

Reliance Eminent Trading & Commercial Private Limited

Independent Auditor's Report

To the Members of Reliance Eminent Trading & Commercial Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Eminent Trading & Commercial 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.

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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 has disclose the impact of pending litigations on its financial position in its financial statements as referred to in Note 21 B to the financial statements.
 - 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 / lease deeds and other records examined by us, we report that the title deeds / lease deeds in respect of all the immovable properties of lands which are freehold, immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statement and buildings 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) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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- 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 Eminent Trading & Commercial 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	14 67 00 000	14 67 00 000
Reserves and Surplus	2	2203 46 61 018	2137 52 80 851
		2218 13 61 018	2152 19 80 851
Non - Current Liabilities			
Long-Term Borrowings	3	208 89 96 000	206 00 96 000
Other Long-Term Liabilities	4	24 78 741	20 78 741
		209 14 74 741	206 21 74 741
Current Liabilities			
Other Current Liabilities	5	14 73 95 415	17 28 35 669
TOTAL		2442 02 31 174	2375 69 91 261
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	2075 30 06 964	2059 00 98 294
Intangible Assets	6	5 25 70 803	5 25 70 803
Capital Work-in-Progress	6	137 10 81 252	77 63 05 461
		2217 66 59 019	2141 89 74 558
Long-Term Loans and Advances	7	223 87 31 708	232 34 77 230
Current assets			
Trade Receivables	8	16 70 708	5 08 324
Cash and Bank Balances	9	6 63 333	36 95 690
Short-Term Loans and Advances	10	25 06 406	1 03 35 459
		48 40 447	1 45 39 473
TOTAL		2442 02 31 174	2375 69 91 261
Significant Accounting Policies Notes on Financial Statements	1 to 22		

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

Rajendra Kamath
Director
(DIN: 01115052)

B. Chandrasekaran
Director
(DIN: 06670563)

Samir Thacker
CFO
(PAN: AEWPT7501B)

Raman Seshadri
Director
(DIN: 05244442)

C. S. Gokhale
Director
(DIN: 00012666)

Himesh Vasani
Manager
(PAN: AADPV7467R)

Saravanan Viswanathan
Director
(DIN: 05244819)

G Baskar
Company secretary
(ACS No.: 10528)

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

	Note	2015-16	Amount in ₹ 2014-15
Incomes:			
Revenue from Operations	11	1 14 16 704	1 10 91 119
Other Income	12	78 601	1 75 000
Total Revenue		1 14 95 305	1 12 66 119
Expenses:			
Loss on Compulsory Acquisition of Land		-	3 25 704
Finance Cost	13	1 59 02 911	4 89 58 527
Depreciation and Amortisation Expenses		8 17 15 844	7 10 48 390
Other Expenditure	14	88 96 383	1 14 02 294
Total Expenses		10 65 15 138	13 17 34 915
Profit / (Loss) Before Tax		(9 50 19 833)	(12 04 68 796)
Tax Expenses		-	-
Profit / (Loss) After Tax		(9 50 19 833)	(12 04 68 796)
Earnings per equity share	15		
Face value of ₹10/- each			
Basic		(9.50)	(12.05)
Diluted		(9.50)	(12.05)
Significant Accounting Policies			
Notes on Financial Statements	1 to 22		

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

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G Baskar
Company secretary
(ACS No.: 10528)

Cash Flow Statement for the year 2015-16

	2015-16	Amount in ₹ 2014-15
A CASHFLOWFROMOPERATINGACTIVITIES		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	(9 50 19 833)	(12 04 68 796)
Adjusted for:		
Loss on Compulsory Acquisition of Land	-	3 25 704
Depreciation and Amortisation Expenses	8 17 15 844	7 10 48 390
Interest Income	(78 601)	(1 75 000)
Finance Cost	1 59 02 911	4 89 58 527
	<u>9 75 40 154</u>	<u>12 01 57 621</u>
Operating Profit / (Loss) before Working Capital Changes	25 20 321	(3 11 175)
Adjusted for:		
Trade and Other Receivables	69 13 911	(61 62 554)
Trade and Other Payables	96 00 756	7 44 61 411
	<u>1 65 14 667</u>	<u>6 82 98 857</u>
Cash Generated from / (used in) Operations	1 90 34 988	6 79 87 682
Tax Paid (net)	(2 47 242)	(1 67 079)
Net Cash from / (used in) Operating Activities	<u>1 87 87 746</u>	<u>6 63 16 890</u>
B CASHFLOWFROMINVESTINGACTIVITIES		
Purchase of Fixed Assets	(75 27 62 025)	(99 77 92 866)
Sale of Fixed Assets	-	89 65 990
Investment in Fixed Deposits	20 00 000	-
Movement in Security Deposits	(18 92 758)	3 49 723
Interest Income	78 601	1 75 000
Net Cash from / (used in) Investing Activities	<u>(75 25 76 182)</u>	<u>(98 83 02 153)</u>
C CASHFLOWFROMFINANCINGACTIVITIES		
Proceeds from Long Term Borrowings	78 08 00 000	94 50 00 000
Repayment of Long Term Borrowings	(75 19 00 000)	(106 76 00 000)
Proceeds from Preference Share Capital including premium	75 44 00 000	104 76 50 000
Interest Paid	(5 05 43 922)	(51 22 262)
Net Cash Generated from / (used in) Financing Activities	<u>73 27 56 078</u>	<u>91 99 27 738</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	<u>(10 32 357)</u>	<u>(20 57 524)</u>
Opening Balance of Cash and Cash Equivalents	16 95 690	37 53 214
Closing Balance of Cash and Cash Equivalents (Refer Note No. 9)	<u><u>6 63 333</u></u>	<u><u>16 95 690</u></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

Rajendra Kamath
Director
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G Baskar
Company secretary
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1 SIGNIFICANT ACCOUNTING POLICIES

1.1 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.

1.2 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires judgement, 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.

1.3 Fixed Assets

Tangible Assets

Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any.

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.

1.4 Leased Assets

Lease rentals are expensed with reference to lease terms and other considerations.

1.5 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 except for premium paid on Leasehold Land which is amortised over the period of the lease.

1.6 Revenue recognition

Revenue from services are recognised when services have been rendered and no significant uncertainty to collectability exists. The revenue is recognised net of discounts and services tax. 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.

1.7 Investments

Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments. Current investments are carried at the lower of cost and quoted/ fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

1.8 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.

1.9 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 Profit and Loss account.

1.10 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.

1.11 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			
1 50 00 000 (1 50 00 000)	Class A Equity Shares of ₹ 10 each	15 00 00 000	15 00 00 000
50 00 000 (50 00 000)	Class B Equity Shares of ₹ 10 each	5 00 00 000	5 00 00 000
50 00 000 (50 00 000)	Non Cumulative Optionally Convertible Preference shares of ₹ 10 each	5 00 00 000	5 00 00 000
	TOTAL	25 00 00 000	25 00 00 000
Issued, Subscribed and Paid-Up:			
1 00 00 000 (1 00 00 000)	Class A Equity Shares of ₹10 each fully paid up	10 00 00 000	10 00 00 000
41 52 500 (41 52 500)	10% Non Cumulative Optionally Convertible Preference shares of ₹10 each	4 15 25 000	4 15 25 000
5 75 000 (5 75 000)	10% Non-Cumulative Optionally Convertible Preference shares of ₹10 each partly paid up of ₹ 9 each	51 75 000	51 75 000
	TOTAL	14 67 00 000	14 67 00 000
1.1 The reconciliation of the number of outstanding shares is set out below:		As at	As at
		31st March, 2016	31st March, 2015
<u>Equity Shares</u>			
	Shares outstanding at the beginning of the year	1 00 00 000	1 00 00 000
	Add: Shares Issued during the year	-	-
	Shares outstanding at the end of the year	1 00 00 000	1 00 00 000
<u>Preference Shares</u>			
	Shares outstanding at the beginning of the year	47 27 500	47 27 500
	Add: Shares Issued during the year	-	-
	Shares outstanding at the end of the year	47 27 500	47 27 500
1.2 Rights, Preferences and Restrictions attached to shares	<p>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.</p> <p>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.</p>		
1.3	<p>Of the above Class A equity shares 100 00 000 (Previous year 100 00 000) are held by Reliance Commercial Land & Infrastructure Limited the Parent Holding Company.</p> <p>All the above 41 52 500 fully paid Preference Shares (Previous year 41 52 500) and 5 75 000 fully paid Preference Shares (Previous year 5 75 000 partly paid) are held by Reliance Industries Limited, the Ultimate Holding Company.</p>		

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

Amount in ₹

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	% of Holding	No. of Shares Held	% of Holding
<u>Equity Shares</u>				
Reliance Commercial Land & Infrastructure Limited and its nominees	1 00 00 000	100	1 00 00 000	100
<u>Preference Shares</u>				
Reliance Industries Limited	47 27 500	100	47 27 500	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.

Amount in ₹

2. Reserves and Surplus

	As at 31st March, 2016	As at 31st March, 2015
Securities Premium Account		
As per last Balance Sheet	2188 13 25 000	2083 36 75 000
Add: Taken during the year	75 44 00 000	104 76 50 000
	<u>2263 57 25 000</u>	<u>2188 13 25 000</u>
Surplus		
Profit and Loss Account		
Opening Balance as per last year Balance Sheet	(50 60 44 149)	(38 55 75 353)
Add: Transferred from Statement of Profit and Loss	(9 50 19 833)	(12 04 68 796)
	<u>(60 10 63 982)</u>	<u>(50 60 44 149)</u>
TOTAL	<u><u>2203 46 61 018</u></u>	<u><u>2137 52 80 851</u></u>

2.1 In view of the loss for the year, the company has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 6 33 595 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.#	198 36 96 000	-
Loans and Advances from Holding Company ##	10 53 00 000	206 00 96 000
TOTAL	208 89 96 000	206 00 96 000

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.

Represents 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	24 78 741	20 78 741
TOTAL	24 78 741	20 78 741

5 Other Current Liabilities	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Creditors for Capital Expenditure	12 64 51 221	12 09 37 542
Interest accrued but not due	1 43 12 620	4 89 53 631
Other Payables #	66 31 574	29 44 496
TOTAL	14 73 95 415	17 28 35 669

Includes statutory liabilities, advance from customers

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

Amount in ₹

6.1 Tangible Assets

Description	Gross Block			Depreciation			Net Block	
	As at 01-04-2015	Additions	Deductions	As at 31-03-2016	As at 01-04-2015	For the Year	As at 31-03-2016	As at 31-03-2015
OWNASSETS								
<i>Fixed Assets</i>								
Land: Freehold	1707 22 95 359	-	-	1707 22 95 359	-	-	1707 22 95 359	
Leasehold	158 62 55 570	-	-	158 62 55 570	10 71 79 927	2 01 97 532	145 88 78 111	147 90 75 643
Building	212 00 89 989	17 05 79 978	-	229 06 69 967	26 06 51 741	3 71 65 395	199 28 52 831	185 94 38 248
Plant and Machinery	70 47 760	25 63 757	-	96 11 517	11 03 864	1 60 1 919	69 05 734	59 43 896
Electrical Installations	11 84 09 672	4 27 14 255	-	16 11 23 927	1 13 94 825	1 61 09 923	13 36 19 179	10 70 14 847
Equipments	7 08 13 108	2 86 93 499	-	9 95 06 607	44 82 807	66 33 773	8 83 90 027	6 63 30 301
Furniture & Fixtures	-	73 025	-	73 025	-	7 302	65 723	-
Total	2097 49 11 458	24 46 24 514	-	2121 95 35 972	38 48 13 164	8 17 15 844	2075 30 06 964	2059 00 98 294
<i>Previous Year</i>	2016 60 50 827	81 81 22 325	92 61 694	2097 49 11 458	31 37 64 774	7 10 48 390	2059 00 98 294	
<i>Capital Work-in-Progress*</i>							137 10 81 252	77 63 05 461

6.2 Intangible Assets

Amount in ₹

Description	Gross Block			Depreciation			Net Block	
	As at 01-04-2015	Additions	Deductions/ Adjustments	As at 31-03-2016	As at 01-04-2015	For the Year	Upto 31-03-2016	As at 31-03-2015
OWNASSETS								
Intangible Others#	5 25 70 803	-	-	5 25 70 803	-	-	-	5 25 70 803
Total	5 25 70 803	-	-	5 25 70 803	-	-	-	5 25 70 803
<i>Previous Year</i>	5 25 70 803	-	-	5 25 70 803	-	-	-	5 25 70 803

*Capital Work in Progress includes Capital Goods Inventory ₹ 1 68 86 401 (Previous year ₹ 2 01 82 635)

Intangible Assets includes ₹ 5 25 70 803 (Previous year ₹ 5 25 70 803) in shares of Companies with right to hold and use certain area of Land and Building.

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

	As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
7. Long-Term Loans and Advances (Unsecured and considered good)		
Capital Advances	39 84 77 717	48 51 15 997
Security Deposits	184 02 53 991	183 83 61 233
TOTAL	223 87 31 708	232 34 77 230
		Amount in ₹
8. Trade Receivables (Unsecured and considered good)		
Over six months	5 20 250	3 30 054
Others	11 50 458	1 78 270
TOTAL	16 70 708	5 08 324
		Amount in ₹
9. Cash and Bank Balances		
Cash and cash equivalents:		
Bank Balances:		
In current accounts	6 63 333	16 95 690
Other Bank Balances:		
In deposit #	-	20 00 000
TOTAL	6 63 333	36 95 690
# Fixed Deposits with Bank includes deposit of ₹ Nil (Previous year ₹ 20 00 000) with maturity more than 12 months		
		Amount in ₹
10. Short-Term Loans and Advances (Unsecured and considered good)		
Advance Income Tax (Net of Provisions)	25 06 406	22 59 164
Others Receivables #	-	80 76 295
TOTAL	25 06 406	1 03 35 459
		Amount in ₹
11. Revenue from Operations	2015-16	2014-15
Sale of Services		
Renting of Immovable Properties	1 30 03 845	1 24 61 981
Less: Service Tax Paid	(15 87 141)	(13 70 862)
TOTAL	1 14 16 704	1 10 91 119
		Amount in ₹
12. Other Income	2015-16	2014-15
Interest Income		
From Fixed Deposit	78 601	1 75 000
TOTAL	78 601	1 75 000

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

	Amount in ₹	
	2015-16	2014-15
13. Finance Cost		
Interest Expenses	1 59 02 911	4 89 58 527
Total	1 59 02 911	4 89 58 527
		Amount in ₹
14. Other Expenditure	2015-16	2014-15
General Expenses	2 16 507	9 262
Bank Charges	801	646
Filing Fees	22 264	21 240
Electricity Charges	-	14 556
Forex Loss	1 55 804	-
Water Expenses	-	1 62 517
Professional Fees	78 11 107	16 65 049
Sitting Fees - Directors	6 14 910	-
Rates and Taxes	4 000	73 69 646
Repairs and Maintenance		20 96 456
Lease Rent	-	3 67 710
Less: Reimbursements of Lease Rent	-	(3 67 710)
	-	-
Auditors' Remuneration		
Audit Fees	45 800	39 326
Tax Audit Fees	13 740	12 360
Certification Fees	11 450	11 236
	70 990	62 922
TOTAL	88 96 383	1 14 02 294

* Professional Fees include payment to Key Managerial Person ₹ 74 20 087 (Previous Year ₹ 8 62 956)

	2015-16	2014-15
15. Earnings per share		
Basic and Diluted earnings per equity share (₹)	(9.50)	(12.05)
Numerator - Profit after tax (₹)	(9 50 19 833)	(12 04 68 796)
Denominator - Weighted average number of equity shares for Basic EPS	100 00 000	100 00 000
Denominator - Weighted average number of equity shares for Diluted EPS	237 75 43 954	234 50 00 000
Nominal value per equity share (₹)	10	10
Diluted EPS is same as Basic EPS, being antidilutive.		

16. 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.

17. 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

00 18. 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 Jio Infocomm Limited	} Fellow Subsidiary Companies
5	Reliance Progressive Traders Private Limited	
6	Reliance Ambit Trade Private Limited	
7	Reliance Corporate IT Park Limited	
8	Reliance Retail Limited	
9	Shree Salasar Bricks Private Limited	} Associate Companies
10	Atri Exports Private Limited	
11	Marugandha Land Developers Private Limited	
12	Jaipur Enclave Private Limited	
13	Himesh Vasani (Manager)	Key Managerial Person (KMP)

ii) Transactions during the year with related parties (excluding reimbursements):

Amount in ₹

Sr. No.	Nature of Transaction	Ultimate Holding Company	Parent Holding Company	Fellow Subsidiaries Companies	Associate Companies	KMP	Total
1	Loans Taken/(Repaid)	-	2 89 00 000	-	-	-	(195 47 96 000)
		-	12 26 00 000	-	-	-	12 26 00 000
2	Loans converted into Deposit	-	-	-	-	-	-
		-	19 70 00 000	-	-	-	19 70 00 000
3	Deposit Taken/(Repaid)	-	-	-	-	-	-
		-	-	-	-	-	-
4	Conversion of Loan to Zero Coupon Unsecured Optionally Fully Convertible Debentures	-	198 36 96 000	-	-	-	198 36 96 000
5	Deposits Given	-	-	-	70 000	-	70 000
6	Proceeds from Preference share capital (including premium)	75 44 00 000	-	-	-	-	75 44 00 000
		104 76 50 000	-	-	-	-	104 76 50 000
7	Purchase of Fixed Assets	-	-	28 434	-	-	28 434
		73 025	-	28 39 257	-	-	29 12 282
8	Interest Expenses	-	1 59 02 911	-	-	-	1 59 02 911
		-	4 89 58 527	-	-	-	4 89 58 527
9	Professional Fees	-	-	-	-	17 45 769	17 45 769
		-	-	-	-	4 83 239	4 83 239

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

ii) Transactions during the year with related parties (excluding reimbursements): (Contd.)							Amount in ₹
Sr. No.	Nature of Transaction	Ultimate Holding Company	Parent Holding Company	Fellow Subsidiaries Companies	Associate Companies	KMP	Total
Balance as at 31st March, 2016							
1	Equity Share Capital	-	10 00 00 000	-	-	-	10 00 00 000
			<i>10 00 00 000</i>				<i>10 00 00 000</i>
2	Preference Share Capital (including premium)	2268 24 25 000	-	-	-	-	2268 24 25 000
		<i>2192 80 25 000</i>					<i>2192 80 25 000</i>
3	Intangible Assets	-	-	-	5 25 70 803	-	5 25 70 803
					<i>5 25 70 803</i>		<i>5 25 70 803</i>
4	Loans Taken	-	10 53 00 000	-	-	-	10 53 00 000
			<i>206 00 96 000</i>				<i>206 00 96 000</i>
5	Trade Receivables	-	-	2 22 360	-	-	2 22 360
				<i>2 22 360</i>			<i>2 22 360</i>
6	Security Deposits Given	-	-	-	61 06 53 000	-	61 06 53 000
					<i>61 05 83 000</i>		<i>61 05 83 000</i>
7	Performance Guarantees Taken	4 40 000	-	-	-	-	4 40 000
		<i>4 40 000</i>					<i>4 40 000</i>
8	Interest Payables	-	1 43 12 620	-	-	-	1 43 12 620
			<i>4 89 53 631</i>				<i>4 89 53 631</i>
9	Other Current Liabilities	-	-	28 39 257	-	-	28 39 257
		<i>4 40 231</i>		<i>31 85 179</i>			<i>36 25 410</i>
10	Zero Coupon Unsecured Fully Convertible Debentures	-	198 36 96 000	-	-	-	198 36 96 000

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

iii) Disclosure in Respect of Material Related Party Transactions during the year:				Amount in ₹
Particulars	Relationship	2015-16	2014-15	
Loans Taken / (Repaid)				
Reliance Commercial Land & Infrastructure Limited	Parent Holding	78 08 00 000	94 50 00 000	
Reliance Commercial Land & Infrastructure Limited	Parent Holding	(75 19 00 000)	(87 06 00 000)	
Loan Conversion into Deposit				
Reliance Commercial Land & Infrastructure Limited	Parent Holding	-	(19 70 00 000)	
Deposits Taken / (Repaid)				
Reliance Commercial Land & Infrastructure Limited	Parent Holding	-	19 70 00 000	
Reliance Commercial Land & Infrastructure Limited	Parent Holding	-	(19 70 00 000)	
Conversion of Loan to Zero Coupon Unsecured Optionally Fully Convertible Debentures				
Reliance Commercial Land & Infrastructure Limited	Parent Holding	198 36 96 000	-	

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

iii) Disclosure in Respect of Material Related Party Transactions during the year: (Contd.)			Amount in ₹	
Particulars	Relationship	2015-16	2014-15	
Deposit Given				
Atri Exports Pvt Ltd	Associate Companies	-	-	
Jaipur Enclave Pvt Ltd	Associate Companies	-	-	
Marugandha Land Developers Pvt Ltd	Associate Companies	-	-	
Shree Salasar Bricks Pvt Ltd	Associate Companies	-	70 000	
Proceeds from Preference share capital (including premium)				
Reliance Industries Limited	Ultimate Holding Company	75 44 00 000	104 76 50 000	
Purchase of Fixed Assets				
Reliance Progressive Traders Private Limited	Fellow Subsidiary	-	28 39 257	
Reliance Industries Limited	Ultimate Holding Company	-	73 025	
Reliance Retail Limited	Fellow Subsidiary	28 434	-	
Interest Expenses				
Reliance Commercial Land & Infrastructure Limited	Parent Holding	1 59 02 911	4 89 58 527	
Professional Fees				
Himesh Vasani	KMP	17 45 769	4 83 238	

19. Lease

- Lease rental incomes are booked on the basis of agreed terms
- Assets are given on lease over a period of 5 to 10 years.

20. The Company has not recognised deferred tax assets in accordance with Significant Accounting Policies under Note 1.10

Deferred Tax (assets)/ liabilities	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Assets		
Carried forward Business Loss and Unabsorbed Depreciation under Income Tax Act, 1961	1 91 69 337	4 21 993
Related to fixed assets	8 50 69 494	9 60 83 311
Deferred Tax Asset	10 42 38 831	9 65 05 304

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

	As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
21. Additional Information		
A Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for:	108 41 57 188	197 04 16 609
B Contingent Liabilities		
Outstanding guarantees furnished to Banks and Financial Institutions	4 40 000	4 40 000
Claims against the Company/ disputed liabilities not acknowledged as debts	27 48 153	17 05 276
		Amount in ₹
22. Value of imports on CIF basis in respect of:	2015-16	2014-15
Capital Goods	2 00 00 507	-

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

Rajendra Kamath
Director
(DIN: 01115052)

B. Chandrasekaran
Director
(DIN: 06670563)

Samir Thacker
CFO
(PAN: AEWPT7501B)

Raman Seshadri
Director
(DIN: 05244442)

C. S. Gokhale
Director
(DIN: 00012666)

Himesh Vasani
Manager
(PAN: AADPV7467R)

Saravanan Viswanathan
Director
(DIN: 05244819)

G Baskar
Company secretary
(ACS.: 10528)