



**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 **Reliance Technologies and Systems Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Reliance Technologies and Systems 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 12 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:
  - e) 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.

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: 20405013AAAAEK5174

## **ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

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

- i) The Company has no fixed assets hence clause 3 (i) of the Order is not applicable.
- ii) The Company has no inventory hence clause 3 (ii) of the Order is not applicable.
- 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, sales tax, duty of customs, service tax, cess, GST 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, GST and other material 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 there are no statutory dues pending on account of any dispute.
- 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.
- 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 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.

ix) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

**Saurabh Jain**  
Partner  
Membership No.405013

Place: Mumbai  
Date: July 30, 2020

## Reliance Technologies and Systems Private Limited

### Balance Sheet as at March 31, 2020

*Rs in Lakhs*

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>I ASSETS</b>			
<b>(1) Current Assets</b>			
<b>Financial Assests</b>			
Cash and Cash Equivalants	2	0.01	0.01
<b>TOTAL ASSETS</b>		<u>0.01</u>	<u>0.01</u>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
Share Share Capital	3	1.00	1.00
Other Equity		<u>(1.88)</u>	<u>(1.64)</u>
		(0.88)	(0.64)
<b>(2) LIABILITIES</b>			
<b>Current Liabilities</b>			
Other Liabilities	4	<u>0.89</u>	<u>0.65</u>
		0.89	0.65
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u>0.01</u>	<u>0.01</u>
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 13		

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

For and on behalf of the Board of Directors

**Saurabh Jain**  
 Partner  
 Membership No 405013

**Nikhil Jain**  
 Director

**Arup Gupta**  
 Director

Place: Mumbai  
 Date : July 30, 2020

Place: Mumbai  
 Date : July 30, 2020

## Reliance Technologies and Systems 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		-	-
Other Income	5	-	0.42
<b>Total Revenue</b>		-	0.42
<b>EXPENSES</b>			
Other Expenses	6	0.24	0.50
<b>Total Expenses</b>		0.24	0.50
<b>Loss Before Tax</b>		(0.24)	(0.08)
Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
Other Liabilities		-	-
<b>Loss for the year</b>		<b>(0.24)</b>	<b>(0.08)</b>
<b>Profit / (Loss) for the period</b>		-	-
<b>Other Comprehensive Loss</b>		(0.24)	(0.08)
Earnings per Equity share of Rs. 10/- each	7		
- Basic/ Diluted (In Rupees)		(2.40)	(0.80)
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 13		

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

For and on behalf of the Board of Directors

**Saurabh Jain**  
Partner  
Membership No 405013

**Nikhil Jain**  
Director

**Arup Gupta**  
Director

Place: Mumbai  
Date : July 30, 2020

## Reliance Technologies and Systems 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>		
	Profit / (Loss) before Tax	(0.24)	(0.08)
	Adjustments for :-		
	Interest Expenses	-	-
	<b>Operating profit/(Loss) before working capital changes</b>	(0.24)	(0.08)
	<b>Adjusted for</b>		
	Increase/(Decrease) in Current Liabilities	0.24	0.46
	<b>Cash Generated from/(used in) Operations</b>	-	0.38
	Direct Taxes (Paid) / Refund	-	-
	<b>Net Cash from/(used in) Operating Activities</b>	-	0.38
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Intercompany Deposit	-	(0.38)
	<b>Net Cash from/(used in) Investing Activities</b>	-	(0.38)
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of Share Capital	-	-
	<b>Net Cash Flow from/(used in) Financing Activities</b>	-	-
	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	-	-
	Cash & Cash Equivalents - Opening balance	0.01	0.01
	Cash & Cash Equivalents - Closing balance	0.01	0.01

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.

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

For and on behalf of the Board of Directors

**Saurabh Jain**  
 Partner  
 Membership No 405013

**Nikhil Jain**  
 Director

**Arup Gupta**  
 Director

Place: Mumbai  
 Date : July 30, 2020

Place: Mumbai  
 Date : July 30, 2020



## Reliance Technologies and Systems Private Limited

### Statement of Changes in Equity for the 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	10,000	1.00	10,000	1.00
Add: Shares Issued during the year	-	-	-	-
Equity shares at the end of the year	10,000	1.00	10,000	1.00

#### B Other Equity

Particulars	<i>Rs in Lakhs</i>	
	Retained Earning	Total
<b>As at April 1, 2018</b>	(1.56)	(1.56)
Profit/(Loss) for the year	(0.08)	(0.08)
<b>As at March 31, 2019</b>	(1.64)	(1.64)
Profit/(Loss) for the year	(0.24)	(0.24)
<b>As at March 31, 2020</b>	<b>(1.88)</b>	<b>(1.88)</b>

As per our Report of even date

**For Rajkumar Rathi & Co.**

Chartered Accountants

Firm Registration No.: 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**

Partner

Membership No 405013

**Nikhil Jain**

Director

**Arup Gupta**

Director

Place: Mumbai

Date : July 30, 2020

Place: Mumbai

Date : July 30, 2020

# Reliance Technologies and Systems Private Limited

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

### Note - 1

#### Statement of Significant Accounting Policies

##### a General Information

Reliance Technologies and Systems Private Limited a wholly owned subsidiary company of Reliance Naval and Engineering Limited, was incorporated on August 17, 2013. The Company is domiciled in India having registered office at 91/94, Prabhat Colony, Santacruz (East), Mumbai - 400055.

##### b 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) (Amended) 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.

##### c Functional and Presentation Currency:

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

##### 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

##### e 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
- 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.

##### f 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

##### g 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.

###### - 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

##### h 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.

##### i 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.

## Reliance Technologies and Systems Private Limited

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

#### Note - 2 Cash and Cash Equivalents

	<i>Rs in Lakhs</i>	
Particulars	As at March 31, 2020	As at March 31, 2019
Cash on Hand	0.01	0.01
<b>Total</b>	0.01	0.01

#### Note - 3 Share Capital

	<i>Rs in Lakhs</i>	
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Equity Shares</b>		
<b>Authorised</b>		
10,000 (Previous Year 10,000) Equity Shares of Rs. 10/- each	1.00	1.00
<b>Issued, Subscribed and Paid up</b>		
10,000 (Previous Year 10,000) Equity Shares of Rs. 10/- each fully paid up	1.00	1.00
<b>Total</b>	1.00	1.00

	<i>Rs in Lakhs</i>			
3.1 Reconciliation of Number of Equity shares outstanding at the beginning and at the end of the year	As at March 31, 2020		As at March 31, 2019	
Particulars	No of Shares	Amount	No of Shares	Amount
No. of shares at the beginning of the year	10,000	1.00	10,000	1.00
Add: Shares issued during the year	-	-	-	-
No. of shares at the end of the year	10,000	1.00	10,000	1.00

#### 3.2 Shareholders holding more than 5% No. of Shares / Holding Company

	As at March 31, 2020		As at March 31, 2019	
Shares held by	No. of Shares	% Holding	No. of Shares	% Holding
Reliance Naval and Engineering Limited- Holding Company	10,000	100%	10,000	100%

#### 3.3 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

#### Note - 4 Other Current Financial Liabilities

	<i>Rs in Lakhs</i>	
Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Dues	0.01	0.01
Other Payables	0.88	0.64
<b>Total</b>	0.89	0.65

#### Note - 5 Other Income

	<i>Rs in Lakhs</i>	
Particulars	As at March 31, 2020	As at March 31, 2019
Balance Written Back	-	0.42
<b>Total</b>	-	0.42

#### Note - 6 Other Expenses

	<i>Rs in Lakhs</i>	
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Payment to Auditors	0.14	0.15
Filing Fees	0.10	0.19
Miscellaneous Exp.	-	0.16
<b>Total</b>	0.24	0.50

#### 6.1 Payment to Auditors includes:

	<i>Rs in Lakhs</i>	
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Audit Fees	0.14	0.15
<b>Total</b>	0.14	0.15

## Reliance Technologies and Systems Private Limited

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

#### Note - 7

##### Earnings Per Share

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Net Profit / (Loss) after Tax	(a)	(0.24)	(0.08)
Weighted Average No. of Equity Shares outstanding for Basic and diluted EPS	(b)	10,000	10,000
Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.)	<b>(a)/(b)</b>	<u>(2.40)</u>	<u>(0.80)</u>

#### Note - 8

The Company has not commenced any commercial operations during the year, and there are no separate reportable segments.

#### Note - 9

##### RELATED PARTY DISCLOSURES

##### a) List of Related parties

###### Holding Company

Reliance Naval and Engineering Limited

###### Fellow Subsidiaries

E - Complex Private Limited

PDOC Pte. Ltd.

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

REDS Marine Services Limited *(formerly Reliance Lighter Than Air Systems Private Limited)*

Reliance Underwater Systems Limited *(formerly Reliance Lighter Than Air Systems Private Limited)* (upto August 15, 2019)

###### Other Related Party

Reliance Infrastructure Limited

##### 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

##### c) Transactions with related parties for the year ended March 31, 2020

Particulars	2019 - 2020	2018 - 2019
<i>Rs in Lakhs</i>		
<b>Reliance Naval and Engineering Limited</b>		
<b>Borrowings</b>		
Balance as at 01.04.2019	-	0.07
Received during the year	-	-
Repaid during the year	-	-
Written Back	-	-
Balance as at 31.03.2020	-	0.07
<b>Interest Expenses</b>	-	-
<b>Interest accrued but not due</b>	-	-
<b>E Complex Private Limited</b>		
<b>Borrowings</b>		
Balance as at 01.04.2019	-	0.31
Received during the year	-	-
Repaid during the year	-	-
Written Back	-	0.31
Balance as at 31.03.2020	-	-

# Reliance Technologies and Systems Private Limited

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

### Note - 10

#### FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings. 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, and cash and bank balances that derive directly from its operations.

#### 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

#### 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

#### Liquidity risk

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

### Note - 11

#### 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

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 - 12

The Company's accumulated losses 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, hence the Company continued to prepare its Financial Statements on going concern basis.

### Note - 13

The figures for the previous year have been restated, regrouped and reclassified, 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 Registration No.: 006342C

For and on behalf of the Board of Directors

**Saurabh Jain**  
Partner  
Membership No 405013

**Nikhil Jain**  
Director

**Arup Gupta**  
Director

Place: Mumbai  
Date : July 30, 2020

Place: Mumbai  
Date : July 30, 2020