and Network	145	8	-	-	153	7	28	-	35	118	138	138
8	Ship - Launches and Boats	338	125	-	-	463	58	57	-	115	223	280	280
	Sub-total	27,338	1,729	-	-	29,067	1,288	1,134	-	2,422	26,645	26,050	26,050
	Previous Year's Figures	12,996	14,341	-	-	27,338	699	590	-	1,289	26,050	12,297	12,297
	Total Tangibles Assets (A+B)	57,455	13,545	-	440	70,569	4,965	4,189	391	8,763	61,796	52,490	52,490
	Previous Year's Figures	37,316	21,287	-	1,150	57,455	2,824	3,245	1,105	4,964	52,490	34,493	34,493



Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK			
		Cost as on 01-04-17	Additions in the period	Adjustments in the Year	Disposal in the Year	Balance 31-03-18	Opening 01-04-17	For the Year	Adjustments in the Year	Disposal in the Year	Balance 31-03-18	As on 31-03-18	As on 31-03-17
A	Assets Owned by MDL												
1	Computer Software/SAP-ERP	727	67	-	-	794	242	158	-	-	400	394	485
2	Other than SAP-ERP	2,385	1,475	60	60	3,800	877	638	56	-	1,459	2,341	1,508
	Sub Total	3,112	1,542	60	60	4,594	1,119	796	56	-	1,859	2,735	1,993
	Previous Year's Figures	2,566	546	-	-	3,112	461	658	-	-	1,119	1,993	2,105

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK			
		Cost as on 01-04-17	Additions in the period	Adjustments in the period	Disposal in the period	Balance 31-03-18	Opening 01-04-17	For the period	Adjustments in the period	Disposal in the period	Balance 31-03-18	As on 31-03-18	As on 31-03-17
B	Jointly Funded Assets												
1	Computer Software/SAP-ERP	1,000	-	-	-	1,000	1,000	-	-	-	1,000	-	-
2	Other than SAP-ERP	181	-	-	-	181	39	36	-	-	75	106	142
	Sub Total	1,181	-	-	-	1,181	1,039	36	-	-	1,075	106	142
	Previous Year's Figures	1,181	-	-	-	1,181	1,003	36	-	-	1,039	142	176
	Total Intangible Assets (A+B)	4,293	1,542	60	60	5,775	2,156	832	56	-	2,934	2,841	2,135
	Previous Year's Figures	3,747	546	-	-	4,293	1,464	694	-	-	2,158	2,135	2,283
	Total Assets (i+ii)	61,748	15,087	500	500	76,344	7,123	5,021	447	-	11,697	64,637	54,625
	Previous Year's Figures	41,063	21,833	1,150	1,150	61,748	4,288	3,939	1,105	-	7,122	54,625	36,776

(i) Residential Building at Vashi: Registration formalities are pending in respect of flats at Vashi purchased from CIDCO amounting to ₹ 14 lakhs (2017: ₹ 114 lakhs)

(ii) Government of Kerala has assigned 'Free of Cost' 40.52 acres of land and handed over the same to the Company in September 2010 for setting up National Institute for Shipbuilding (NISB) in Vashi. A society titled 'National Institute for Research and Design in Defence Shipbuilding' (NIRDESH) has been formed in 2010-11 by Government of India, Ministry of Defence, having representation from all the shipyards including the Company under the control of Ministry of Defence, Department of Defence Production. As per the order of Government of Kerala dated 24.04.2015, the ownership of land shall be retained by the Company and only possession will be handed over to NIRDESH for undertaking future infrastructure development.

(iii) Depreciation has been charged on single shift basis during the period except for wet basin on which depreciation has been charged on double shift basis.

(iv) No provision for impairment of assets has been considered necessary during the period as required under Indian Accounting Standard - 36.

(v) As envisaged under the Schedule II to the Companies Act 2013, the Company has charged the depreciation on its existing tangible assets on straight line basis over the balance life of the assets keeping a residual value of five percent, except for computers, data processing units and loose tools where no residual value is retained.

(vi) Assets jointly funded by MDL and Indian Navy

Sr. No.	Particulars	Assets jointly funded by MDL and Indian Navy								Total			
		Office and Factory Building	Electric Installations & Equipment	Plant and Equipment	CDPU	Temporary Structure	Ships, Launches & Boats	Office Equipment	Furniture and Fixtures	Intangible assets	Roads	Total as on 31-03-18	Total as on 31-03-17
1	Total Cost upto 31.03.2018	33,999	649	65,152	345	96	1,142	166	241	1,418	133	1,03,341	1,01,612
2	Less: Funded By Navy	25,430	628	61,287	345	96	983	158	241	1,181	-	90,349	90,120
3	Funded By MDL	8,569	21	3,865	-	-	159	8	-	237	133	12,992	11,492
	Previous Year's Figures	8,569	21	3,865	-	-	159	8	-	237	133	11,492	11,135



MAZAGON DOCK SHIPBUILDERS LIMITED

3 Capital work-in-progress

₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Capital work-in-progress						
1. Own resources						
A. Tangible assets						
Opening balance	8,399		8,388		3,176	
Add: Expenditure during the period	16,988		11,828		12,425	
Less: Capitalisation during the period	16,551	8,836	11,817	8,399	7,213	8,388
B. Intangible assets under development						
Opening balance	-					
Add: Expenditure during the period	489		1,542		546	
Less: Capitalisation/adjustments during the period	489		1,542		546	
2. Funded by Indian Navy						
Submarine facilities upgradation project						
Opening balance	139		1,455		13,784	
Add: Expenditure/adjustments during the period	16		413		1,656	
Less: Capitalisation/adjustments during the period	114	41	1,729	139	13,985	1,455
		8,877		8,538		9,843



MAZAGON DOCK SHIPBUILDERS LIMITED**4 Non-current investments**

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)	1st April, 2017
Investments in equity instruments (At cost, unquoted) In associate Equity shares of Goa Shipyard Limited 5,49,57,600 Equity shares of ₹ 5 each fully paid up (in Previous year - 5,49,57,600 Equity shares of ₹ 5 each fully paid up)	600	600	600
	600	600	600



MAZAGON DOCK SHIPBUILDERS LIMITED

5 Trade receivables - non-current

₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
(Unsecured, considered good)						
Deferred debts		1,969		1,984		1,996
Less: Amount receivable within 12 months		391		391		391
		1,578		1,593		1,605

6 Loans - non-current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
(Unsecured, considered good)						
Security deposits:						
Security deposits with Mumbai Port Trust		343		324		308
Other deposits		323		570		561
		666		894		869

7 Other financial assets - non-current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Fixed deposits with bank with maturity over 12 months (The above deposits are under lien with Mumbai Port Trust)		340		340		340
Leave encashment fund		14,012		-		-
		14,352		340		340

Note - MDL has created leave encashment fund from FY 2018-19 for discharging liability towards leave encashment of permanent employees.

8 Deferred tax assets (net)

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Deferred tax assets / (liabilities)						
Deferred tax assets						
Provisions	68,585		65,136		58,540	
Others	-	68,585	-	65,136	2,888	61,428
Deferred tax liabilities						
Service tax	(1,457)		(1,456)		(1,442)	
Depreciation	(9,664)		(9,242)		(8,715)	
Others	-	(11,121)	-	(10,698)	(1,389)	(11,546)
Deferred tax assets (net)		57,464		54,438		49,882

9 Other non-current assets

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Capital advances		106		685		671
Deposits with custom and excise authorities		24		24		24
Other receivables - considered good	9		19		4	
Other receivables - considered doubtful	2,791		2,795		2,946	
Less: Allowance for doubtful receivables	2,791	9	2,795	19	2,946	4
Advances paid to vendors - considered doubtful	62		62		2	
Less: Allowance for doubtful advances	62		62		2	
VAT / sales tax receivable		12,504		11,574		12,574
GST input tax credit						
Services	21,857		7,439		-	
Materials	15,085	36,942	11,671	19,110	-	-
Export incentive receivable						
Considered good	193		371		371	
Considered doubtful	107		107		107	
Less: Allowance for doubtful receivables	300		478		478	
Prepaid expenses	107	193	107	371	107	371
Prepaid lease rent	4,504		4,633		494	
Less: amortisation / unwinding of prepaid rentals	15		15		15	
Less: current	78	4,411	66	4,552	66	413
Others		62		105		144
		54,251		36,440		14,201



10 Inventories

₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Raw materials						
Material in stores	15,245		16,791		17,164	
Less: Provision for obsolescence	111	15,134	81	16,710	89	17,075
Stores and spares						
Material in stores	2,051		1,745		1,878	
Less: Provision for obsolescence	107	1,944	111	1,634	73	1,805
Equipment for specific projects						
Material in stores/site	3,57,945		3,29,527		3,63,802	
Less: Provision for obsolescence			155		181	
Stock in transit	3,57,945		3,29,372		3,63,621	
Materials pending inspection	2,217		9,475		19,717	
Scrap	1,714	3,61,876	21,317	3,60,164	539	3,83,877
		76		89		108
		3,79,030		3,78,597		4,02,865

Note:

- (i) Inventory costing ₹ 2383 lakhs (Previous year: 89 lakhs) is held with other vendors.
(ii) Inventory costing ₹ 576 lakhs (Previous year: Rs. 576 lakhs) is held at customer's store.

11 Trade receivables - current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
(Unsecured)						
Against sale and repair of ships and submarines						
Considered good	1,35,652		1,00,768		74,696	
Considered doubtful	18,031		16,299		18,616	
	1,53,683		1,17,067		93,312	
Less: Loss allowance	18,031	1,35,652	16,299	1,00,768	18,616	74,696
Against B&D Spares						
Considered good	11,479		10,115		6,177	
Considered doubtful	758		758		3,226	
	12,237		10,873		9,403	
Less: Loss allowance	758	11,479	758	10,115	3,226	6,177
		1,47,131		1,10,883		80,873

Breakup of Trade receivables

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Trade receivables considered good - secured		-		-		-
Trade receivables considered good - unsecured		1,47,131		1,10,883		80,873
Trade receivables considered doubtful - secured		-		-		-
Trade receivables considered doubtful - unsecured		18,789		17,057		21,842
Trade receivables which have significant increase in credit risk		-		-		-
Trade receivables - credit impaired		-		-		-
Total		1,65,920		1,27,940		1,02,715
Loss allowance		18,789		17,057		21,842
Total trade receivables (current)		1,47,131		1,10,883		80,873

12 Cash and cash equivalents

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Cash and cash equivalents						
Balances with banks:-						
- In current accounts						
i. In India	3,205		164		61	
ii. Outside India	71	3,276	97	261	79	140
- In cash credit accounts		2				
- In flexi deposit accounts		69,690		37,095		14,148
		72,968		37,356		14,288

13 Bank balance other than cash and cash equivalents

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
In fixed deposit accounts - more than 3 months but not more than 12 months maturity		6,74,000		6,81,600		8,22,000
		6,74,000		6,81,600		8,22,000



MAZAGON DOCK SHIPBUILDERS LIMITED

14 Loans - current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
(Unsecured, considered good)						
Employee related		385		91		102
Others		44				
		429		91		102

15 Other financial assets - current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Insurance claims receivable		606		510		
Interest accrued on deposits and advances		18,935		10,487		14,714
Other receivables		2,589		57		53
		22,130		11,054		14,767

16 Other current assets

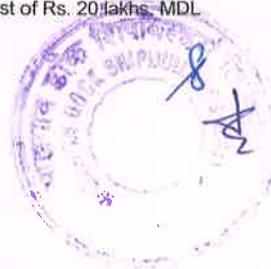
₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
(Unsecured, considered good, unless otherwise specified)						
Advances						
Advances paid to vendors		4,19,342		4,09,028		2,96,359
Travel advance to employees		12		34		46
Others		25		177		15
Prepaid expenses						
Prepaid lease rentals		78		66		66
Others		2,208		1,296		930
		4,21,665		4,10,601		2,97,416

Lease agreements have not been executed in the cases of:-

1. Certain Land at Mumbai taken from Mumbai Port Trust (MbPT) Mumbai. However MDL continues to occupy the land and is paying rent according to the terms and conditions of the contract. The lease period is assumed to be 29 years from the date of expiry of the leases.

2. The company is in possession of approx. 10 acre land belonging to CIDCO which ONGC ceded to MDL is or about the year 1984 for the cost of Rs. 20 lakhs. MDL is having permanently tenancy rights to co-terminate with the leasehold right of ONGC with the CIDCO land in their possession.

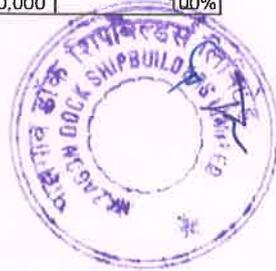


17 Share Capital

₹ in lakhs

Particulars	31st March, 2019	As at 31st March, 2018 (Restated)	As at 1st April, 2017
Authorized share capital			
32,37,20,000 (Previous year - 32,37,20,000 equity shares of ₹ 10 each) equity shares of ₹ 10 each	32,372	32,372	32,372
	32,372	32,372	32,372
Issued, subscribed and fully paid-up shares			
22,41,00,000 ((Previous year - 22,41,00,000 equity shares of ₹ 10 each) equity shares of ₹ 10 each.	22,410	22,410	24,900
	22,410	22,410	24,900

Particulars	31st March, 2019		31st March, 2018		1st April, 2017	
	No. of shares	Percentage holding	No. of shares	Percentage holding	No. of shares	Percentage holding
Details of shareholding more than 5% shares in the Company						
Shareholder						
President of India and his nominees	2,24,10,00,000	100%	2,24,10,00,000	100%	2,49,00,000	100%



MAZAGON DOCK SHIPBUILDERS LIMITED

18 Trade payables - non-current

₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Deferred payment liability to a foreign supplier		1,969		1,984		1,996
Less: Amount payable within 12 months		391		391		391
		1,578		1,593		1,605

19 Other financial liabilities - non-current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Security and other deposits		102.00		68.00		14
		102.00		68.00		14

20 Other long-term liabilities

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Funds received from customer for infrastructure projects	90,511		89,497		86,725	
Add: Received during the period	544		1,014		3,786	
Less: Transferred to fixed assets for capitalisation	72,352		72,352		72,352	
Less: Amortisation of deferred revenue	2,935	15,768	2,199	15,960	1,466	16,693
Deferred deposits		16		14	4	1
		15,784		15,974		16,694



MAZAGON DOCK SHIPBUILDERS LIMITED

21 Provisions - non-current

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)	1st April, 2017
Employee benefits			
Post retirement benefit schemes			
Medical	5,810	7,153	6,531
Gift card	617	79	73
Leave salary encashment	10,272	10,538	11,707
Welfare expenses	399	346	378
Other provisions			
Provision for liquidated damages	1,07,825	1,04,236	1,02,415
Others	263	108	108
	1,25,186	1,22,460	1,21,212



MAZAGON DOCK SHIPBUILDERS LIMITED

22 Trade payables - current

₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Other vendors		2,89,466		2,37,374		90,927
Deferred payment liability to a foreign supplier		391		391		391
		2,89,857		2,37,765		91,318

23 Others financial liabilities - current

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Retention money payable		668		495		606
Liquidated damages payable		4,090		1,690		8,886
Interest payable on advances received from customer		2,646		814		1,051
Employee related		10,593		22,034		6,404
Others		5,047		50		60
Security and other deposits		626		704		464
		23,670		25,787		17,471

24 Other current liabilities

Particulars	31st March, 2019		31st March, 2018 (Restated)		1st April, 2017	
Statutory dues		2,192		978		2,511
Deferred deposits		14		10		1
		2,206		988		2,512



MAZAGON DOCK SHIPBUILDERS LIMITED

25 Provisions - current

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)	1st April, 2017
Employee benefits			
Post retirement benefit			
Medical	362	293	268
Gift card	80	9	22
Leave salary encashment	4,215	4,514	3,781
Gratuity	2,609	3,762	2,307
Welfare expenses	97	152	134
Other provisions			
Guarantee repairs	2,028	2,855	1,225
Custom duty	426	426	426
	9,817	12,011	8,163.



MAZAGON DOCK SHIPBUILDERS LIMITED**26 Revenue from operations**

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)
Contract revenue		
Ship construction	3,99,095	4,38,584
Sale of goods		
Sale of base and depot spares	65,194	9,915
Other operating revenue		
Sale of scrap and stores	626	299
Changes in inventory of scrap		
	4,64,915	4,48,798

Contract Revenue Recognition with Respect to Projects / Vessels in WIP:

Particulars	31st March, 2019	31st March, 2018 (Restated)
The amount of contract revenue recognised as revenue for the period	3,99,095	4,38,584
Aggregate amount of cost incurred and recognised profits (less recognised losses, if any)	21,29,368	17,39,087
The amount of advances received (gross)	34,18,320	29,85,857
The amount of retentions by customers	34,623	52,044

Note -

1. The company has adopted Ind AS 115 from 1st April, 2018 with modified retrospective approach. However, adoption of Ind AS 115 has no effect on profitability and turnover of the company except that from FY 2018-19 onwards, company as principal has recognised revenue for supply of base and depot spares at the time of satisfactory completion of delivery as against recognition of only service charges as revenue in previous years as agent. This has resulted in increase in total revenue by Rs. 60865 lakhs (Previous Year - Rs. 9172) lakhs in FY 2018-19. This change has not impacted the profitability of any of the year.

2. The Company is engaged in the production of defence equipment and was exempted from 'Segment Reporting' vide notification S.O. 802(E) dtd. 23rd February, 2018 by amending notification no G.S.R. 463(E) dated 5th June, 2015. In view of the above, no disclosure is made separately by the Company on operating segments under Ind AS 115.



MAZAGON DOCK SHIPBUILDERS LIMITED

27 Other Income

₹ in lakhs

Particulars	31st March, 2019		31st March, 2018 (Restated)	
Interest from				
Deposits with banks	55,118		48,912	
Less: Interest liability to customer on advances	2,646		814	
	52,472		48,098	
On income tax refund	1,410	54,115	-	48,271
Other interest	233	4,700	173	4,671
Dividend from Goa Shipyard Ltd.		2,196		5,674
Liabilities / provisions no longer required written back		108		-
Insurance claims				
Liquidated damages recovered				
Capital		73		185
Others		302		31
Miscellaneous income / recoveries		1,399		419
Amortisation gain on deferred deposits of vendors		13		7
Amortisation of deferred revenue (customer funded assets)		737		733
Interest Income on deferred payment liability to foreign supplier		377		379
Interest Income on deferred deposit with MbPT		18		16
		64,038		60,386



MAZAGON DOCK SHIPBUILDERS LIMITED
28 Cost of materials consumed

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)
Opening stock		
Raw materials, stores and spares	18,534	19,042
Equipment for specific projects	3,29,527	3,63,802
Stock-in-transit and materials pending inspection	30,792	20,256
	3,78,854	4,03,100
Add: Purchases	2,58,438	2,46,978
	6,37,292	6,50,078
Less: Closing stock		
Raw materials, stores and spares	17,296	18,536
Equipment for specific projects	3,57,945	3,29,527
Stock-in-transit and materials pending inspection	3,930	30,792
	2,58,121	2,71,223
Less: Reduction in Value-included in Other Expenses		
Less: Provision for obsolete stock	26	30
Less: Stores and spares consumption included in repairs and maintenance	1	2
Less: Stores and spares consumption included in other expenses	2,382	1,903
	2,55,712	2,69,288

29 Employee benefit expenses

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)
Salaries, wages, allowances and bonus	51,550	70,335
Pension	1,939	1,575
Contribution to provident fund	4,876	4,172
Contribution to employees state insurance scheme	381	623
Workmen and staff welfare expenses	4,590	5,858
Gratuity	2,355	2,593
Encashment of privilege leave	3,256	3,406
	68,947	88,562

30 Finance cost

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)
Interest cost on deferred deposits of vendors	12	6
Interest cost on deferred payment liability to foreign supplier	377	379
Others	21	-
	410	385



MAZAGON DOCK SHIPBUILDERS LIMITED

31 Other expenses - Projects related

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)
Technician fees and other expenses	2,528	1,559
Service tax expenses	-	1,314
Technical know-how expenses (net of reversals)	-	(98)
Advising team fees and other expenses	1,733	3,817
Facility hire	1,482	748
Rent	84	70
Bank charges and guarantee commission	(11)	235
Travelling expenses	72	158
Sea trial, launching and commissioning expenses	31	28
Legal, professional and consultant fees	862	1,920
Training expenses	1,043	4,637
Miscellaneous expenses	267	735
	8,091	15,123



MAZAGON DOCK SHIPBUILDERS LIMITED
32 Other expenses

₹ in lakhs

Particulars	31st March, 2019	31st March, 2018 (Restated)
Repairs and maintenance:		
Buildings	1,871	267
Plant and machinery	1,915	1,964
Steam launches and boats, motor cars, lorries, etc.	1,008	834
Less: Work done internally and other expenditure which has been included in other heads of expenses	(2,399)	(2,495)
	2,395	570
Facility hire	600	742
Water expenses	235	182
Rent	820	786
Insurance	379	384
Rates and taxes	857	753
Bank charges and guarantee commission	17	15
Printing and stationery	76	103
Travelling expenses	610	596
Business promotion expenses	557	874
Sea trial, launching and commissioning expenses	5	15
Corporate membership expenses	32	23
Changes in inventory of scrap	13	19
Foreign exchange variation (net)	7	20
Miscellaneous expenses	4,242	1,065
Audit fees	8	8
Lease charges	34	33
Legal, professional and consultant fees	408	244
Books and periodicals	66	83
Postage, telegrams and phones	113	159
Training expenses	143	249
CISF and security board expenses	2,725	2,338
Directors fees and expenses	9	8
Provision for obsolete stock	26	30
Consumption of stores and spares etc.	2,382	1,903
Other interest	45	44
Amortisation / unwinding of prepaid rentals	15	15
Corporate social responsibility expenses	2,347	2,426
Sale / scrapping of fixed assets (net)	18	19
	19,184	13,706

Foreign Exchange gain for period ended 31st March 2019 is ₹ 2569 lakhs and foreign exchange gain for previous year is ₹ 1146 lakhs on raw materials and project specific equipments has been considered in cost of material consumed.

Expenditure on Research and Development and allied expenses aggregating to ₹ 8540 lakhs (Previous year - ₹ 7511 lakhs) is reflected under respective various heads in the above note.

33 Provisions

Particulars	31st March, 2019	31st March, 2018 (Restated)
Liquidated damages	3,589	1,821
Doubtful debts / receivable	3,889	291
Guarantee repairs	-	1,630
Others	-	1
	7,478	3,743



MAZAGON DOCK SHIPBUILDERS LIMITED

34 Business Segment Reporting

a) The Company is engaged in the production of defence equipment and was exempted from 'Segment Reporting' vide notification S.O. 802(E) dtd. 23rd February, 2018 by amending notification no G.S.R. 463(E) dated 5th June, 2015. In view of the above, no disclosure is made separately by the Company on operating segments under Ind AS 108.

b) For management purposes, the Company is organized into two major segments – Shipbuilding (New Construction and Ship Repairs) and Submarine.

c) There are no geographical segments within the business segments.

35 Contingent Liabilities and Commitments:

(₹ in lakhs)

Sr no.	Particulars	31st March 2019	31st March 2018
35.1	Amounts for which Company may be contingently liable:		
(i)	Estimated amount of contracts remaining to be executed on capital account.	7,847	6,059
(ii)	b) Estimated amount of liquidated damages on contracts under execution.	1,10,045	9,718
(iii)	Position of non-fund based limits utilized for:		
	(a) Letters of credit	76,899	89,283
	(b) Guarantees and counter guarantees	1,883	843
(iv)	Indemnity Bonds issued by the Company to customers for various contracts.	50,76,633	50,60,410
(v)	Bonus to eligible employees as per Payment of Bonus Act for the year 2014-15.	467	467

35.2 Claims against the Company pending under litigation not acknowledged as debts in respect of claims made by:

(₹ in lakhs)

Sr no.	Particulars	31st March 2019	31st March 2018
(i)	Suppliers and sub-contractors	498	602
(ii)	Others	5,832	4,297
(iii)	Interest on (i) and (ii) above	12,948	12,457
		19,277	17,356

35.3 Amounts paid / payable by Company and reimbursable by Customers in the matters under dispute pending at various Assessment / Appellate Authorities relating to:

(₹ in lakhs)

Sr no.	Particulars	31st March 2019	31st March 2018
(i)	Sales Tax *	1,15,150	1,15,231
(ii)	Excise Duty		
	(a) On Vendors	190	184
	(b) On MDL	29	28
		219	212
		1,15,369	1,15,443

* Against the above claim, part payments of ₹ 676 lakhs (Previous year - ₹ 614 lakhs) have been made under protest.

The Excise authorities have passed an order dated 31.05.2013 resulting in demand for ₹ 197 lakhs inclusive of interest and penalty (Previous year - ₹ 192 lakhs) in respect of BBLRP Project Job Work carried out at Nhava Yard, for the removals during the period March 2007-March 2008. The Company has filed an appeal at CESTAT against the order of the Commissioner. The final hearing is in progress.

35.4 Appeals against disputed tax demands pending before Adjudicating / Appellate Authorities not provided for in matters relating to:

(₹ in lakhs)

Sr no.	Particulars	31st March 2019	31st March 2018
(i)	Excise Duty	15	15
(ii)	Service Tax* (including interest and penalties)	7,067	6,972
(iii)	Income Tax	-	5,148
		7,082	12,135

* Includes ₹ 2928 Lakhs (Previous year - ₹ 2928 lakhs) towards Show Cause Notices issued by the Service Tax Department for the years from 2005-06 to 2012-13.



MAZAGON DOCK SHIPBUILDERS LIMITED

35.5 Appeals pending against disputed demands pending before Adjudicating / Appellate authorities

Particulars	31st March 2019	31st March 2018
Custom Duty	8	28

36.1 Letters seeking confirmation of balances in the accounts of sundry creditors were sent to vendors. On the basis of replies received from certain vendors, adjustments wherever necessary have been made in the accounts.

36.2 Balances due to / from Indian Navy included in current assets / current liabilities are subject to reconciliation and confirmation. Consequent adjustments thereof, if any, will be given effect to in the books of account in the year of completion of the reconciliation process.

36.3 Balances due to / from Indian Navy included in current assets / current liabilities are subject to reconciliation and confirmation. Consequent adjustments thereof, if any, will be given effect to in the books of account in the year of completion of the reconciliation process.

37 Normal Operating Cycle

1. The classification of current and non-current balances of assets and liabilities are made in accordance with the normal operating cycle defined as follows -

The Normal Operating Cycle in respect of different business activities is defined as under-

a) In case of ship / submarine building and ship/submarine repair and refit activities, normal operating cycle is considered as the time period from the effective date of the Contract/Letter of Intent (LOI) to the date of expiry of guarantee period.

b) In case of other business activities, normal operating cycle will be the time period from the effective date of the contract/order to the date of expiry of guarantee period.



38 Employee Benefits

38.1 Various benefits provided to employees are classified as under:-

(₹ in Lakhs)

(I) Defined Contribution Plans	31st March, 2019	31st March, 2018
(a) Provident Fund		
(b) State Defined Contribution Plans		
(i) Employers' Contribution to Employees' State Insurance		
(ii) Employers' Contribution to Employees' Pension Scheme, 1995.		
(iii) Employers' Contribution to Employees' Deposit Linked Insurance Scheme.		
During the year, the Company has recognized the following amounts in the Profit and Loss Account:-		
1. Employers' Contribution to Provident Fund	4,742	4,135
2. Employers' Contribution to Employees' State Insurance	381	623
3. Employers' Contribution to EPS (Employees' Pension Scheme)	1,939	1,575
4. Employers' Contribution to Employees' Deposit Linked Insurance Scheme	134	37

Retirement benefits in the form of Provident Fund and Pension are defined contribution schemes and the contribution is charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective funds.

(II) Defined Benefit Plans

Contribution to Gratuity Fund (Funded Scheme)	31st March, 2019	31st March, 2018
Actuarial valuation was performed by an insurer in respect of the aforesaid Defined Benefit Plans based on the following assumptions:-		
1 Discount Rate (per annum)	7.50%	7.50%
2 Rate of increase in compensation levels	7.00%	7.00%

Gratuity liability is a defined benefit obligation and is provided for, on the basis of an actuarial valuation on projected net credit method made at the end of each financial year. The Gratuity Fund is invested in a Group Gratuity-cum-Life Assurance cash accumulation policy by an insurer. The investment return earned on the policy comprises interest declared by an insurer having regard to its investment earnings. It is known that insurer's overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government Bonds. Historically too, the returns declared by an insurer on such policies have been higher than Government Bond yields.

Particulars	31st March, 2019	31st March, 2018
Opening Balance	25,999	21,058
Add : Credit from Company	5,000	6,627
Less : Amount paid towards claims	(5,035)	(3,244)
Add : Interest credited	1,821	1,557
Closing Balance	27,785	25,999
Present value of past service benefit	28,716	28,072

The actuarial liability excludes the fixed term employees, for which separate provision exists.



MAZAGON DOCK SHIPBUILDERS LIMITED
38.2 Actuarial valuation of liability towards Gratuity
Defined Benefit Plans Gratuity - as per actuarial valuation

The Ind AS-19 stipulates that the rate used to discount post-employment benefit obligation (both funded & non-funded) shall be determined by reference to market yields at the end of reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligation.

In the computation of gratuity liability, Projected Unit Credit Method is used.

Particulars	(₹ in Lakhs)	
	31st March, 2019	31st March, 2018
i) Assumptions		
a) Discount Rate	7.50%	7.50%
b) Salary Escalation	7.00%	7.00%
c) Actual Rate of Return = Estimated Rate of Return as ARD falls on 31st March	7.00%	8.20%
d) Expected average remaining working lives of employees (years)	14	14
ii) Table showing changes in present value of obligations		
Present value of obligations as at beginning of year	28,072	22,366
Interest cost	2,105	1,622
Current service cost	1,349	1,284
Benefits paid	(5,035)	(3,244)
Actuarial (gain) / loss on obligations	2,224	6,044
Present value of obligations as at end of year	28,716	28,072
iii) Table showing changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	25,999	21,058
Expected return on plan assets	1,821	1,557
Contributions	5,000	6,627
Benefits paid	(5,035)	(3,244)
Actuarial (gain) / loss on plan assets	-	-
Fair value of plan assets at the end of year	27,785	25,999
iv) Table showing fair value of plan assets		
Fair value of plan assets at beginning of year	25,999	21,058
Actual return on plan assets	1,821	1,557
Contributions	5,000	6,627
Benefits paid	(5,035)	(3,244)
Fair value of plan assets at the end of year	27,785	25,999
Funded status	(931)	(2,073)
Excess of Actual over estimated return on plan assets	-	-
v) Actuarial gain / loss recognized		
Actuarial (gain) / loss for the year - obligation	2,224	6,044
Actuarial (gain) / loss for the year - plan assets	-	-
Total (gain) / loss for the year	2,224	6,044
Actuarial (gain) / loss recognised in the year	2,224	6,044
Un-recognised actuarial (gains) / losses at the end of year	-	-
vi) The amounts to be recognized in the balance sheet		
Present value of obligations as at the end of year	28,716	28,072
Fair value of plan assets as at the end of the year	27,785	25,999
Funded status	(931)	(2,073)
Net Asset / (Liability) recognized in balance sheet	(931)	(2,073)
vii) Expenses recognized in statement of Profit and Loss		
Current service cost	1,349	1,284
Interest cost	156	95
Expenses recognized in statement of profit and loss	1,505	1,379
viii) Expenses recognized in Other Comprehensive Income		
Actuarial (gain) / loss recognised in the year	2,224	6,044
ix) Current/Non-current Liability		
Current Liability	9,344	8,305
Non-current Liability	19,372	19,494
Present Value of the Defined Gratuity Benefit Obligation	28,716	27,799

Sensitivity of Gratuity Benefit Liability to key Assumptions

Key assumptions for determination of the Defined Benefit Obligation are Discount Rate (i.e Interest Rate) and Salary Growth rate

Impact on Defined Benefit Obligation

Particulars	(₹ in Lakhs)			
	31st March, 2019		31st March, 2018	
	Increase	Decrease	Increase	Decrease
Discount Rate varied by 0.5% (other assumptions remaining unchanged)				
if Discount rate is decreased to 7% (Previous year - 7.50%)	570		554	
	1.99%		1.97%	
if Discount rate is increased to 8.00% (Previous year - 8.50%)		538		1,052
		1.87%		3.75%
Salary Growth Rate varied by 0.5% (other assumptions remaining unchanged)				
if Discount rate is increased to 7.50% (Previous year - 7.50%)	385		421	
	1.34%		1.50%	
if Discount rate is decreased to 6.50% (Previous year - 6.50%)		367		932
		1.28%		3.32%



38.3 Actuarial valuation of liability towards Leave Encashment

Defined Benefit Plan Leave Encashment as per Actuarial Valuation on 31st March, 2019

The Ind AS-19 stipulates that the rate used to discount post-employment benefit obligation (both funded & non-funded) shall be determined by reference to market yields at the end of reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligation.

In the computation of leave encashment benefit liability, Projected Unit Credit Method is used.

		(₹ in Lakhs)	
		31st March, 2019	31st March, 2018
i)	Assumptions		
	Discount rate	7.50%	7.50%
	Rate of increase in compensation levels	7.00%	7.00%
	Expected average remaining working lives of employees (years)	14	14
ii)	Table showing changes in present value of obligations		
	Present value of obligation as at the beginning of the year	13,937	14,699
	Acquisition adjustment	-	-
	Interest cost	1,045	1,066
	Current service cost	102	884
	Curtailment cost / (credit)	-	-
	Settlement cost / (credit)	-	-
	Benefits paid	(2,790)	(1,667)
	Actuarial (gain) / loss on obligations	1,744	(1,046)
	Present value of obligation as at the end of the year	14,039	13,937
iii)	Table showing changes in the fair value of plan assets		
	Fair value of plan assets at the beginning of the year	-	-
	Acquisition adjustments	-	-
	Expected return on plan assets	10	-
	Contributions	14,002	-
	Benefits paid	-	-
	Actuarial gain / (loss) on plan assets	-	-
	Fair value of plan assets at the end of the year	14,012	-
iv)	Tables showing fair value of plan assets		
	Fair value of plan asset at the beginning of the year	-	-
	Acquisition adjustments	-	-
	Actual return on plan assets	-	-
	Contributions / (withdrawals)	-	-
	Benefits paid	-	-
	Fair value of plan asset at the end of the year	14,012	-
	Funded status	(27)	(13,937)
	Excess of actual over estimated return on plan assets	-	-
v)	Actuarial gain / loss recognized		
	Actuarial (gain) / loss for the year - obligation	1,744	(1,046)
	Actuarial (gain) / loss for the year - plan assets	-	-
	Total (gain) / loss for the year	1,744	(1,046)
	Actuarial (gain) / loss recognised in the year	1,744	(1,046)
	Un-recognised actuarial (gains) / losses at the end of year	-	-
vi)	The amounts to be recognized in the balance sheet		
	Present value of obligation as at the end of the year	14,039	13,937
	Fair value of plan assets as at end of the year	14,012	-
	Funded status	(27)	(13,937)
	Unrecognized actuarial (gains) / losses	-	-
	Net asset / (liability) recognized in balance sheet	(27)	(13,937)
vii)	Expenses recognized in statement of profit and loss		
	Current service cost	102	884
	Interest cost	1,045	1,066
	Actuarial (gain) / loss recognised in the year	1,744	(1,046)
	Expenses recognized in the statement of profit and loss	2,892	904
viii)	Expenses recognized in Other Comprehensive Income		
	Actuarial (gain) / loss recognised in the year	1,744	(1,046)
ix)	Current/Non-current Liability		
	Current Liability	3,766	3,399
	Non-current Liability	10,272	10,537
	Present Value of the Defined Leave Encashment Benefit Obligation	14,039	13,937



Sensitivity of Leave Encashment Benefit Liability to key Assumptions

Key assumptions for determination of the Defined Benefit Obligation are Discount Rate (i.e Interest Rate) and Salary Growth rate

Impact on Defined Benefit Obligation

Particulars	31st March, 2019		31st March, 2018	
	Increase	Decrease	Increase	Decrease
Discount Rate varied by 0.5% (other assumptions remaining unchanged)				
if Discount rate is decreased to 7.00% (Previous year - 7.50%)	411 2.93%		403 2.89%	
if Discount rate is increased to 8.50% (Previous year - 8.00%)		383 2.73%		376 2.70%
Salary Growth Rate varied by 0.5% (other assumptions remaining unchanged)				
if Discount rate is increased to 7.50% (Previous year - 7.50%)	411 2.93%		403 2.89%	
if Discount rate is decreased to 6.50% (Previous year - 6.50%)		386 2.75%		379 2.72%

39 PROVISIONS MADE, UTILISED, WRITTEN BACK :		(₹ in Lakhs)	
		31st March, 2019	31st March, 2018
a) Provision for Custom Duty Demand:			
Opening Balance		426	426
Additions		-	-
Utilised/Adjusted		-	-
Closing Balance		426	426
b) Provision for Liquidated Damages:			
Opening Balance		1,04,236	1,02,415
Additions		3,589	1,864
Utilised/Adjusted		-	43
Closing Balance		1,07,825	1,04,236
c) Provision for Guarantee Repairs:			
Opening Balance		2,856	1,226
Additions		-	2,830
Utilised/Adjusted		798	1,200
Closing Balance		2,058	2,856
d) Other Provisions:			
Opening Balance		107	107
Additions		-	-
Utilised/Adjusted		-	-
Closing Balance		107	107

40 Details of dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as on 31st March, 2019 based on available information with the Company are as under:

Particulars	(₹ in Lakhs)	
	31st March, 2019	31st March, 2018
Principal amount due and remaining unpaid	160	147
Interest due on above and the unpaid interest	7	12
Interest paid	-	-
Payment made beyond the appointed day during the year	2,310	1,318
Interest accrued and remaining unpaid on above	103	35
Amount of further interest remaining due and payable in succeeding years	-	-

41 Miscellaneous Expenses include:		(₹ in Lakhs)	
		31st March, 2019	31st March, 2018
Remuneration to the Statutory Auditors			
i) Audit fees		8	8
ii) Out of pocket expenses		-	-
iii) Tax audit fees		1	1
		9	9



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- 42 The Company has entered into Joint Venture with Reliance Defence and Engineering Limited and formed a Joint Venture company "Mazagon Dock Pipavav Defence Pvt. Ltd." incorporated in Mumbai, India during FY 2012-13. The Company's share in equity share capital of joint venture is 50%. Though company has subscribed 1,00,000 equity shares of ₹ 10 each, the same has not been paid. During FY 2017-18 both JV partners have passed resolution in their respective Board to wind up the Joint Venture. The company has filed application with the Registrar of Company, Mumbai for striking off a Joint Venture company Mazagon Dock Pipavav Defence Pvt. Ltd on 24th November 2018 which is under process for closure.
- 43 **Russian (USSR) deferred State Credit**
An intergovernmental agreement between Russian Federation and Government of India was reached for reconstructing of Russian Deferred State Credit in Rouble in connection with procurement of equipment for certain ships built and delivered by the company to India Navy in earlier years. The deferred payment liability (non-interest bearing) of ₹ 9628 Lakhs, payable over 45 years from 1992-93, in equal annual installments of ₹ 214 Lakhs was converted from Rouble to units of Special Drawing Rights (SDR) and stated in Rupees. The amount payable within a year of ₹ 391 lakhs (Previous year - ₹ 391 lakhs) includes yearly installment of ₹214 (Previous year - ₹ 214 lakhs) and ₹ 177 lakhs (Previous year - ₹ 177 lakhs) towards exchange variation fluctuation. The balance loan amount has been reinstated at the present rate of SDR announced by RBI as on 31st March 2019 which is ₹ 91.0858 for 1 SDR. These payments are reimbursable by Indian Navy. Accordingly, ₹ 7043 lakhs (amortised costs of ₹ 1970 lakhs) held at foreign supplier deferred credit as on 31st March 2019.
- 44 Department of Public Enterprise (DPE) had issued a guideline for creation and contribution to a corpus fund to the extent of not more than 1.5% of profit before tax to cater to the medical and other emergency needs of employees retired prior to 1st January, 2007. No provision has, however, been made in the Accounts as the related DPE guideline is subject to directive / guideline from the concerned Administrative Ministry, i.e. Ministry of Defence (MoD) and no guideline / directive for mechanism and operation of the scheme has been received from MoD.
- 45 Pursuant to notification S.O. 2437(E) dated 4th September, 2015, the Board has approved the non disclosure following information on the exemption granted under section 129 of the Companies Act, 2013 and hence the same has not been disclosed in the financial statements.

- i) Goods purchased under broad heads
- ii) Value of import on CIF basis
- iii) Expenditure on foreign currency
- iv) Total value of imported raw material
- v) Earning in foreign currency



46 Related Party Disclosure

a) Name of related party and description of relationships

i) The Company is controlled by President of India having ownership interest of 100%

ii) Goa Shipyard Limited Associate company

iii) Key Managerial Personnel		
Cmde Rakesh Anand (Retd)	(From 01.01.2017)	Chairman and Managing Director
Capt Rajiv Lath (Retd)		Director (Submarine & Heavy Engineering)
Cmde T V Thomas	(From 02.11.2017)	Director (Corporate Planning & Personnel)
Shri Sanjiv Sharma		Director (Finance)
RAdm A K Saxena (Retd)	(From 21.03.2018)	Director (Ship Building)

b) Transactions with Related Parties

The total amount of transactions that have been entered with related parties for the relevant financial year is as given below:

Particulars	Year ended	Sales to related parties	Dividend Received	Rent from related parties	(₹ in Lakhs)
					Amounts receivable / (payable) by related parties
Associate:					
Goa Shipyard Ltd.	31st March, 2019	-	4,700	8	4
	31st March, 2019				(13)
	31st March, 2018	-	4,671	7	3
	31st March, 2018				-
Other Related Party:					
Indian Navy	31st March, 2019	4,64,289	-	-	1,65,920
	31st March, 2018	4,40,660	-	-	1,43,606

Remuneration to Key Managerial Personnel*	(₹ in Lakhs)	
	31st March, 2019	31st March, 2018
Cmde Rakesh Anand (Retd)	59	57
Capt Rajiv Lath (Retd)	54	55
Shri Sanjiv Sharma	57	41
Cmde T V Thomas	48	24
RAdm A K Saxena (Retd)	47	1

* As per Statement of Profit and Loss Account.

The company has procured spares amounting to Rs. 259 lakhs (excluding tax) from M/s Goa Shipyard limited out of which Rs.13 lakhs (2018-Nil) is outstanding as on 31.03.2019.

Besides the remuneration indicated above, the Chairman and Managing Director and four Functional Directors are allowed to use Company's Car for private purposes upto 1000 kms per month, for which charges were collected at the rates prescribed by Government of India.

c) Transactions with other State Controlled Enterprises are not considered in view of exemption under Ind AS 24 "Related Party Disclosures"



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47 Earnings per share (EPS)

	Particulars	31st March, 2019	31st March, 2018
	Earning Per Share (EPS) - Basic and Diluted		
	Net Profit / (Loss) as per Profit and loss for calculation of basic EPS (₹ in lakhs)	51,940	43,993
A	Net Profit / (Loss) for calculation of basic EPS (₹ in lakhs)	51,940	43,993
	Weighted average number of equity shares for calculating basic EPS	22,41,00,000	2,49,00,000
	Number of equity shares after considering share split (during year ended 31st March, 2018) from FV ₹ 100 to FV ₹ 10 for calculating basic EPS	-	24,90,00,000
	Buyback of shares during FY 2017-18	-	2,49,00,000
B	Weighted average number of equity shares after considering share split (during year ended 31st March, 2018) from FV ₹ 100 to FV ₹ 10 for calculating basic EPS	22,41,00,000	24,07,00,000
C	EPS (₹) - Basic (A/B)	23.18	18.28
D	Restated Net Profit / (Loss) for calculation of diluted EPS (₹ in lakhs)	51,940	43,993
	Weighted average number of equity shares	22,41,00,000	24,07,00,000
	Effect of dilution:	-	-
E	Weighted average number of equity shares for calculating diluted EPS	22,41,00,000	24,07,00,000
F	EPS (₹) - Diluted (D/E)	23.18	18.28



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Note 48

Statement of Income tax expense and accounting

(₹ in Lakhs)

	Particulars	31st March, 2019	31st March, 2018
A	Profit Before Tax as per Statement of Profit & Loss	82,668	69,653
B	Tax at statutory rate (%)	34.944%	34.608%
C	Tax expenses at statutory rate	28,892	24,106
	Prior year tax	543	1,064
		29,435	25,170
	Adjustment for permanent difference		
1	Expenses disallowed/Income allowed	4,868	2,499
2	Income exempt under Income Tax Act	(4,772)	(4,856)
3	Others	(968)	3,700
D	Total Permanent Difference	(872)	1,343
	Adjustment for timing difference		
1	Difference between book depreciation and income tax depreciation	(203)	(1,086)
2	Provision for anticipated losses and gains	4,011	(3,113)
3	Disallowances under Sec 43B	(2,384)	2,532
4	Others	11,819	14,897
E	Total timing difference	13,242	13,230
F	Net Adjustments	12,370	14,573
G=F*B	Tax expenses/(Savings) thereon	4,323	5,043
H	Current Tax (C+G)	33,211	29,149
	Current Tax as per Books	33,211	29,152
I	Short (excess provision for earlier year)	543	1,064
J	Deferred Tax charge /(Credit)	(3,026)	(4,556)
K	Total Tax expenses (H+I+J)	30,728	25,657



49 Fair Value Measurement

Financial Instruments by Category

(₹ in lakhs)

Particulars	31st March 2019			31st March 2018		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Security Deposits	-	-	343	-	-	318
Russian Deferred Debit	-	-	1970	-	-	1,984
Financial Liabilities						
Russian Deferred Credit	-	-	1970	-	-	1,984
Security Deposits	-	-	118	-	-	78

Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of input used in determining fair value, the company has classified the financial instruments in three levels prescribed under the Ind AS.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Financial assets and liabilities measured at amortised cost

(₹ in lakhs)

Particulars	Fair value Hierarchy	31st March 2019		31st March 2018	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets					
Security deposits	Level 3	376	343	376	318
Russian Deferred Debit	Level 3	7043	1970	7435	1984
Financial liabilities					
Russian Deferred Credit	Level 3	7043	1970	7435	1984
Security Deposits	Level 3	149	118	101	78

49.1 Financial risk management

a) Credit Risk

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

i) Trade Receivables and contract asset

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying no credit terms. Outstanding customer receivables are regularly monitored. Trade receivables are primarily from Navy (being department of Govt. of India), hence the credit risk is considered low. Further the Company receives advance against orders which also mitigates the credit risk.

ii) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Management in accordance with the company's investment policy. Investment of surplus funds are made only in accordance with the Department of Public Enterprises(DPE) guidelines on investemnt of surplus funds, with the approved banks and within credit limits assigned to each bank. The limits applicable to single bank and public / private sectors as per the DPE guidelines minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to repay the principal and interest.



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b) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements, if any.

c) Market Risk

i) Foreign currency risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk since it imports components from foreign vendors. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). In most of the Contracts, the gains / losses from forex exchange fluctuations are passed on / borne by the customer of the Company. Therefore, the foreign exchange risk and sensitivity of the Company is Nil.

ii) Foreign Currency Risk Exposure

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), are as follows:

Particulars	(₹ in lakhs)						USD
	CAD	EUR	GBP	NOK	SEK	SGD	
Financial Liabilities							
31st March 2019	2	12,964	17	4	1	-	7,863
31st March 2018	-	5,661	90	73	1	-	15,100

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	(₹ in lakhs)	
	Impact on Profit Before Tax	
	31st March 2019	31st March 2018
CAD Sensitivity*		
INR/CAD increases by 5%	0	(0)
INR/CAD decreases by 5%	(0)	0
EUR Sensitivity*		
INR/EUR increases by 5%	648	283
INR/EUR decreases by 5%	(648)	(283)
GBP Sensitivity*		
INR/GBP increases by 5%	1	4
INR/GBP decreases by 5%	(1)	(4)
NOK Sensitivity*		
INR/NOK increases by 5%	0	4
INR/NOK decreases by 5%	(0)	(4)
SEK Sensitivity*		
INR/SEK increases by 5%	0	0
INR/SEK decreases by 5%	(0)	(0)
SGD Sensitivity*		
INR/SGD increases by 5%	-	-
INR/SGD decreases by 5%	-	-
USD Sensitivity*		
INR/USD increases by 5%	393	755
INR/USD decreases by 5%	(393)	(755)
* Holding all other variables constant		

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are to

- maximise the shareholder value while providing stable capital structure that facilitate considered risk taking and pursuit of business growth
- safeguard the company's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and business opportunities. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.



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51 Expenditure on Corporate Social Responsibilities (CSR) Activities

The various heads under which the CSR expenditure was incurred during the period is detailed as follows:

(₹ in lakhs)

Relevant clause of Schedule VII to the Companies Act, 2013	Description of CSR activities	2018-19	2017-18
Clause (i)	Eradicating hunger, poverty and malnutrition, promoting health care, sanitation and making available safe drinking water.	837	995
Clause (ii)	Promoting education, including special education and employment enhancing vocational skills among the children, women, elderly and the differently abled.	1,121	1,187
Clause (iv)	Ensuring environment sustainability, ecological balance, protection of flora & fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air & water.	34	-
Clause (vi)	Measures for the benefit of armed forces veterans, war widows and their dependents	5	-
Clause (vii)	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	30	-
Clause (ix)	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government	40	-
Clause (x)	Rural development projects;	178	145
Total		2,245	2,327

Particulars	2018-19	2017-18
Amount required to be spent by the Company during the period	1,613	1,674
Amount spent during the period (incl. Administration Expenses)	2,347	2,426



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52 Restatement Adjustments to Audited Ind AS Financial Statements

		(₹ in lakhs)
Sr no.	Particulars	31st March, 2018
A	Net profit as per audited financial statements	43,980
B	Adjustments to net profit as per audited financial statements	
	Restatements	
a.	Due to prior period items	
	Increase/(Decrease) in Income	
	Unaccounted Revenue, now recognized-	
	-Commission on B&D spares	
b.	Material adjustments relating to previous years	
	Increase/(Decrease) in Income	
	Change in Revenue	(1,333)
	(Increase)/Decrease in Expenses	
	Reversal of actuarial gain / (Loss) on leave encashment	
	Reversal of actuarial gain / (Loss) on gratuity	1,309
	Reversal of CSR expenditure	9
	Reversal of Employee benefit expense	32
C	Total adjustments	17
D	Restated profit / (loss) before tax adjustments (A-C)	43,997
E	Tax impact of adjustments	
a.	On restatement adjustments-income/(expense)	(4)
b.	On Ind AS adjustments	-
F	Restated profit / (loss) after tax	43,993



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- 53 During FY 2016-17, the Company delivered ship and recognised liquidated damages of ₹ 4923 lakhs in FY 2016-17. The Company is confident that the additional liquidated damages, which are under discussion with customer will not levy and hence no provision is recognised for the same.
- 54 As on 31st March, 2019, Inventory held on behalf of Navy is ₹ 4074 lakhs (Previous year - ₹ 4096 lakhs)
- 55 As per contract with customer for ships, Material Overheads (MOH) on variable cost components shall be charged to the vessel. However, payment will be made as per supplementary contract which is yet to be signed. Pending signing of the supplementary contract, the Company has recognised MOH of ₹ 2504 lakhs (Previous year ₹ 2088 lakhs) and profit there on of ₹ 189 lakhs (Previous year ₹ 157 lakhs) in the Statement of Profit and Loss.
- 56 In the preparation of these Ind AS Financial Statements, figures for the previous year have been regrouped / reclassified, wherever considered necessary to conform to current year presentation.

As per our report of even date
JCR & Co
Chartered Accountants
Firm Registration No. 105270W



Mitesh Chheda
Partner
Membership No. 160688

Date - 17th June, 2019
Place - Mumbai



For and on behalf of the Board of Directors

Handwritten signature in blue ink, appearing to read 'Rakesh Anand', written over a circular purple stamp.
Cmde. Rakesh Anand, IN (Retd)
Chairman and Managing Director

Handwritten signature in blue ink, appearing to read 'Sanjiv Sharma', written over a circular purple stamp.
Sanjiv Sharma
Director (Finance)

Handwritten signature in blue ink, appearing to read 'Vijayalakshmi Kamal Kumar', written over a circular purple stamp.
Vijayalakshmi Kamal Kumar
Company Secretary