



# RAJKUMAR RATHI & CO.

## CHARTERED ACCOUNTANTS

704 Building No.31, Neptune CHS, Evershine Millennium Paradise, Thakur village, Kandiwali (East), Mumbai - 400101

### Independent Auditors' Report

To  
The Members of **E Complex Private Limited**  
**Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **E Complex Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 31<sup>st</sup> March, 2020, and its loss including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Going Concern**

We draw attention to Note 30 in the financial statements regarding accumulated loss exceeding the Net Worth of the Company and the Company has prepared the financial statements on a going concern basis for the reasons stated therein.

Our opinion is not modified in this respect;

**Management's Responsibility and Those Charged with Governance for Financial Statements** The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report and shareholders information included in the annual report but does not include the financial statements and our auditor's report thereon..

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the above other information, if we conclude that there is material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

#### **Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Change in Equity 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 with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under;
  - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of the Act.

- h) 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) There were no pending litigations which would impact financial position of the Company.
- (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and protection fund by the Company during the year ended March 31, 2020.

For **Rajkumar Rathi & Co.**  
Chartered Accountants  
Regn.No.006342C

**Saurabh Jain**  
Partner  
Membership No.405013

Place: Mumbai  
Date: July 30, 2020  
UDIN: 20405013AAAAE11192

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date on the financial statements of **E Complex Private Limited** for the year ended March 31, 2020)

- 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) As explained to us, inventories have been physically verified during the year by the management and in our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.
- iii) The Company has granted unsecured loan to a Company 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 loans 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, duty of customs, Goods and Service Tax, cess and other statutory dues, wherever applicable, during the year. Further no undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, duty of customs, cess and other statutory dues were in arrears as at March 31, 2020 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 there is no disputed statutory dues which have not been deposited.
- Viii) According to the information and explanations given to us, during the year, the Company has not defaulted in repayment of loans to a financial institution, bank, Government or dues to debenture holders except an amount of 1240.10 Lakh towards interest in respect of debentures.
- 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) The Company has not paid any managerial remuneration. Hence paragraph 3(xi) of the Order is not applicable.
- 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 Indian 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 of, partly 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

For **Rajkumar Rathi & Co.**  
Chartered Accountants  
Regn.No.006342C

**Saurabh Jain**  
Partner  
Membership No.405013

Place: Mumbai  
Date: July 30, 2020

## ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **E Complex Private Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2020, 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 issued by ICAI.

For **Rajkumar Rathi & Co.**

Chartered Accountants  
Regn.No.006342C

**Saurabh Jain**

Partner

Membership No.405013

Place: Mumbai

Date: July 30, 2020

# E Complex Private Limited

## Balance Sheet as at March 31, 2020

Rs in Lakhs

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>I ASSETS</b>			
<b>(1) NON CURRENT ASSETS</b>			
Property, Plant and Equipment	2	55,933.29	56,652.48
		<u>55,933.29</u>	<u>56,652.48</u>
<b>Financial Assets</b>			
Loans and Advances	3	5,174.85	3,766.64
Other Financial Assets	4	1,073.18	535.20
		<u>6,248.03</u>	<u>4,301.84</u>
Other Non Current Assets	5	2.06	2.06
		<u>2.06</u>	<u>2.06</u>
		62,183.38	60,956.38
<b>(2) CURRENT ASSETS</b>			
<b>Financial Assets</b>			
Trade Receivables	6	244.96	-
Cash And Cash Equivalents	7	4.52	13.89
		<u>249.48</u>	<u>13.89</u>
Current Tax (Net)		15.01	93.98
Other Current Assets	8	12.09	11.61
		<u>27.10</u>	<u>105.59</u>
		276.58	119.48
<b>TOTAL ASSETS</b>		<u><u>62,459.96</u></u>	<u><u>61,075.86</u></u>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
Share Capital	9	2,170.93	2,170.93
Other Equity		<u>(22,882.76)</u>	<u>(17,378.74)</u>
		(20,711.83)	(15,207.81)
<b>(2) LIABILITIES</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	10	13,997.94	16,497.94
Other Financial Liabilities	11	18,193.84	16,127.06
		<u>32,191.78</u>	<u>32,625.00</u>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	12	32,866.77	32,802.65
Trade Payables	13	-	-
(a) Total outstanding dues of micro and small enterprizes		-	-
(b) Total outstanding dues of creditors other than micro and small enterprises		468.20	410.79
		<u>33,334.97</u>	<u>33,213.44</u>
Other Current Financial Liabilities	14	17,645.04	10,445.23
		<u>17,645.04</u>	<u>10,445.23</u>
		50,980.01	43,658.67
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><u>62,459.96</u></u>	<u><u>61,075.86</u></u>
Significant Accounting Policies	1	-	
Notes to Financial Statements	2 to 31		

As per our Report of even date  
**For Rajkumar Rathi & Co.**  
Chartered Accountants  
Firm Reg.No : 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**  
Proprietor  
Membership No.: 405013

**Nikhil Jain**  
Director

**Venkat Rachkonda**  
Director

Place :- Mumbai  
Date :- July 30, 2020

Place :- Mumbai  
Date :- July 30, 2020

## E Complex Private Limited

### Statement of Profit and Loss for the Year ended March 31, 2020

*Rs in Lakhs*

Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
<b>REVENUE</b>			
Revenue from Operations	15	1,634.34	1,483.50
Other Income	16	538.58	377.56
<b>Total Revenue</b>		<b><u>2,172.92</u></b>	<b><u>1,861.06</u></b>
<b>EXPENSES</b>			
Other Expenses	18	89.92	14,789.33
<b>Total Expenses</b>		<b><u>89.92</u></b>	<b><u>14,789.33</u></b>
<b>Profit/(Loss) from Operation before Depreciation/Amortisation and Finance Cost</b>		2,083.00	(12,928.27)
Finance Costs	17	6,867.83	7,448.04
Depreciation and Amortisation Expenses	2	719.19	483.70
<b>Profit/ (Loss) before Exceptional Items and Tax</b>		(5,504.02)	(20,860.01)
<b>Exceptional Items</b>	19	-	23,592.46
<b>Profit/ (Loss) Before Tax</b>		(5,504.02)	(44,452.47)
Current Tax			
- Tax of Earlier Years		-	(458.67)
- MAT credit (Reversal)		-	(130.73)
<b>Profit/ (Loss) for the year</b>		<b><u>(5,504.02)</u></b>	<b><u>(45,041.87)</u></b>
<b>Other Comprehensive Income</b>			
<b>Other Comprehensive Income to be reclassified to profit and loss in subsequent year</b>		-	-
Exchange differences on translation of Foreign Operations			
<b>Total Comprehensive Income for the period / year</b>		<b><u>(5,504.02)</u></b>	<b><u>(45,041.87)</u></b>
Earnings per Equity share of Rs. 10/- each			
- Basic / Diluted (In Rupees)	20	(25.35)	(207.48)
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 31		

As per our Report of even date

**For Rajkumar Rathi & Co.**

Chartered Accountants

Firm Reg.No : 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**

Proprietor

Membership No.: 405013

Place :- Mumbai

Date :- July 30, 2020

**Nikhil Jain**

Director

Place :- Mumbai

Date :- July 30, 2020

**Venkat Rachkonda**

Director



## E Complex Private Limited

### Cash Flow Statement for the Year ended March 31, 2020

*Rs in Lakhs*

Sr. No.	Particulars	2019 - 2020	2018 - 2019
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit / (Loss) before Tax	(5,504.02)	(20,860.01)
	Adjustments for :-		
	Depreciation and Amortisation Expenses	719.19	483.70
	Exceptional Items	-	23,592.46
	Interest Income	(538.58)	(377.56)
	Balances Write Off	-	14,677.67
	Finance Costs	6,867.83	7,448.04
	<b>Operating profit before working capital changes</b>	<b>1,544.42</b>	<b>24,964.30</b>
	<b>Adjusted for</b>		
	Increase/ (Decrease) in Inventories	-	7.35
	Increase/ (Decrease) in Trade and Other Receivables	(245.44)	3.02
	Increase/ (Decrease) in Trade and Other Payables	108.08	(72.80)
	<b>Cash Generated from Operations</b>	<b>1,407.06</b>	<b>24,901.87</b>
	Direct Taxes (Paid) / Refund	78.97	317.38
	<b>Net Cash from/(used in) Operating Activities</b>	<b>1,486.03</b>	<b>25,219.25</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Inter Corporate Deposit to fellow Subsidiary and Holding Co (Net)	(1,408.21)	(17,966.41)
	Interest Received	0.60	1.73
	<b>Net Cash from/(used in) Investing Activities</b>	<b>(1,407.61)</b>	<b>(17,964.68)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Repayment of Long Term Borrowings	20.10	(16.25)
	Short Term Borrowings (Net)	(64.12)	(4,424.49)
	Interest Paid	(43.77)	(2,826.00)
	<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(87.79)</b>	<b>(7,266.74)</b>
	<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(9.37)</b>	<b>(12.17)</b>
	Cash & Cash Equivalents - Opening balance	13.89	26.06
	Cash & Cash Equivalents - Closing balance	4.52	13.89

Notes:

- (1) The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 - Statement on 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 Rajkumar Rathi & Co.**

Chartered Accountants

Firm Reg.No : 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**

Proprietor

Membership No.: 405013

-

Place :- Mumbai

Date :- July 30, 2020

**Nikhil Jain**

Director

**Venkat Rachkonda**

Director

Place :- Mumbai

Date :- July 30, 2020

## E Complex Private Limited

### Statement of Changes in Equity for Year ended March 31, 2020

#### A Equity Share Capital

Particulars	<i>Rs in Lakhs</i>			
	As at March 31, 2020		As at March 31, 2019	
	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/ Bought Back during the year	-	-	-	-
Equity shares at the end of the year	<u>21,709,327</u>	<u>2,170.93</u>	<u>21,709,327</u>	<u>2,170.93</u>

#### B Other Equity

Particulars	<i>Rs in Lakhs</i>		
	Other Reserve	Retained Earning	Total
<b>As at April 01, 2018</b>	41,752.30	(14,089.17)	27,663.13
Profit /(Loss) for the year	-	(45,041.87)	(45,041.87)
Other Comprehensive Income	-	-	-
<b>Total</b>	<u>41,752.30</u>	<u>(59,131.04)</u>	<u>(17,378.74)</u>
<b>As at March 31, 2019</b>	41,752.30	(59,131.04)	(17,378.74)
Profit /(Loss) for the year	-	(5,504.02)	(5,504.02)
Other Comprehensive Income	-	-	-
<b>As at March 31, 2020</b>	<u>41,752.30</u>	<u>(64,635.06)</u>	<u>(22,882.76)</u>

Note: Other Reserve is created pursuant to first time adoption of Ind-AS and not available for distribution as dividend.

As per our Report of even date  
**For Rajkumar Rathi & Co.**  
 Chartered Accountants  
 Firm Reg.No : 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**  
 Proprietor  
 Membership No.: 405013

**Nikhil Jain**  
 Director

**Venkat Rachkonda**  
 Director

Place :- Mumbai  
 Date :- July 30, 2020

Place :- Mumbai  
 Date :- July 30, 2020

## E Complex Private Limited

### Notes to Financial Statements For the year ended March 31, 2020

#### Note - 1

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### a BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act. Financial Statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III, applicable Ind AS, other applicable pronouncements and regulations.

##### b FUNCTIONAL AND PRESENTATION CURRENCY:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

##### c USE OF ESTIMATES:

The preparation of Consolidated 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 Consolidated Financial Statements.

##### d 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 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:

- 1 It is expected to be settled in normal operating cycle
  - 2 It is held primarily for the purpose of trading
  - 3 It is 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.

##### e PROPERTY, PLANT AND EQUIPMENTS:

- i. The Company has measured all of its Plant & Equipment at fair value at the date of transition to Ind-AS. The Company has elected these value as deemed cost at transition date. All other property, plant & equipments have been carried at value in accordance with Indian 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.

##### f 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 which is being reviewed annually.
- 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 life.

##### g 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.

##### h 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, assuming that market participants act in their best economic interest. The fair value of property, plant & equipments as at transition date have been taken based on valuation performed by technical experts. 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.

##### i 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 consist of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded 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.

##### j INVENTORIES:

The inventories i.e. 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 comprise of all costs of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. The cost of steel plates, profiles & equipments is determined on Specific Identification Method and other raw materials & stores & spares at Weighted Average Method. The cost of Work-in-progress and Finished Stock is determined on absorption costing method. Scrap is valued at net realisable value.

## E Complex Private Limited

### Notes to Financial Statements For the year ended March 31, 2020

#### k 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 Taxes 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.

#### l GOVERNMENT SUBSIDY:

Government subsidy related to shipbuilding contracts are recognized at their fair value when there is reasonable assurance that the subsidy will be received, on the basis of percentage completion of the respective ships, on compliance with the relevant conditions and such grants are recognized in the Statement of Profit and Loss and presented under revenue from operations.

#### m 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 remeasured at the exchange rate prevailing on the balance sheet date. In case of items, which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii. Non monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

#### n 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.

##### Financials Assets

###### i 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

###### ii Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- 1 at amortised cost
- 2 at fair value through other comprehensive income (FVTOCI)
- 3 at fair value through profit or loss (FVTPL)
- 4 Equity instruments measured at fair value through other comprehensive income FVTOCI

###### 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 profit or loss. This category generally applies to trade and other receivables.

###### 1 Financial Assets measured at fair value through other comprehensive income:

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.

###### 2 Financial Assets measured at fair value through profit or loss:

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.

###### 3 Investment in Equity Instruments:

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

###### 4 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

##### Financials Liabilities

###### i 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.

###### ii 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 effective hedging instruments.

###### iii Loans and Borrowings

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the 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.

###### iv 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 or loss.

#### o OPERATING LEASE:

Lease assets taken on operating lease are not recognized. Payments made under the operating leases are recognized in the statement of profit and loss on a straight-Line-Basis over the terms of the lease except where the payments are structured to increase in line with expected general inflation.

## E Complex Private Limited

### Notes to Financial Statements For the year ended March 31, 2020

**p FINANCIAL DERIVATIVES:**

In respect of Derivative Contracts, premium paid and losses/gain on settlement and losses on restatement are recognised in the Statement of Profit and Loss.

**q EMPLOYEE BENEFITS:**

- i. Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss / Pre - Operative Expenses of the year in which the related service is rendered.
- ii. Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss / Pre - Operative Expenses for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are recognized in other comprehensive income and not reclassified to profit or loss in subsequent period.

**r PROVISION FOR CURRENT AND DEFERRED TAX:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax are 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.

**s 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

**t PROVISIONS, 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.

## E Complex Private Limited

### Note - 2

#### A Property, Plant and Equipments

<i>Rs in Lakhs</i>						
Depreciation of Assets	Land and Site Development	Buildings	Plant and Equipments	Furniture and Fixtures	Office Equipments	Total Owned Assets
<b>I Gross Carrying Amount</b>						
As at April 01, 2019	49,073.00	4,927.53	7,949.19	80.83	74.02	62,104.57
Additions during the year	-	-	-	-	-	-
Deductions	-	-	-	-	-	-
As at March 31, 2020	49,073.00	4,927.53	7,949.19	80.83	74.02	62,104.57
<b>II Accumulated Depreciation and Impairment</b>						
<b>a Accumulated Depreciation</b>						
As at April 01, 2019	-	1,086.28	4,228.46	74.68	62.66	5,452.08
Additions during the year	-	162.36	548.87	1.52	6.44	719.19
Deductions	-	-	-	-	-	-
As at March 31, 2020	-	1,248.64	4,777.33	76.20	69.10	6,171.27
<b>b Impairment</b>						
As at April 01, 2019	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-
Deductions	-	-	-	-	-	-
As at March 31, 2020	-	-	-	-	-	-
<b>III Net Carrying Amount as at March 31, 2020</b>	<b>49,073.00</b>	<b>3,678.89</b>	<b>3,171.86</b>	<b>4.63</b>	<b>4.92</b>	<b>55,933.30</b>
<b>Previous Financial Year</b>						
<b>I Gross Carrying Amount</b>						
As at April 01, 2018	49,073.00	4,927.53	7,949.19	80.83	74.02	62,104.57
Additions during the year	-	-	-	-	-	-
Deductions	-	-	-	-	-	-
As at March 31, 2019	49,073.00	4,927.53	7,949.19	80.83	74.02	62,104.57
<b>II Accumulated Depreciation and Impairment</b>						
<b>a Accumulated Depreciation</b>						
As at April 01, 2018	-	923.92	3,922.23	69.20	53.03	4,968.38
Additions during the year	-	162.36	306.23	5.48	9.63	483.70
Deductions	-	-	-	-	-	-
As at March 31, 2019	-	1,086.28	4,228.46	74.68	62.66	5,452.08
<b>b Impairment</b>						
Accumulated Depreciation	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-
Deductions	-	-	-	-	-	-
As at March 31, 2019	-	-	-	-	-	-
<b>III Net Carrying Amount as at 31.03.2019</b>	<b>49,073.00</b>	<b>3,841.25</b>	<b>3,720.73</b>	<b>6.15</b>	<b>11.36</b>	<b>56,652.49</b>

\* Other than Internally Generated.

#### B Capital Work in Progress

#### 2.1 Impairment of Property Plant & Equipment, Intangible Assets and Capital Work in Progress

<i>Rs in Lakhs</i>		
Particulars	2019 - 2020	2018 - 2019
Property Plant & Equipment	-	-
Intangible Assets	-	-
Capital Work in Progress	-	10,607.46
<b>Total</b>	<b>-</b>	<b>10,607.46</b>

In accordance with the Ind-AS 36 on "Impairment of Assets", Capital work-in-progress was tested for impairment during the year where indicators of impairment existed. The Company has recognised an impairment charge of Rs. Nil (Previous Year: Rs. 10,607.46 Lakhs) in respect of expenditure incurred for project wherein progress has been minimal over the years due to certain hindrances. The impairment recognised is included within exceptional items in the statement of profit and loss. The Impairment indicators that were witnessed are :

- 1 Declining Net Worth of the Company on Consistent Basis.
- 2 No commercial Operations being carried out by the company due to technical, financial and other hindrances.
- 3 Internal Reporting clearly indicates that there are no cash flows being generated which resulted in budgeted loss and operating loss whereby company is not able to meet its financial obligations.

## E Complex Private Limited

### Notes to Financial Statements

#### Notes - 3

##### LOANS AND ADVANCES (Unsecured & considered good)

Particulars	<i>Rs in Lakhs</i>	
	As at March 31, 2020	As at March 31, 2019
Inter Company Deposit to Related Parties - Considered Good*	5,174.85	3,766.64
Inter Company Deposit to Related Parties - Considered Not Good*	-	-
	5,174.85	3,766.64
Less: Provision for Inter Company Deposit Impaired*	-	-
	5,174.85	3,766.64
Total	5,174.85	3,766.64

\* Refer note no. 25

#### Notes - 4

##### OTHER FINANCIAL ASSETS (Unsecured & considered good)

Particulars	<i>Rs in Lakhs</i>	
	As at March 31, 2020	As at March 31, 2019
Interest Receivable from related party - Considered Good	1,073.18	535.20
Interest Receivable from related party - Considered Not Good	-	-
	1,073.18	535.20
Less: Provision for Interest Receivable from related party - Considered Not Good Imp	-	-
	1,073.18	535.20
Total	1,073.18	535.20

\* Refer note no. 25

#### Notes - 5

##### OTHER NON CURRENT ASSETS (Unsecured & considered good)

Particulars	<i>Rs in Lakhs</i>	
	As at March 31, 2020	As at March 31, 2019
Capital Advances (Refer Note No. 19 for Exceptional Items)	-	-
Deposits	2.06	2.06
Total	2.06	2.06

#### Notes - 6

##### TRADE RECEIVABLES (Unsecured)

Particulars	<i>Rs in Lakhs</i>	
	As at March 31, 2020	As at March 31, 2019
Trade Receivables Considered Good - Secured	244.96	-
Trade Receivables Credit Impaired	4,210.44	4,210.44
	4,210.44	4,210.44
Less: Provision for Impairment	-	-
	244.96	-
Total	244.96	-

6.1 Trade receivables are non- interest bearing and receivable in normal operating cycle.

#### Notes - 7

##### CASH AND CASH EQUIVALENTS

Particulars	<i>Rs in Lakhs</i>	
	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
- In Current Accounts	4.52	13.39
Cash on Hand	-	0.50
Total	4.52	13.89

#### Notes - 8

##### OTHER CURRENT ASSETS (Unsecured & considered good)

Particulars	<i>Rs in Lakhs</i>	
	As at March 31, 2020	As at March 31, 2019
Advance recoverable in cash or in kind or for the value to be received		
Against purchase of material / services	12.09	11.61
Total	12.09	11.61

## E Complex Private Limited

### Notes to Financial Statements

#### Notes - 9 SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
<i>Rs in Lakhs</i>		
<b>Equity Shares</b>		
Authorised		
60,000,000 (Previous Year 60,000,000) Equity shares of Rs. 10/- each	6,000.00	6,000.00
<b>Issued, Subscribed and paid up</b>		
21,709,327 (Previous Year 21,709,327 ) Equity Shares of Rs. 10/- each fully paid up	2,170.93	2,170.93
<b>Total</b>	<b>2,170.93</b>	<b>2,170.93</b>

#### 9.1 Reconciliation of Equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2020		As at March 31, 2019	
	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/ Bought Back during the year	-	-	-	-
Equity shares at the end of the year	21,709,327	2,170.93	21,709,327	2,170.93

#### 9.2 Shareholders holding more than 5% Shares in the Company/Holding Company

Shares held by	No. of Shares	% Holding	No. of Shares	% Holding
Reliance Naval and Engineering Limited - Holding	21,709,327	100%	21,709,327	100%

#### 9.3 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.

#### Notes - 10 LONG TERM BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
<i>Rs in Lakhs</i>		
<b>Secured Loans</b>		
36 (Previous Year: 50) 13.75% Secured Non Convertible Debentures of Rs. 13,986,860 each	2,500.00	5,000.00
<b>Unsecured Loans from:</b>		
Body Corporate	-	-
Related Parties (Refer note no. 25)	11,497.94	11,497.94
<b>Total</b>	<b>13,997.94</b>	<b>16,497.94</b>

#### 10.1 13.75% Secured Non-Convertible Debentures

- (i) 13.75% Secured Non Convertible Debentures (NCDs) carry Coupon rate of 13.75% payable quarterly.
- (ii) The obligation under these NCDs are repayable in four equal installment at the end of 30 months, 36 months, 42 months and 48 months from the date of issue i.e October 6, 2017
- (iii) The NCDs are secured by first charge and mortgage
  - a. 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
  - b. On the parcel of land admeasuring 27.48 hectare situated at Village Chhanje, Taluka Uran and District Raigarh in the state of Maharashtra belonging to other Corporates.
- (iv) These NCDs are further guaranteed by the Holding Company

10.2 The Unsecured Loan from related parties carry an interest rate of 18% PA.

#### Notes - 11 OTHER FINANCIAL LIABILITES

Particulars	As at March 31, 2020	As at March 31, 2019
<i>Rs in Lakhs</i>		
Deposits from related party (Refer note 25)	7,370.00	7,370.00
Interest Accrued but not due on Borrowings	10,823.84	8,757.06
<b>Total</b>	<b>18,193.84</b>	<b>16,127.06</b>



## E Complex Private Limited

### Notes to Financial Statements

#### Notes - 12

##### DEFERRED TAX LIABILITIES/(ASSETS)

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

Particulars	As at March 31, 2020	As at March 31, 2019
	<i>Rs in Lakhs</i>	
<b>Opening Balance</b>	(2,001.53)	(1,512.81)
<b>Tax Expenses (Income) recognised in:</b>		
Statement of Profit and Loss		
Difference in Tax Base of Property, plant and equipment	937.33	124.10
Depreciation Losses/Business Loss	(1,110.86)	(612.82)
	(173.53)	(488.72)
<b>Closing Balance</b>	-	(2,001.53)

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

Since the Company has incurred loss during the year ended March 2020 and previous year 2018 - 19 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.

12.2 As at March 31, 2020 the Company has net deferred tax assets of Rs. NIL lakhs (P.Y. Rs. 2,001.53 lakhs). 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.

#### Notes - 12

##### SHORT TERM BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
	<i>Rs in Lakhs</i>	
<b>Secured Loans</b>		
Cash Credit Facility from bank	761.32	679.61
<b>Unsecured Loans from:</b>		
Related parties (Refer note no 25)	20,616.59	20,616.59
Body Corporates	11,488.86	11,506.45
<b>Total</b>	<u>32,866.77</u>	<u>32,802.65</u>

12.1 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.

#### Notes - 13

##### TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
	<i>Rs in Lakhs</i>	
Others	468.20	410.79
<b>Total</b>	<u>468.20</u>	<u>410.79</u>

13.1 There are no Micro and Small Enterprises to whom the Company owes dues which are outstanding as at March 31, 2020. 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.

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

#### Notes - 14

##### OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
	<i>Rs in Lakhs</i>	
Current Maturities of Long Term Borrowings	2,645.65	125.55
Interest Accrued and due on Borrowings	1,171.35	552.60
Interest Accrued but not due on Borrowings	12,259.17	8,248.88
Creditors for Capital Goods	299.32	299.32
Statutory Dues	1,192.82	1,122.69
Other payable	76.73	96.19
<b>Total</b>	<u>17,645.04</u>	<u>10,445.23</u>

#### Notes - 15

##### REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	<i>Rs in Lakhs</i>	
Lease Rent Income	394.34	393.50
Infrastructure Facility Fees	1,240.00	1,090.00
<b>Total</b>	<u>1,634.34</u>	<u>1,483.50</u>

## E Complex Private Limited

### Notes to Financial Statements

#### Notes - 16 OTHER INCOME

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Income	538.58	377.56
Total	<u>538.58</u>	<u>377.56</u>

\* represent reversal of credit balance not payable

#### Notes - 17 FINANCE COSTS

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expenses	6,867.83	7,448.04
Total	<u>6,867.83</u>	<u>7,448.04</u>

#### Notes - 18 OTHER EXPENSES

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Power, Fuel and Water	8.15	11.49
Hire Charges	(0.48)	6.46
Repairs and Maintenance	-	25.84
Rent, Rates and Taxes	4.07	7.25
Travelling, Conveyance and Vehicle Hire Charges	8.33	7.87
Security Expenses	66.73	46.50
Legal and Professional Charges	4.45	2.19
Payment to Auditors	0.37	0.37
Cenvat w/off	(1.76)	2.12
Balances Written off (net)	-	14,677.67
Miscellaneous Expenses	0.06	1.57
Total	<u>89.92</u>	<u>14,789.33</u>

#### 18.1 Payment to Auditors includes:

Parti	Year ended March 31, 2020	Year ended March 31, 2019
Audit Fees	0.25	0.25
Tax Audit Fees	0.12	0.12
Total	<u>0.37</u>	<u>0.37</u>

#### Notes - 19 EXCEPTIONAL ITEMS

During the year, the Board of Directors of the Company considering the position of the company and its future perspective, recommended the impairment of the Capital Work in Progress aggregating Rs. 10,607.46 lakhs with effect from April 01, 2018. Further, with respect to certain cases of advances, receivables and obligations, the Company has carried out the impairment review and even though it is hopeful of favourable outcome, provision for impairment aggregating to Rs. **12,985 lakhs** has been made, considering the overall circumstances.

#### Notes - 20 EARNINGS PER SHARE (Basic and Diluted)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Net profit/(loss) after Tax	(5,504.02)	(45,041.87)
Amount available for calculation of Basic and Diluted EPS	(a) <u>(5,504.02)</u>	<u>(45,041.87)</u>
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) <u>(25.35)</u>	<u>(207.48)</u>

## E Complex Private Limited

### Notes to Financial Statements For the year ended March 31, 2020

#### Note - 21

##### CONTINGENT LIABILITIES AND COMMITMENTS

(No Cash Outflow is expected except as stated otherwise)

##### 21.1 CONTINGENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
a) <b>Corporate Guarantee</b> (Given to Body Corporates for credit facilities taken by fellow subsidiary company)	8,214.87	6,961.75
b) <b>Demands not acknowledged as Debts</b>		
i) Income Tax	22.95	23.26
ii) Demands not acknowledged as Debts-Third Party Claims (Related to demand raised by Vendors and Lenders)	289.37	289.37

##### 21.2 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 - 22

The company has issued a Bond cum legal undertaking for Rs. 9,000 lakhs (Previous Year Rs. 9,000 lakhs) 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 - 23

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 - 24

##### SEGMENT REPORTING

The risk - return profile of the Company's business is determined predominantly by the nature of its products. The Company is engaged only in the business of SEZ Infrastructure and Development. As such, there are no separate reportable segments. Further all the operations of the Company are predominantly conducted within India, as such there are no separate reportable geographical segments. Revenue from Operation is only from One Customer.

#### Note - 25

##### RELATED PARTY DISCLOSURES

###### a) List of Related parties

###### 1 Holding Company

Reliance Naval and Engineering Limited (RNEL)

###### 2 Fellow Subsidiary

RMOL Engineering and Offshore Limited (*formerly Reliance Marine and Offshore Limited*) (RMOL)

PDOC Pte. Ltd.

Reliance Underwater Systems Private Limited (*formerly Reliance Lighter Than Air Systems Private Limited (RLTASPL) up to 15th August 2019*)

REDS Marine Services Limited (*Formerly Reliance Engineering and Defence Services Ltd*) (REDSL)

Reliance Technologies and Systems Private Limited (RTSPL)

###### 3 Other Related Party

Reliance Infrastructure Limited (R Infra)

###### 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 For the year ended March 31, 2020

c) Details of transactions with related parties

Transactions with related parties for the year and Closing Balances

*Rs in Lakhs*

Nature of Transactions	RNEL	REDSL	RMOL	R Infra	RTSPL
<b>Income</b>					
Lease Rent	393.50 (393.50)	- (-)	- (-)	- (-)	- (-)
Infrastructure Facility	1,240.00 (1,090.00)	- (-)	- (-)	- (-)	- (-)
Construction support service	-	-	-	-	-
Interest Income	537.98 (375.83)	- (-)	- (-)	- (-)	- (-)
<b>Expenditure</b>					
Interest Expenses on ICD	-	2,075.30 (2,064.88)	- (-)	- (2,176.35)	- (-)
Lease Deposit	7,370.00 (7,370.00)	- (-)	- (-)	- (-)	- (-)
Interest accrued but not due	-	11,342.67 (9,267.37)	- (-)	3,983.65 (3,983.65)	- (-)
<b>Borrowings</b>					
Balance as at 01.04.2019	-	11,497.94	-	-	-
Received during the year	(-)	(11,355.44)	(-)	(13,146.58)	(-)
Repaid during the year	(-)	(142.50)	(-)	(7,470.00)	(-)
Assigned to Third Party	(-)	(-)	(-)	(-)	(-)
Balance as at 31.03.2020	(-)	11,497.94 (11,497.94)	(-)	(-)	(-)
<b>Loans and Advances</b>					
Balance as at 01.04.2019	3,766.64 (2,716.08)	- (-)	- (8,881.70)	- (-)	- (0.31)
Given during the year	1,953.08 (1,626.80)	- (-)	- (-)	- (-)	- (-)
Returned during the year	544.87 (576.24)	- (-)	- (-)	- (-)	- (-)
Impaired During the year	(-)	(-)	(8,881.70)	(-)	(0.31)
Balance as at 31.03.2020	5,174.85 (3,766.64)	- (-)	- (-)	- (-)	- (-)
Interest Receivables	1,073.18 (535.20)	- (-)	- (-)	- (-)	- (-)
Corporate Guarantee	-	6,961.75 (6,961.75)	- (-)	- (-)	- (-)

#### Note - 26

##### 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.

## E Complex Private Limited

### Notes to Financial Statements For the year ended March 31, 2020

#### 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.

#### 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 - 27

##### 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 any interest-bearing loans and borrowing in the current year.

#### Note - 28

##### 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	<i>Rs in Lakhs</i>			
		Land		Infrastructure	
		2019-2020	2018 - 2019	2019-2020	2018 - 2019
1	Lease Income Credited to Statement of Profit and Loss during the year	394.34	393.50	1,240.00	1,090.00
2	Future Minimum Lease payments payable in:				
	i Less than one year	393.50	393.75	1,240.00	1,240.00
	ii One to five years	1,642.09	1,609.09	5,110.00	4,960.00
	iii More than five years	1,234.75	1,845.17	3,822.50	6,249.29

#### Note - 29

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.

#### Note - 30

During the year, the Company has incurred losses which has resulted into erosion of the Company's net worth. The management feels that this erosion is temporary in nature and the Company's future business plans and prospects will help the Company to turn around in future. Further, the promoters of the Company have supported the Company since management take over by them in January 2016 and will continue to do so in future in their capacity as promoters. Hence the Company continues to prepare its Financial Statements on going concern basis.

## E Complex Private Limited

### Notes to Financial Statements For the year ended March 31, 2020

#### Note - 31

Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary to make them comparable with those of the current year.

As per our Report of even date  
**For Rajkumar Rathi & Co.**  
Chartered Accountants  
Firm Reg.No : 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**  
Proprietor  
Membership No.: 405013

Place :- Mumbai  
Date :- July 30, 2020

**Nikhil Jain**  
Director

**Venkat Rachkonda**  
Director

Place :- Mumbai  
Date :- July 30, 2020