

M. S. Sethi & Associates

Chartered Accountants

Manoj Sethi

B.Com., F.C.A.

191-R, Cavel Cross Lane No.9

2nd Floor, Dr. Viegas Street

Kalbadevi, Mumbai – 400 002

Tel. 9324517501

Independent Auditors' Report

To The Members of
E Complex Private Limited

We have audited the accompanying financial statements of **E Complex Private Limited** ('the Company') which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the 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 standalone 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 (Indian GAAPs), including Ind AS notified pursuant to the Companies (Indian Accounting Standards) Rules, 2015 Section 133 read with section 469 of the Companies Act, 2013.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

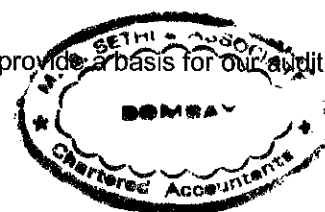
Our responsibility is to express an opinion on these financial statements based on our audit.

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

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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of 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 March 31, 2016; its Loss and its Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the 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 materially with the applicable 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 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as 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 A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) As per the best estimates made by the management, the Company is of the view that the ongoing litigations as at the reporting date would not have a material impact on its financial position;
 - ii) Based upon the assessment made by the Company, there are no material foreseeable losses on its long-term contracts that may require any provisioning;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. 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) Section 143 of Act, we give in the Annexure B, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

For M. S. Sethi & Associates
Chartered Accountants
Regn.No.109407W



Manoj Sethi
Proprietor
Membership No. 39784



Place: Mumbai
Date: May 13, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **E Complex Private Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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. 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 Companies Act, 2013.

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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 31 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 Institute of Chartered Accountants of India.

For M. S. Sethi & Associates

Chartered Accountants
Regn.No.109407W



Manoj Sethi
Proprietor
Membership No. 39784



Place: Mumbai
Date: May 13, 2016

ANNEXURE –B TO INDEPENDENT AUDITORS' REPORT

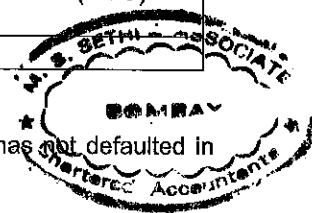
Referred to in our Report of even date on the Accounts of **E Complex Private Limited** for the year ended March 31, 2016.

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management at reasonable interval and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
 - c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) We are informed by the management that the Company did not have any physical inventory of traded goods at any point of time during the year. Further, the closing inventory pertains to only Work-in-progress of service contract. Therefore, clause 3 (ii) of the Order is not applicable to the Company.
- iii) In respect of loans, secured or unsecured, granted by the company to companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Act:
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the Company covered in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interests of the Company.
 - (b) As per the information and explanations given to us, the said loan and interest thereon was not due for repayment during the year; and
 - (c) Since the above loan and interest thereon was not due for repayment during the year, the question of overdue amounts does not arise.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted any deposits from the public.
- vi) According to the information given to us, no cost records have been prescribed by the Central Government of India under section 148(1) of the Act.
- vii)
 - (a) Based on our examination of the books and records, the Company has generally been regular in depositing with appropriate authority undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues during the year. However delays have been noticed in case of income tax (including tax deducted at source). Further no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears 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 we report that the disputed statutory dues aggregate to Rs.148.58 Lakhs have not been deposited on account of matters pending before appropriate authorities. The breakup of the above dues is as under:

Name of the statute	Nature of dues	Period to which the amount relates	Amount (in Rs Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	Tax deducted at source	2007-2008 to 2014-2015	42.66	ACIT (TDS)
Total			42.66	

*The disputed amounts are net of amounts deposited with the relevant authorities.

- viii) According to the information and explanations given to us, during the year, the Company has not defaulted in repayment of loan to bank and debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.



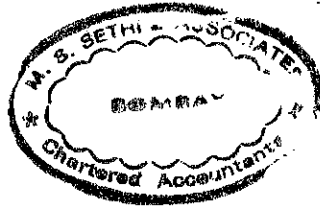
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M. S. Sethi & Associates

Chartered Accountants
Regn.No.109407W



Manoj Sethi
Proprietor
Membership No. 39784



Place: Mumbai
Date: May 13, 2016

E Complex Private Limited

Balance Sheet as at March 31, 2016

Rs in Lacs

Particulars	Note	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
I ASSETS				
(1) NON CURRENT ASSETS				
Property, Plant and Equipment	2	58,834.10	59,169.69	59,996.73
Capital Work in Progress	2	<u>7,846.43</u>	<u>6,369.54</u>	<u>4,353.26</u>
		66,680.53	65,539.23	64,349.99
Financial Assets				
Long Term Loans	3	8,921.43	11,196.00	15,499.08
Other Non Current Financial Assets	4	<u>3,593.73</u>	<u>1,901.08</u>	-
		12,515.16	13,097.08	15,499.08
Other Non Current Assets	5	<u>13,709.26</u>	<u>13,378.34</u>	<u>13,317.51</u>
		13,709.26	13,378.34	13,317.51
		92,904.95	92,014.65	93,166.58
(2) Current Assets				
Inventories	6	<u>388.27</u>	<u>236.63</u>	-
		388.27	236.63	-
Financial Assets				
Trade Receivables	7	-	-	223.83
Cash and Cash Equivalents	8	<u>166.77</u>	<u>28.25</u>	<u>6.23</u>
		166.77	28.25	230.06
Other Current Assets	9	<u>158.18</u>	<u>180.05</u>	<u>101.34</u>
		158.18	180.05	101.34
		713.22	444.93	331.40
TOTAL		<u><u>93,618.17</u></u>	<u><u>92,459.58</u></u>	<u><u>93,497.98</u></u>
II EQUITY AND LIABILITIES				
(1) EQUITY				
Equity Share Capital	10	2,170.93	2,170.93	2,170.93
Other Equity		<u>35,658.74</u>	<u>40,039.65</u>	<u>41,092.94</u>
		37,829.67	42,210.58	43,263.87
(2) LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
Long Term Borrowings	11	22,437.01	24,645.09	-
Other Financial Liabilities	12	<u>9,706.28</u>	<u>7,443.74</u>	<u>7,530.00</u>
		32,143.29	32,088.83	7,530.00
Deferred Tax Liabilities (Net)	13	-	375.37	427.51
Long Term Provisions	14	-	<u>5.60</u>	<u>4.53</u>
		-	380.97	432.04
		32,143.29	32,469.80	7,962.04
(3) Current Liabilities				
Financial Liabilities				
Short Term Borrowings	15	17,222.34	15,200.21	16,918.21
Trade Payables	16	258.73	317.64	3,404.43
Other Financial Liabilities	17	<u>5,324.79</u>	<u>1,162.15</u>	<u>20,877.48</u>
		22,805.86	16,680.00	41,200.12
Other Current Liabilities	18	839.35	1,078.20	1,071.07
Short Term Provisions	19	-	<u>21.00</u>	<u>0.88</u>
		839.35	1,099.20	1,071.95
		23,645.21	17,779.20	42,272.07
TOTAL		<u><u>93,618.17</u></u>	<u><u>92,459.58</u></u>	<u><u>93,497.98</u></u>



Particulars
Significant Accounting Policies
Notes to Financial Statements

Note
1
2 to 36

As per our report of even date

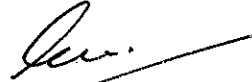
for and on behalf of the Board of Directors

for M. S. Sethi & Associates
Chartered Accountants
Firm Regn No.: 109407W

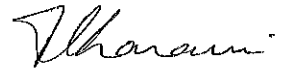


Manoj Sethi
Proprietor
Membership No 039784

Place: Mumbai
Date : May 13, 2016



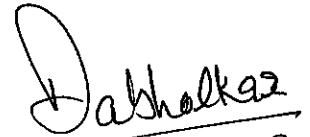
H S Malhi
Director



Ryna Karani
Director



Cornal R. Gayathri
Director



Ajit Dabholkar
Director



Place: Mumbai
Date : May 13, 2016

E Complex Private Limited

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

Particulars	Note	For the year ended March 31, 2016	Rs in Lacs For the year ended March 31, 2015
REVENUE			
Revenue from Operations	20	1,442.01	9,416.92
Other Income	21	1,880.79	3,094.56
Total Revenue		3,322.80	12,511.48
EXPENSES			
Purchase of Stock-in-trade	22	-	7,966.30
Changes in Inventories of Work in Progress	23	(151.64)	(236.63)
Employee Benefits Expenses	24	84.44	95.12
Finance Costs	25	6,988.30	4,562.19
Depreciation and Amortisation Expenses	2	713.36	651.18
Other Expenses	26	444.62	555.43
Total Expenses		8,079.08	13,593.59
Profit / (Loss) Before Tax		(4,756.28)	(1,082.11)
Tax Expense			
- Current Tax		-	-
- MAT credit entitlement		-	-
- Deferred Tax - Credit		(375.37)	(39.48)
- Income tax for earlier years		-	0.03
		-	0.03
Profit (Loss) After Tax		(4,380.91)	(1,042.66)
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income to be reclassified to profit and loss in subsequent year		-	-
Other Comprehensive Income not to be reclassified to profit and loss in subsequent year			
Actuarial gains/(losses) on defined benefit plans		-	(15.18)
Income Tax effect		-	4.55
		-	(10.63)
Total Comprehensive Income for the year		(4,380.91)	(1,053.29)
Earnings per Equity share of Rs. 10/- each			
- Basic (In Rupees)	27	(20.18)	(4.85)
- Diluted (In Rupees)		(20.18)	(4.85)



Particulars
Significant Accounting Policies
Notes to Financial Statements

Note
1
2 to 36

As per our report of even date

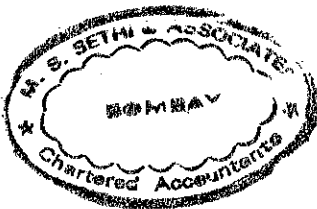
for and on behalf of the Board of Directors

for M. S. Sethi & Associates
Chartered Accountants
Firm Regn No.: 109407W




Manoj Sethi
Proprietor
Membership No 039784

Place: Mumbai
Date : May 13, 2016



H S Malhi
Director



Comal R. Gayathri
Director

Place: Mumbai
Date : May 13, 2016



Ryna Karani
Director



Ajit Dabholkar
Director



E Complex Private Limited

Statement of Changes in Equity for the year ended March 31, 2016

A Equity Share Capital

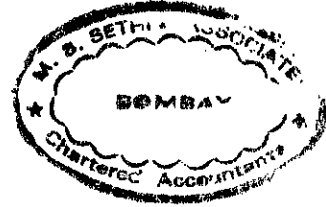
Particulars	Rs in Lacs			
	As at March 31, 2016		As at March 31, 2015	
	No of Shares	Amount	No of Shares	Amount
Equity shares at the beginning of the year	21,709,327	2,170.93	21,709,327	2,170.93
Add: Shares Issued during the year	-	-	-	-
Equity shares at the end of the year	21,709,327	2,170.93	21,709,327	2,170.93

B Other Equity

Particulars	Other Reserve *	Retained Earning	Total
As at April 01, 2014	41,752.31	(659.37)	41,092.94
Loss for the year		(1,042.66)	(1,042.66)
Other Comprehensive Income		(10.63)	(10.63)
As at March 31, 2015	41,752.31	(1,712.66)	40,039.65
Profit/(Loss) for the year	-	(4,380.91)	(4,380.91)
Other Comprehensive Income	-	-	-
As at March 31, 2016	41,752.31	(6,093.57)	35,658.74

* not available for distribution as dividend

Note: Other Reserve is created pursuant to first time adoption of Ind-AS. Refer note no 35 for disclosure.



As per our report of even date

for and on behalf of the Board of Directors

for M. S. Sethi & Associates
Chartered Accountants
Firm Regn No.: 109407W




Manoj Sethi
Proprietor
Membership No 039784

Place: Mumbai
Date : May 13, 2016



H S Malhi
Director

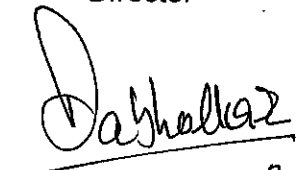


Gomal R. Gayathri
Director

Place: Mumbai
Date : May 13, 2016



Ryna Karani
Director



Ajit Dabholkar
Director



E Complex Private Limited

Cash Flow Statement for the year ended March 31, 2016

Rs in Laacs

Sr. No. Particulars	2015 - 2016	2014 - 2015
A Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax	(4,756.28)	(1,082.11)
Adjustments for :-		
Depreciation and Amortisation Expenses	713.36	651.18
Interest Income	(1,880.73)	(2,583.71)
Finance Costs	6,988.30	4,562.19
Liability No Longer Required (Written Back)	-	(500.00)
Sundry Balances w/off	30.02	-
Operating profit before working capital changes	<u>1,094.67</u>	<u>1,047.55</u>
Adjusted for		
Inventories	(151.64)	(236.63)
Trade and Other Receivables	(6.80)	145.12
Trade and Other Payables	30.48	(2,726.08)
Cash Generated from Operations	966.71	(1,770.04)
Direct Taxes (Paid) / Refund	(332.27)	(84.02)
Net Cash from/(used in) Operating Activities	<u>634.44</u>	<u>(1,854.06)</u>
B Cash Flow from Investing Activities		
Purchase of Fixed Assets and Capital Work in Progress	(16.24)	(200.44)
Inter Corporate Deposit to Holding Company (net)	-	15,499.08
Inter Corporate Deposit to fellow Subsidiary (net)	2,274.57	(11,196.00)
Interest Received	188.08	682.63
Net Cash used in Investing Activities	<u>2,446.41</u>	<u>4,785.27</u>
C Cash Flow from Financing Activities		
Proceeds from Issue of Debenture	-	12,000.00
Repayment of Debentures	(7,000.00)	-
Proceeds from Long Term Borrowings	15,111.95	12,922.40
Repayment of Long Term Borrowings	(9,231.97)	(17,337.18)
Short Term Borrowings from related parties(Net)	1,532.01	3,933.96
Short Term Borrowings (Net)	490.12	(5,651.98)
Interest Paid	(3,844.44)	(8,776.38)
Net Cash Flow from Financing Activities	<u>(2,942.33)</u>	<u>(2,909.18)</u>
Net (decrease) / Increase in Cash and Cash Equivalents (A+B+C)	<u>138.52</u>	<u>22.03</u>
Cash & Cash Equivalents - Opening balance	28.25	6.23
Cash & Cash Equivalents - Closing balance	166.77	28.25



Notes

1. The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 - Statement of Cash flows.
2. Figures in brackets indicate outflow.
3. Previous Year figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.

As per our report of even date

for and on behalf of the Board of Directors

for M. S. Sethi & Associates

Chartered Accountants
Firm Regn No.: 109407W



Manoj Sethi
Proprietor
Membership No 039784

Place: Mumbai
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H S Malhi
Director



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Director



Comal R. Gayathri
Director



Ajit Dabholkar
Director

Place: Mumbai
Date : May 13, 2016



E Complex Private Limited

Notes to Financial Statements

Note - 1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a General Information

E Complex Private Limited, a wholly owned subsidiary Company of Reliance Defence and Engineering Limited ("ECPL" or "the Company") was incorporated on May 30, 1995. The Company is domiciled in India having registered office at Survey no 658, Village Ramupura II, Via- Rajula, District Amreli (Gujarat). The Company is mainly engaged in the Deelopment of SEZ.

b Basis of Preparation of Financial Statements:

These financial statements have been prepared in compliance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, on the accrual basis. These Financial Statements are the Company's first Ind AS Financial Statements and as covered by Ind AS 101, 'First-time adoption of Indian Accounting Standard'. For all periods up to and including the year ended March 31, 2015, the Company has prepared its Financial Statements in accordance with Indian GAAP, including accounting standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), which is considered as "Previous GAAP". An explanation of how the transition to Ind-AS has affected the Company's equity and its net profits is provided in note no 34.

c Functional and Presentation Currency:

The Financial Statements are presented in Indian rupees which is the functional currency for the Company.

d Use of Estimates:

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

Estimates and assumptions are required in particular for:

- i. Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.
- ii. **Recognition and measurement of defined benefit obligations**
The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.
- iii. **Recognition of deferred tax assets**
A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.
- iv. **Recognition and measurement of other provisions**
The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.
- v. **Discounting of long-term financial liabilities**
All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.
- vi. **Determining whether an arrangement contains a lease**
At the inception or on reassessment of an arrangement that contains a lease, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.
- vii. **Fair value of financial instruments**
Derivatives are carried at fair value. Derivatives include Foreign Currency Forward Contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts is determined using the rates published by Reserve Bank of India (RBI). Fair value of Interest Rate Swaps are determined with respect to current market rate of interest.

e Standards Issued But Not Yet Effective:

Ind - AS 115 "Revenue from Contract with Customers" :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company is in the process of making an assessment of the impact of Ind - AS 115 upon initial application. As at the date of this report, the Company does not expect any impact on the operational results and financial position will be material upon adoption of Ind - AS 115.



E Complex Private Limited

Notes to Financial Statements

f Current Versus Non Current Classification:

i. The assets and liabilities in the Balance Sheet are based on current/ non - current classification. An asset as current when it is:

- 1 Expected to be realised or intended to be sold or consumed in normal operating cycle
 - 2 Held primarily for the purpose of trading
 - 3 Expected to be realised within twelve months after the reporting period, or
 - 4 Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

ii A liability is current when it is:

- 1 Expected to be settled in normal operating cycle
 - 2 Held primarily for the purpose of trading
 - 3 Due to be settled within twelve months after the reporting period, or
 - 4 There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are treated as non - current.

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

g Significant Accounting Policies:

I Property, Plant and Equipments:

- i. The Company has measured all of its freehold land at fair value at the date of transition to Ind - AS. The Company has elected these value as deemed cost at the transition date. All other property, plant and equipments have been carried at value in accordance with the previous GAAP.
- ii. Property, plant and equipments are stated at cost net of cenvat / value added tax less accumulated depreciation and impairment loss, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.
- iii. Expenses incurred relating to project, net of income earned during project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

II Depreciation:

- i. Depreciation on Tangible Fixed Assets is provided on the Straight Line Method over the useful life of assets prescribed in Part C of Schedule II to the Companies Act, 2013. The Management believes that the useful lives prescribed in Part C of Schedule II to the Companies Act, 2013 best represents the period over which management expects to use assets.
- ii. In respect of additions/extensions forming an integral part of existing assets, depreciation has been provided over residual life of the respective assets. Significant addition which are required to be replaced/performed at regular interval are depreciated over the useful life of their specific

III Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

IV Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any. Amortization is done over their estimated useful life on straight line basis from the date that they are available for intended use, subjected to impairment test. Software, which is not an integral part of the related hardware, is classified as an intangible asset and is amortized over the useful life of 3 - 5 years.

V Fair Value Measurement:

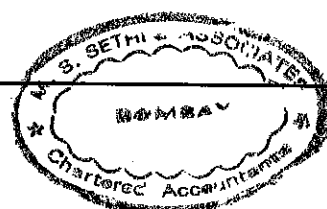
Fair value is the price that would be received to sell an assets or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an assets or liability is measured using the assumptions that market participants would use when pricing the assets or liability, acting in their best economic interest. The fair value of plant and equipments as at transition date have been taken based on valuation performed by an independent technical expert. The Company used valuation techniques which were appropriate in circumstances and for which sufficient data were available considering the expected loss/profit in case of financial assets or liabilities.

VI Inventories:

- i. The inventories; Raw Materials, Stores and Spares, Work - in - Progress and Finished Goods etc. have been valued at lower of cost or net realisable value. Cost of Inventories comprises of all costs of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of steel plates, profiles and equipments is determined on Specific Identification Method and other raw materials and stores and spares at Weighted Average Method. Cost of Work-in-Progress and Finished Goods is determined on Absorption Costing Method. Scrap is valued at Net Realisable Value.
- ii. If payment terms for inventory are on deferred basis i.e. beyond normal credit terms, then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost is recognised as interest expense over the period of financing under the effective interest method.

VII Revenue Recognition:

- i. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured; having regard to the nature of business of the company as SEZ Developer and corresponding technical guide on accounting for Special Economic Zones (SEZs) Development Activities issued by Institute of Chartered Accountants of India.
- ii. Lease rentals on Land given on lease and Infrastructure facilities fees are accounted on accrual basis in accordance with the terms of the agreement.
- iii. Revenue from sale of goods and services net of VAT is recognised when it is earned and no significant uncertainty exist as to its ultimate collection.
- iv. Interest income is recognized on a time proportion basis.
- v. Dividend is considered when the right to receive is established.



E Complex Private Limited

Notes to Financial Statements

VIII Foreign Currency Transactions:

- i. Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are re measured at the exchange rate prevailing on the balance sheet date.
- 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 restatement is recognised in the Statement of Profit and Loss.

IX Financial Instruments:

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

Financial Assets

i Classification

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

ii Initial recognition and measurement

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

iii Financial Assets measured at amortised cost:

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

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

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

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

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

vi Investment in Subsidiary and Associates:

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for impairment loss on such investment is made only when there is a diminution in value of the investment which is other than temporary.

vii Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income. There is no recycling of the amounts from other comprehensive income to profit or loss

viii Investment in Debt Instruments:

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

ix Derecognition of Financial Assets

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

x Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instrument and trade receivables.

Financial Liabilities

i Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

ii Initial recognition and measurement

All financial liabilities are recognised initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

iii Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as

iv Loans and Borrowings

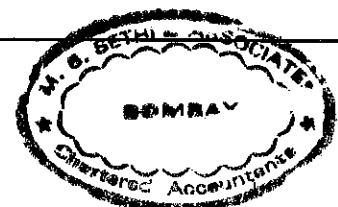
Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

v Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

vi Derivative Financial Instrument and Hedge Accounting

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.



E Complex Private Limited

Notes to Financial Statements

X Leases:

i Lease payments

Payments made under operating leases are recognised in Statement of Profit and Loss. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii Lease assets

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

XI Employee Benefits:

i Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

iii. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurement is recognised in Statement of Profit and Loss in the period in which they arise.

XII Provision for Current and Deferred Tax:

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

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

ii. Deferred Tax

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

Deferred tax assets and liabilities are offset only if:

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

XIII Impairment of Assets:

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

XIV Provision for Doubtful Debts and Loans and Advances:

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

XV Warranty Provision:

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

XVI Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized if as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the Financial Statements when economic inflow is probable.

XVII Preliminary and Issue Expenses:

Preliminary Expenses related to issue of equity and equity related instruments are adjusted against the Securities Premium.



E Complex Private Limited

Notes to Financial Statements

Note - 2
PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block			Depreciation and Amortisation			Net Block	
	As at 1-Apr-15	Additions during the year	Deductions/ Adjustments	As at 31-Mar-16	Upto 31-Mar-15 For the Year	Deductions / Adjustments	Upto 31-Mar-16	As at 31-Mar-15
Tangible Assets								
Land and Site Development	49,073.00	-	-	49,073.00	-	-	49,073.00	49,073.00
Buildings	4,562.17	365.37	-	4,927.54	149.06	-	4,328.33	4,112.02
Plant and Equipments	7,948.90	0.30	-	7,949.20	549.03	-	5,367.38	5,916.12
Furniture and Fixtures	80.83	-	-	80.83	7.00	-	25.52	32.52
Office Equipments	61.26	12.11	-	73.37	8.27	-	39.87	36.03
Total	61,726.16	377.78	-	62,103.94	713.36	-	58,834.10	59,169.69
Previous Year	61,893.92	188.84	356.60	61,726.16	675.00	-	59,153.97	
Capital Work in Progress							<u>7,846.43</u>	<u>6,369.54</u>

2.1 Capital Work in Progress includes:

Particulars	2015 - 2016	2014 - 2015
- Building Works	-	377.23
- Material at site	6.71	5.86
- Preoperative expenses	7,839.72	5,986.45

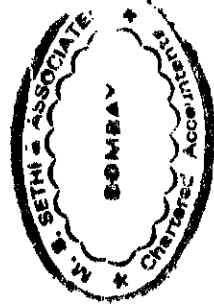
2.2 Details of Preoperative expenses are as under:

Particulars	2015 - 2016	2014 - 2015
Opening Balance	5,986.45	4,013.97
Add:		
Legal and Professional Charges	-	-
Finance Cost	1,853.27	1,972.48
Allocated to Fixed Assets	7,839.72	5,986.45
	<u>7,839.72</u>	<u>5,986.45</u>

2.3 In accordance with the Ind-AS 36 on "Impairment of Assets", the Management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Assets during the year.

2.4 Borrowing Cost

During the year the Company has capitalised borrowing cost related to specific borrowings aggregating to Rs. 1,857.27 Lacs (Previous year: Rs. 1,972.48 Lacs). The rate used to determine the amount of borrowing Cost is Rs. 19.85%.



E Complex Private Limited

Notes to Financial Statements

Note - 3
LONG TERM LOANS
(Unsecured & considered good)

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Inter Corporate Deposit to Related Party (Refer note no 32)	8,921.43	11,196.00	15,499.08
Total	<u>8,921.43</u>	<u>11,196.00</u>	<u>15,499.08</u>

Note - 4
OTHER NON CURRENT FINANCIAL ASSETS
(Unsecured & considered good)

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Interest Receivable from related party (Refer note no 32)	3,593.73	1,901.08	-
Total	<u>3,593.73</u>	<u>1,901.08</u>	<u>-</u>

Note - 5
OTHER NON CURRENT ASSETS
(Unsecured & considered good)

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Capital Advances	12,985.00	12,985.00	13,008.16
Deposits	2.44	3.79	3.79
Advance Taxes (Net)	591.09	258.82	174.83
MAT credit entitlement	130.73	130.73	130.73
Total	<u>13,709.26</u>	<u>13,378.34</u>	<u>13,317.51</u>

5.1 Capital Advances are given for acquisition of land about 57.055 Acres or thereabout, situated at Belawade, Taluka Pen, District Raighad, Maharashtra. It is proposed to use the said land for the purpose of manufacturing in course of its business activities

5.2 The amount paid as MAT is allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Income Tax Act, 1961 ("the Act"). Based on the future projection of the performances, the Company will be liable to pay the Income Tax as per provisions, other than under section 115JB, of the Act. Accordingly the Company has accounted MAT Credit as advised in Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961" issued by The Institute of Chartered Accountants of India.

Note - 6
INVENTORIES

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Work in Progress	388.27	236.63	-
Total	<u>388.27</u>	<u>236.63</u>	<u>-</u>

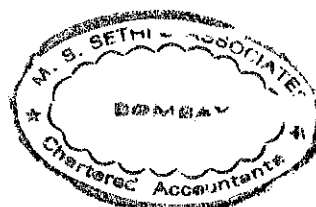
Note - 7
TRADE RECEIVABLES (Unsecured)

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Considered Good	-	-	223.83
Considered Doubtful	4,210.44	4,210.44	4,210.44
Less: Provision for Impairment	4,210.44	4,210.44	4,210.44
Total	<u>-</u>	<u>-</u>	<u>223.83</u>

7.1 Refer note no 34 for disclosure relating to first time adoption of Ind-AS.

Note - 8
CASH AND CASH EQUIVALANTS

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Balances with Banks	-	-	-
- In Current Accounts	166.77	28.21	6.21
Cash on Hand	-	0.04	0.02
Total	<u>166.77</u>	<u>28.25</u>	<u>6.23</u>



E Complex Private Limited

Notes to Financial Statements

Note - 9

OTHER CURRENT ASSETS (Unsecured & considered good)

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Advance recoverable in cash or in kind or for the value to be received (Subject to Confirmation)			
Against purchase of material / services	43.88	46.46	8.16
Others	114.30	133.59	93.18
Total	158.18	180.05	101.34

Note - 10

SHARE CAPITAL

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Equity Shares			
Authorised 60,000,000 (Previous Year 60,000,000) Equity shares of Rs. 10/- each	6,000.00	6,000.00	6,000.00
Issued, Subscribed and Fully paid up 21,709,327 (Previous Year 21,709,327) Equity Shares of Rs. 10/- each fully paid up	2,170.93	2,170.93	2,170.93
Total	2,170.93	2,170.93	2,170.93

10.1 Reconciliation of Equity shares outstanding at the beginning and at the end of the year

Particulars	<i>Rs in Lacs</i>			
	As at March 31, 2016		As at March 31, 2015	
	No of Shares	Amount	No of Shares	Amount
Equity shares at the beginning of the year	21,709,327	2,170.93	21,709,327	2,170.93
Add: Shares Issued during the year	-	-	-	-
Equity shares at the end of the year	21,709,327	2,170.93	21,709,327	2,170.93

10.2 Shareholders holding more than 5% Shares in the Company

Shares held by	No. of Shares	% Holding	No. of Shares	% Holding
Reliance Defence and Engineering Limited - Holding Company	21,709,327	100.00%	21,709,327	100.00%

10.3 Terms and Rights attached to Equity Shares

The Company has only one class of Equity Share having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity share holders will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

Note - 11

LONG TERM BORROWINGS

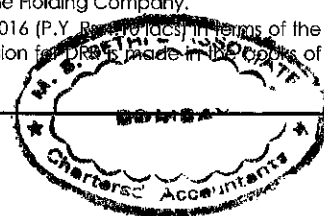
Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Secured Loans			
50 (Previous Year: 120) 14% Secured Non Convertible Debentures of Rs. 1 Crore each	5,000.00	12,000.00	-
Rupee Term Loan From:			
Bank	125.81	406.43	-
Unsecured Loans from:			
Body Corporate	800.00	-	-
Related Parties	16,511.20	12,238.66	-
Total	22,437.01	24,645.09	-

11.1 14% Secured Non-Convertible Debentures

- (i) The Company has the right to redeem the Debentures in full or in multiples of Rs. 10 crores at any time after 12 month from the Date of allotment of Debentures i.e. 30th March 2015 as per the Schedule below:-

Period	Applicable rate for redemption premium, quarterly compounded
Redemption within 24 months from the date of issuance	4.00 % p.a. on the amount redeemed
Redemption within 36 months from date of issuance, but post 24 months	8.00 % p.a. on the amount redeemed, from the beginning of the term.
Redemption post 36 months	10.00 % p.a. on the amount redeemed, from the beginning of the term.

- (ii) The NCDs are secured by first charge and mortgage
- On the parcel of land covering survey no. 735 P-2 situated at Village Rampara - II, Taluka- Rajula, District - Amreli in the State of Gujarat together with all buildings, structures, furnitures and fittings or anything permanently erected/attached/installed or to be erected/installed.
 - On the parcel of land admeasuring 27.48 hectare situated at Vilage Chhanje, Taluka Uran and District Raigarh in te state of Maharashtra belonging to other Corporates.
- (iii) These NCDs are further guaranteed by the Holding Company and personal guarantee of some of the Directors of the Holding Company.
- (iv) The Company was required to provide Debenture Redemption Reserve (DRR) of Rs. 312.07 Lacs upto 31st March, 2016 (P.Y. Rs. 312.07 Lacs) in terms of the Trust Deed executed and the provisions of the Companies Act 2013. In the absence of profits available, no provision for DRR is made in the books of account as at 31st March, 2016. The requisite provisions will be made out of the profits available in the future years.



E Complex Private Limited

Notes to Financial Statements

11.2 The Rupee Term Loan from Bank as referred above including Rs. 40.76 Lacs included in Current maturities of Long term debts in note no 17 is secured/to be Secured by exclusive charge on land situated at 675P2, Rampura Village II border, Registration district – Amreli, Taluka Rajula, Gujarat.

11.3 The Rupee Term Loans from Bank is further guaranteed by one of the Director of the Company

11.4 Unsecured Loan from Body Corporates as referred above are secured by way of unencumbered share of Reliance Defence and Engineering Limited and SKIL Infrastructure Limited.

11.5 Repayment Terms

- i The Rupee Term Loan from Bank including Rs 40.76 lacs included in Current maturities of Long term debts in note no 17 carry an interest rate of 13.50% p.a. and repayable in 60 monthly equated installments (including interest) starting from January 30, 2015 to November 28, 2019
- ii Unsecured loan from Body Corporates as referred above carry an interest rate of 14% p.a. payable semi annually and additional fixed interest at the time of principal repayment @ 4% compounded quarterly within 24 months & 8 % compounded quarterly within 24 months to 36 months & 10% p.a compounded quarterly above 36 months & repayable at the end of 36 Month from the date of first disbursement i.e. 27th October, 2015. Additional interest has been provided @ 4% as the same will be repaid with in 24 months.

11.6 Details of unsecured loan from Related Parties including Rs. 1,137.90 lacs included in current maturities of long term debts in note no 17:

Company Name	Relationship	<i>Rs in Lacs</i>	
		As at March 31, 2016	As at March 31, 2015
Reliance Engineering and Defence Services Limited	Fellow Subsidiary	16,511.20	11,010.71
Skil Shipyard Holdings Private Limited	Other related parties	980.00	950.00
Grevek Investments and Finance Private Limited	Other related parties	157.90	277.95

11.7 The Unsecured Loan from related parties and Rs. 1,137.90 lacs included in current maturities of long term debts in note no 17, include Rs. 16,511.20 Lacs carry an interest rate of 18% PA and repayable on April 2017, Rs. 980 Lacs carry an interest rate of Rs. 12% and repayable after 15 Month from the date of first disbursement i.e 30th March 2015, and Rs. 157.90 Lacs carry an interest rate of 17% and repayable after 24 Month from the date of first disbursement i.e 28th October, 2014

11.8 As at March 31st, 2016, the Company has overdue of Rs NIL (previous Year: Rs. 12.11 Lacs) towards Interest

Note - 12

OTHER FINANCIAL LIABILITIES

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Deposits from related party	7,370.00	7,030.00	7,030.00
Deposits from Others			500.00
Interest Accrued but not due on Borrowings	2,336.28	413.74	
Total	<u>9,706.28</u>	<u>7,443.74</u>	<u>7,530.00</u>

Note - 13

DEFERRED TAX LIABILITIES/(ASSETS)

As required by Ind AS- 12 on "Income Taxes " Deferred Tax comprises of the following items:

Particulars	<i>Rs in Lacs</i>	
	As at March 31, 2016	As at March 31, 2015
Opening Balance	375.37	427.51
Tax Expenses (Income) recognised in:		
Statement of Profit and Loss		
Difference in Tax Base of Property, plant and equipment	53.57	(54.35)
Employee benefits	8.22	(2.01)
Finance Cost		
Expenses Disallowed in Tax	(469.90)	
Depreciation Losses/Business Loss	(1,350.18)	29.20
Impact of Change in Tax Rate	-	(20.43)
	<u>(1,758.29)</u>	<u>(47.59)</u>
Other Comprehensive Income related to Employee benefits	-	(4.55)
	<u>(1,382.92)</u>	<u>375.37</u>

13.1 Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate:

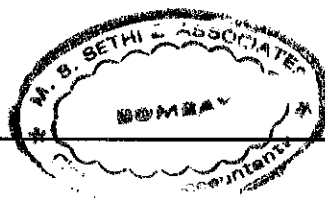
Since the Company has incurred loss during the year 2015-16 and previous year 2014-15 and no tax is payable for these years as per provisions of Income Tax Act, 1961, the calculation of effective tax rate is not relevant and hence, not given.

13.2 As at 31st March, 2016 the Company has net deferred tax assets of Rs. 1,382.92 Lacs. In the absence of convincing evidences that sufficient future taxable income will be available against which deferred tax assets can be realised, the same has not been recognised in the books of account in line with Ind-AS 12 on Income Taxes.

Note - 14

LONG TERM PROVISIONS

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
For Employee Benefits			
Leave Encashment	-	2.72	2.50
Gratuity	-	2.88	2.03
Total	<u>-</u>	<u>5.60</u>	<u>4.53</u>



E Complex Private Limited

Notes to Financial Statements

Note - 15 SHORT TERM BORROWINGS

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Secured Loans			
Cash Credit Facility from bank	576.38	551.63	-
Unsecured Loans from:			
Related parties	7,078.99	5,546.98	1,613.00
Body Corporates	9,566.97	9,101.60	15,305.21
Total	17,222.34	15,200.21	16,918.21

15.1 The Secured Loan from Bank is secured by registered mortgage of the land situated at Survey no 589/P2, 668/P2/ and 515 Village Lunsapur, Taluka Jafrabad, Dist. Amreli, PIN-36560, Gujarat, India.

15.2 Unsecured Loans from Body Corporates as referred to above are secured by:

- (i) First charge on mortgage of land admeasuring about 151.426 acre situated at Borgaon, Taluka Pen, District Raigad in the State of Maharashtra owned by other corporates.
- (ii) Pledge of 1,81,10,647 or such number of fully paid up equity shares of the Reliance Defence and Engineering Limited and Pledge of 25% fully paid up equity share of SKIL Infrastructure Limited (on fully diluted basis), subject to minimum 6,37,28,000 number of shares.
- (iii) Corporate guarantee of Holding Company and SKIL Infrastructure Limited.

15.3 The Loans from bank and Unsecured Loans from Body Corporates are further guaranteed by one of the director of Holding Company.

15.4 As on March 31, 2016, the Company has overdue of Rs.9,566.97 Lacs (Previous Year: Rs. 9,101.60 Lacs) and Rs. 2,470.25 (Previous Year: Rs. 611.42 Lacs) towards the principal and interest respectively out of which Rs. 1,101.65 has since been paid.

Note - 16 TRADE PAYABLES

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Micro Small and Medium Enterprises	-	-	-
Others	258.73	317.64	3,404.43
Total	258.73	317.64	3,404.43

16.1 There are no Micro and Small Enterprises to whom the Company owes dues which are outstanding as at March 31st, 2016. This information as required to be disclosed under Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

16.2 All trade payables are non interest bearing and payable or to be settled with in normal operating cycle of the Company.

Note - 17 OTHER FINANCIAL LIABILITIES

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Current Maturities of Long Term Borrowings	1,178.66	90.62	17,150.48
Interest Accrued and due on Borrowings	2,470.25	617.43	2,803.72
Interest Accrued but not due on Borrowings	1,675.88	454.10	923.28
Total	5,324.79	1,162.15	20,877.48

Note - 18 OTHER CURRENT LIABILITIES

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
Creditors for Capital Goods	306.70	321.54	669.11
Statutory Dues	532.65	655.46	397.90
Other Payables	-	101.20	4.06
Total	839.35	1,078.20	1,071.07

Note - 19 SHORT TERM PROVISIONS

Particulars	<i>Rs in Lacs</i>		
	As at March 31, 2016	As at March 31, 2015	As at April 1, 2014
For Employee Benefits			
Leave Encashment	-	20.96	0.85
Gratuity	-	0.04	0.03
Total	-	21.00	0.88



E Complex Private Limited

Notes to Financial Statements

Note - 20 REVENUE FROM OPERATIONS

Particulars	<i>Rs in Lacs</i>	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Lease Rent Income	352.01	276.50
Infrastructure Facility Fees	1,090.00	1,090.00
Sale of Steel Items (Steel Plates, Pipes & Rolled Products)	-	8,050.42
Total	1,442.01	9,416.92

Note - 21 OTHER INCOME

Particulars	<i>Rs in Lacs</i>	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income	1,880.73	2,583.71
Miscellaneous Income	0.06	10.85
Liability No Longer Required (Written Back)*	-	500.00
Total	1,880.79	3,094.56

* represent reversal of credit balance not payable

Note - 22 PURCHASE OF STOCK-IN-TRADE

Particulars	<i>Rs in Lacs</i>	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Steel Items (Steel Plates, Pipes & Rolled Products)	-	7,966.30
Total	-	7,966.30

Note - 23 CHANGES IN INVENTORIES OF WORK IN PROGRESS

Particulars	<i>Rs in Lacs</i>	
	For the year ended March 31, 2016	For the year ended March 31, 2015
At the end of the year Work in progress	388.27	236.63
Less :- At the beginning of the year Work in progress	236.63	-
Changes in Inventories	(151.64)	(236.63)

Note - 24 EMPLOYEE BENEFITS EXPENSES

Particulars	<i>Rs in Lacs</i>	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, Wages and Allowances	78.91	105.74
Contribution to Provident and Other Fund	4.05	3.58
Staff Welfare Expenses	1.48	0.98
Total	84.44	110.30

24.1 Employee Benefits

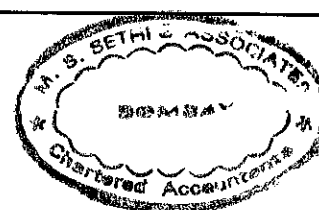
As at March 31, 2016 there is no employee in the Company. As per Ind AS 19 "Employee Benefits" the disclosure of employee benefits as defined in the accounting standards are given below:

Defined Contribution Plan

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Employers Contribution to Provident Fund	2.06	2.12
Employers Contribution to Pension Fund	1.99	1.46
	4.05	3.58

Defined Benefit Plan

The present value of the obligation is determined based on actuarial valuation using Projected Units Credit Method, which recognizes each period of service as giving rise to additional units of employees benefit entitlement and measures each unit separately to buildup the final obligation.



E Complex Private Limited

Notes to Financial Statements

a) Gratuity (Unfunded)

i) Reconciliation of opening and closing balances of the present value of the defined gratuity benefit obligation.

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Defined Benefit Obligation at beginning of the year	2.92	2.06
Current & Past Service Cost	-	0.70
Current Interest Cost	-	0.15
Actuarial (Gain) / Loss	-	0.41
Benefits paid/Reversed	2.92	(0.40)
Defined Benefit Obligation at end of the year	-	2.92

ii) Reconciliation of Present Value of Obligation and Fair Value of Plan Assets

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	-	2.92
Liabilities / (Assets) recognised in the Balance Sheet	-	2.92

iii) Expenses recognised during the year.

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Current & Past Service Cost	-	0.70
Interest Cost	-	0.15
Expected Return on Plan Assets	-	-
Actuarial (Gain) / Loss	-	0.41
Net Cost Recognised in statement of Profit and Loss	-	1.26

iv) Assumptions used to determine the defined benefit obligations

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Mortality Table (LIC)	NA	(2006 - 08 ultimate)
Discount Rate (p.a.)	NA	9.14%
Estimated Rate of Return on Plan Asset	NA	0.00%
Expected Rate of Increase in Salary (p.a.)	NA	7.00%

b) Leave Encashment (Unfunded)

i) Reconciliation of opening and closing balances of the present value of the defined leave encashment benefit obligation.

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Defined Benefit Obligation at beginning of the year	23.68	3.35
Current & Past Service Cost	-	5.30
Current Interest Cost	-	0.26
Actuarial (Gain) / Loss	-	14.77
Benefits paid/Reversed	23.68	-
Defined Benefit Obligation at end of the year	-	23.68

ii) Reconciliation of Present Value of Obligation and Fair Value of Plan Assets.

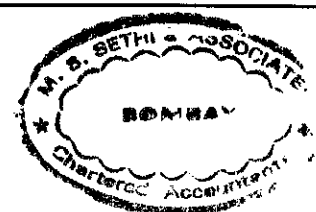
Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Fair Value of Plan Assets at the end of the year	-	-
Present Value of Defined Benefit Obligation at end of the year	-	23.68
Liabilities / (Assets) recognised in the Balance Sheet	-	23.68

iii) Expenses recognised during the year.

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Current & Past Service Cost	-	5.30
Interest Cost	-	0.26
Expected Return on Plan Assets	-	-
Actuarial (Gain) / Loss	-	14.77
Net Cost Recognised in statement of Profit and Loss	-	20.33

iv) Assumptions used to determine the defined benefit obligations.

Particulars	<i>Rs in Lacs</i>	
	2015 - 2016	2014 - 2015
Mortality Table	NA	(2006 - 08 ultimate)
Discount Rate (p.a.)	NA	9.14%
Estimated Rate of Return on Plan Asset	NA	N/A
Expected Rate of Increase in Salary (p.a.)	NA	7.00%



E Complex Private Limited

Notes to Financial Statements

Note - 25
FINANCE COSTS

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Expenses	6,983.27	4,524.86
Other Borrowing Costs	5.03	37.33
Total	6,988.30	4,562.19

Note - 26
OTHER EXPENSES

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Power, Fuel and Water	17.57	15.06
Repairs and Maintenance	34.36	55.57
Rent, Rates and Taxes	28.02	22.71
Land Revenue charges	2.46	2.18
Security Expenses	84.23	137.85
Legal and Professional Charges	222.07	285.67
Payment to Auditors	0.37	7.50
Sundry Balances w/off	30.02	-
Electricity Expenses	11.58	12.13
Miscellaneous Expenses	13.94	16.76
Total	444.62	555.43

26.1 Payment to Auditors includes:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Audit Fees	0.25	5.50
Tax Audit Fees	0.12	2.00
Total	0.37	7.50

Note - 27
Earnings per share (Basic and Diluted)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net loss after Tax	(4,380.91)	(1,053.29)
Amount available for calculation of Basic and Diluted EPS	(a) (4,380.91)	(1,053.29)
Weighted Average No. of Equity Shares outstanding for Basic and diluted EPS	(b) 21,709,327	21,709,327
Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.)	(a) / (b) (20.18)	(4.85)



E Complex Private Limited

Notes to Financial Statements

Note - 28

CONTINGENT LIABILITIES AND COMMITMENTS

(No Cash Outflow is expected except as stated otherwise)

28.1 CONTINGENT LIABILITIES

Particulars	<i>Rs in Lacs</i>	
	As at March 31, 2016	As at March 31, 2015
a) Corporate Guarantee (Given to Body Corporates for credit facilities taken by fellow subsidiary company)	11,000.00	10,903.00
b) Demands not acknowledged as Debts		
i) Income Tax	42.66	133.60
ii) Demands not acknowledged as Debts-Third Party Claims (Related to demand raised by Vendors and Lenders)	111.84	840.48

28.2 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) (Cash flow is expected on execution of such Capital Contracts on Progressive basis)	1,279.00	1,279.00
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Note - 29

The company has issued a Bond cum legal undertaking for Rs. 9,000 Lacs (Previous Year Rs. 9,000 Lacs) in favour of The President of India acting through the Development Commissioner of the Kandla Special Economic Zone as a security for compliance of applicable provisions of the SEZ Act 2005 and SEZ rules 2006.

Note - 30

In the opinion of the management, Current Assets, Loans and Advances are of the value stated, if realized in the ordinary course of business.

Note - 31

SEGMENT REPORTING

A. Segment information as per Ind AS - 108 on Operating Segment :

Information provided in respect of revenue items for the year ended March 31, 2016 and in respect of assets / liabilities as at March 31, 2016.

I Information about Primary (Product wise) segments :

Sr No	Particulars	<i>Rs in Lacs</i>			Total
		SEZ Infrastructure and Others	Trading	Unallocated	
1. REVENUE					
External Sales	1,442.01	-	-	1,442.01	
	(1,366.50)	(8,050.42)	(-)	(9,416.92)	
2. RESULTS					
Segment Results	395.56	-	-	395.56	
Unallocated Corporate Expenses	(819.88)	(84.12)	(-)	(904.00)	
	-	-	44.33	44.33	
Operating Profit / (Loss)	395.56	(-)	(33.66)	(33.66)	
	(819.88)	(84.12)	(44.33)	351.23	
Finance Cost	-	-	6,988.30	6,988.30	
Unallocated Corporate Income	(-)	(-)	(4,562.19)	(4,562.19)	
	-	-	1,880.79	1,880.79	
Profit / (Loss) from Ordinary Activities before tax	395.56	(-)	(2,594.56)	(2,594.56)	
Provision for Income-tax - Net	(819.88)	(84.12)	(5,151.84)	(4,756.28)	
	-	-	(-2001.29)	(-1,097.29)	
Net Profit / (Loss)	395.56	(-)	(375.37)	(375.37)	
	(819.88)	(-)	(-44.00)	(4,380.91)	
	(819.88)	(84.12)	(-1,957.29)	(-1,053.29)	
3. OTHER INFORMATION					
Segment Assets	80,212.09	-	-	80,212.09	
Unallocated Corporate Assets	(78,908.67)	(-)	(-)	(78,908.67)	
	-	-	13,406.08	13,406.08	
Total Assets	80,212.09	(-)	(13,550.91)	(13,550.91)	
	(78,908.67)	(-)	13,406.08	93,618.17	
Segment Liabilities	7,934.52	-	-	7,934.52	
Unallocated Corporate Liabilities	(7,851.17)	(-)	(-)	(7,851.17)	
	-	-	47,853.98	47,853.98	
Total Liabilities	7,934.52	(-)	(42,397.83)	(42,397.83)	
	(7,851.17)	(-)	47,853.98	55,788.50	
	(7,851.17)	(-)	(42,397.83)	(50,249.00)	



E Complex Private Limited

Notes to Financial Statements

Particulars	SEZ Infrastructure	Trading	Unallocated	Total
1 Capital Expenditure	1,854.67	-	-	1,854.67
	(2,181.96)	(-)	(-)	(2,181.96)
2 Depreciation and amortisation	713.36	-	-	713.36
	(651.18)	(-)	(-)	(651.18)
3 Non-cash Expenses other than Depreciation	-	-	-	-
	(-)	(-)	(-)	-

Note: Figures in brackets pertain to previous year.

III Revenue from Major Customers :

Revenue under the segment 'SEZ Infrastructure and Others ' include Rs 1,442.01 Lacs (Previous Year: Rs 1,366.50 Lacs)from customers having more than 10% revenue of total revenue

B Segment Identification, Reportable Segments and definition of each segment:

I Primary / Secondary Segment Reporting Format:

The risk - return profile of the Company's business is determined predominantly by the nature of its products. Accordingly, the business segment constitute the Primary Segments for disclosure of segment information.

Since all the operations of the Company are predominantly conducted within India, as such there are no separate reportable geographical segments.

II Reportable Segments:

Segments have been identified based on the organisational structure, internal management reporting system, nature of production process and infrastructure facilities used.

III Segment Composition:

Trading includes steel trading activities & SEZ Infrastructure includes SEZ Development activities and ship designing activities.

IV Finance cost, Interest Income, Exchange Gain/Loss, current tax, deferred tax and expenditure incurred at Corporate Offices are not allocated to individual segment as the same are managed by the Company as a whole.

Note - 32

RELATED PARTY DISCLOSURES

a) List of Related parties

1 Holding Company

Reliance Defence and Engineering Limited

2 Associate

SKIL Infrastructure Limited

3 Fellow Subsidiary

Reliance Marine and Offshore Limited
PDOC Pte. Ltd.
Reliance Lighter Than Air Systems Private Limited
Reliance Engineering and Defence Services Limited
Reliance Technologies and Systems Private Limited

4 Enterprises in which key managerial personnel or their relatives are able to exercise significant influence (Other Related Parties)

Reliance Infrastructure Limited (w.e.f 18th January, 2016)
Grevek Investments and Finance Private Limited (up to 18th January, 2016)
SKIL Shipyard Holdings Private Limited (up to 18th January, 2016)

b) Terms and Conditions of transactions with related parties

The Transactions from related parties are made on arm's length price. Outstanding balances at the year-end are unsecured and interest have been accounted on market rate except the advances which is merely reimbursement of expenses. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

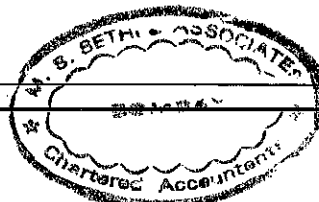


E Complex Private Limited

Notes to Financial Statements

c) Details of transactions with related parties

1 With Holding company - Reliance Defence and Engineering Limited.	<i>Rs in Lacs</i>	
Nature of Transactions	2015 - 2016	2014 - 2015
Income / Expense		
Lease Rent	352.01	276.50
Infrastructure Facility Fees	1,090.00	1,090.00
Interest Expense	586.70	466.72
Interest Income	-	682.06
Lease Deposit	7,370.00	7,030.00
Short Term Borrowings		
Opening Balance	5,546.98	1,613.01
Received during the year	-	11,832.52
Returned during the year	491.21	7,898.55
Closing Balance	5,055.77	5,546.98
Interest Accrued but not due	948.08	420.05
Inter Company Deposit		
Opening Balance	-	15,499.07
Given during the year	-	-
Refund during the year	-	15,499.07
Closing Balance	-	-
2 With SKIL Infrastructure Limited	<i>Rs in Lacs</i>	
Nature of Transactions	2015 - 2016	2014 - 2015
Interest Expenses	48.48	87.60
Short Term Borrowings		
Opening Balance	-	-
Received during the year	1,018.22	-
Paid during the year	-	-
Closing Balance	1,018.22	-
Interest Accrued but not due	48.48	-
3 With Reliance Marine and Offshore Limited.	<i>Rs in Lacs</i>	
Nature of Transactions	2015 - 2016	2014 - 2015
Interest Income	1,880.73	1,901.65
Inter Corporate Deposit		
Opening Balance	11,196.00	-
Given during the year	-	15,623.00
Refund during the year	2,274.57	4,427.00
Closing Balance	8,921.43	11,196.00
Interest Recoverable	3,593.73	1,901.08
4 Reliance Engineering and Defence Services Limited.	<i>Rs in Lacs</i>	
Nature of Transactions	2015 - 2016	2014 - 2015
Interest Expenses	2,247.27	459.71
Long Term Borrowings		
Opening Balance	11,010.71	-
Received during the year	5,500.49	11,011.00
Refund during the year	-	0.29
Closing Balance	16,511.20	11,010.71
Interest Accrued but not due	2,336.28	413.74
Corporate Guarantee Given	11,000.00	10,903.00
5 With Reliance Infrastructure Limited	<i>Rs in Lacs</i>	
Nature of Transactions	2015 - 2016	2014 - 2015
Interest Expenses	9.71	-
Short Term Borrowings		
Opening Balance	-	-
Received during the year	1,005.00	-
Paid during the year	-	-
Closing Balance	1,005.00	-
Interest Accrued but not due	8.74	-



E Complex Private Limited

Notes to Financial Statements

6 With Grevek Investments and Finance Private Limited.

Nature of Transactions	2015 - 2016	2014 - 2015
Interest Expenses	36.14	27.40
Long Term Borrowings		
Opening Balance	277.95	-
Received during the year	-	461.70
Paid during the year	120.05	183.75
Closing Balance	157.90	277.95
Other Payables	-	44.96
Interest Accrued but not due	60.80	24.66

7 With SKIL Shipyard Holdings Pvt Ltd

Nature of Transactions	2015 - 2016	2014 - 2015
Interest Expenses	105.25	0.62
Long Term Borrowings		
Opening Balance	950.00	-
Received during the year	30.00	950.00
Paid during the year	-	-
Closing Balance	980.00	950.00
Interest Accrued but not due	105.81	0.56

Note - 33.1

FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and advances from Customers. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include Investment, loans and advances, trade and other receivables, and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a finance committee that advises on financial decision and the appropriate financial risk governance framework for the Company. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to realise in future.

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of steel plates. Due to the significant increase in volatility of the price of the steel, the Company also entered into various purchase contracts for steel for which there is an active market.

Equity price risk

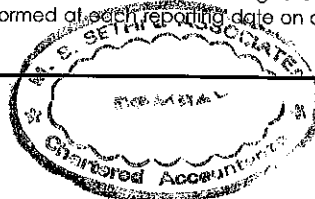
The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

Credit risk

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

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.



E Complex Private Limited

Notes to Financial Statements

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, Letter of Credit and working capital limits.

Note - 33.2

CAPITAL MANAGEMENT:

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of

Note - 34

FIRST TIME ADOPTION OF Ind-AS:

Pursuant to the Companies (Indian Accounting Standard) Rules, 2015, the Company has voluntarily adopted March 31, 2016 as reporting date for first time adoption of Indian Accounting Standard (Ind-AS) and consequently April 1, 2014 as the transition date for preparation of financial statements. The financial statements for the year ended March 31, 2016, are the first financials, prepared in accordance with Ind-AS. Upto the Financial year ended March 31, 2015, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standard) Rule, 2006. For preparing these financial statements, opening balance sheet was prepared as at April 1, 2014 i.e. the date of transition to Ind-AS. The figures for the previous periods and for the year ended March 31, 2015 have been restated, regrouped and reclassified, wherever required to comply with Ind-AS and Schedule III to the Companies Act, 2013 and to make them comparable.

i The following reconciliations and explanatory notes thereto describe the effects of the transition on the Ind-AS Opening Statement of financial position as at April 1, 2014. All explanations should be read in conjunction with the accounting policies of the Company as disclosed in the Notes to the Accounts.

Particulars	Note	April 1, 2014	March 31, 2015
Equity as per Previous GAAP		1,511.56	458.27
Adjustments to Other Equity:			
Through Other Reserve to:			
Property, Plant and Equipment (including capital work in Progress) (net)	II (i)	45,962.75	45,962.75
Trade Receivables	II (ii)	(4,210.44)	(4,210.44)
Total Adjustments		41,752.31	41,752.31
Equity as per Ind AS		43,263.87	42,210.58

ii Notes to the reconciliation

i. Property, Plant and Equipment

The Company has as at the date of transition elected to measure Land and Site Development at fair value as deemed cost.

ii Consequent to the early adoption of Ind-AS, the Company undertook a detailed evaluation of its Non-current assets, trade receivables, other current assets and current liabilities and provisions under Indian GAAP as at the date of transition being April 1, 2014. These assets and liabilities were assessed for future economic benefits expected to flow to the Company or collection or payment expected over the period of time in accordance with Ind-AS principals. Ind-AS requires measurement of provision for bad and doubtful debts to be determined with reference to the expected credit loss model. Such assets and liabilities, based on evaluation, have been measured at the present value discounted at effective interest rate and adjusted to other reserve as at transition date. Accordingly, the Company has made an additional provision on the transition date.

iii Under previous GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, the Statement of Profit and Loss under previous GAAP has been reconciled with profit and loss statement and total other comprehensive income as per Ind - AS.

iv Previous GAAP required recognition of deferred tax using the income statement approach; however, Ind-AS requires the Company to recognise deferred tax using the balance sheet approach. The effect on account of application of Ind-AS has been duly accounted.

v In the preparation of these Ind-AS Financial Statements, the Company has made several presentation differences between previous GAAP and Ind-AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statements, some line items are described differently under Ind-AS compared to previous GAAP, although the assets and liabilities included in these line items are unaffected.



E Complex Private Limited

Notes to Financial Statements

Note - 35

OPERATING LEASE

The Company has entered in to a non cancellable leasing agreements for Land and Infrastructure Facilities for a period of 30 years which are renewable by mutual consent on mutually agreeable terms. There is an escalation clause in the lease agreement during the lease period in line with expected general inflation. There are no restrictions imposed by lease arrangements and there are no sub leases. There are no contingent rents. Disclosures as required under Ind AS 17 on "Lease" are given below:

Future minimum Lease payments under non-cancellable operating lease:

Sr No	Particulars	Land		Infrastructure	
		2015 - 2016	2014 - 2015	2015 - 2016	2014 - 2015
1	Rent Debited to Statement of Profit and Loss during the year	352.01	276.50	1,090.00	1,090.00
2	Future Minimum Lease payments payable in:				
	i Less than one year	360.50	276.50	1,090.00	1,090.00
	ii One to five years	1,543.07	1,156.00	4,660.00	4,510.00
	iii More than five years	3,060.76	2,698.91	9,969.28	11,209.29

Note - 36

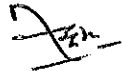
On September 20, 2012, the Revenue Department ordered the Collector, Dist Amreli to send a proposal to the Government of Gujarat ('GOG') for raising a demand for payment of 100% premium on the land approximately 451 acres granted to the E Complex Private Limited (ECPL), the Petitioners (formerly known as Metdist Industries Private Limited) for industrial purpose alleging that there is transfer of land / change of ownership of land on account change in shareholding pattern, directorships and change of name of ECPL, change of user and for failure to complete the project within the specified period of three years. ECPL has filed the Writ Petition asserting that the legal entity to which the land of allotted is the same and as such there is no transfer of land. Further, the land was allotted for Industrial purpose and being used for industrial purpose, as such there is no change of user. As per principle of proportionality, for minor irregularities harsh action like demand for 100% premium cannot be initiated. The matter is pending before the High Court. The Company has also filed representation to Government of Gujrat in regard to payment of premium and the same is pending.



As per our report of even date

for and on behalf of the Board of Directors

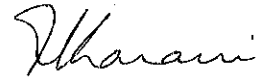
for M. S. Sethi & Associates
Chartered Accountants
Firm Regn No.: 109407W



Manoj Sethi
Proprietor
Membership No 039784



H S Malhi
Director



Ryna Karani
Director

Place: Mumbai
Date : May 13, 2016



Comal R. Gayathri
Director



Ajit Dabholkar
Director



Place: Mumbai
Date : May 13, 2016