

Reliance Ambit Trade Private Limited

Independent Auditor's Report

To the Members of Reliance Ambit Trade Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Ambit Trade Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

-
2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact on its financial position.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration no. **101720W**)

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 18th April, 2016

“Annexure A” to Independent Auditors’ Report

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

- i) In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the title deeds and other records examined by us, we report that the title deeds in respect of all the immovable properties of lands which are freehold and disclosed as fixed assets in the financial statement are held in the Company’s name or in the Company’s erstwhile name as at the balance sheet date.
- ii) As the Company had no Inventories during the year, clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons. Company has not made any investments or given any loan or any guarantee or security in connection with the loan to any person or body corporate covered under section 186 of the Act. Consequently, the requirement of clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii) In respect of Statutory dues :
 - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , cess on account of any dispute, which have not been deposited.
- viii) The Company has not raised loans from financial institutions or banks or government or by issue of debentures and hence clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

-
- xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with them and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi & Shah
Chartered Accountants
(Firm Registration no. 101720W)

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 18th April, 2016

“Annexure B” to Independent Auditors’ Report

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of **Reliance Ambit Trade Private Limited** (“the company”) as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 ICAI.

For **Chaturvedi & Shah**

Chartered Accountants

(Firm Registration no. 101720W)

Jignesh Mehta

Partner

Membership No.: 102749

Mumbai

Date: 18th April, 2016

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	1 93 30 000	1 93 30 000
Reserves and Surplus	2	464 47 87 236	464 79 55 915
		466 41 17 236	466 72 85 915
Non - Current Liabilities			
Long-Term Borrowings	3	58 20 00 000	51 10 00 000
Other Long Term Liabilities	4	31 09 166	30 69 165
		58 51 09 166	51 40 69 165
Current Liabilities			
Other Current Liabilities	5	87 91 019	2 11 10 699
TOTAL		525 80 17 421	520 24 65 779
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	433 73 82 860	433 73 82 860
Intangible Assets	6	1 62 64 748	1 62 64 748
Capital Work-in-Progress	6	90 00 04 073	84 20 15 666
		525 36 51 681	519 56 63 274
Long-Term Loans and Advances	7	36 03 500	55 79 081
Current Assets			
Cash and Bank Balances	8	3 66 664	8 27 848
Short Term Loans and Advances	9	3 95 576	3 95 576
		7 62 240	12 23 424
TOTAL		525 80 17 421	520 24 65 779

Significant Accounting Policies

Notes on Financial Statements

1 to 18

As per our Report of even date

For Chaturvedi & Shah
Firm Registration No.: 101720W
Chartered Accountants

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated: 18th April, 2016

For and on behalf of the Board

Raman Sheshadri
Director
(DN: 05244442)

Saravanan Viswanathan
Director
(DIN: 05244819)

Dhiren Dalal
Director
(DIN: 01218886)

Gaurav Jain
Director
(DIN: 02697278)

Shivkumar Bhardwaj
Director
(DIN: 00001584)

Statement of Profit and Loss for the year ended 31st March, 2016

	Note	2015-16	Amount in ₹ 2014-15
INCOME:			
Other Income	10	780	-
Total Revenue		780	
EXPENDITURE:			
Finance Cost	11	14 15 034	79 05 616
Other Expenditure	12	17 54 425	4 20 381
Total Expenses		31 69 459	83 25 997
Profit/(Loss) Before Tax		(31 68 679)	(83 25 997)
Less: Tax Expenses			
Current Tax		-	-
Profit/(Loss) After Tax		(31 68 679)	(83 25 997)
Earnings per equity share of face value ₹ 10/- each			
Basic and Diluted (In ₹)	13	(3.17)	(8.33)
Significant Accounting Policies			
Notes on Financial Statements	1 to 18		

As per our Report of even date

For Chaturvedi & Shah

Firm Registration No.: 101720W
Chartered Accountants

Jignesh Mehta

Partner
Membership No. 102749

Mumbai

Dated: 18th April, 2016

For and on behalf of the Board

Raman Sheshadri

Director
(DN: 05244442)

Saravanan Viswanathan

Director
(DIN: 05244819)

Dhiren Dalal

Director
(DIN: 01218886)

Gaurav Jain

Director
(DIN: 02697278)

Shivkumar Bhardwaj

Director
(DIN: 00001584)

Cash Flow Statement for the year 2015-16

	2015-16	Amount in ₹ 2014-15
A CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss)/Profit before tax as per Statement of Profit and Loss	(31 68 679)	(83 25 997)
Adjusted for:		
Finance Cost	14 15 034	79 05 616
	<u>14 15 034</u>	<u>79 05 616</u>
Operating Profit/(Loss) before Working Capital Changes	(17 53 645)	(4 20 381)
Adjusted for:		
Trade and Other Receivables	-	19 284
Trade and Other Payables	(56 48 384)	9 02 863
	<u>(56 48 384)</u>	<u>9 22 147</u>
Cash Generated from/(used in) Operations	(74 02 029)	5 01 766
Tax Paid (net)	-	-
Net Cash from/(used in) Operating Activities	<u>(74 02 029)</u>	<u>5 01 766</u>
B CASHFLOWFROMINVESTINGACTIVITIES		
Purchase of Fixed Assets	(5 60 12 826)	(12 78 61 626)
Movement in Security Deposits	-	(35 93 500)
Net Cash from/(used in) Investing Activities	<u>(5 60 12 826)</u>	<u>(13 14 55 126)</u>
C CASHFLOWFROMFINANCINGACTIVITIES		
Proceeds from Long Term Borrowings	6 59 00 000	13 17 00 000
Proceeds from issue of Debentures	7 39 00 000	19 79 00 000
Repayment of Long Term Borrowings	(6 88 00 000)	(19 64 00 000)
Interest paid	(80 46 329)	(24 07 628)
Net Cash Generated from/(used in) Financing Activities	<u>6 29 53 671</u>	<u>13 07 92 372</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(4 61 184)	(1 60 988)
Opening Balance of Cash and Cash Equivalents	8 27 848	9 88 836
Closing Balance of Cash and Cash Equivalents (Refer Note No. 8)	<u>3 66 664</u>	<u>8 27 848</u>

As per our Report of even date

For Chaturvedi & Shah
Firm Registration No.: 101720W
Chartered Accountants

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated: 18th April, 2016

For and on behalf of the Board

Raman Sheshadri
Director
(DN: 05244442)

Saravanan Viswanathan
Director
(DIN: 05244819)

Dhiren Dalal
Director
(DIN: 01218886)

Gaurav Jain
Director
(DIN: 02697278)

Shivkumar Bhardwaj
Director
(DIN: 00001584)

SIGNIFICANT ACCOUNTING POLICIES

A Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

B Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires judgment, estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

C Fixed Assets

Tangible Assets

Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Intangible Assets are stated at cost of acquisition. Intangible Assets are annually tested for impairment.

Capital Work-in-progress is stated at the amount incurred upto the date of Balance Sheet.

Intangible Assets

Intangible Assets are stated at cost of acquisition. Intangible Assets are annually tested for impairment.

D Depreciation and Amortisation

Depreciation on fixed assets is provided on straight line method at the rates derived in the manner prescribed in Schedule II to the Companies Act, 2013 over their useful life.

E Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operation includes License fees, rental income and service charges which are recognised based on contractual rights, adjusted for service tax. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

F Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. Any income or expense on account of exchange difference on settlement is recognised in the Statement of Profit and Loss.

G Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

H Current Tax and Deferred Tax

Provision for Current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable or virtual certainty that the assets will be realized in future.

I Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes on Financial Statements for the year ended 31st March, 2016

		Amount in ₹	
		As at	As at
		31st March, 2016	31st March, 2015
1. Share Capital			
Authorised Share Capital			
10 00 000 (10 00 000)	Class A Equity Shares of ₹ 10 each	1 00 00 000	1 00 00 000
10 00 000 (10 00 000)	Class B Equity Shares of ₹ 10 each	1 00 00 000	1 00 00 000
10 00 000 (10 00 000)	Non Cumulative Optionally Convertible Preference shares of ₹ 10 each	1 00 00 000	1 00 00 000
TOTAL		3 00 00 000	3 00 00 000
Issued, Subscribed and Paid up:			
10 00 000 (10 00 000)	Class A Equity Shares of ₹10 each fully paid up	1 00 00 000	1 00 00 000
9 33 000 (9 33 000)	10% Non Cumulative Optionally Convertible Preference shares of ₹10 each fully paid up	93 30 000	93 30 000
TOTAL		1 93 30 000	1 93 30 000
1.1 The reconciliation of the number of shares outstanding is set out below:			
Particulars		As at	As at
		31st March, 2016	31st March, 2015
<u>Equity Shares</u>			
Shares outstanding at the beginning of the year		10 00 000	10 00 000
Add: Shares Issued during the year		-	-
Shares outstanding at the end of the year		10 00 000	10 00 000
<u>Preference Shares</u>			
Shares outstanding at the beginning of the year		9 33 000	9 33 000
Add: Shares Issued during the year		-	-
Shares outstanding at the end of the year		9 33 000	9 33 000
1.2 Rights, Preferences and Restrictions attached to shares			
The Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.			
The Preference Shares shall carry a preferential right over the Equity shares of the Company as regards to payment of dividend and repayment of capital, in the event of winding-up of the Company. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.			
1.3	Of the above Class A equity shares 10 00 000 (Previous year 10 00 000) are held by Reliance Commercial Land & Infrastructure Limited the Parent Holding Company.		
	All the above 9 33 000 fully paid Preference Shares (Previous year 9 33 000) are held by Reliance Industries Limited, the Ultimate Holding Company.		

Notes on Financial Statements for the year ended 31st March, 2016

1.4 The details of shareholders holding more than 5% shares:

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
<u>Equity Shares</u>				
Reliance Commercial Land & Infrastructure Limited and its nominees	10 00 000	100	10 00 000	100
<u>Preference Shares</u>				
Reliance Industries Limited	9 33 000	100	9 33 000	100

1.5 The Company (issuer) & Preference-holder will have an option for early conversion at any time after allotment of the Preference Shares by giving one month notice to the Company. The conversion will be based on higher of book value or face value as at March 31, 2015. The equity shares arising out of conversion of the Preference Shares will rank pari passu in all respects with the then outstanding equity shares of the Company on the date of such conversion, except for dividend, which if declared, shall be paid on pro-rata basis from the date of allotment of such Equity Shares. The Company will settle the outstanding Preference Shares on expiry of 20 years.

1.6 Refer Note No. 3 on Option of Unissued share Capital.

2. Reserves and Surplus	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Securities Premium Account		
As per last Balance Sheet	465 56 70 000	465 56 70 000
Surplus		
Profit and Loss Account		
As per last Balance Sheet	(77 14 085)	6 11 912
Add: Transfer from Statement of Profit and Loss	(31 68 679)	(83 25 997)
	(1 08 82 764)	(77 14 085)
TOTAL	464 47 87 236	464 79 55 915

In view of the loss for the year, the company has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 37 54 299 (Previous Year ₹ 45 150) in terms of section 71(4) of the Companies Act, 2013 and Rule 18(7) of the Companies (Share Capital and Debenture) Rules, 2014. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years.

Notes on Financial Statements for the year ended 31st March, 2016

3. Long-Term Borrowings	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Zero Coupon Unsecured Optionally Fully Convertible Debentures of ₹ 10 each.#	57 60 00 000	19 79 00 000
Unsecured Loans and Advances from Holding Company ##	60 00 000	31 31 00 000
TOTAL	58 20 00 000	51 10 00 000

The Company (issuer) & Debenture-holder will have an option for early conversion at any time after allotment of the OFCDs by giving one month notice to the Company. The conversion will be based on higher of book value or face value as at March 31, 2015. The equity shares arising out of conversion of the OFCDs will rank pari passu in all respects with the then outstanding equity shares of the Company on the date of such conversion, except for dividend, which if declared, shall be paid on pro-rata basis from the date of allotment of such Equity Shares. The Company will settle the outstanding OFCDs on expiry of 15 years.

Represent Loan from Reliance Commercial Land & Infrastructure Limited the holding company repayable in 2 years.

4. Other Long Term Liabilities	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Deposits from Customers	31 09 166	30 69 165
TOTAL	31 09 166	30 69 165

5. Other Current Liabilities	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Creditors for Capital Expenditure	70 97 000	1 26 40 352
Interest accrued but not due	12 73 531	79 04 826
Other Payables #	4 20 488	5 65 521
TOTAL	87 91 019	2 11 10 699

Includes statutory liabilities.

Notes on Financial Statements for the year ended 31st March, 2016

6. Fixed Assets

Amount in ₹

Description	Gross Block			Depreciation			Net Block	
	As at 01-04-2015	Additions	As at 31-03-2016	As at 01-04-2015	For the Year	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
TANGIBLEASSETS								
OWNASSETS								
Freehold Land	433 73 82 860	-	433 73 82 860	-	-	-	433 73 82 860	433 73 82 860
Total (A)	433 73 82 860	-	433 73 82 860	-	-	-	433 73 82 860	433 73 82 860
INTANGIBLEASSETS								
Intangible Others #	1 62 64 748	-	1 62 64 748				1 62 64 748	1 62 64 748
Total (B)	1 62 64 748	-	1 62 64 748	-	-	-	1 62 64 748	1 62 64 748
TOTAL(A)+(B)	435 36 47 608	-	435 36 47 608	-	-	-	435 36 47 608	435 36 47 608
<i>Previous Year</i>	<i>435 36 47 608</i>	<i>-</i>	<i>435 36 47 608</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>435 36 47 608</i>	
<i>Capital Work-in-Progress *</i>							<i>90 00 04 073</i>	<i>84 20 15 666</i>

* Capital Work-in-Progress includes Capital Goods Inventory ₹ 3 25 60 306 (₹ 3 25 66 591)

Intangible Assets includes ₹ 1 62 64 748 (Previous year ₹ 1 62 64 748) in shares of companies with right to hold and use certain area of Land and Building.

7. Long-Term Loans and Advances

(Unsecured and considered good)

	As at 31st March, 2016	As at 31st March, 2015
Capital Advances	-	19 75 581
Security Deposits	36 03 500	36 03 500
TOTAL	36 03 500	55 79 081

Amount in ₹

8. Cash and Bank Balances

Cash and cash equivalents

Bank Balances:

	As at 31st March, 2016	As at 31st March, 2015
In current accounts	3 66 664	8 27 848
TOTAL	3 66 664	8 27 848

Amount in ₹

9. Short-Term Loans and Advances

(Unsecured and considered good)

	As at 31st March, 2016	As at 31st March, 2015
Advance Income Tax (Net of Provision)	3 95 576	3 95 576
TOTAL	3 95 576	3 95 576

Notes on Financial Statements for the year ended 31st March, 2016

	Amount in ₹	
	2015-16	2014-15
10. Other Income		
Miscellaneous Income	780	-
Total	<u>780</u>	<u>-</u>
		Amount in ₹
11. Finance Cost	2015-16	2014-15
Interest Expenses	14 15 034	79 05 616
TOTAL	<u>14 15 034</u>	<u>79 05 616</u>
		Amount in ₹
12. Other Expenditure	2015-16	2014-15
Filing Fees	19 884	7 200
Bank Charges	358	2 993
Professional Fees	28 625	26 736
Director Sitting fees	3 39 977	-
General Expenses	2 327	-
Rates and Taxes	13 39 209	3 60 980
Auditors' Remuneration		
Audit Fees	18 320	16 854
Certification Fees	5 725	5 618
	<u>24 045</u>	<u>22 472</u>
TOTAL	<u>17 54 425</u>	<u>4 20 381</u>
13. Earnings per share	2015-16	2014-15
Basic and Diluted earnings per equity share (₹)	(3.17)	(8.33)
Numerator - Profit after tax (₹)	(31 68 679)	(83 25 997)
Denominator - Weighted average number of equity shares for Basic EPS	10 00 000	10 00 000
Denominator - Weighted average number of equity shares for Diluted EPS	48 97 14 290	46 75 00 000
Nominal value per equity share (₹)	10	10
Diluted EPS is same as Basic EPS, being antidilutive.		

14. The Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

15. Segment Reporting

The Company is primarily engaged in the business of real estate and development of commercial properties in India. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Accounting Standard 17 "Segment Reporting".

Notes on Financial Statements for the year ended 31st March, 2016

16. Related Party

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

i) List of related parties with whom transactions have taken place and relationship:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Commercial Land & Infrastructure Limited	Parent Holding Company
4	Reliance Eminent Trading & Commercial Private Limited	Fellow Subsidiary Company
5	Reliance Progressive Traders Private Limited	
6	KCIPI Trading Company Private Limited	Associates
7	N C Trading Company Private Limited	
8	Prakhar Commercial Private Limited	
9	Kaniska Commercials Private Limited	
10	Honeywell Properties Private Limited	
11	Parinita Commercial Private Limited	
12	Rocky Farms Private Limited	
13	Ashwani Commercials Private Limited	
14	Chandar Commercial Private Limited	
15	Carin Commercials Private Limited	
16	Centura Agro Private Limited	
17	Einsten Commercials Private Limited	
18	Fame Agro Private Limited	
19	Netravati Commercials Private Limited	
20	Noveltech Agro Private Limited	
21	Pepino Farms Private Limited	
22	Rakshita Commercials Private Limited	
23	Vishnumaya Commercials Private Limited	
24	Creative Agrotech Private Limited	

Notes on Financial Statements for the year ended 31st March, 2016

ii) Transactions during the year with related parties (excluding reimbursements):						Amount in ₹
Sr No.	Nature of Transaction	Ultimate Holding Company	Parent Holding Company	Fellow Subsidiary Companies	Associates	Total
1	Loans Taken / (Repaid)	-	(29 00 000)	-	-	(29 00 000)
		-	89 00 000	-	-	89 00 000
2	Loans converted into Deposit	-	-	-	-	-
		-	(7 36 00 000)	-	-	(7 36 00 000)
3	Deposit Taken / (Repaid)	-	-	-	-	-
		-	-	-	-	-
4	Issue of Zero Coupon Unsecured Optionally Fully Convertible Debentures	7 39 00 000	-	-	-	7 39 00 000
		19 79 00 000	-	-	-	19 79 00 000
5	Conversion of Loan to Zero Coupon Unsecured Optionally Fully Convertible Debentures	-	30 42 00 000	-	-	30 42 00 000
		-	-	-	-	-
6	Interest Expenses	-	14 15 034	-	-	14 15 034
		-	79 05 616	-	-	79 05 616
7	Purchase - Capital Goods	-	-	-	-	-
		-	-	2 07 000	-	2 07 000
Balance as at 31st March, 2016						
1	Equity Share Capital	-	1 00 00 000	-	-	1 00 00 000
		-	1 00 00 000	-	-	1 00 00 000
2	Preference Share Capital (including premium)	466 50 00 000	-	-	-	466 50 00 000
		466 50 00 000	-	-	-	466 50 00 000
3	Loans Taken	-	60 00 000	-	-	60 00 000
		-	31 31 00 000	-	-	31 31 00 000
4	Zero Coupon Unsecured Optionally Fully Convertible Debentures	27 18 00 000	30 42 00 000	-	-	57 60 00 000
		19 79 00 000	-	-	-	19 79 00 000
5	Intangible Assets	-	-	-	1 62 64 748	1 62 64 748
		-	-	-	1 62 64 748	1 62 64 748
6	Interest Payables	-	12 73 531	-	-	12 73 531
		-	79 04 826	-	-	79 04 826
7	Other Current Liabilities	-	-	2 07 000	-	2 07 000
		-	-	2 07 000	-	2 07 000

Note: Figures in Italics represents previous year's amount.

Notes on Financial Statements for the year ended 31st March, 2016

iii) Disclosure in Respect of Material Related Party Transactions during the year:

Particulars	Relationship	2015-16	2014-15
1 Loans Taken / (Repaid)			
Reliance Commercial Land & Infrastructure Limited	Parent Holding	6 59 00 000	13 17 00 000
Reliance Commercial Land & Infrastructure Limited	Parent Holding	(6 88 00 000)	(12 28 00 000)
2 Loan Conversion into Deposit			
Reliance Commercial Land & Infrastructure Limited	Parent Holding	-	(7 36 00 000)
3 Deposits Taken / (Repaid)			
Reliance Commercial Land & Infrastructure Limited	Parent Holding	-	7 36 00 000
Reliance Commercial Land & Infrastructure Limited	Parent Holding	-	(7 36 00 000)
4 Issue of Zero Coupon Unsecured Optionally Fully Convertible Debentures			
Reliance Industries Limited	Ultimate Holding Company	7 39 00 000	19 79 00 000
5 Conversion of Loan to Zero Coupon Unsecured Optionally Fully Convertible Debentures			
Reliance Commercial Land & Infrastructure Limited	Parent Holding	30 42 00 000	-
6 Interest Expenses			
Reliance Commercial Land & Infrastructure Limited	Parent Holding	14 15 034	79 05 616
7 Purchase of Capital Goods			
Reliance Progressive Traders Private Limited	Fellow Subsidiary	-	2 07 000

17. The Company has no deferred tax assets or liabilities in accordance with Note H of Significant Accounting Policies.

18. Additional Information	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
A Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for:	8 01 79 274	11 06 22 995

As per our Report of even date

For Chaturvedi & Shah
Firm Registration No.: 101720W
Chartered Accountants

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated: 18th April, 2016

For and on behalf of the Board

Raman Sheshadri
Director
(DN: 05244442)

Saravanan Viswanathan
Director
(DIN: 05244819)

Dhiren Dalal
Director
(DIN: 01218886)

Gaurav Jain
Director
(DIN: 02697278)

Shivkumar Bhardwaj
Director
(DIN: 00001584)