RELIANCE AEROSPACE TECHNOLOGIES LIMITED
FINANCIAL STATEMENTS
2016-17

Independent Auditor's Report

TO THE BOARD OF DIRECTORS OF
RELIANCE AEROSPACE TECHNOLOGIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Aerospace Technologies Limited**("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the 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 state of affairs (financial position) , profit or loss(financial performance including other comprehensive income) , cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards(Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 thefinancial 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 of the financial statements 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 thefinancial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in thefinancial statements. 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. 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 the 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 including the Ind AS, of the state of affairs(financial position) of the Company as at 31st March, 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Restriction on use

This report is provided to you solely for use in the preparation and submission of financial information by the ultimate Parent Company i.e. Reliance Industries Limited, for year ended 31st March, 2017. It should not be distributed to any other person other than the authorised management personnel and the auditors of ultimate Parent Company i.e. Reliance Industries Limited and/or used for any other purposes.

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: April 18, 2017

Balance Sheet as at 31st March, 2017

₹

	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	**1**	**4 89 405**	6 52 684	8 15 966
Other Non-Current Assets	**2**	**-**	21 00 018	13 36 982
Total Non-Current Assets		**4 89 405**	27 52 702	21 52 948
Current Assets				
Financial Assets				
Cash and Cash Equvalents	**3**	**3 158**	3 26 863	4 79 720
Other Current Assets	**4**	**81 187**	91 082	61 366
Total Current Assets		**84 345**	4 17 945	5 41 086
Total Assets		**5 73 750**	31 70 647	26 94 034
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	**5**	**1 40 00 000**	5 00 000	5 00 000
Other Equity	**6**	**(1 34 45 694)**	(1 34 13 573)	(1 35 32 356)
Total Equity		**5 54 306**	(1 29 13 573)	(1 30 32 356)
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	**7**	**-**	1 35 00 000	1 35 00 000
Other Financial Liabilities	**8**	**-**	12 54 233	8 51 633
Provisions	**9**	**-**	5 22 963	5 22 963
Total Non-Current Liabilities		**-**	1 52 77 196	1 48 74 596
Current Liabilities				
Financial Liabilities				
Trade Payables	**10**	**18 399**	1 21 985	2 05 363
Other Current Liabilities	**11**	**1 045**	1 51 074	1 12 466
Provisions	**12**	**-**	5 33 965	5 33 965
Total Current Liabilities		**19 444**	8 07 024	8 51 794
Total Liabilities		**19 444**	1 60 84 220	1 57 26 390
Total Equity & Liabilities		**5 73 750**	31 70 647	26 94 034
Significant Accounting Policies				
See accompanying Notes to Financial Statements	**1 to 27**			

As per our Report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : April 18, 2017

For and on behalf of the Board

Rajan Luthra
Director

N. Shanker
Director

Statement of Profit and Loss for the Year ended 31st March, 2017

	Notes	2016-17	₹ 2015-16
INCOME			
Revenue from Operations			
Income from Services	**13**	**-**	79 10 000
Other Income	**14**	**11 78 290**	-
Total Income		**11 78 290**	79 10 000
EXPENSES			
Employee Benefits Expense	**15**	**-**	68 26 804
Finance Costs	**16**	**5 95 007**	4 08 738
Depreciation		**1 63 279**	1 63 282
Other Expenses	**17**	**4 52 125**	3 64 429
Total Expenses		**12 10 411**	77 63 253
Profit / (Loss) Before Tax		**(32 121)**	1 46 747
Tax Expense			
Current tax	**18**	**-**	27 964
Profit / (Loss) for the Year		**(32 121)**	1 18 783
Other Comprehensive Income for the Year		-	**-**
Total Comprehensive Income/(Loss) for the year		**(32 121)**	1 18 783
Earnings / (Loss) per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	**19**	**(0.04)**	2.38
Significant Accounting Policies			
See accompanying Notes to Financial Statements	**1 to 27**		

As per our Report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : April 18, 2017

For and on behalf of the Board

Rajan Luthra
Director

N. Shanker
Director

Statement of Changes in Equity for the Year ended 31st March, 2017

	A. Equity share capital	B. Other Equity (₹)
		Reserves & Surplus Retained Earnings
As on 31 March 2016		
Balance at the beginning of the reporting period i.e. 1st April, 2015	5 00 000	(1 35 32 356)
Add: On Issue of Shares	-	-
Add: Total Comprehensive Income/ (Loss) for the year	-	1 18 783
Balance at the end of the reporting period i.e. 31st March, 2016	**5 00 000**	**(1 34 13 573)**
As on 31 March 2017		
Balance at the beginning of the reporting period i.e. 1st April, 2016	5 00 000	(1 34 13 573)
Add: On Issue of Shares	1 35 00 000	-
Add: Total Comprehensive Income/ (Loss) for the year	-	(32 121)
Balance at the end of the reporting period i.e. 31st March, 2017	**1 40 00 000**	**(1 34 45 694)**

As per our Report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : April 18, 2017

For and on behalf of the Board

Rajan Luthra
Director

N. Shanker
Director

Cash Flow Statement for the Year ended 31st March, 2017

				₹
		2016-17		2015-16
A: CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/ (Loss) before Tax as per Statement of Profit and Loss		**(32 121)**		1 46 747
Adjusted for:				
Depreciation	**1 63 279**		1 63 282	
Interest Income	**(1 21 229)**		-	
Finance Costs	**5 95 007**		4 08 738	
		6 37 057		5 72 020
Operating Profit before Working Capital Changes		**6 04 936**		7 18 767
Adjusted for:				
Trade and Other Receivables	**9 895**		(29 716)	
Trade and Other Payables	**(13 10 543)**		(44 770)	
		(13 00 648)		(74 486)
Cash (Used in)/ Generated from Operations		**(6 95 712)**		6 44 281
Taxes (paid) / refund (net)		**21 00 018**		(7 91 000)
Net Cash from/ (Used in) Operating Activities		**14 04 306**		(1 46 719)
B: CASH FLOW FROM INVESTING ACTIVITIES				
Interest Income		**1 21 229**		-
Net Cash Generated from Investing Activities		**1 21 229**		-
C: CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Equity Share Capital		**1 35 00 000**	-	
Proceeds from Borrowings		**3 00 000**		1 91 00 000
Repayment of Borrowings		**(1 38 00 000)**		(1 91 00 000)
Interest paid		**(18 49 240)**		(6 138)
Net Cash (Used in) Financing Activities		**(18 49 240)**		(6 138)
Net (Decrease) in Cash and Cash Equivalents		**(3 23 705)**		(1 52 857)
Opening Balance of Cash and Cash Equivalents		**3 26 863**		4 79 720
Closing Balance of Cash and Cash Equivalents (Refer Note no. 3)		**3 158**		3 26 863

As per our Report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : April 18, 2017

For and on behalf of the Board

Rajan Luthra
Director

N. Shanker
Director

Notes to the Financial Statements for the Year ended 31st March, 2017

A. Corporate Information

Reliance Aerospace Technologies Limited (“the Company”) is a Public Limited Company incorporated in India. The Company’s registered office and principal place of business is at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai-400021.

B. Accounting Policies

B.1 Basis Of Preparation And Presentation

The financial statements have been prepared on the historical cost basis except for Certain financial assets and liabilities measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2016, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as “Previous GAAP”.

These financial statements are the Company`s first Ind AS standalone financial statements and as covered by Ind AS 101 - First time adoption of Indian Accounting Standards.

Company’s financial statements are presented in Indian Rupees (₹), which is also its functional currency.

B.2 Summary Of Significant Accounting Policies

(a) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of Vehicles, where estimated useful life is 5 years.

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.Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Finance Cost

Borrowing costs that are directly 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.Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the statement of profit or loss in the period in which they are incurred.

(c) Impairment of non-financial assets - property plant and equipment

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset’s carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset’s fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(d) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Notes to the Financial Statements for the Year ended 31st March, 2017

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(e) Employee Benefits

Short Term Employee Benefits The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act,1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plan in respect of post-employment are charged to the Other Comprehensive Income.

(f) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(g) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

(h) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Notes to the Financial Statements for the Year ended 31st March, 2017

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from operations includes sale of services , adjusted for discounts (net) and service tax.

Interest income

Interest income from a financial asset is recognised using effective interest rate method.

(i) Financial instruments

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further the Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to the Financial Statements for the Year ended 31st March, 2017

iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

C. Critical Accounting Judgements And Key Sources of Estimation Uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Depreciation and useful lives of property plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D. First Time Adoption of Ind AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Retained Earnings as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Exemptions from retrospective application

(i) Fair value as deemed cost exemption

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date as deemed cost.

Notes to the Financial Statements for the Year ended 31st March, 2017

1. Property, Plant and Equipment

₹

Description	Gross Block					Depreciation					Net Block		
	As at 1st April, 2015	Additions	As at 1st April, 2016	Additions	**As at 31st March, 2017**	As at 1st April, 2015	For the year	As at 1st April, 2016	For the year	**As at 31st March, 2017**	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Tangible Assets :													
Own Assets :													
Vehicles	8 16 391	-	8 16 391	-	**8 16 391**	425	1 63 282	1 63 707	1 63 279	**3 26 986**	**4 89 405**	6 52 684	8 15 966
Total	**8 16 391**	**-**	**8 16 391**	**-**	**8 16 391**	**425**	**1 63 282**	**1 63 707**	**1 63 279**	**3 26 986**	**4 89 405**	6 52 684	8 15 966
Previous years	-	8 16 391	8 16 391	-	8 16 391	-	425	425	1 63 282	1 63 707	6 52 684	8 15 966	

Notes to the Financial Statements for the Year ended 31st March, 2017

			₹
2. Other Non-Current Assets	**As at**	As at	As at
(Unsecured and Considered Good)	**31st March, 2017**	31st March, 2016	1st April, 2015
Advance Income Tax (Net of Provision)	**-**	21 00 018	13 36 982
Total	**-**	21 00 018	13 36 982

			₹
2.1 Advance Income Tax (Net of Provision)	**As at**	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
At start of year	**21 00 018**	13 36 982	
Charge for the year	**-**	(27 964)	
Others*	**(21 00 018)**	-	
Tax paid during the year	**-**	7 91 000	
At end of year	**-**	21 00 018	13 36 982

*Refunds

			₹
3. Cash and Cash Equivalent	**As at**	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
Bank Balances:			
In Current Accounts	**3 158**	3 26 863	4 79 720
Cash and cash equivalents as per balance sheet	**3 158**	3 26 863	4 79 720
Cash and cash equivalent as per Statement of Cashflows	**3 158**	3 26 863	4 79 720

3.1 Please refer to note no. 25 for details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to " 30/12/2016.

			₹
4. Other Current Assets	**As at**	As at	As at
(Unsecured and Considered Good)	**31st March, 2017**	31st March, 2016	1st April, 2015
Balance with Service tax authorities	**4 338**	631	-
Others	**76 849**	90 451	61 366
Total	**81 187**	91 082	61 366

						₹
5. Share Capital	**As at**		As at		As at	
	31st March, 2017		31st March, 2016		1st April, 2015	
	Nos.	**Amount**	Nos.	Amount	Nos.	Amount
Authorised Share Capital:						
Equity shares of ₹ 10 each	**14,00,000**	**1 40 00 000**	75,000	7 50 000	75,000	7 50 000
Preference shares of ₹ 10 each	**-**	**-**	25,000	2 50 000	25,000	2 50 000
		1 40 00 000		10 00 000		10 00 000
Issued, Subscribed and Paid-up:						
Equity shares of ₹ 10 each fully paid up	**14,00,000**	**1 40 00 000**	50,000	5 00 000	50,000	5 00 000
Total		**1 40 00 000**		5 00 000		5 00 000

Notes to the Financial Statements for the Year ended 31st March, 2017

5.1 **The details of Shareholders holding more than 5% shares :**

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. of Shares	**% held**	No. of Shares	% held	No. of Shares	% held
Reliance Industrial Investments And Holdings Limited (Holding Company)	**14,00,000**	**100.00**	50,000	100.00	50,000	100.00

5.2 **Reconciliation of the number of shares oustanding is set out below :**

Particulars	**As at 31st March, 2017 No. of shares**	As at 31st March, 2016 No. of shares	As at 1st April, 2015 No. of shares
Equity Shares at the beginning of the year	**50,000**	50,000	50,000
Add: Shares issued during the year	**13,50,000**	-	-
Equity Shares at the end of the year	**14,00,000**	50,000	50,000

₹

6. Other Equity	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Retained Earnings			
As per last Balance Sheet	**(1 34 13 573)**	(1 35 32 356)	
Add: Profit / (Loss) for the Year	**(32 121)**	1 18 783	
Total	**(1 34 45 694)**	(1 34 13 573)	(1 35 32 356)

₹

7. Borrowings	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Unsecured - At Amortised cost			
Loans from Related Parties	**-**	1 35 00 000	1 35 00 000
Total	**-**	1 35 00 000	1 35 00 000

₹

8. Other Financial Liabilities	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Interest accrued but not due on Borrowings	**-**	12 54 233	8 51 633
Total	**-**	12 54 233	8 51 633

₹

9. Provisions - Non Current	**As at 31st March, 2017**	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits	**-**	5 22 963	5 22 963
Total	**-**	5 22 963	5 22 963

Notes to the Financial Statements for the Year ended 31st March, 2017

₹

10.	Trade Payables	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Micro and Small Enterprises	-	-	-
	Other Payables	18 399	1 21 985	2 05 363
	Total	**18 399**	1 21 985	2 05 363

₹

10.1 The details of amounts outstanding to Micro and Small Enterprises based on available information with the company is as under :

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid Interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-

₹

11.	Other Current Liabilities	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Others #	1 045	1 51 074	1 12 466
	Total	**1 045**	1 51 074	1 12 466

Includes statutory dues.

₹

12.	Provisions - Current	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
	Provision for Employee Benefits	-	5 33 965	5 33 965
	Total	**-**	5 33 965	5 33 965

₹

13.	Income from Services	2016-17	2015-16
	Income from Services	-	90 34 575
	Less : Services tax recovered	-	11 24 575
	Total	**-**	79 10 000

Notes to the Financial Statements for the Year ended 31st March, 2017

		₹
14. Other Income	**2016-17**	2015-16
Interest Income from Others	**1 21 229**	-
Other non-operating income	**10 57 061**	-
Total	**11 78 290**	-

		₹
15. Employee Benefits Expense	**2016-17**	2015-16
Salaries and Wages	**-**	59 52 282
Contribution to Provident fund, other funds and Gratuity	**-**	2 98 815
Staff welfare expenses	**-**	5 75 707
Total	**-**	68 26 804

15.1 As per Indian Accounting Standards 19 "Employee Benefits", the disclosures as defined are given below:

Defined contribution plans ₹

Contribution to defined contribution plan, recognised as an expense for the year are as under:

	2016-17	2015-16
Employer’s contribution to provident fund	**-**	2 34 295
Employer’s contribution to pension scheme	**-**	40 000

		₹
16. Finance Costs	**2016-17**	2015-16
Interest Expense	**5 95 007**	4 08 738
Total	**5 95 007**	4 08 738

		₹
17. Other Expenses	**2016-17**	2015-16
Establishment Expense		
Insurance	**40 591**	7 610
Rates & Taxes	**2 52 062**	11 089
Travelling Expenses	**1 21 173**	1 45 192
General Expenses	**14 299**	1 77 513
Payment to Auditors	**24 000**	23 025
Total	**4 52 125**	3 64 429

		₹
17.1 Payment to Auditors as:	**2016-17**	2015-16
(a) Auditor:		
Statutory Audit Fees	**14 000**	13 000
Tax Audit Fees	**-**	5 000
(b) Certification and Consultation Fees	**10 000**	5 025
	24 000	23 025

Notes to the Financial Statements for the Year ended 31st March, 2017

			₹
18.	**Taxation**	**2016-17**	2015-16
	Income tax recognised in Statement of Profit or Loss		
	Current tax	-	27 964
	Total income tax expenses recognised in the current year	**-**	27 964

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	₹	
	2016-17	2015-16
Profit/ (Loss) before tax	**(32 121)**	1 46 747
Applicable Tax Rate	**33.063%**	33.063%
Computed Tax Expense	-	48 519
Tax effect of :		
Expenses disallowed	-	16 534
Brought forward losses utilised	-	(65 053)
Tax expense under MAT	-	27 964
Tax expenses recognised in Statement of Profit and Loss	-	27 964

19	**Earnings per share (EPS)**	**2016-17**	2015-16
	(i) Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	**(32 120)**	1 18 783
	(ii) Weighted Average number of equity shares used as denominator for calculating EPS	**7 67 534**	50 000
	(iii) Basic and diluted earnings/ (loss) per share (₹)	**(0.04)**	2.38
	(iv) Face Value per equity share (₹)	**10**	10

			₹
20	**Deferred Tax Asset (Net)**	**As at 31st March, 2017**	As at 31st March, 2016
	Deferred Tax Liability		
	Related to Fixed Assets	**19 450**	3 736
	Deferred Tax Assets		
	Unabsorbed depreciation, disallowances and business loss carried forward under Income Tax Act, 1961	**45 19 953**	46 10 582

20.1 Deferred tax assets being higher than deferred tax liabilities, the Company recognizes deferred tax assets only to the extent of deferred tax liabilities on a conservative basis and any excess of deferred tax asset has not been given effect to in the balance sheet.

21. The Company has filed Scheme of Amalgamation with its Holding Company, Reliance Industrial Investments And Holdings Limited with the National Company Law Tribunal pursuant to the provisions of Sections 230-232 of the Companies Act, 2013. The Appointed Date for the Scheme is 1st October, 2016. These Financial Statement has been prepared for the purpose of consolidation in Reliance Industries Limited, its ultimate holding company.

Notes to the Financial Statements for the Year ended 31st March, 2017

22 Related Party Disclosures

As per Indian Accounting Standards 24, the disclosures of transactions with the related parties are given below :

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

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 Corporate IT Park Limited	Fellow Subsidiary

(ii) Transactions during the year with related parties: ₹

Sr No	Nature of Transactions (excluding reimbursements	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Total
1	Proceeds from issue of Equity Share Capital	**-**	**1 35 00 000**	**-**	**1 35 00 000**
		-	-	-	-
2	Net Loans and advances taken/ (repaid)	**-**	**(1 35 00 000)**	**-**	**(1 35 00 000)**
		-	-	-	-
3	Revenue from Operations	**-**	**-**	**-**	**-**
		-	-	*90 34 575*	-
4	Finance Cost	**-**	**5 95 007**	**-**	**5 95 007**
		-	*4 08 738*	-	*4 08 738*
	Balance as at 31st March, 2017				
5	Unsecured Loans	**-**	**-**	**-**	**-**
		-	*1 35 00 000*	-	*1 35 00 000*
6	Interest accrued but not due on Borrowings	**-**	**-**	**-**	**-**
		-	*12 54 233*	-	*12 54 233*

Figures in *italics* represents previous year's amount.

Disclosure in respect of Material Related Party Transactions during the year : ₹

	Particulars	Relationship	**2016-17**	2015-16
1	**Proceeds from issue of Equity Share Capital**			
	Reliance Industrial Investments and Holdings Limited	Holding Company	**1 35 00 000**	-
2	**Net Loans and advances taken/ (repaid)**			
	Reliance Industrial Investments and Holdings Limited	Holding Company	**(1 35 00 000)**	-
3	**Revenue from Operations**			
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**-**	90 34 575
4	**Finance Cost**			
	Reliance Industrial Investments and Holdings Limited	Holding Company	**5 95 007**	4 08 738

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Review of Outstanding Balances are undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. These balances are unsecured and settlement occurs through banking channel.

23 Financial Instruments

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value determined using discounted cash flow analysis.

Notes to the Financial Statements for the Year ended 31st March, 2017

Fair value measurement hierarchy:

₹

Particulars	As at 31st March, 2017 Carrying amount	As at 31st March, 2017 Level of Input used in Level 1	As at 31st March, 2016 Carrying amount	As at 31st March, 2016 Level of Input used in Level 1	As at 1st April, 2015 Carrying amount	As at 1st April, 2015 Level of Input used in Level 1
Financial Assets						
At Amortised Cost						
Cash and Cash Equivalents	**3 158**	-	3 26 863	-	4 79 720	-
Financial Liabilities						
At Amortised Cost						
Borrowings	**-**	-	1 35 00 000	-	1 35 00 000	-
Trade Payables	**18 399**	-	1 21 985	-	2 05 363	-
Other Financial Liabilities	**-**	-	12 54 233	-	8 51 633	-

The financial instruments are categorized into levels based on the inputs used to arrive at fair value measurements.

The Company's activities expose it Liquidity risk and Credit risk.

Liquidity Risk

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Company. It arises from its investment activities and principally credit exposures to customers relating to outstanding receivables.

24 The Company has single reportable segment under Indian Accounting Standards 108 "Operating Segment".

25 **Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is as under:-**

The Company does not receive or, does not make any payment in Cash. Accordingly Cash balance as on 8th November 2016 and as on 30th December 2016 was NIL.

26 **Approval of Financial Statements**

The Financial Statements were approved for issue by the board of directors on April 18, 2017.

27 **First times Ind AS Adoption Reconciliations**

There is no effect of Ind AS adoption on the Balancesheet and Statement of Profit & Loss for the year ended 31st March, 2016.

As per our Report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : April 18, 2017

For and on behalf of the Board

Rajan Luthra
Director

N. Shanker
Director