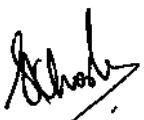


**GULLFOSS ENTERPRISES PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

Particulars	Note No.	(Rupees) As at March 31, 2019
<b>ASSETS</b>		
<b>1 Current assets</b>		
Financial assets		
- Cash & cash equivalents	3	76,351
<b>TOTAL</b>		76,351
<b>EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	4	1,00,000
(b) Other Equity	5	(33,649)
<b>2 Current liabilities</b>		
Other current liabilities	6	10,000
<b>TOTAL</b>		76,351

See accompanying notes to the financial statements '1 to 12'

For and on behalf of the Board of Directors

  
**Sandeep Khosla**  
(Director)



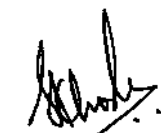
Date:  
Place: Mumbai

**GULLFOSS ENTERPRISES PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Note No.	(Rupees) From Jan 24, 2019 to March 31, 2019
<b>REVENUE</b>		
Revenue from operations		-
<b>(I) TOTAL REVENUE</b>		<b>-</b>
<b>EXPENSES</b>		
Other expenses	7	33,649
<b>(II) TOTAL EXPENSES</b>		<b>33,649</b>
<b>(III) LOSS BEFORE TAX (I-II)</b>		<b>(33,649)</b>
<b>(IV) TAX EXPENSE :</b>		
a) Current Tax		-
b) Deferred Tax/ (Credit)		-
<b>(V) LOSS FOR THE YEAR (III-IV)</b>		<b>(33,649)</b>
<b>(IV) OTHER COMPREHENSIVE INCOME</b>		<b>-</b>
<b>(V) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (V+ VI)</b>		<b>(33,649)</b>
<b>(VII) EARNINGS PER EQUITY SHARE</b>	10	
(Face value of Rs. 10 each fully paid up)		
Basic (in Rupees)		(18.61)
Diluted (in Rupees)		(18.61)

See accompanying notes to the financial statements '1 to 12'

For and on behalf of the Board of Directors



Sandeep Khosla  
(Director)



Date:

Place: Mumbai


**GULLFOSS ENTERPRISES PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019**

(Rupees)

Particulars	From Jan 24, 2019 to March 31, 2019
<b><u>A. Cash Flow from Operating Activities</u></b>	
Net Loss as per Profit & Loss A/c	(33,649)
Adjusted for Non Cash Items	-
<b>Cash from/ (used in) Operating Activities before working capital change</b>	<b>(33,649)</b>
Adjustments for working capital change Increase/(Decrease) in Current Liability	10,000
<b>Net Cash from/ (used in) Operating Activities</b>	<b>(23,649)</b>
<b><u>B. Cash Flow from Investing Activities</u></b>	
<b>Net Cash from/ (used in) Investing Activities</b>	<b>-</b>
<b><u>C. Cash Flow from Financing Activities</u></b>	
Issue of Equity Share Capital	1,00,000
<b>Net Cash from/ (used in) Financing Activities</b>	<b>1,00,000</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>76,351</b>
Opening Balance of Cash and Cash Equivalents	-
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>76,351</b>

Note: The above cash flow statement has been prepared under the "Indirect method" as set out in Ind-AS7 - Cash flow Statement.

For and on behalf of the Board of Directors

  
**Sandeep Khosla**  
(Director)




Date:  
Place: Mumbai

**GULLFOSS ENTERPRISES PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019**

a) Equity Share Capital	Numbers	(Rupees) Amount
<b>Particulars</b>		
Equity Shares of Rs. 10 each		
During the Period	-	-
Issue of Share Capital	10,000	1,00,000
As at March 31, 2019	10,000	1,00,000
<b>B. Other Equity</b>		
<b>Particulars</b>	<b>Issued during the year/Transfer during the year</b>	<b>Profit/(Loss) for the year</b>
		<b>Total comprehensive income for the year</b>
		<b>As at March 31, 2019</b>
<b>Reserves and Surplus</b>		
a) Retained Earning	-	-
b) Ind AS implementation Effect	(33,649)	(33,649)
<b>TOTAL</b>		<b>(33,649)</b>

See accompanying notes to the financial statements '1 to 12'

For and on behalf of the Board of Directors

  
 Sandeep Khosla  
 (Director)



Date:  
Place: Mumbai

## GULLFOSS ENTERPRISES PRIVATE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019

#### 1 General information

Gullfoss Enterprises Private Limited ("the Company"), was incorporated on January 24, 2019 as a company limited by shares pursuant to the Companies Act, 2013, with the Registrar of Companies (RoC), Maharashtra, Mumbai. The Company is principally engaged in India & abroad in financing, manufacturing of all kinds of rotor craft, fixed wing aircraft of every description and carry out all the related allied activities.

The Company is a wholly owned subsidiary of Reliance Commercial Finance Limited ('RCFL' or 'Holding company'), a Non-Banking Financial Company without accepting public deposits, as defined under Section 45-IA of the Reserve Bank of India Act, 1934.

#### 2 Significant accounting policies and critical accounting estimate and judgments

##### 2.1 Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

##### a Basis of Preparation of Financial Statements

##### (i) Compliance with Ind AS

The holding company has prepared its financial statements for the year ended March 31, 2019 in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Accordingly, the financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). These financial statements are presented in Indian rupees.

##### (ii) Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the certain financial assets and financial liabilities at fair value;

##### (iii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company uses valuation techniques that are appropriate in the circumstances for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

##### (iv) Current vis-à-vis non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of the services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

## **2.2 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The power to assess the financial performance and position of the Company and make strategic decisions is vested in the executive director who has been identified as the chief operating decisions maker.

The Company is mainly engaged in the financing, manufacturing of all kinds of rotor craft, fixed wing aircraft of every description and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment as specified in Ind AS 108 on 'Operating Segment'.

## **2.3 Foreign currency translation**

### **(i) Functional and presentation currency**

Items included in financial statements of the Company 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 Gullfoss Enterprises Private Limited's functional and presentation currency.

### **(i) Translation and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive in, etc

## **2.4 Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

## 2.5 Revenue Recognition

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed. Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account

i) Revenue from operation include income from sale of goods, services and service tax/Goods and Service Tax and is net of value added tax and sales tax recovered. Revenue from sale of goods and services is recognised considering the following steps:

1. Identify the Contract with Customer
2. Identify the performance obligations in the contract
3. Determining the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when the entity satisfies a performance obligation

ii) In case of contract for rotor craft, fixed wing aircraft, performance obligations are satisfied over a period of time. Revenue from contracts, where performance obligation is satisfied over a period of time, is recognised by measuring the progress towards complete satisfaction of that performance obligation over a period of time.

Progress of performance obligation is measured as follows:

1. In respect of commercial vessels, including bulk carriers, tankers, container vessels, etc. and floating platforms, progress of performance obligation is measured using input method on the basis of actual cost incurred as against the total estimated cost of the contract under execution.

2. In respect of other vessels, including offshore support vessels, progress of performance obligation is measured using output method, where the stage of completion is measured by reference to the percentage of proportion of the contract work completed as determined by the technical experts performing survey of the work. As soon as the outcome of the construction contract can be estimated reliably, contract revenue and expenses are recognized in the Statement of Profit and Loss in proportion to the degree of completion of the contract

3. In respect of contract of repair and fabrication, revenue is recognised based on the performance obligation measured by the actual cost incurred to the total estimated cost of the contract

4. The Management believes that the method of measuring performance obligation as above is the best represent considering the nature of the contract. The estimates of cost and progress of performance obligations are measured at each reporting date by the management. The effect of such changes to estimates is recognized in the period in which such changes are determined. The estimated cost of each contract is determined based on the management's estimate of the

cost to be incurred till the final completion of the vessel and includes cost of materials, services, finance cost and other related overheads. Any projected losses on contracts under execution are recognized in full when identified. Recognition of revenue relating to agreements entered in to with the buyers, which are subject to fulfilment of obligations/conditions imposed by statutory authorities is postponed till such obligations are discharged.

iii. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established. Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

## 2.6 Investments

Investments are classified into current investments and long-term investments. Current investments are carried at lower of cost and fair value and long term investments are carried at cost. However, provision is made to recognize decline other than temporary in the carrying amount of long term investments. Unquoted investments in the units of Mutual Funds in nature of current investment are valued at lower of cost or Net Asset Value declared by Mutual Funds in respect of each particular scheme.

## **2.7 Cash & Cash Equivalents**

In the cashflow statements, cash and cash equivalents includes cash in hand, balance in banks, fixed deposits with banks (without lien) and other short-term highly liquid investments with original maturities of three months or less

## **2.8 Earnings per share**

The basic earnings per share is computed by dividing the net profit / (loss) attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / (loss) per share are included.

## **2.9 Provision for Current Tax and Deferred Tax**

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognised where there is convincing evidence that the same can be realised in future.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convenience evidence of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

## **2.10 Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

## **2.11 Provisions, Contingent Liabilities and Contingent Assets**

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognised nor disclosed in the financial statements.



**GULLFOSS ENTERPRISES PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019**

**3. Financial assets - Cash & Cash equivalents** **(Rupees)**

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**As at  
March 31, 2019**

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Balance with Banks	76,351
- in Current Accounts	76,351
	76,351

**4. Equity Share Capital** **(Rupees)**

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**As at  
March 31, 2019**

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a) <b>Authorised</b>	
10,000 Equity Shares of Rs. 10 each	1,00,000
	1,00,000
b) <b>Issued, subscribed &amp; Fully paid up</b>	
10,000 Equity Shares of Rs. 10 each	1,00,000
	1,00,000
c) <b>Par Value per Share</b>	<b>Amount in Rs.</b>
Equity	10

**(Rupees)**

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**As at  
March 31, 2019**

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	No of Shares	Amount
d) <b>Reconciliation of issued, subscribed and fully paid up Share Capital</b>		
<u>Equity Shares</u>		
Opening Balance	-	-
Addition during the year	10,000	1,00,000
Reduction during the year	-	-
Closing Balance	10,000	1,00,000

e) **Rights, Preferences and Restrictions attached to shares:**

**Voting Rights :**

In case of equity Shares

The Company has one class of equity shares having a 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 holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) Shares held by holding company i.e. Reliance Commercial Finance Limited		(Rupees)	
			As at March 31, 2019
Equity Shares	No of Shares		
Reliance Commercial Finance Limited	10,000	Amount	1,00,000
<b>Total</b>	<b>10,000</b>		<b>1,00,000</b>

5. Other Equity		(Rupees)	
			As at March 31, 2019
<b>Retained Earnings</b>			
Loss for the year			(33,649)
As at March 31, 2019			<u>(33,649)</u>

6. Other Current Liabilities		(Rupees)	
			As at March 31, 2019
Other Liabilities			10,000
			<u>10,000</u>

7. Other expenses		(Rupees)	
			From Jan 24, 2019 to March 31, 2019
Bank Charges			118
Legal & Professional Fees			33,531
			<u>33,649</u>

8 Related party disclosures:

A. List of Related Parties and their relationship:

Ultimate Parent Company	Date of incorporation
Reliance Capital Limited	w.e.f. Feb 20, 2019

Holding Company	Date of incorporation	% Ownership interest
Reliance Commercial Finance Limited	w.e.f. Feb 20, 2019	100%

Key management personnel	
Name	Designation
Sachin Bora (DIN: 07510730)	Director
	Director
Rajib Gangopadhyay (DIN: 08088544)	Director

Transactions during the year with related parties:

Particulars	Ultimate Parent	Holding Company	KMP	(Rupees)
				Total
Equity Share Capital				
Balance as at March 31, 2018	-	1,00,000	-	1,00,000

9 Basic and diluted earnings per share:

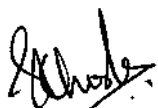
The computation of earnings per share is set out below

Particulars	(Rupees)
	From Jan 24, 2019 to March 31, 2019
Amounts used as the numerators	
Net Profit / (Loss) after tax	(33,649)
Net Profit/(Loss) attributable to equity shareholders	(33,649)
Weighted average number of equity shares (Nos.)	1,808
Basic earnings per share of face value Rs. 10 each (In Rupees)	(18.61)
Diluted earnings per share of face value Rs. 10 each (In Rupees)	(18.61)

10 In the opinion of management, all the Assets other than Non-Current Investments are approximately of the value stated if realised in the ordinary course of business.

11 The Company has incorporate during the current financial year hence previous year figures has not been given.

For and on behalf of the Board of Directors



Sandeep Khosla  
(Director)



Date:

Place: Mumbai