

Reliance Corporate IT Park Limited

Independent Auditor's Report

To the Members of Reliance Corporate IT Park Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Corporate IT Park 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 we are 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 profit 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:

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- 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 disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 27 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: 19th 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) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the company.
- ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- 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 complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given.
- 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) In our opinion and according to the information and explanations given to us, no amounts were due for repayment to debenture holders, the clause (viii) of paragraph 3 of the order is not applicable to the Company.
- ix) The money raised by company from term loans has been applied for the purpose for which they are raised.
- 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 explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provision of section 197 read with schedule V to the Act.
- 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 him 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: 19th 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 Corporate IT Park 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: 19th April, 2016

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016	As at 31st March, 2015	₹ in crore
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	1	2,974.99	2,974.99	
Reserves and Surplus	2	(50.84)	(152.49)	
		2,924.15		2,822.50
Non - Current Liabilities				
Long Term Borrowing	3	4,371.39	3,006.04	
		4,371.39		3,006.04
Current Liabilities				
Trade Payables	4		10.63	
Micro and Small Enterprises		4.28	634.81	
Others		988.09	435.96	
Other Current Liabilities	5	1,066.12	16.81	
Short Term Provisions	6	28.82		
		2,087.31		1,098.21
TOTAL		9,382.85		6,926.75
ASSETS				
Non-Current Assets				
Fixed Assets				
Tangible Assets	7	2,406.53	2,376.35	
Intangible Assets	7	273.41	288.01	
Capital Work-in-Progress	7	4,208.97	2,020.23	
Non Current Investments	8	1.14	0.12	
Long-term Loans and Advances	9	596.98	551.22	
		7,487.03		5,235.93
Current assets				
Inventories	10	49.25	127.30	
Trade Receivables	11	799.33	877.03	
Cash and Bank Balances	12	0.12	2.14	
Short-Term Loans and Advances	13	1,035.05	683.57	
Other Current Assets	14	12.07	0.78	
		1,895.82		1,690.82
TOTAL		9,382.85		6,926.75
Significant Accounting Policies				
Notes to the Financial Statement	1 to 28			

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Regn No. - 101720W

Jignesh Mehta
Partner
Mem. No. - 102749

Navi-Mumbai
April 19, 2016

For and on behalf of the Board

Rohit Shah
Director

S R Bhardwaj
Director

Komal Chhapru
Director

S Rajagopal
CFO

Arvind Modgil
Director

C S Gokhale
Director

Ranabir Sanyal
Company Secretary

Ramakant Singru
Manager

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

	Note	2015-16	₹ in crore 2014-15
INCOME			
Revenue from operations	15		
Sale of Services		5,612.35	7,370.19
Sale of Scrap		5.52	5.04
Less: Service Tax / Excise Duty Recovered		(497.77)	(615.13)
		<u>5,120.10</u>	<u>6,760.10</u>
Other Income	16	7.29	2.10
Total Revenue		<u>5,127.39</u>	<u>6,762.20</u>
EXPENDITURE			
Variation in Work-in-Progress	17	111.33	(69.70)
Employee Benefits and Expenses	18	1,419.93	1,128.69
Finance Cost	19	24.99	37.71
Depreciation and Amortisation Expenses		260.31	213.23
Other Expenses	20	3,181.60	5,436.43
Total Expenses		<u>4,998.16</u>	<u>6,746.36</u>
Profit before tax and after Extraordinary Items		<u>129.23</u>	<u>15.84</u>
Tax expenses			
Current Tax		27.58	3.32
Profit for the year		<u>101.65</u>	<u>12.52</u>
Earnings per Equity Share of Face Value of ₹ 10 each			
Basic (In ₹)	21	0.43	0.05
Diluted (In ₹)	21	0.34	0.04
Significant Accounting Policies			
Notes to the Financial Statement			

As per our Report of even date

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Director

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Company Secretary

Ramakant Singru
Manager

Cash Flow Statement for the year 2015-16

	2015-16	2014-15	₹ in crore
A: Cash Flow from Operating Activities			
Net Profit before tax as per Statement of Profit and Loss	129.23		15.84
Adjusted for:			
Depreciation and Amortisation Expense	260.31	213.23	
(Profit)/Loss on Sale/Discarding of Assets (Net)	0.08	0.04	
Profit on Sale of Current Investments	(0.52)	(0.01)	
Finance Costs	24.99	37.71	
Interest Income	(3.66)	(0.18)	
	<u>281.20</u>	<u>250.79</u>	
Operating Profit before Working Capital Changes	410.43		266.63
Adjusted for:			
Trade and Other Receivables	(319.04)	(825.36)	
Inventories	78.05	(75.85)	
Trade and Other Payables	544.15	356.91	
	<u>303.16</u>	<u>(544.30)</u>	
Cash Generated from Operations	713.60		(277.67)
Net Taxes (Paid) / Refunds	(42.33)		(103.02)
Net Cash from/ (used in) Operating Activities	671.27		(380.68)
B: Cash Flow from Investing Activities			
Purchase of Fixed Assets	(2,322.96)	(1,420.90)	
Sale of Fixed Assets	1.09	0.75	
Purchase of Investments	(297.02)	43.00	
Sale of Investments	296.52	(43.01)	
Movements in Loans & Advances	11.86	10.32	
Interest Income	3.66	0.18	
Net Cash used in Investing Activities	(2,306.85)		(1,409.66)
C: Cash Flow from Financing Activities			
Redemption of Preference Share Capital	-	(1.33)	
Proceeds from Long Term Borrowings	6,009.50	1,846.50	
Issue of Debenture	180.10	-	
Application money pending allotment - Debenture	455.77	-	
Repayment of Borrowings	(4,941.37)	-	
Repayment of Lease	(10.15)	(9.19)	
Finance Cost	(60.29)	(46.09)	
Net Cash from Financing Activities	1,633.56		1,789.88
Net Increase/(Decrease) in Cash and Cash Equivalents	(2.02)		(0.46)
Opening balance of Cash and Cash equivalents	2.14		2.38
Add: On Amalgamation	-		0.22
Closing balance of Cash and Cash equivalents	0.12		2.14
(Refer Note No. 12)			
Significant Accounting Policies			
Notes to the Financial Statement	1 to 28		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Regn No. - 101720W

Jignesh Mehta
Partner
Mem. No. - 102749

Navi-Mumbai
April 19, 2016

For and on behalf of the Board

Rohit Shah
Director

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Ranabir Sanyal
Company Secretary

Ramakant Singru
Manager

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

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 Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in crore.

B Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgement, estimates and assumptions to be made that affect the reported amount of assets and liabilities, 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 Own Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

D Leased Assets

- (i) All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred. Income from lease assets is accounted by applying the interest rate implicit in the lease to the net investment from the commencement of lease period.
- (ii) Assets taken on Finance Leases: The Lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed asset with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to statement of profit and loss.

E Intangible Assets

Intangible assets are stated at cost of acquisition, net of recoverable taxes less accumulated amortisation. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

F Depreciation

Depreciation on fixed assets is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Cost of leasehold land is amortised over the period of lease. Computer software is amortised over a period of 5 years.

G Impairment of Assets

The Company assess at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An asset is treated as impaired, when the carrying cost of the asset exceeds its recoverable value. Recoverable

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

amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

H Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction or that approximates the actual rate at the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year-end are restated at year-end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.
- (iii) Non-monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I Investments

Current investments are carried at 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. 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.

J Inventories

Items of inventories are measured at lower of cost or net realisable value after providing for obsolesce if any. Cost of inventories comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Costs are determined on weighted average basis.

K Revenue Recognition

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from services are recognised when services have been rendered and no significant uncertainty to collectability exists. Revenue from operations includes sale of goods, services, service tax, excise duty, adjusted for discounts (net). Dividend Income is recognised when right to receive is established. Interest Income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

L Service Tax / Excise Duty

Service tax / Excise duty is accounted on the basis of both, payments made in respect of services provided / goods cleared.

M 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. These benefits include performance incentive and compensated absences.

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

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, Superannuation Scheme 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 liability in respect of defined benefit plans 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.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

N Borrowing Costs

Borrowing cost 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 takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

O Income Taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

P Provision, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

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

1 Share Capital		₹ in crore	
		As at 31st March, 2016	As at 31st March, 2015
Authorised Share Capital			
349,53,00,000	Equity Shares of ₹ 10 each	3,495.30	3,495.30
(349,50,00,000)			
60,50,08,000	Preference Shares of ₹ 10 each	605.01	605.01
(60,50,00,000)			
TOTAL		4,100.31	4,100.31
Issued, Subscribed and Paid up:			
237,99,94,480	Equity Shares of ₹ 10 each fully paid up	2,379.99	2,379.99
(237,99,94,480)			
59,49,98,620	2% Non-Cumulative Optionally Convertible	595.00	595.00
(59,49,98,620)	Preference Shares of ₹10 each fully paid up issued at Par		
TOTAL		2,974.99	2,974.99

- 1.1** Of the above, Reliance Commercial Land & Infrastructure Limited, the Holding Company, along with its nominees holds 237,99,94,480 (previous Year 237,99,94,480) fully paid up Equity Shares and 59,49,98,620 (previous Year 59,49,98,620) fully paid up 2% Non-Cumulative Optionally Convertible Preference Shares.
- 1.2** Of the above Equity Shares, 16,77,18,620 shares (previous year 16,77,18,620) were allotted without payment being received in Cash pursuant to the terms of Scheme of Arrangement sanctioned by the Hon'ble High Court of Bombay.
- 1.3** 2% Non-cumulative Optionally Convertible Preference Shares of nominal value of ₹.10 each are redeemable on February 15, 2026 unless they are converted into Equity Shares of ₹.10 each, based on higher of book value or face value as at March 31, 2015, at the option of the Company and the holder of preference shares.
- 1.4** The details of shareholders holding more than 5% shares

Equity Shares:

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Reliance Commercial Land & Infrastructure Limited	237,99,94,480	100	237,99,94,480	100

2% Non-Cumulative Optionally Convertible Preference Shares:

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Reliance Commercial Land & Infrastructure Ltd	59,49,98,620	100	59,49,98,620	100

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

1.5 The reconciliation of number of shares outstanding is set out below

Particulars	As at	As at
	31st March, 2016 No. of Shares	31st March, 2015 No. of Shares
Equity Shares at the beginning	237,99,94,480	237,99,94,480
Add: Shares issued on conversion of warrants	-	-
Equity Shares at the end of the year	237,99,94,480	237,99,94,480
6% Redeemable Cumulative Preference Shares at the beginning	-	1,332,700
Less: Shares Redeemed	-	-1,332,700
6% Redeemable Cumulative Preference Shares at the end of the year	-	-
2% Non-Cumulative Optionally Convertible Preference Shares at the beginning	59,49,98,620	59,49,98,620
Add: Shares issued	-	-
2% Non-Cumulative Optionally Convertible Preference Shares at the end of the year	59,49,98,620	59,49,98,620

1.6 The Company has one class of ordinary shares which carry equal voting rights on income and distribution of assets on liquidation or otherwise.

1.7 Refer Note No. 3 for Option on Unissued Share Capital.

2 Reserves and Surplus

	As at	As at
	31st March, 2016	31st March, 2015
₹ in crore		
Capital Redemption Reserve		
As per last Balance Sheet	1.33	1.33
Add: Transferred from Profit and Loss account on redemption of Cumulative Preference Shares	-	-
	1.33	1.33
Securities Premium Account		
As per last Balance Sheet	1.97	1.97
Surplus		
Profit and Loss Account		
As per last Balance Sheet	(155.79)	(114.22)
Less: Adjustment related to Fixed Assets	-	(50.36)
Less: Transferred to Capital Redemption Reserve on redemption of Cumulative Preference Shares	-	(1.33)
Add: Loss of Amalgamated companies	-	(2.40)
Add: Profit for the year	101.65	12.52
	(54.14)	(155.79)
TOTAL	(50.84)	(152.49)

In view of the accumulated loss as on 31st March 2016, the company has not created the Debenture Redemption Reserve for ₹. 0.09 Crore (Previous Year ₹ Nil) 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 Borrowing	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
Secured		
Long term maturities of finance lease obligations (Refer Note No. - 7.1)	0.39	8.27
Unsecured		
Zero Coupon Unsecured Optionally Fully Convertible Debentures (OFCDs) of ₹ 10 each*	180.10	-
Loans and advances from related parties **	4,190.90	2,997.77
TOTAL	4,371.39	3,006.04

* The Company has issued Zero Coupon Unsecured Optionally Fully Convertible Debentures to Reliance Petroinvestments Limited. The Company has an option for conversion of OFCDs in to equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The conversion into equity shares shall be based on higher of face value or book value of the Company as at March 31, 2015. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 10 years from the date of allotment i.e, March 25, 2016.

** Unsecured Loan includes ₹ 3505.00 crore (Previous Year ₹ 2792.00 crore) as Interest bearing Loan taken from Reliance Industries Limited, repayable after 5 years.

** Unsecured Loan includes ₹ 685.90 crore (Previous Year ₹ 205.77 Crore) as Interest bearing Loan taken from Reliance Commercial Land & Infrastructure Limited, repayable after 5 years.

4 Trade Payables

There is no principal amount and interest overdue to Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

5 Other Current Liabilities

	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
Current maturities of finance lease obligations	7.88	10.15
Application money pending allotment - Zero Coupon		
Unsecured Optionally Fully Convertible Debentures (OFCDs) of ₹. 10 each	330.77	-
Creditors for Capital Expenditure	40.80	89.27
Interest accrued but not due on Borrowings	349.36	184.44
Other Payables *	337.29	152.09
TOTAL	1,066.11	435.96

* Other Payables include Suppliers Credit, Interest on Suppliers Credit, Statutory dues and Advance from Customers.

6 Short Term Provisions

	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits	28.82	16.81
TOTAL	28.82	16.81

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

7 Fixed Assets

₹ in crore

Description	Gross Block				Depreciation				Net Block	
	As at 1/4/2015	Additions	Deductions/ Adjustments	As at 31/3/2016	As at 1/4/2015	For the Year	Deductions/ Adjustments	Upto 31/3/2016	As at 31/3/2016	As at 31/3/2015
TANGIBLE ASSETS										
OWNED ASSETS:										
Leasehold Land	15.25	-	-	15.25	1.92	0.19	-	2.11	13.14	13.33
Freehold Land	23.74	-	-	23.74	-	-	-	-	23.74	23.74
Buildings	1,801.32	56.90	-	1,858.22	148.74	31.86	-	180.60	1,677.62	1,652.58
Plant & Machinery	106.02	0.85	-	106.88	22.25	23.49	-	45.76	61.12	83.76
Equipments	321.84	12.20	-	334.04	128.72	12.12	-	140.84	193.20	193.12
Computers, Servers & Others	428.59	125.27	-	553.86	148.91	79.63	-	228.54	325.32	279.67
Furniture & Fixtures	135.57	4.01	-	139.58	53.90	13.29	-	67.20	72.38	81.65
Vehicles	61.34	5.62	4.53	62.43	22.22	12.27	3.36	31.15	31.28	39.10
Sub-Total	2,893.65	204.84	4.53	3,094.02	526.67	172.85	3.35	696.19	2,397.80	2,366.93
LEASED ASSETS:										
Computer Equipments	144.47	-	-	144.47	135.05	0.68	-	135.73	8.73	9.42
Sub-Total	144.47	-	-	144.47	135.05	0.68	-	135.73	8.73	9.42
Total (A)	3,038.12	204.84	4.53	3,238.48	661.72	173.53	3.35	831.93	2,406.53	2,376.35
INTANGIBLE ASSETS:										
Software	316.98	72.18	-	389.16	28.97	86.78	-	115.75	273.41	288.01
Total (B)	316.98	72.18	-	389.16	28.97	86.78	-	115.75	273.41	288.01
Total (A+B)	3,355.10	277.02	4.53	3,627.64	690.69	260.31	3.35	947.67	2,679.94	2,664.36
<i>Previous Year</i>	<i>2,904.59</i>	<i>453.74</i>	<i>3.24</i>	<i>3,355.11</i>	<i>429.55</i>	<i>263.59</i>	<i>2.45</i>	<i>690.72</i>	<i>2,664.39</i>	<i>2,475.02</i>
Capital Work in Progress									4,208.97	2,020.23

7.1 In respect of Fixed Assets - Computer Equipments acquired on finance lease on or after 1st April, 2001, the minimum lease rentals outstanding as on 31st March, 2016 are as follows:

₹ in crore

	Total Minimum Lease Payments outstanding as at 31st March		Future interest on outstanding Lease payments		Present Value of Minimum Lease Payments as at 31st March	
	2016	2015	2016	2015	2016	2015
Within One Year	8.26	11.54	0.38	1.39	7.88	10.15
Later than one year not later than five years	0.41	8.67	0.02	0.40	0.39	8.27
Later than five years	-	-	-	-	-	-
Total	8.67	20.21	0.40	1.79	8.27	18.42

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

7.2 General Description of Lease terms:

Lease rentals are charged on the basis of agreed terms.

Assets taken on lease are at a fixed non-cancellable period of 10 years.

7.3 Capital Work in Progress includes:

(a) Cost of Construction Materials at Site ₹ 356.42 crore (Previous Year ₹ 215.20 crore)

(b) Capital Work-in-Progress includes Project Development Expenditure ₹ 642.75 crore (Previous year ₹ 244.78 crore)

7.4 <u>Details of Project Development Expenditure:</u>	2015-16		2014-15	
Opening		244.78		46.50
Interest & Finance Charges	373.70		169.61	
Indirect Costs	24.27	397.97	28.67	198.28
Closing		642.75		244.78

7.5 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account of the year ended 31st March, 2015.

8 Non Current Investments

(Valued at cost less other than temporary diminution in value, if any)

	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
Other Investments		
In Equity Shares of Subsidiary Companies -		
Unquoted, Fully Paid Up Shares		
50 000 Strategic Manpower Solutions Limited (50 000) Equity Shares of ₹10 each fully paid up	0.05	0.05
10 00 000 Reliance Jio AsiaInfo Innovation Centre Limited (-) Equity Shares of ₹10 each fully paid up	1.00	-
Investments in LLP		
GenNext Ventures Investment Advisers LLP	0.09	0.07
TOTAL	1.14	0.12
Aggregate value of Unquoted Investments	1.14	0.12

9 Long-Term Loans and Advances

(Unsecured and considered good)

	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
Capital Advances	219.63	210.72
Deposits	311.24	233.73
Loans and Advances to Related Parties	-	11.86
Other Loans and Advances #	66.11	94.91
TOTAL	596.98	551.22

includes ₹ 65.88 crore (Previous Year ₹ 94.69 crore) towards lease receivables.

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

9.1 Loans and Advances in the nature of Loans given to Subsidiaries:

Sl. No.	Name of the company	As at 31st March, 2016	Maximum Balance during the year	As at 31st March, 2015
1	Strategic Manpower Solutions Limited	-	11.86	11.86

10 Inventories

	As at 31st March, 2016	As at 31st March, 2015
Stores and Spares	49.25	15.98
Work-in-Progress	-	111.32
TOTAL	49.25	127.30

10.1 Inventories are valued at lower of cost and net realisable value.

11 Trade Receivable

(Unsecured, considered good)	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding six months from due date	-	-
Others	799.33	877.03
TOTAL	799.33	877.03

12 Cash and Bank Balances

Cash and cash equivalents	As at 31st March, 2016	As at 31st March, 2015
Cash in hand	0.06	0.01
Balance with Bank - In Current Accounts	0.06	2.13
TOTAL	0.12	2.14

13 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)	218.90	204.16
Balance with customs, central Excise and Sales Tax authorities	33.40	28.67
Deposits	173.48	173.49
Others #	609.27	277.25
TOTAL	1,035.05	683.57

includes towards lease receivables, Advances to Employees & Advances to Vendors.

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

18.1 As per Accounting Standard 15 “Employee benefits”, the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under	₹ in crore	
	2015-16	2014-15
Employers Contribution to Provident Fund	36.13	33.04
Employers Contribution to Superannuation Scheme	3.39	3.58
Employers Contribution to Pension Scheme	16.52	11.88

The Company’s Provident Fund is exempted under section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the trust vis-à-vis statutory rate.

Defined Benefit Plan

The Employees Gratuity Scheme managed by Trust is a defined benefit plan. The Present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Compensated Absences is recognised in the same manner as gratuity.

I Reconciliation of Opening and closing balances of Defined Benefit obligation	₹ in crore			
	Gratuity (Funded)		Compensated Absences (Funded)	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit obligation at beginning of the year	92.99	82.53	48.40	41.40
Current Service Cost	12.56	10.25	3.90	3.25
Interest cost	7.44	6.60	3.87	3.31
From Transfer	3.71	-	-	
Actuarial (gain) / loss on obligations	0.58	(0.77)	9.92	3.75
Benefits paid	(5.99)	(5.62)	(2.83)	(3.31)
Defined Benefit obligation at end of the year	111.29	92.99	63.26	48.40

II Reconciliation of Opening and closing balances of fair value of plan assets	₹ in crore			
	Gratuity (Funded)		Compensated Absences (Funded)	
	2015-16	2014-15	2015-16	2014-15
Fair value of plan assets at the beginning of the year	92.98	82.53	31.31	28.78
Expected return on plan assets	7.44	6.60	2.50	2.30
Actuarial Gain / (Loss)	0.88	0.56	0.34	0.23
Employer Contribution	12.26	8.91	2.83	3.31
Other Transfers	3.71	-	-	-
Benefits Paid	(5.99)	(5.62)	(2.83)	(3.31)
Fair value of plan assets at the end of the year	111.29	92.98	34.15	31.31

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

	Gratuity (Funded)		Compensated Absences (Funded)	
			₹ in crore	
	2015-16	2014-15	2015-16	2014-15
Fair value of plan assets at end of year	111.29	92.98	34.15	31.31
Present Value of obligation	111.29	92.99	63.26	48.40
Amount recognised in Balance Sheet	-	0.01	29.11	17.09

	Gratuity (Funded)		Compensated Absences (Funded)	
			₹ in crore	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	12.56	10.25	3.90	3.25
Interest Cost	7.44	6.60	3.87	3.31
Expected return on plan assets	(7.44)	(6.60)	(2.50)	(2.30)
Actuarial (gain) / loss	(0.31)	(1.33)	9.58	3.52
Net cost	12.26	8.92	14.85	7.78

	Gratuity (Funded)		Compensated Absences (Funded)	
			₹ in crore	
	2015-16 (₹ in crore)	2014-15 (₹ in crore)	2015-16 (₹ in crore)	2014-15 (₹ in crore)
Insurance Policies	111.29	92.98	34.15	31.31
% Invested	100%	100%	100%	100%

	Gratuity (Funded)		Compensated Absences (Funded)	
			₹ in crore	
	2015-16 (Ultimate)	2014-15 (Ultimate)	2015-16 (Ultimate)	2014-15 (Ultimate)
Mortality Table	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.00%	8.00%	8.00%	8.00%
Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the company's policy for plan assets management.

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

VII a) Amount recognised in current year and previous four year					₹ in crore
Particular	As at 31st March				
	2016	2015	2014	2013	2012
Gratuity					
Defined benefit obligation	111.29	92.99	82.53	68.24	28.61
Fair value of planned assets	111.29	92.98	82.53	49.97	22.31
(Surplus)/ Deficit in the plan	-	-	-	18.27	6.30
Actuarial (gain)/ loss on plan liabilities	0.58	(0.77)	2.50	33.64	2.70
Actuarial gain/ (loss) on plan assets	0.88	0.56	(0.88)	(0.26)	(0.40)

b) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2015-16.

19 Finance costs	2015-16	₹ in crore 2014-15
Interest Expenses*	23.59	35.35
Other borrowing costs	1.40	2.36
TOTAL	24.99	37.71

* Interest Expenses are net of Interest Capitalised of ₹ 364.68 crore (Previous Year ₹ 169.61 crore)

20 Other Expenses	2015-16	₹ in crore 2014-15
Establishment Expenses		
Professional fees	874.77	1,314.71
Contracted Manpower	701.45	621.76
Rent	365.31	244.47
Insurance	11.22	11.91
Rates and Taxes	33.53	19.86
Audit Fees	0.22	0.19
Electricity and Water	110.25	79.27
Building Repairs and Maintenance	1.09	0.31
Sub-Contracting Expenses	12.79	2,169.38
Facility Management Expenses	720.25	517.44
Other Repairs	107.92	216.34
Loss on Sale / Discard of Assets	0.38	0.14
Exchange differences (net)	4.00	0.57
Travelling, Car Hire and Conveyance Expenses	67.82	80.21
Telephone Expenses	52.03	57.59
Donations	0.37	0.20
General Expenses	118.22	102.09
TOTAL	3,181.62	5,436.43

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

20.1 Payment to Auditors	2015-16	₹ in crore 2014-15
Statutory Audit Fees	0.17	0.15
Tax Audit Fees	0.04	0.03
Certification Fees	0.01	0.01
TOTAL	0.22	0.19

20.2 Donations include ₹ 0.23 Crore spent on Corporate Social Responsibility as per Schedule 135 of the Companies Act, 2013 read with Schedule VII thereof.

Gross amount required to be spent as per the aforesaid provision is ₹ 0.23 Crore.

The amount spent on CSR activity during the financial year 2015 - 16 was utilised for Education purpose.

20.3 Expenditure In Foreign Currency	2015-16	₹ in crore 2014-15
Other Repairs	23.81	24.68
Travelling Expenses	7.59	9.14
Professional Fees	130.96	45.23
Sub-contracting Expenses	229.30	99.61
General Expenses	9.90	15.68
TOTAL	401.56	194.34

20.4 Earnings In Foreign Currency	2015-16	₹ in crore 2014-15
Sale of Services	6.36	6.25

20.5 Value of Imports on CIF basis in respect of Capital Goods ₹ 323.30 crore (Previous Year ₹ 144.64 crore).

20.6 Foreign currency exposure that are not hedged by derivative instrument or forward contracts as at March 31, 2016:

	2015-16	₹ in crore 2014-15
Trade Receivables	0.83	2.23
Trade Payables	48.57	22.30

21 Earning Per Share:	₹ in crore	
<u>Basic Earning Per Share</u>	2015-16	2014-15
Net Profit after tax as per statement of profit and loss	101.65	12.52
Dividend on Cumulative Preference Share	-	-
Net Profit attributable to Equity Shareholders	101.65	12.52
Weighted Average number of equity shares used as denominator for calculating Basic EPS:	237,99,94,480	237,99,94,480
Basic Earnings per share of face value of ₹.10 each (In ₹)	0.43	0.05

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

		₹ in crore		
	2015-16	2014-15		
<u>Diluted Earning Per Share</u>				
Net Profit attributable to Equity Shareholders	101.65	12.52		
Weighted Average number of equity shares used as denominator for calculating Basic EPS:	237,99,94,480	237,99,94,480		
Add: Number of Non-Cumulative Preference Shares convertible into equity shares (Refer Note No. - 1.3)	59,49,98,620	59,49,98,620		
Add: Number of Zero Coupon Unsecured Optionally Fully Convertible Debentures (OFCDs)	34,53,973	-		
Weighted Average number of equity shares used as denominator for calculating Diluted EPS:	297,84,47,073	297,49,93,100		
Diluted Earnings per share of face value of ₹.10 each (In ₹)	0.34	0.04		
22 Fixed assets given on finance lease:		₹ in crore		
		Gross Investment	Less: Unearned Finance Income	Present Value of Minimum Lease Rental
Within one year	2015-16	36.37	7.57	28.80
	2014-15	36.37	10.02	26.35
Later than one year and not later than five years	2015-16	72.73	6.84	65.89
	2014-15	109.10	14.41	94.69
Later than five years	2015-16	-	-	-
	2014-15	-	-	-
Total	2015-16	109.10	14.41	94.69
	2014-15	145.47	24.43	121.04

22.1 General Description of Lease terms:

Lease rentals are charged on the basis of agreed rate of interest.

Assets are given on lease for a period of ten years.

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

23 Related Party Disclosures

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 where control exists and related parties with whom transactions have taken place and the relationship:**

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Companies
3	Reliance Commercial Land & Infrastructure Limited	
4	Strategic Manpower Solutions Limited	Subsidiary Company
5	Reliance Jio AsiaInfo Innovation Centre Limited	
6	Reliance Retail Insurance Broking Limited	Fellow Subsidiary Companies
7	Reliance Retail Limited (formerly Reliance Fresh Limited)	
8	Reliance Retail Ventures Limited	
9	Gapco Uganda Limited	
10	Gapco Kenya Limited	
11	Gapco Tanzania Limited	
12	Reliance Jio Infocomm Limited	
13	Reliance Jio Infratel Pvt Ltd	
14	Reliance Jio Messaging Services Pvt Ltd	
15	Reliance Jio Infocomm PTE Limited	
16	Big Tree Entertainment Private Limited (w.e.f. 7th July, 2014)	
17	Reliance Payment Solutions Limited	
18	Reliance Aerospace Technologies Limited	
19	Reliance Jio Digital Services Private Limited	
20	Reliance Gas Pipelines Limited	
21	Reliance Petroinvestment Limited	
22	GenNext Ventures Investment Advisers LLP	Associate
23	Sh. Ramakant Singru	Key Managerial Personnel (Manager)

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

(ii) Transactions during the year with related parties:								₹ in crore
Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company	Subsidiary Company	Fellow Su bsidiaries	Associate	KMP's	Total
1	Purchase of Fixed Assets	1.70 <i>172.90</i>	-	-	37.47 <i>45.02</i>	-	-	39.18 <i>217.92</i>
2	Sale of Fixed Assets	1.01 <i>0.75</i>	-	-	0.79 <i>-</i>	-	-	1.81 <i>0.75</i>
3	Revenue from Operation	3,281.97 <i>2,914.39</i>	-	6.83 <i>3.84</i>	823.01 <i>3,282.26</i>	-	-	4,111.81 <i>6,200.49</i>
4	Professional fees	-	37.86 <i>29.00</i>	20.59 <i>-</i>	650.93 <i>480.00</i>	-	-	709.38 <i>509.00</i>
5	Hire Charges - Contracted Services	-	-	705.85 <i>374.06</i>	-	-	-	705.85 <i>374.06</i>
6	General Expenses	-	-	-	-	-	-	-
7	Lease Finance Charges	-	-	-	-	-	-	-
8	Finance Charges	23.49 <i>35.33</i>	-	-	-	-	-	23.49 <i>35.33</i>
9	Net Loans & Advances Given/(Returned)	-	-	11.86 <i>(10.32)</i>	-	-	-	11.86 <i>(10.32)</i>
10	Net Unsecured Loans taken	713.00 <i>1,846.50</i>	685.90 <i>-</i>	-	-	-	-	1,398.90 <i>1,846.50</i>
11	Issue of Debenture	-	-	-	180.10 <i>-</i>	-	-	180.10 <i>-</i>
12	Purchase/Subscription of Investments	-	1.00 <i>-</i>	-	-	-	-	1.00 <i>-</i>
13	Lease Finance Charges Received	10.02 <i>12.26</i>	-	-	-	-	-	10.02 <i>12.26</i>
14	Payment to Key Managerial Personnel	-	-	-	-	-	0.48 <i>0.22</i>	0.48 <i>0.22</i>
Balance as at 31st March, 2016								
15	Trade Receivables	237.61 <i>324.56</i>	-	-	414.77 <i>547.78</i>	-	-	652.38 <i>872.34</i>
16	Loans & Advances	-	-	11.27 <i>11.86</i>	-	-	-	11.27 <i>11.86</i>
17	Investments	-	-	1.05 <i>0.05</i>	-	0.09 <i>0.07</i>	-	1.14 <i>0.12</i>
18	Trade Payables	0.03 <i>0.06</i>	-	49.24 <i>30.01</i>	5.75 <i>0.90</i>	-	-	55.02 <i>30.97</i>
19	Unsecured Loans	3,505.00 <i>2,792.00</i>	685.90 <i>205.77</i>	-	-	-	-	4,190.90 <i>2,997.77</i>
20	Debenture Application Money	-	330.77 <i>-</i>	-	-	-	-	330.77 <i>-</i>
21	Lease Rental Receivable	94.69 <i>121.03</i>	-	-	-	-	-	94.69 <i>121.03</i>
22	Interest Accrued but Not Due	317.58 <i>184.45</i>	31.78 <i>-</i>	-	-	-	-	349.36 <i>184.45</i>

Note: Figures in Italic 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:			₹ in crore	
Particulars	Relationship	2015-16	2014-15	
1	<u>Purchase of Fixed Assets</u>			
	Reliance Industries Limited	Ultimate Holding	1.70	172.90
	Reliance Retail Limited	Fellow Subsidiary	34.70	41.31
	Reliance Security Solutions Limited	Fellow Subsidiary	-	2.35
	Reliance Aerospace Technologies Limited	Fellow Subsidiary	0.90	1.36
	Reliance Gas Pipelines Ltd	Fellow Subsidiary	1.87	
2	<u>Sale of Fixed Assets</u>			
	Reliance Industries Limited	Ultimate Holding	1.01	0.75
	Reliance Retail Limited	Fellow Subsidiary	0.00	-
	Reliance Jio Infocomm Limited	Fellow Subsidiary	0.79	0.01
3	<u>Revenue from Operations</u>			
	Reliance Industries Limited	Ultimate Holding	3,281.97	2,914.39
	Strategic Manpower Solutions Limited	Subsidiary	6.83	3.84
	Reliance Jio Infocomm Limited	Fellow Subsidiary	232.37	2,790.64
	Reliance Jio Digital Services Private Limited	Fellow Subsidiary	1.09	31.11
	Reliance Payment Solutions Limited	Fellow Subsidiary	2.12	23.30
	Reliance Jio Messaging Services Pvt Ltd	Fellow Subsidiary	0.01	-
	Reliance Retail Limited	Fellow Subsidiary	570.78	428.94
	Reliance Retail Ventures Limited	Fellow Subsidiary	2.03	-
	Reliance Jio Infratel Pvt Ltd	Fellow Subsidiary	0.09	-
	Gapco Kenya Limited	Fellow Subsidiary	2.43	2.39
	Gapco Tanzania Limited	Fellow Subsidiary	2.15	2.18
	Gapco Uganda Limited	Fellow Subsidiary	0.95	1.05
	Reliance Retail Insurance Broking Limited	Fellow Subsidiary	2.97	2.20
	Reliance Jio Infocomm PTE Limited	Fellow Subsidiary	0.35	0.30
	Reliance Gas Pipelines Limited	Fellow Subsidiary	0.17	0.15
	Indiawin Sports Private Limited	Fellow Subsidiary	5.50	-
4	<u>Professional Fees</u>			
	Reliance Industrial Investments and Holdings Limited	Holding	37.86	29.00
	Strategic Manpower Solutions Limited	Subsidiary	20.59	-
	Reliance Retail Limited	Fellow Subsidiary	650.93	480.00
5	<u>Hire Charges Contracted Manpower</u>			
	Strategic Manpower Solutions Limited	Subsidiary	705.85	374.06
6	<u>General Expenses</u>			
	Big Tree Entertainment Private Limited	Fellow Subsidiary	-	3.89

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

Particulars	Relationship	2015-16	2014-15
7 <u>Finance Charges</u>			
Reliance Industries Limited	Ultimate Holding	23.49	35.33
8 <u>Lease Finance Charges</u>			
Reliance Industries Limited	Ultimate Holding	-	
9 <u>Net Loans & Advances Given / (Returned)</u>			
Strategic Manpower Solutions Limited	Subsidiary	11.86	(10.32)
10 <u>Net Unsecured Loans Taken</u>			
Reliance Industries Limited	Ultimate Holding	713.00	1,846.50
Reliance Commercial Land & Infrastructure Limited	Ultimate Holding	685.90	-
11 <u>Purchase / Subscription of Investments</u>			
Reliance Jio AisaInfo Innovation Centre Limited	Subsidiary	1.00	-
12 <u>Lease Finance Charges Received</u>			
Reliance Industries Limited	Ultimate Holding	10.02	12.26
13 <u>Issue of Zero Coupon Unsecured Optionally Fully Convertible Debentures</u>			
Reliance Petroinvestment Limited	Fellow Subsidiary	180.10	-
14 <u>Payment to Key Managerial Personnel</u>			
Sh. Ramakant Singru	Key Managerial Personnel	0.48	0.22
Balance as at 31st March, 2016			
15 <u>Investments</u>			
Strategic Manpower Solutions Limited	Subsidiary	0.05	0.05
Reliance Jio AsiaInfo Innovation Centre Limited	Subsidiary	1.00	-
GenNext Ventures Investment Advisers LLP	Associate	0.09	0.07
16 <u>Loans & Advances</u>			
Strategic Manpower Solutions Limited (Debt Application money given)	Subsidiary	11.27	11.86
17 <u>Lease Rent Receivables</u>			
Reliance Industries Limited	Ultimate Holding	94.69	121.03
18 <u>Unsecured Loans</u>			
Reliance Industries Limited	Ultimate Holding	3,505.00	2,792.00
Reliance Commercial Land & Infrastructure Limited	Holding	685.90	205.77
19 <u>Interest Accrued but not Due</u>			
Reliance Industries Limited	Ultimate Holding	317.58	184.45
Reliance Commercial Land & Infrastructure Limited	Holding	31.78	-

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

24 The Company's major activity is providing Support services including IT / ITES, Business Support, Manpower and all other activities revolve around the same. Accordingly, there is no separate reportable segment as defined by the Accounting Standard 17 "Segment Reporting".

25 The Deferred Tax Asset comprises of the following:	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Assets		
Unabsorbed Depreciation, Business Loss & Disallowances under Income Tax Act, 1961	392.45	380.04
Deferred Tax Liability		
Related to fixed assets	388.72	343.53
Net Deferred Tax Asset / (Liability) recognised	<u>3.73</u>	<u>36.51</u>

25.1 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.

26 Additional Information	₹ in crore	
	As at 31st March, 2016	As at 31st March, 2015
I Contingent Liabilities		
Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of credit.	12.55	2.61
Claims against the Company / disputed liabilities not acknowledged as debts	18.54	18.54
II Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	762.65	464.62
III The Income Tax Assessments of the company have been completed upto Assessment Year 2013-14. The disputed demand outstanding up to the said Assessment Year is ₹ NIL.		
IV The above litigations are not expected to have any material adverse impact on the financial position of the company.		

27 Details of loans given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013 for the year ended March 31, 2016.

27.1 Loans given by the company to body corporate (Refer Note No. - 9.1).

27.2 Investments made by the company (Refer Note No. - 8).

27.3 No guarantee were provided by the company.

28 The previous year's figures have been regrouped and reclassified wherever necessary and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Regn No. - 101720W

Jignesh Mehta
Partner
Mem. No. - 102749

Navi-Mumbai
April 19, 2016

For and on behalf of the Board

Rohit Shah
Director

S R Bhardwaj
Director

Komal Chhapru
Director

S Rajagopal
CFO

Arvind Modgil
Director

C S Gokhale
Director

Ranabir Sanyal
Company Secretary

Ramakant Singru
Manager