

RELIANCE PETROINVESTMENTS LIMITED
ANNUAL ACCOUNTS
FY: 2016-17

Independent Auditor's Report

TO THE BOARD OF DIRECTORS OF RELIANCE PETROINVESTMENTS LIMITED

1. We have audited the accompanying 'Statement of Financial Results' for the year ended March 31, 2017 of **RELIANCE PETROINVESTMENTS LIMITED** ("the Company") (hereinafter referred to as the 'Statement') attached herewith, being submitted by the Company to its ultimate Holding Company Reliance Industries Limited.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of related Standalone Financial Statements which are in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
4. Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated July 5, 2016 in this regard; and
 - (ii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net loss (financial performance including other comprehensive income) and other financial information for the year ended March 31, 2017.
5. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
6. This report is provided to you solely for use in the preparation and submission of financial information in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges by RIL, the ultimate Holding Company, for the Quarter and year ended March 31, 2017. It should not be distributed to any other person other than the authorised management personnel and the auditors of RIL and/or used for any other purposes.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration no. 101720W)

For **Rajendra & Co.**
Chartered Accountants
(Firm Registration no.108355W)

Amit Chaturvedi
Partner
Membership No.: 103141

K.K. Desai
Partner
Membership No.: 100805

Place : Mumbai
Date : April 14, 2017

Balance Sheet as at 31st March, 2017

	Notes	(Amount ₹ thousand)		
		As at 31st March, 2017	As at 31st March 2016	As at 1st April 2015
ASSETS				
Non-current assets				
Financial Assets				
Investments	1	184 45 00	184 47 43	184 47 43
Total Non-Current assets		184 45 00	184 47 43	184 47 43
Current assets				
Financial Assets				
Cash and cash equivalents	2	31 88	32 92	25 41
Current tax assets (Net)	3	8 30	8 30	8 30
Other Current Assets	4	5 76	11 05 76	11 05 76
Total Current assets		45 94	11 46 98	11 39 47
Total Assets		184 90 94	195 94 41	195 86 90
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	5	8 87 76	8 87 76	8 87 76
Other Equity		175 77 82	186 78 51	174 21 26
Total equity		184 65 58	195 66 27	183 09 02
Liabilities				
Financial Liabilities				
Borrowings	6	-	-	12 52 00
Total non-current liabilities		-	-	12 52 00
Current liabilities				
Other Current liabilities	7	25 36	28 14	25 88
Total current liabilities		25 36	28 14	25 88
Total Liabilities		25 36	28 14	12 77 88
Total Equity and Liabilities		184 90 94	195 94 41	195 86 90
Significant Accounting Policies				
See accompanying Notes to the Financial Statements 1 to 22				

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Registration No.: 101720W

Amit Chaturvedi
Partner
Membership No. :103141

Mumbai
Dated : April 14, 2017

For Rajendra & Co.
Chartered Accountants
(Registration No : 108355W)

K. K. Desai
Partner
Membership No : 100805

For and on behalf of the Board

A.V. Betkekar
Chairman

Jyotindra Thacker
Director

B.K. Gangopadhyay
Director

Anshu Agarwal
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2017

		(Amount ₹ thousand)	
	Notes	2016-17	2015-16
INCOME			
Revenue from operation			
Sale of Products	8	2 18	1 92
		<u>2 18</u>	<u>1 92</u>
Other Income	9	1 69	1
Total Income		3 87	1 93
EXPENDITURE			
Purchase of Stock-in-Trade		2 17	1 92
Other Expenses	10	73 39	1 11 76
Total Expenses		75 56	1 13 68
Profit / (Loss) Before Tax		(71 69)	(1 11 75)
Tax Expenses			
Current Tax	3	-	-
Profit / (Loss) for the Year		(71 69)	(1 11 75)
Other comprehensive income:			
a) Items that will be reclassified to profit or loss		-	-
b) Other item not to be reclassified in Profit & Loss account		-	-
Total comprehensive income for the year		(71 69)	(1 11 75)
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	11	-0.81	-1.26
Diluted (in ₹)	11	-0.81	-1.26
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 22		

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Registration No.: 101720W

Amit Chaturvedi
Partner
Membership No. :103141

Mumbai
Dated : April 14, 2017

For Rajendra & Co.
Chartered Accountants
(Registration No : 108355W)

K. K. Desai
Partner
Membership No : 100805

For and on behalf of the Board

A.V. Betkekar
Chairman

Jyotindra Thacker
Director

B.K. Gangopadhyay
Director

Anshu Agarwal
Company Secretary

Statement of changes in Equity For the year ended 31st March, 2017

A. EQUITY SHARE CAPITAL

(Amount ₹ thousand)				
Balance at the beginning of the reporting period i.e. 1st April, 2015	Changes in equity share capital during the year 2015-16	Balance at the end of the reporting period i.e. 31st March, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017
8 87 76	-	8 87 76	-	8 87 76

B. OTHER EQUITY

(Amount ₹ thousand)			
	Instruments classified as Equity	Reserves and Surplus Retained Earnings	Total
Year ended 31st March, 2016			
Balance at beginning of reporting period	-	174 21 26	174 21 26
Unsecured Zero Coupon Optionally Convertible Loan	13 69 00	-	13 69 00
Total Comprehensive Income for the year	-	(1 11 75)	(1 11 75)
Balance at the end of the reporting period	13 69 00	173 09 51	186 78 51
Year ended 31st March, 2017			
Balance at beginning of reporting period	13 69 00	173 09 51	186 78 51
Repayment of Unsecured Zero Coupon Optionally Convertible Loan (net)	(10 29 00)	-	(10 29 00)
Total Comprehensive Income for the year	-	(71 69)	(71 69)
Balance at the end of the reporting period	3 40 00	172 37 82	175 77 82

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Registration No.: 101720W

Amit Chaturvedi
Partner
Membership No. :103141

Mumbai
Dated : April 14, 2017

For Rajendra & Co.
Chartered Accountants
(Registration No : 108355W)

K. K. Desai
Partner
Membership No : 100805

For and on behalf of the Board

A.V. Betkekar
Chairman

Jyotindra Thacker
Director

B.K. Gangopadhyay
Director

Anshu Agarwal
Company Secretary

Cash Flow Statement for the year ended 31st March, 2017

	2016-17	(Amount ₹ thousand) 2015-16
A Cash Flow from Operating Activities		
Net Profit / (Loss) before tax as per Profit and Loss Statement	(71 69)	(1 11 75)
Adjusted for :		
Profit on sale of current investments	1 69	-
Interest paid	-	-
	<u>1 69</u>	<u>-</u>
Operating (Loss) before Working Capital Changes	(70 00)	(1 11 75)
Adjusted for :		
Other current assets receivables	11 00 00	-
Other current liabilities payable	(2 78)	2 26
	<u>10 97 22</u>	<u>2 26</u>
Cash from (used in) Operations	10 27 22	(1 09 49)
Taxes paid	-	-
Net Cash from (used in) Operating Activities	<u>10 27 22</u>	<u>(1 09 49)</u>
B Cash Flow from Investing Activities		
Payment for financial assets	(180 10 00)	(180 10 00)
Proceeds from sale of financial assets	180 10 74	180 10 00
Net Cash from (used in) Investing Activities	<u>74</u>	<u>-</u>
C Cash Flow from Financing Activities		
Proceeds from Borrowings	71 00	13 69 00
Repayment of Borrowings	(11 00 00)	(12 52 00)
Net Cash from (used in) Financing Activities	<u>(10 29 00)</u>	<u>1 17 00</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(1 04)	7 51
Opening Balance of Cash and Cash Equivalents	32 92	25 41
Closing Balance of Cash and Cash Equivalents (Refer Note No. 2)	<u>31 88</u>	<u>32 92</u>

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Registration No.: 101720W

Amit Chaturvedi
Partner
Membership No. :103141

Mumbai
Dated : April 14, 2017

For Rajendra & Co.
Chartered Accountants
(Registration No : 108355W)

K. K. Desai
Partner
Membership No : 100805

For and on behalf of the Board

A.V. Betkekar
Chairman

Jyotindra Thacker
Director

B.K. Gangopadhyay
Director

Anshu Agarwal
Company Secretary

Notes to the Financial Statements

A. CORPORATE INFORMATION

Reliance Petroinvestments Limited [‘the company’] is a public limited company incorporated in India. The address of its registered office and principal place of business is at 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021. The principal activity of the company is Wholesale Trading of Goods.

B. ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the Accounting Standards notified under the relevant provisions of the companies Act, 2013.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as “Previous GAAP”.

These financial statements are the Company’s first Ind AS consolidated financial statements and as covered by Ind AS 101 - First time adoption of Indian Accounting Standards.

Company’s financial statements are presented in Indian Rupees (₹), which is its functional currency.

B.2 Summary of Significant Accounting Policies

(a) Borrowings Cost

All borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

(b) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other costs net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of Inventories are determined on weighted average basis.

(c) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(d) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Notes to the Financial Statements (Contd.)

(e) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

(f) Foreign currencies

Company's financial statements are presented in INR, which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- > The Company has transferred risks and rewards incidental to ownership to the customer;
- > The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- > It is probable that the economic benefit associated with the transaction will flow to the Company; and
- > it can be reliably measured and it is reasonable to expect ultimate collection

Revenue from operations includes sale of goods, services and service tax..

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Revenue is recognised when the Company's right to receive the payment has been established.

(h) Financial instruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements (Contd.)

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

C. Equity instruments

All equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'Other Comprehensive Income'.

D. Investment in Holding, Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in holding, subsidiaries, associates and joint venture at cost.

E. Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

a) Financial assets at amortised cost

b) Financial assets measured at fair value through Other Comprehensive income

The company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The company uses historical loss experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ii) Financial Liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Notes to the Financial Statements (Contd.)

(a) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(b) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(c) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

a) Exemptions from retrospective application:

(i) Investments in holding, subsidiaries, fellow subsidiaries and associates

The Company has elected to measure investment in holding, subsidiaries, fellow subsidiaries and associates at cost.

Notes to the Financial Statements (Contd.)

	31st March, 2017		31st March, 2016		(Amount ₹ thousand) 1st April, 2015	
	Units	Amount	Units	Amount	Units	Amount
1. NON-CURRENT INVESTMENTS						
<i>(Long Term Investments)</i>						
Other Investments						
Investments measured at Cost						
In Equity Shares of Ultimate Holding Company						
Quoted, fully paid up						
Reliance Industries Limited of ₹ 10 each	-	-	404	2 43	404	2 43
In Equity Shares of Associate Company						
Unquoted, fully paid up						
Reliance Commercial Dealers Limited of ₹ 10 each	37,49,990	3 75 00	37,49,990	3 75 00	37,49,990	3 75 00
In Preference shares of Fellow Subsidiary Companies						
(Revised Classification Equity)						
Unquoted, fully paid up						
10% Non-Cumulative Optionally Convertible Preference Shares of Reliance Industrial Investments and Holdings Limited of ₹ 10 each	1,200	60 00	1,200	60 00	1,200	60 00
9% Non-Cumulative Optionally Convertible Preference Shares of Reliance Industrial Investments and Holdings Limited of ₹ 10 each	-	-	-	-	9,00,500	180 10 00
Reliance Corporate IT Park Limited of ₹ 10 each	18,01,00,000	180 10 00	-	-	-	-
		<u>180 70 00</u>		<u>60 00</u>		<u>180 70 00</u>
In Debentures of Fellow Subsidiary Companies						
(Revised Classification Equity)						
Unquoted, fully paid up						
Zero Coupon Unsecured Optionally Convertible Debentures						
Reliance Corporate IT Park Limited of ₹ 10 each	-	-	18,01,00,000	180 10 00	-	-
Total Non Current Investments		<u>184 45 00</u>		<u>184 47 43</u>		<u>184 47 43</u>
Aggregate amount of quoted investments		-		2 43		2 43
Market Value of quoted investments		-		42 22 61		33 37 04
Aggregate amount of unquoted investments		184 45 00		184 45 00		184 45 00

Notes to the Financial Statements (Contd.)

1.1 Category-wise Non current investment

(Amount ₹ thousand)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial assets measured at Cost			
In Equity Shares of Ultimate Holding Company	-	2 43	2 43
In Equity Shares of Associate Company	3 75 00	3 75 00	3 75 00
In Preference shares of Fellow Subsidiary Companies	180 70 00	60 00	180 70 00
In Debentures of Fellow Subsidiary Companies	-	180 10 00	-
	<u>184 45 00</u>	<u>184 47 43</u>	<u>184 47 43</u>

2. CASH AND CASH EQUIVALENTS

(Amount ₹ thousand)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank Balances:			
In Current Accounts	31 88	32 92	25 41
Cash and cash equivalents as per balance sheet	<u>31 88</u>	<u>32 92</u>	<u>25 41</u>
Cash and cash equivalent as per statement of cash flows	<u>31 88</u>	<u>32 92</u>	<u>25 41</u>

3. TAXATION

(Amount ₹ thousand)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
a) Income tax recognised in profit or loss			
Current tax			
In respect of the current year	-	-	-
In respect of prior year	-	-	-
Deferred tax	-	-	-
Total income tax expenses recognised in the current year relating to continuing operations	<u>-</u>	<u>-</u>	<u>-</u>

The income tax expenses for the year can be reconciled to the accounting profit as follows:(Amount ₹ thousand)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Profit before tax from continuing operations	(71 69)	(1 11 75)	-
Income tax expenses recognised in profit or loss	-	-	-

The Company has no deferred tax assets or liabilities

Notes to the Financial Statements (Contd.)

	(Amount ₹ thousand)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
b) Current tax assets (Net)			
At start of year	8 30	8 30	8 30
Charge for the year	-	-	-
Over provision prior period	-	-	-
Tax paid / (refund received) during the year	-	-	-
At end of year	<u>8 30</u>	<u>8 30</u>	<u>8 30</u>

	(Amount ₹ thousand)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
4. OTHER CURRENT ASSETS (Unsecured and Considered Good)			
Other recoverable *	<u>5 76</u>	<u>11 05 76</u>	<u>11 05 76</u>
	<u>5 76</u>	<u>11 05 76</u>	<u>11 05 76</u>

Includes ₹ Nil (previous year ₹ 11 00 00) paid under protest for matter in appeal.

	As at 31st March, 2017		As at 31st March, 2016		(Amount ₹) As at April 1, 2015	
	Units	Amount	Units	Amount	Units	Amount
5. SHARE CAPITAL						
Authorised:						
Equity Shares of ₹ 10/- each	5,00,00,000	50 00 00	5,00,00,000	50 00 00	5,00,00,000	50 00 00
Unclassified Shares of ₹ 10 each	5,00,00,000	50 00 00	5,00,00,000	50 00 00	5,00,00,000	50 00 00
		<u>100 00 00</u>		<u>100 00 00</u>		<u>100 00 00</u>
Issued, Subscribed and Paid up:						
Equity Shares of ₹ 10/- each fully paid up	88,77,554	8 87 76	88,77,554	8 87 76	88,77,554	8 87 76
		<u>8 87 76</u>		<u>8 87 76</u>		<u>8 87 76</u>

Notes to the Financial Statements (Contd.)

5.1 The details of shareholders holding more than 5% shares :

Name of Shareholder	As at 31st March, 2017		As at 31st March 2016		As at 1st April 2015	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Holding Company (w.e.f. 23.08.2016) :						
Reliance Industrial Investments & Holdings Ltd.	88 77 554	100.00	-	-	-	-
Fellow Subsidiary Companies :						
Reliance Global Commercial Limited	-	-	44 38 777	50.00	44 38 777	50.00
Reliance Universal Commercial Limited	-	-	44 38 777	50.00	44 38 777	50.00

5.2 The reconciliation of the number of shares outstanding is set out below :

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Equity (Nos.)	Preference (Nos.)	Equity (Nos.)	Preference (Nos.)	Equity (Nos.)	Preference (Nos.)
Shares at the beginning of the year	88 77 554	-	88 77 554	-	88 77 554	-
Add : Shares issued during the year	-	-	-	-	-	-
Shares at the end of the year	88 77 554	-	88 77 554	-	88 77 554	-

5.3 Rights, Preferences and Restrictions attached to shares

The Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

6. OTHER EQUITY

	As at		(Amount ₹ thousand)	
	31st March, 2017	31st March, 2016	As at 31st March, 2016	As at 1st April, 2015
Retained Earnings				
As per last Balance Sheet	173 09 51	174 21 26		
Less : Loss for the year	(71 69)	(1 11 75)		
	<u>172 37 82</u>	<u>173 09 51</u>		174 21 26
Instruments classified as Equity				
Unsecured Zero Coupon Optionally Convertible Loan (Refer Note 1)	3 40 00	13 69 00		-
	<u>3 40 00</u>	<u>13 69 00</u>		-
	<u><u>175 77 82</u></u>	<u><u>186 78 51</u></u>		<u><u>174 21 26</u></u>

- 1) The Zero Coupon Optionally Convertible Loan from Reliance Strategic Investments Limited (the holding company) is fully convertible into equity shares of ₹ 10/- each at par, at the option of the Company or the Lender. The outstanding amount of Loan, if not opted for conversion shall be repayable, at the end of 10 years from the date of first disbursement i.e., 15-05-2015 or such other period as may be mutually agreed between the Borrower and the Lender.

Notes to the Financial Statements (Contd.)

7. OTHER FINANCIAL AND CURRENT LIABILITIES

	As at 31st March, 2017	As at 31st March, 2016	(Amount ₹ thousand) As at 1st April, 2015
Unpaid Warrants	22 58	22 58	22 58
Other Payables *	2 78	5 56	3 30
	<u>25 36</u>	<u>28 14</u>	<u>25 88</u>

* Includes Statutory Dues and liabilities for expenses.

The Company does not have creditors governed by the Micro, Small and Medium Enterprises Development Act, 2006.

8. SALE OF PRODUCTS

	2016-17	2015-16
Sale of Fabrics	2 18	1 92
	<u>2 18</u>	<u>1 92</u>

9. OTHER INCOME

	2016-17	2015-16
Other Non Operating Income	-	1
Gain on Financial Assets		
Realised Gain	1 69	-
	<u>1 69</u>	<u>1</u>

10. OTHER EXPENSES

	2016-17	2015-16
Establishment Expenses		
Professional Fees	71 58	1 10 15
General Expenses	5	2
Securities Transaction Tax (₹ 413; Previous year ₹ Nil)	0	-
Filing fees	10	7
Profession Tax	3	3
Demat / Custodian charges	1	1
Payment to Auditors	1 62	1 48
	<u>73 39</u>	<u>1 11 76</u>

Professional fees includes payment made to Key Managerial Personnel ₹ 9 16 thousand (previous year ₹ 18 69 thousand)

10.1 Payment to Auditors as

	2016-17	2015-16
Statutory Audit fees	1 50	1 37
Certification fees	12	11
	<u>1 62</u>	<u>1 48</u>

Certification fees includes certification fees paid to auditors towards certification of XBRL filings.

Notes to the Financial Statements (Contd.)

11. EARNINGS PER SHARE

	2016-17	2015-16
Net Profit after Tax from Continuing operations as per		
Profit and Loss Statement attributable to Equity Shareholders (₹ thousand)	(71 69)	(1 11 75)
Weighted Average number of Equity Shares for calculating Basic EPS	88 77 554	88 77 554
Effect of dilution:		
Optionally Convertible Loans	1 20 61 342	4 11 448
Weighted average number of Equity shares adjusted for calculating Diluted EPS	2 09 38 896	92 89 002
Basic Earnings per share (₹)	(0.81)	(1.26)
Diluted Earnings per share (₹)	(0.81)	(1.26)
Face Value per Equity Share (₹)	10	10

12. The Income-Tax assessments of the Company have been completed up to Assessment Year 2014-15. The disputed demand outstanding up to the said Assessment Year is ₹ Nil.

13. Deferred tax assets (net) as at Balance Sheet date consists of the following items. As a matter of prudence, the Company has not recognised deferred tax assets in the books of accounts

	(Amount ₹ thousand)	
	As at 31st March, 2017	As at 31st March, 2016
Deferred Tax Liabilities	Nil	Nil
Deferred Tax Assets		
Carried forward Losses	63 04	51 71
	<u>63 04</u>	<u>51 71</u>

14. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

Investments made are given under the respective heads.

No loan and no guarantees / securities are given by the Company during the financial year 2016-17

15. DETAILS OF SPECIFIED BANK NOTES (SBN) HELD AND TRANSACTED DURING THE PERIOD 08/11/2016 TO 30/12/2016 IS AS UNDER:

The Company does not receive or, does not make any payment in Cash. Accordingly Cash balance as on 8th November 2016 and as on 30th December 2016 was Nil.

16. The Company has filed Scheme of Amalgamation for merger with its Holding Company Reliance Industrial Investments And Holdings Limited with the National Company Law Tribunal pursuant to the provisions of Sections 230-232 of the Companies Act, 2013. The Appointed date for the Scheme is October 1, 2016. These Financial Statement has been prepared for the purpose of consolidation in Reliance Industries Limited, its ultimate holding company.

17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on April 14, 2017.

Notes to the Financial Statements (Contd.)

18. RELATED PARTY DISCLOSURES

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	
1	Reliance Industries Limited (Ultimate Holding Company)	Parties where control exists
2	Reliance Industrial Investments and Holdings Limited (Holding Company wef 23.08.2016)	
3	Reliance Strategic Investments Limited (Holding Company upto 22.08.2016)	
4	Reliance Universal Commercial Limited	Fellow Subsidiary Companies
5	Reliance Global Commercial Limited	
6	Reliance Industrial Investments and Holdings Limited (upto 23.08.2016)	
7	Reliance Corporate IT Park Limited	
8	Reliance Commercial Dealers Limited	Associate Company

ii) Transactions during the year with related parties:

(Amount ₹ thousand)

Sr. No.	Nature of Transaction (Excluding reimbursements)	Parties where Control exists	Fellow Subsidiary	Associate Company	Total
Companies					
1	Loan taken / (repaid)	71 00 <i>1 17 00</i>	- -	- -	71 00 <i>1 17 00</i>
2	Purchase / Subscription of Investments	- -	180 10 00 <i>180 10 00</i>	- -	180 10 00 <i>180 10 00</i>
3	Redemption of Investments	- -	180 10 00 <i>180 10 00</i>	- -	180 10 00 <i>180 10 00</i>
4	Purchases	2 17 <i>1 92</i>	- -	- -	2 17 <i>1 92</i>
Balance as at 31st March, 2017					
5	Equity share capital	- -	8 87 76 <i>8 87 76</i>	- -	8 87 76 <i>8 87 76</i>
6	Loans taken	3 40 00 <i>13 69 00</i>	- -	- -	3 40 00 <i>13 69 00</i>
7	Investments	- <i>2 43</i>	180 70 00 <i>180 70 00</i>	3 75 00 <i>3 75 00</i>	184 45 00 <i>184 47 43</i>

Note : Figures in Italic represents previous year's amount.

Notes to the Financial Statements (Contd.)

Disclosure in Respect of Major Related Party Transactions during the year:		(Amount ₹ thousand)	
Particulars	Relationship	2016-17	2015-16
Loan taken / (repaid)			
Reliance Strategic Investments Limited	Parties where control exists	71 00	13 69 00
Reliance Strategic Investments Limited	Parties where control exists	(11 00 00)	(12 52 00)
Purchase / Subscription of Investments			
Reliance Corporate IT Park Limited	Fellow Subsidiary	180 10 00	180 10 00
Redemption of Investments			
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	-	180 10 00
Reliance Corporate IT Park Limited	Fellow Subsidiary	180 10 00	-
Purchases			
Reliance Industries Limited	Parties where control exists	2 17	1 92

Notes :

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions, except wherever specific approvals have been obtained. Review of Outstanding Balances are undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. These balances are unsecured and settlement occurs through banking channel.

19 SEGMENT INFORMATION

The Company operating segments are established on the basis of those components which are evaluated regularly by the Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of activities and the differing risks and returns.

The Company has two principal operating and reporting segments; viz. Finance & Investments and Trading as follows:

- The Finance and Investment segment, which comprises of loans, investments and borrowings of the Company.
- The Trading segment, denotes wholesale trading of Fabrics undertaken by the company
- No operating segments have been aggregated to form the above reportable operating segments.
- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Year ended 31st March, 2017

Sr	Particulars	Finance & Investments	Trading	Unallocable	Total
(Amount ₹ thousand)					
1	Segment Revenue				
	External Turnover	1 69	2 18	-	3 87
	Total Revenue	<u>1 69</u>	<u>2 18</u>	<u>-</u>	<u>3 87</u>
2	Income / (expenses)				
	Depreciation and amortisation	-	-	-	-
3	Segment Profit	<u>(1)</u>	<u>1</u>	<u>(71 69)</u>	<u>(71 69)</u>
	Current tax			-	-
	Deferred tax			-	-
	Profit after tax	<u>(1)</u>	<u>1</u>	<u>(71 69)</u>	<u>(71 69)</u>
4	Total Assets	<u>184 90 94</u>	<u>-</u>	<u>-</u>	<u>184 90 94</u>
5	Total Liabilities	<u>25 36</u>	<u>-</u>	<u>-</u>	<u>25 36</u>
6	Other disclosures				
	Capital Expenditure	-	-	-	-

Notes to the Financial Statements (Contd.)

Year ended 31st March, 2016		(Amount ₹ thousand)			
Sr	Particulars	Finance & Investments	Trading	Unallocable	Total
1	Segment Revenue				
	External Turnover	-	1 92	-	1 92
	Total Revenue	-	1 92	-	1 92
2	Income / (expenses)				
	Depreciation and amortisation	-	-	-	-
3	Segment Profit	(1)	-	(1 11 74)	(1 11 75)
	Current tax			-	-
	Deferred tax			-	-
	Profit after tax	(1)	-	(1 11 74)	(1 11 75)
4	Total Assets	195 94 41	-	-	195 94 41
5	Total Liabilities	28 14	-	-	28 14
6	Other disclosures				
	Capital Expenditure	-	-	-	-

As at 1st April, 2015		(Amount ₹ thousand)			
Sr	Particulars	Finance & Investments	Trading	Unallocable	Total
1	Total Assets	195 86 90	-	-	195 86 90
2	Total Liabilities	12 77 88	-	-	12 77 88
3	Other disclosures				
	Capital Expenditure	-	-	-	-

Reconciliations to amounts reflected in the financial statements		(Amount ₹ thousand)	
Reconciliation of profit		2016-17	2015-16
Segment profit		(71 69)	(1 11 75)
Profit / (Loss) Before Tax		(71 69)	(1 11 75)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Reconciliation of assets			
Segment operating assets	184 90 94	195 94 41	195 86 90
Total assets	184 90 94	195 94 41	195 86 90
Reconciliation of liabilities			
Segment operating liabilities	25 36	28 14	12 77 88
Total liabilities	25 36	28 14	12 77 88

Notes :

- 1) Since all the operations of the Company are conducted within India, as such there is no separate reportable geographical segment.
- 2) Entire Revenue is from sale to its largest customer. No other single customer contributed 10% or more to the Company's revenue for both 2016-17 and 2015-16.

Notes to the Financial Statements (Contd.)

20 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition. The overall strategy remains unchanged as compared to last year.

21 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to liquidity risk and credit risk.

The company's risk management is carried out by the company as per policies approved by the management. The company identifies, evaluates and mitigates financial risk in close co-operation with its operation team. The company's overall risk management programme focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

A) Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

B) Credit Risk

Credit risk is the risk that a customer will fail to pay amounts due causing financial loss to the company. It arises from cash and cash equivalents and principally from credit exposures to customers relating to outstanding receivables.

Notes to the Financial Statements (Contd.)

22 FIRST-TIME IND AS ADOPTION RECONCILIATIONS

22.1 Effect of Ind AS adoption on the consolidated balance sheet as at 31st March 2016 and 1st April, 2015

	As at 31st March 2016			(Amount ₹ thousand) As at 1st April 2015		
	Previous GAAP	Effect of transition to ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to ind AS	As per Ind AS balance sheet
ASSETS						
Financial Assets						
Investments	184 47 43	-	184 47 43	184 47 43	-	184 47 43
Total Non Current Assets	184 47 43	-	184 47 43	184 47 43	-	184 47 43
Current assets						
Financial Assets						
Cash and cash equivalents	32 92	-	32 92	25 41	-	25 41
Current tax assets (Net)	8 30	-	8 30	8 30	-	8 30
Total Non Current Assets	11 46 98	-	11 46 98	11 39 47	-	11 39 47
Total Assets	195 94 41	-	195 94 41	195 86 90	-	195 86 90
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	8 87 76	-	8 87 76	8 87 76	-	8 87 76
Other Equity	186 78 51	-	186 78 51	174 21 26	-	174 21 26
Total equity	195 66 27	-	195 66 27	183 09 02	-	183 09 02
Liabilities						
Non-current liabilities						
Financial Liabilities						
Borrowings	-	-	-	12 52 00	-	12 52 00
Total non-current liabilities	-	-	-	12 52 00	-	12 52 00
Current liabilities						
Other Current liabilities	28 14	-	28 14	25 88	-	25 88
Total current liabilities	28 14	-	28 14	25 88	-	25 88
Total Liabilities	28 14	-	28 14	12 77 88	-	12 77 88
Total Equity and Liabilities	195 94 41	-	195 94 41	195 86 90	-	195 86 90

Notes to the Financial Statements (Contd.)

22.2 Reconciliation of Profit and Other Equity between IndAS and Previous GAAP

Notes	Net Profit Year end 31st March, 2016	(Amount ₹ thousand)	
		Other Equity As at 31st March, 2016	As at 1st April, 2015
Net Profit / Other Equity as per Previous Indian GAAP	(1 11 75)	186 78 51	174 21 26
Net profit before OCI / Other Equity as per Ind AS	(1 11 75)	186 78 51	174 21 26

22.3 Effect of Ind AS adoption on the Profit and Loss Statement for the year ended 31st March, 2016

INCOME	(Amount ₹ thousand)		
	2015-16 Previous GAAP	Effect of transition to ind AS	As per Ind AS balance sheet
Revenue from operation			
Sale of Products	1 92	-	1 92
	1 92	-	1 92
Other Income	1	-	1
Total Income	1 93	-	1 93
EXPENDITURE			
Purchase of Stock-in-Trade	1 92	-	1 92
Other Expenses	1 11 76	-	1 11 76
Total Expenses	1 13 68	-	1 13 68
Profit / (Loss) Before Tax	(1 11 75)	-	(1 11 75)
Tax Expenses			
Current Tax	-	-	-
Deferred Tax	-	-	-
Profit / (Loss) for the Year	(1 11 75)	-	(1 11 75)

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Registration No.: 101720W

Amit Chaturvedi
Partner
Membership No. :103141

Mumbai
Dated : April 14, 2017

For Rajendra & Co.
Chartered Accountants
(Registration No : 108355W)

K. K. Desai
Partner
Membership No : 100805

For and on behalf of the Board

A.V. Betkekar
Chairman

Jyotindra Thacker
Director

B.K. Gangopadhyay
Director

Anshu Agarwal
Company Secretary