

**RELIANCE STRATEGIC
INVESTMENTS LIMITED
FINANCIAL STATEMENTS
2016-17**

Independent Auditor's Report

TO THE BOARD OF DIRECTORS OF RELIANCE STRATEGIC INVESTMENTS LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind As financial statements of **Reliance Strategic Investments Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind As financial statements that give a true and fair view of the state of affairs (financial position) , profit or loss(financial performance including other comprehensive income) , cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit of the Ind As financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind As financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind As financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind As financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind As financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind As financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind As financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind As 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit (financial performance), its cash flows and the changes in equity for the year ended on that date.

Restriction on Use

This report is provided to you solely for use in the preparation and submission of Ind As Consolidated Financial Statement by Reliance Industries Limited, the Holding Company, for the year ended March 31, 2017. It should not be distributed to any other person other than the authorised management personnel and the auditors of Reliance Industries Limited and/or used for any other purposes.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind As financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

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

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

Amit Chaturvedi
Partner
Membership No.: 103141

K. K. Desai
Partner
Membership No.: 100805

Place: Mumbai
Date: April 18, 2017

Balance Sheet as at 31st March, 2017

	Note	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
ASSETS				
Non-Current Assets				
Financial Assets				
Investments	1	298 72	432 74	468 13
Loans	2	15 01	34 97	333 75
		313 73	467 71	801 88
Other Non-current assets				
Current Assets				
Financial Assets				
Inventories	3	2575 55	3290 20	2850 34
Trade Receivable	4	37 79	22,517	-
Cash and cash equivalents	5	352 36	351 37	201 38
Loans	6	150 45	207 21	95 80
Other Financial Assets	7	415 95	273 66	61 51
		3532 10	4347 62	3209 03
Other Current Assets	8	21	14 74	12 69
		3532 31	4362 36	3221 72
TOTAL		3846 04	4830 07	4023 60
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	9	2 02	2 02	2 02
Other Equity	10	1864 96	1441 04	1741 87
Total equity		1866 98	1443 06	1743 89
Liabilities				
Non-current liabilities				
Deferred tax liability (Net)	11	145 24	-	-
Current Liabilities				
Financial Liabilities				
Borrowings	12	1559 60	3024 50	2121 39
Trade Payables	13	-	74 01	55
Other Financial Liabilities	14	239 91	258 65	140 99
		1799 51	3357 16	2262 93
Other Current Liabilities	15	26 76	28 78	15 71
Provisions	16	7 55	1 07	1 07
		1833 82	3387 01	2279 71
TOTAL		3846 04	4830 07	4023 60

Significant Accounting Policies
See accompanying Notes to the
Financial Statements

1 to 32

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah**
Firm Registration No : 101720W
Chartered Accountants

For **Rajendra & Co.**
Firm Registration No : 108355W
Chartered Accountants

K. Sethuraman
Director

Jagannath Kumar
Director

Amit Chaturvedi
Partner
Membership No. 103141

K.K. Desai
Partner
Membership No. 100805

Jayashri Rajesh
Director

Dhiren Dalal
Director

Mumbai
Date : 18th April, 2017

S. K. Bhardwaj
Director

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

	Note	2016-17	₹ in lac 2015-16
INCOME			
Revenue from operations	17	940 28	(1 28)
Other income	18	1 08	42
Total Income		941 36	(86)
EXPENDITURE			
Finance Cost	19	266 56	287 39
Other expenditure	20	11 41	6 61
Total Expenses		277 97	294 00
Profit / (Loss) before tax		663 39	(294 86)
Tax Expense	21		
Current tax		93 75	5 60
Adjustment of tax relating to earlier period		48	37
Deferred Tax		145 24	-
Profit / (Loss) for the year		423 92	(300 83)
Other Comprehensive Income		-	-
Total comprehensive income for the year attributable to equity holders		423 92	(300 83)
Earnings per equity share of face value of ₹ 10 each	22		
Basic (in ₹)		820.23	(1,489.13)
Diluted (in ₹)		820.23	(1,489.13)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 32		

As per our Report of even date

For **Chaturvedi & Shah**
Firm Registration No : 101720W
Chartered Accountants

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date : 18th April, 2017

For **Rajendra & Co.**
Firm Registration No : 108355W
Chartered Accountants

K.K. Desai
Partner
Membership No. 100805

For and on behalf of the Board

K. Sethuraman
Director

Jagannath Kumar
Director

Jayashri Rajesh
Director

Dhiren Dalal
Director

S. K. Bhardwaj
Director

Statement of Changes in Equity for the Year ended 31st March, 2017

A EQUITY SHARE CAPITAL	Balance at the	Changes in	Balance at the	Changes in	₹ in lac
	beginning of the reporting period i.e. 1st April, 2015	equity share capital during the year 2015-16	end of the reporting period i.e. 31st March, 2016	equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017
	2 02	-	2 02	-	2 02

B OTHER EQUITY							₹ lac
	Instrument classified as Equity (Refer note below)	Capital Redemption Reserve	Reserves and Surplus Securities Premium Reserve	Statutory Reserve Fund	Retained Earnings	Other Compre- hensive Income	Total
As on 31st March, 2016							
Balance at the beginning of the reporting period i.e. 1st April, 2015	31	1 23	881 17	77 90	781 26	-	1741 87
Total Comprehensive Income of the year	-	-	-	-	(300 83)	-	(300 83)
Transferred from retained earnings	-	-	-	11 70	(11 70)	-	-
Balance at the end of the reporting period i.e. 31st March, 2016	31	1 23	881 17	89 60	468 73	-	1441 04
As on 31st March, 2017							
Balance at the beginning of the reporting period i.e. 1st April, 2016	31	1 23	881 17	89 60	468 73	-	1441 04
Total Comprehensive Income of the year	-	-	-	-	423 92	-	423 92
Transferred from retained earnings	-	-	-	68 10	(68 10)	-	-
Balance at the end of the reporting period i.e. 31st March, 2017	31	1 23	881 17	157 70	824 55	-	1864 96

Equity Component of compound financial Instruments includes :

9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each amounting to ₹ 4 lacs (402800 shares held by Reliance Industries Limited - holding company). Each Compulsorily convertible preference share (CCPS) shall be convertible into one equity share of ₹ 10 each at a premium of ₹ 2790 per share at any time after 5 years from the date of issue i.e. 31.03.2010 upto 20 years from the date of issue. Outstanding CCPS, if any on the expiry of 20 years from the date of issue will automatically and compulsorily be converted into one equity share for every one CCPS.

9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each amounting to ₹ 27 lacs (2745355 shares held by Reliance World Trade Private Limited - fellow subsidiary company). Each Compulsorily convertible preference share (CCPS) shall be convertible into one equity share of ₹ 10 each at a premium of ₹ 2790 per share at any time after 5 years from the date of respective issues i.e. 06.01.2010 & 13.01.2010 upto 20 years from the date of respective issues. Outstanding CCPS, if any on the expiry of 20 years from the date of respective issues will automatically and compulsorily be converted into one equity share for every one CCPS.

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah**
Firm Registration No : 101720W
Chartered Accountants

For **Rajendra & Co.**
Firm Registration No : 108355W
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K. Sethuraman
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Partner
Membership No. 100805

Jayashri Rajesh
Director

Dhiren Dalal
Director

Mumbai
Date : 18th April, 2017

S. K. Bhardwaj
Director

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

	2016-17	₹ in lac 2015-16
A Cash Flow from Operating Activities		
Net Profit before tax as per Profit and Loss Statement	663 39	(294 86)
Adjusted for :		
Interest income	(52 48)	(53 87)
Dividend income on investments / Stock	(40 73)	(37 61)
Share of income on investment in Venture fund	(23 49)	(20 67)
Profit on sale of non current investments	(32 96)	12 29
Finance costs	266 56	287 39
	<u>116 90</u>	<u>187 53</u>
Operating Profit / (Loss) before working capital changes	780 29	(107 33)
Adjusted for :		
Trade and other receivables	34 09	(438 76)
Inventories	714 66	(439 86)
Trade payables	(73 96)	73 47
	<u>674 79</u>	<u>(805 15)</u>
Cash from / (used in) operations	1455 09	(912 49)
Income Taxes paid	(74 29)	(7 12)
Net cash from/(used in) operating activities	1380 80	(919 61)
B Cash flow from Investing Activities		
Purchase of investments	(3 73)	(77 13)
Sale of investments	173 10	104 33
Income/Deficit on the fund	(2 40)	(4 09)
Dividend income on investments / stock	40 73	37 61
Share of income on investment in Venture fund	23 48	20 67
Net cash inflow / (outflow) from other finance activities	76 72	187 37
Investment in fixed deposits	-	(150 00)
Interest expense	64 58	54 39
Net cash from Investing Activities	372 48	173 15
C Cash flow from financing Activities		
Proceeds from :		
Loan taken from the holding company	5133 72	5469 94
Loan repaid to the holding company	(6598 62)	(4566 83)
Interest paid	(287 39)	(156 66)
Net Cash Generated from / (used in) Financing Activities	(1752 29)	746 45
Net Increase / (Decrease) in Cash and Cash Equivalents	99	(1)
Cash and cash equivalents at the beginning of the year	37	38
Cash and cash equivalents at the end of the year	1 36	37
(Refer Note no. 5)		

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah**
Firm Registration No : 101720W
Chartered Accountants

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Dhiren Dalal
Director

Mumbai
Date : 18th April, 2017

S. K. Bhardwaj
Director

Notes to the Financial Statements

A. CORPORATE INFORMATION

Reliance Strategic Investments Limited ['the company'] is a limited company incorporated in India having CIN U65990MH1999PLC120918. The addresses of its registered office and principal place of business is 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021 and principal place of business is in India. The principal business of the company is Non Banking Financial Company activities.

B. ACCOUNTING POLICIES

B.1 Statement of Compliance

The Company being NBFC, Ind-AS is applicable with effect from April 1, 2018 vide MCA Notification No. 365 dated March 30, 2016. Since Reliance Industries Limited (the Ultimate Holding Company) is required to prepare Consolidated Financial Statements in compliance with Ind-AS notified by MCA, these financial statements are prepared accordingly only for the purpose of consolidated financial statement by holding company and hence this are not general purpose financial statements. Refer Note 32 for the details of first time adoption exemptions availed by the Company.

For the purpose of statutory compliances, company has also prepared financial statements in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 read with section 133 of the Companies Act, 2013.

B.2 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value :

i) Certain financial assets (including derivative instruments) measured at fair value,

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

B.3 Summary of Significant Accounting Policies

(a) Finance Cost

Borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(b) Inventories

Items of inventories are measured at lower of cost and net realisable value.

(c) Provisions

Provisions are recognised when the Company has a present obligation 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.

(d) Tax Expenses

The tax expense for the period comprises current and deferred tax, same is recognised in Statement of Profit and Loss.

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.

(e) 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

Notes to the Financial Statements

be reliably measured, regardless of when the payment is received. 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.

Interest income

Interest income from a financial asset is recognised using effective interest rate method.

Dividends

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

(f) 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 added 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.

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.

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.

iii) Derivative financial instruments:

The company uses various derivative financial instruments such as future and options in equity to mitigate the risk of changes in market. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of profit or loss.

Notes to the Financial Statements

iv) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

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.

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, prepared for the purpose of consolidation with the holding company. 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.

Notes to the Financial Statements

1	Investments	As at		As at		₹ in lac	
		31st March, 2017	Amount	31st March, 2016	Amount	1st April, 2015	Amount
		Units		Units		Units	
	Investments Classified at Cost						
	In Equity Shares of Subsidiary Companies						
	Unquoted, fully paid up						
	Reliance Global Commercial Limited of ₹ 10 each	-	-	25,500	3	25,500	3
	Reliance Universal Commercial Limited of ₹ 10 each	-	-	25,000	2	25,000	2
					5		5
	In Equity Shares of Associates						
	Unquoted, fully paid up						
	Reliance Commercial Dealers Limited of ₹ 10 each	37,50,000	3 75	37,50,000	3 75	37,50,000	3 75
	Extramarks Education Private Limited of ₹ 10 each	-	-	46,87,500	125 00	46,87,500	125 00
			3 75		128 75		128 75
	In Debentures of Associate						
	Unquoted, fully paid up						
	9% Optionally Fully Convertible Debentures of Extramarks Education Private Limited of ₹ 10,000 each	-	-	-	-	1,00,000	1 00 00
			3 75		128 80		228 80
	Investments Classified at Fair Value through Profit and Loss						
	In Equity Shares						
	Quoted, fully paid up						
	Den Networks Limited of ₹ 10 each	14,87,160	12 30	14,87,160	12 83	14,87,160	17 91
	In Warrants						
	Quoted, fully paid up						
	HDFC Limited	20,36,700	35 85	20,36,700	28 31	-	-
	In Equity Shares						
	Unquoted, fully paid up						
	National Stock Exchange of India Limited of ₹ 1 each (previous year face value ₹ 10 each)	9,35,000	34 43	85,000	28 48	85,000	28 48
	In Ventures Fund						
	Unquoted, fully paid up						
	Peninsula Realty fund of ₹ 100000 each	1,525	10 15	1,931	19 31	2,000	20 00
	Add : Income/(Deficit) of the fund		94		3 20		5 36
			11 09		22 51		25 36
	KKR India Debt Fund I of ₹ 1000 each	8,92,060	104 46	12,50,000	125 00	11,17,500	111 75
	Add : Income/(Deficit) of the fund		16 36		11 51		6 11
			120 82		136 51		117 86
	DSP Blackrock India Enhanced Equity Fund - Class B of ₹ 100 each	20,00,000	26 13	20,00,000	20 00	10,00,000	10 00
			158 03		179 02		153 22

Notes to the Financial Statements

	As at 31st March, 2017		As at 31st March, 2016		₹ in lac As at 1st April, 2015	
	Units	Amount	Units	Amount	Units	Amount
In Ventures Fund						
Unquoted, partly paid up						
Multiples Private Equity Fund - Scheme I of ₹ 100000 each, ₹ 64564.22 (previous year ₹ 68219.59) each paid up	5,000	37 33	5,000	34 11	5,000	31 15
Add : Income/(Deficit) of the fund		55		55		(14)
		<u>37 88</u>		<u>34 66</u>		<u>31 01</u>
LICHFL Urban Development Fund of ₹ 10,000 each, ₹ 7346.459 (previous year ₹ 7848.32) each paid up	25,000	15 67	25,000	19 62	25,000	7 86
Add : Income/(Deficit) of the fund		82		102		85
		<u>16 49</u>		<u>20 64</u>		<u>8 71</u>
		<u>54 37</u>		<u>55 30</u>		<u>39 72</u>
		<u>294 97</u>		<u>303 94</u>		<u>239 33</u>
TOTAL		<u>298 72</u>		<u>432 74</u>		<u>468 13</u>
Aggregate amount of quoted investments		49 85		49 85		14 33
Market Value of quoted investments		48 14		41 14		17 91
Aggregate amount of unquoted investments		250 58		391 60		450 22
Aggregate provision for diminution in value of Investments						
1.1 Category-wise Non current investment						
		As at 31st March, 2017		As at 31st March, 2016		₹ in lac As at 1st April, 2015
Financial assets measured at Cost		3 75		128 80		228 80
Financial assets carried at amortised cost		-		-		-
Financial assets measured at Fair value through other comprehensive income (FVTOCI)		-		-		-
Financial assets measured at Fair value through Profit & Loss (FVTPL)		294 97		303 94		239 33
Total Non current investment		<u>298 72</u>		<u>432 74</u>		<u>468 13</u>
2 Loans - Non Current						
(Unsecured and considered good)						
Loan to Subsidiary Companies *		-		22 55		21 38
Loan to Fellow Subsidiary Companies *		8 01		2 47		42
Loan to others		7 00		9 95		311 95
		<u>15 01</u>		<u>34 97</u>		<u>333 75</u>

* Refer Note no. 26 & 27

Notes to the Financial Statements

	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
3 Inventories			
Stock-in-trade	2575 55	3290 20	2850 34
	<u>2575 55</u>	<u>3290 20</u>	<u>2850 34</u>
4 Trade Receivables (Unsecured and considered good)			₹ in lac As at 1st April, 2015
Trade receivable	37 79	225 17	-
	<u>37 79</u>	<u>225 17</u>	<u>-</u>
5 Cash and cash equivalents			₹ in lac As at 1st April, 2015
Balance with Banks			
In current accounts	136	37	38
Other bank balances			
In deposits #	351 00	351 00	201 00
Cash on hand (Refer note no. 30)	<u>352 36</u>	<u>351 37</u>	<u>201 38</u>
<p># Deposits with banks of ₹ NIL (previous year ₹ NIL) with maturity more than 12 months. Deposits of ₹ 35100 lac (previous year ₹ 35100 lac) are given under pledge against option dealings and others.</p>			
6 Loans - Current			₹ in lac As at 1st April, 2015
Secured and considered good			
Loan to others	-	160 00	-
Unsecured and considered good			
Loan to Fellow Subsidiary Companies *	147 50	21 15	-
Loan to others	2 95	26 06	95 80
	<u>150 45</u>	<u>47 21</u>	<u>95 80</u>
	<u>150 45</u>	<u>207 21</u>	<u>95 80</u>
* Refer Note no. 26 & 27			
7 Other Financial Assets			₹ in lac As at 1st April, 2015
Accrued interest	-	-	46
Interest receivable	13 62	25 71	26 24
Dividend receivable	48	6	-
Advance against purchase of shares	-	35 00	20 00
Future and Option premium on open position (net)	401 85	212 89	14 81
	<u>415 95</u>	<u>273 66</u>	<u>61 51</u>

Notes to the Financial Statements

8	Other Current Assets	As at		As at		₹ in lac
		31st March, 2017	31st March, 2016	31st March, 2016	1st April, 2015	As at
	Deposits	1	1	1	1	1
	Advance payment of taxes (net)	-	13 47	13 47	12 31	12 31
	Income tax refund receivable	20	1 26	1 26	37	37
		21	14 74	14 74	12 69	12 69

9	Share Capital	As at		As at		₹ in lac	
		31st March, 2017	31st March, 2016	31st March, 2016	1st April, 2015	As at	As at
		Units	Amount	Units	Amount	Units	Amount
	Authorised Share Capital						
	Equity shares of ₹ 10 each	21,00,000	2 10	21,00,000	2 10	21,00,000	2 10
	Preference shares of ₹ 100 each	2,25,00,000	225 00	2,25,00,000	225 00	2,25,00,000	225 00
	Preference shares of ₹ 1 each	5,00,00,000	5 00	5,00,00,000	5 00	5,00,00,000	5 00
		232 10	232 10	232 10	232 10	232 10	232 10
	Issued, Subscribed and Paid up:						
*	Equity shares of ₹ 10 each fully paid up	2,020,200	2 02	2,020,200	2 02	2,020,200	2 02
*	9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each	4,02,800	4	4,02,800	4	4,02,800	4
**	9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each	27,45,355	27	27,45,355	27	27,45,355	27
	Total Paid up Capital		2 33		2 33		2 33
	Less : Instruments classified as Equity		31		31		31
			2 02		2 02		2 02

Note

a) Details of Share holders holding more than 5% shares

Name of the Shareholders	Type	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							
* Reliance Industries Limited	Equity	2,020,200	100.00	2,020,200	100.00	2,020,200	100.00
* Reliance Industries Limited	Preference	4,02,800	100.00	4,02,800	100.00	4,02,800	100.00
Fellow Subsidiary Company							
** Reliance World Trade Private Limited	Preference	27,45,355	100.00	27,45,355	100.00	27,45,355	100.00

b) Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	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	20 20 200	31 48 155	20 20 200	31 48 155	20 20 200	31 48 155
Add : Shares issued during the year	-	-	-	-	-	-
Shares at the end of the year	20 20 200	31 48 155	20 20 200	31 48 155	20 20 200	31 48 155

c) 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.

All the Preference Shares shall carry a preferential right over the Equity shares of the Company as regards to payment of dividend and repayment of capital, in the event of winding-up of the Company. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

Notes to the Financial Statements

	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
10 Other Equity			
Instrument Classified as Equity			
As per Last Balance Sheet	31	31	31
Capital Redemption Reserve			
As per last Balance Sheet	1 23	1 23	1 23
Securities Premium Reserve			
As per Last Balance Sheet	881 17	881 17	881 17
Statutory Reserve Fund			
As per last Balance Sheet	89 60	77 90	
Add: Transferred from Profit and Loss Account	68 10	11 70	
	<u>157 70</u>	<u>89 60</u>	77 90
Profit and Loss Statement			
As per Last Balance Sheet	468 73	781 26	
Add: Profit for the year	423 92	(300 83)	
Add: Other comprehensive Income	-	-	
	<u>892 65</u>	<u>480 43</u>	
Less: Appropriations			
Transferred to Statutory Reserve Fund	68 10	11 70	
	<u>824 55</u>	<u>468 73</u>	781 26
Total	<u>1864 96</u>	<u>1441 04</u>	<u>1741 87</u>
11 Deferred Tax Liabilities (net)	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
The movement on the deferred tax account is as follows:			
At the start of the year	-	-	
Charged to Statement of Profit and Loss	145 24	-	
At the end of year	<u>145 24</u>	<u>-</u>	<u>-</u>
Component of Deferred tax Liabilities			
	As at 31st March, 2016	Charged to profit or loss	₹ in lac As at 31st March, 2017
Deferred Tax Liabilities in relation to:			
Financial assets	-	145 24	145 24
Total	<u>-</u>	<u>145 24</u>	<u>145 24</u>
12 Borrowings	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
Unsecured Loans			
Loans from Holding Company	1559 60	3024 50	2121 39
	<u>1559 60</u>	<u>3024 50</u>	<u>2121 39</u>
13 Trade Payables	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
Trade payables	-	-	-
Other payables	-	74 01	55
	<u>-</u>	<u>74 01</u>	<u>55</u>

Notes to the Financial Statements

	As at 31st March, 2017	As at 31st March, 2016	₹ in lac As at 1st April, 2015
14 Other Financial Liabilities			
Interest accrued but not due, to the Holding company	239 91	258 65	140 99
	<u>239 91</u>	<u>258 65</u>	<u>140 99</u>
15 Other Current Liabilities			
Others *	26 76	28 78	15 71
	<u>26 76</u>	<u>28 78</u>	<u>15 71</u>
* Includes statutory dues, and provision for revenue expenditure			
16 Provisions			
Contingent provision against standard asset #	1 07	1 07	1 07
Provision for taxation (net)	6 48	-	-
	<u>7 55</u>	<u>1 07</u>	<u>1 07</u>
#Created pursuant to Section 45JA of the Reserve Bank of India Act, 1934 and Para 14 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 Provision required is ₹ 58 lacs (previous year ₹ 73 lacs)			
17 Revenue from Operations		2016-17	₹ in lac 2015-16
Interest income			
on loans	25 06	24 77	
on fixed deposits	27 42	23 30	
		<u>52 48</u>	48 07
Income from Non-Current investments			
Dividend income	1 30	68	
Interest on securities	-	5 80	
Valuation of Investments	32 96	(12 29)	
		<u>34 26</u>	(5 81)
Income from stock in trade			
Dividend income	39 43	36 93	
Interest on securities	9 04	90	
Profit on sale of stock in trade	438 65	(50 62)	
Valuation of Stock	302 43	(164 56)	
		<u>789 56</u>	(177 34)
Income from investment in venture fund			
Dividend income	92	90	
Interest and other income	25 07	21 76	
	<u>25 99</u>	<u>22 66</u>	
Less : Expenses	2 50	1 99	
		<u>23 49</u>	20 67
Profit on Future and Option dealings		40 50	113 13
		<u>940 28</u>	<u>(1 28)</u>

Notes to the Financial Statements

		₹ in lac
18 Other Income	2016-17	2015-16
Interest others	108	42
	108	42
19 Finance Cost	2016-17	₹ in lac
Interest on Loans	266 56	2015-16
	266 56	287 39
	266 56	287 39
20 Other Expenses	2016-17	₹ in lac
Auditors remuneration		2015-16
Statutory audit fees	6	3
Tax audit fees	1	1
Certification fees (₹ 5750/-, previous year ₹ 5725/-)	0	-
	7	4
Professional fees	46	1
Brokerage	32	30
Securities Transaction Tax	9 72	5 51
Directors sitting fees	8	8
Charity and donations *	73	65
Other administrative expenses	3	2
	11 41	6 61

* Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof

- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 72 lacs (previous year ₹ 63 lacs)
- Expenditure related to CSR is ₹ 73 lacs (previous year ₹ 65 lacs) is spent through Reliance Foundation

		₹ in lac
Particulars	2016-17	2015-16
Education	73	65
Total	73	65

Notes to the Financial Statements

	2016-17	₹ in lac 2015-16
21 Income Tax Expenses		
a) Income Tax Expenses		
Current Tax		
In respect of the current year	93 75	5 60
In respect of prior year	48	37
Deferred Tax		
Relating to origination and reversal of temporary differences	145 24	-
Total income tax expenses recognised in the current year	<u>239 47</u>	<u>5 97</u>
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
	As at 31st March, 2017	₹ in lac As at 31st March, 2016
Profit before Tax from Continuing Operations	663 39	(294 86)
Applicable Tax Rate	34.61%	34.61%
Computed Tax Expense	229 59	(102 05)
Tax Effect of :		
Income not Taxable	(135 88)	(107 65)
Expenses Disallowed	52	37
Current Tax Provision (A)	<u>94 23</u>	<u>597</u>
Incremental Deferred Tax Asset on account of Financial Assets & Other items	145 24	-
Deferred Tax Provision (B)	<u>145 24</u>	<u>-</u>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	<u>239 47</u>	<u>597</u>
Effective Tax Rate	37.64%	-2.03%
	As at 31st March, 2017	₹ in lac As at 1st April, 2015
b) Current Tax Assets (Net)		
At start of year	13 46	-
Charge for the year	(94 23)	-
Others*		
Tax paid during the year	74 29	-
At end of year	<u>(6 48)</u>	<u>12 31</u>
* Mainly pertains to Provision for tax on Other Comprehensive Income		
22 Earnings per share (EPS)	2016-17	2015-16
i) Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lac)	423 92	(300 83)
ii) Weighted average number of equity shares used as denominator for calculating EPS	51 68 355	20 20 200
iii) Total Weighted Average Potential Equity Shares	-	31 48 155
iv) Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	51 68 355	51 68 355
iv) Basic earnings per share (₹)	820	(14 89)
v) Diluted earnings per equity share (₹)	8 20	(14 89)
vi) Face value per equity share (₹)	10	10

23 The Previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

24 **Contingent Liabilities** As at 31st March, 2017 As at 31st March, 2016
₹ in lac **₹ in lac**
i) Commitments towards venture fund units **2 83** **5 37**

25 **Segment Reporting**

The Company is engaged in business of finance, future and option, Trading / investments in shares and securities in India only and there are no separate business / geographical segments as per Ind AS 108- "Operating Segment". The Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

26 Disclosure under Para 2 of schedule V of SEBI (listing obligation and Disclosure Requirement) Regulation, 2015.

a) **Loans and advances in the nature of loans**

₹ in lac

Sr No.	Name of the Company		As at 31st March, 2017	Maximum balance during the year	As at 31st March, 2016	Maximum balance during the year
1	Reliance Global Commercial Limited	Subsidiaries	-	4 43	4 43	4 43
2	Reliance Universal Commercial Limited		-	4 43	4 43	4 43
3	Reliance Petroinvestments Limited		-	-	13 69	13 69
4	Reliance Petroinvestments Limited	Fellow Subsidiaries	3 40	14 25	-	-
5	Reliance Aromatic & Petrochemicals Limited		12	12	5	5
6	Reliance Energy & Project Development Limited		15	15	6	6
7	Reliance Chemicals Limited		44	44	-	-
8	Reliance Energy Generation & Distribution Limited		3	3	-	-
9	Reliance Universal Enterprises Limited		1 60	1 60	1 17	1 17
10	Reliance World Trade Private Limited		2 27	2 27	1 19	1 19
11	Reliance Jio Infratel Private Limited		-	11 15	11 15	11 15
12	Reliance Jio Media Private Limited		-	10 00	10 00	10 00
13	Reliance Jio Digital Services Private Limited		135 00	135 00	-	-
14	Reliance Jio Messaging Services Private Limited		12 50	12 50	-	-
15	Kanhatech Solutions Limited		-	-	-	165
16	Reliance Fire Brigade Services Private Limited		50	50	50	50
17	Reliance Group Support Services Private Limited		2 45	2 45	2 45	2 45
18	JM Financial Products Limited		-	25 00	25 00	25 00
19	Raghuleela Builders Private Limited	-	160 00	160 00	160 00	
20	Shinano Retail Private Limited	-	-	-	176 00	
21	Ojasvi Trading Private Limited	-	-	126 00	-	
22	Abans Finance Limited	-	-	-	60 00	
23	Abans Realty & Infrastructure Private Limited	-	-	-	20 00	
24	Abans Jewels Private Limited	-	-	-	15 00	

Notes to the Financial Statements

Note : All above loans and advances (Loans) are towards business purpose :

- i) Loans shown above, to Subsidiary companies fall under the Category of “Loans and Advances” in nature of zero coupon optionally convertible. Loan under item no. 1 & 2 are repaid
- ii) Loans shown above under item no. 4 to 10, to Fellow subsidiary companies fall under the Category of “Loans and Advances” - in nature of zero coupon optionally convertible for a period of 10 years
- iii) Loans shown above under item no. 11 to 14, to Fellow subsidiary companies fall under the Category of “Loans and Advances” - in nature of short term interest bearing loan
- iv) Loans shown above under item no. 16 to 19, to Others fall under the Category of “Loans and Advances” - in nature of current loans interest bearing loan.

b) Investment by the loanee in the shares of the Company, out of loans given is NIL

27 Related Party

- 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	Relationship
1	Reliance Industries Limited	Holding Company
2	Reliance Global Commercial Limited (Upto 29.08.2016)	Subsidiary Companies
3	Reliance Universal Commercial Limited (Upto 29.08.2016)	
4	Reliance Petroinvestments Limited (Upto 29.08.2016)	
5	Reliance Industrial Investments and Holdings Limited	
6	Reliance Ventures Limited	Fellow Subsidiary Companies
7	Reliance Global Commercial Limited (From 30.08.2016)	
8	Reliance Universal Commercial Limited (From 30.08.2016)	
9	Reliance Petroinvestments Limited (From 30.08.2016)	
10	Reliance Polyolefins Limited	
11	Reliance Energy and Project Development Limited	
12	Reliance Aromatics and Petrochemicals Limited	
13	Reliance Chemicals Limited	
14	Reliance Universal Enterprises Limited	
15	Reliance World Trade Private Limited	
16	Kanhatech Solutions Limited	
17	Reliance Jio Infratel Private Limited	
18	Reliance Jio Media Private Limited	
19	Reliance Jio Digital Services Private Limited	
20	Reliance Jio Messaging Services Private Limited	
21	Reliance Commercial Dealers Limited	Associate Companies
22	Extramarks Education Private Limited (Upto 26.04.2016)	

Notes to the Financial Statements

27 Related Party (Continued)

ii) Transactions during the year with related parties:

(₹ in lac)

Sr. No.	Nature of Transaction	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Associates	Total
1	Loans taken / (repaid) (net)	(1464 90) <i>903 11</i>	-	-	-	(1464 90) <i>903 11</i>
2	Loans and Advances given / (returned) (net)	-	-	109 34 <i>23 20</i>	-	109 34 <i>24 37</i>
3	Purchase of Investments / (stock)	-	-	264 38	-	264 38
4	Sale / Redemption of Investments	160 12	-	5	-	160 17
		-	-	-	<i>100 00</i>	<i>100 00</i>
5	Interest income	-	-	5 93	-	5 93
		-	-	<i>77</i>	<i>5 80</i>	<i>6 57</i>
6	Expenses					
	Finance Cost	266 56 <i>287 39</i>	-	-	-	266 56 <i>287 39</i>
	Professional fees	-	33	-	33	
		-	-	-	-	-
Balance as at 31st March, 2017						
7	Equity share capital	2 02 <i>2 02</i>	-	-	-	2 02 <i>2 02</i>
8	Preference share capital (including premium)	112 78 <i>112 78</i>	-	768 42 <i>768 70</i>	-	881 21 <i>881 48</i>
9	Loans taken	1559 60 <i>3024 50</i>	-	-	-	1559 60 <i>3024 50</i>
10	Interest accrued but not due	239 91 <i>258 65</i>	-	-	-	239 91 <i>258 65</i>
11	Long Term Loans and Advances given	-	-	155 51 <i>22 55</i>	-	155 51 <i>46 17</i>
12	Interest receivable	-	-	474 <i>62</i>	-	4 74 <i>62</i>
13	Investments	-	-	3 75	-	3 75
		-	<i>5</i>	-	<i>128 75</i>	<i>128 80</i>

Note : Figures in Italic represents previous year's amount

Notes to the Financial Statements

27 Related Party (Continued)

Disclosure in Respect of Material Related Party Transactions during the year: (₹ in lac)

Particulars	Relationship	2016-17	2015-16
1 Loans taken / (repaid) (net)			
Reliance Industries Limited	Holding Company	(1464 90)	903 11
2 Loans and Advances given / (returned) net			
Reliance Petroinvestments Limited	Subsidiary	-	1 17
Reliance Global Commercials Limited	Fellow Subsidiary	(4 43)	-
Reliance Universal Commercials Limited	Fellow Subsidiary	(4 43)	-
Reliance Petroinvestments Limited	Fellow Subsidiary	(10 29)	-
Reliance World Trade Private Limited	Fellow Subsidiary	1 08	1 19
Reliance Energy Generation & Distribution Limited	Fellow Subsidiary	3	-
Reliance Energy Project and Development Limited	Fellow Subsidiary	9	6
Reliance Aromatics and Petrochemicals Limited	Fellow Subsidiary	8	5
Reliance Chemicals Limited	Fellow Subsidiary	44	-
Reliance Universal Enterprises Limited	Fellow Subsidiary	43	1 17
Kanhatech Solutions Limited	Fellow Subsidiary	-	(42)
Reliance Jio Infratel Private Limited	Fellow Subsidiary	(11 15)	11 15
Reliance Jio Media Private Limited	Fellow Subsidiary	(10 00)	10 00
Reliance Jio Digital Services Prvate Limited	Fellow Subsidiary	135 00	-
Reliance Jio Messaging Services Private Limited	Fellow Subsidiary	12 50	-
3 Sale / Redemption of investmetns			
Reliance Industries Limited	Holding Company	160 12	-
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	5	-
Extramarks Education Private Limited	Associate	-	100 00
4 Purchase of Investments (including stock)			
Reliance Ventures Limited	Fellow Subsidiary	264 38	-
5 Interest income			
Kanhatech Solutions Limited	Fellow Subsidiary	-	8
Reliance Jio Infratel Private Limited	Fellow Subsidiary	52	66
Reliance Jio Media Private Limited	Fellow Subsidiary	15	3
Reliance Jio Digital Services Limited	Fellow Subsidiary	5 22	-
Reliance Jio Messaging Services Private Limited	Fellow Subsidiary	4	-
Extramarks Education Private Limited	Associate	-	5 80
6.1 Interest expense			
Reliance Industries Limited	Holding Company	266 56	287 39
6.2 Professional fees			
Reliance Corporate IT Park Limited	Fellow Subsidiary	33	-

Note: The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. 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.

28 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 compare to last year.

The gearing ratio at end of the reporting period was as follows	₹ in lac		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Debt	1559 60	3024 50	2121 39
Cash and bank balance (including liquid investments)	(352 36)	(351 37)	(201 38)
Net debt (A)	1207 24	2673 13	1920 01
Total Equity (as per Balance Sheet) (B)	1866 98	1443 06	1743 89
Net Gearing (A/B)	0.65	1.85	1.10

29 Financial Instruments

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

The fair value of investment in quoted Equity Shares and Ventures Funds is measured at quoted price or NAV

Fair Valuation Measurement hierarchy

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
Financial Assets									
At Amortised Cost									
Investments	-	-	-	-	-	-	-	-	-
At FVTPL									
Investments	294 97	48 14	246 83	303 94	41 14	262 80	239 33	17 91	221 42
Financial Derivatives (net)	401 85	401 85	-	212 89	212 89	-	14 81	14 81	-
At FVTOCI									
Investments	-	-	-	-	-	-	-	-	-
Financial Liabilities									
At Amortised Cost									
Borrowings	1559 60	-	-	3024 50	-	-	2121 39	-	-
Other Financial liabilities	239 91	-	-	258 65	-	-	140 99	-	-
At FVTPL									

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Interest rate risk

Company's borrowing is only through its holding company viz Reliance Industries Limited, it has no borrowing from Bank/ FI etc. Interest payable against such borrowing is as per agreed terms.

Credit risk

Credit risk is the risk that a Broker or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, derivative financial instruments, deposits with Banks and from credit exposures relating to outstanding receivables.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities..

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.

Market risk

Companies main activity is to do trading in financial instruments viz. equity shares, debentures, bonds, derivatives etc. This market is influenced by domestic / international political, financial and other events occurring on day to day basis. Hence the market is constantly volatile and uncertain. Company has strong treasury philosophies and practices and is well geared to meet the challenges of volatile market conditions.

30 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.

31 Approval of Financial Statements

The Financial statements were approved for issue by the board of directors on 18th April, 2017

Notes to the Financial Statements

32 First time IND AS Adoption Reconciliations

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

	As at 31st March 2016			As at 1st April 2015			₹ in lac
Note	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							
Non-current assets							
Financial Assets							
Investments	441 45	(8 71)	432 74	464 55	3 58	468 13	
Loans	34 97	-	34 97	333 75	-	333 75	
Other Non-current assets	476 42	(8 71)	467 71	798 30	3 58	801 88	
Current assets							
Inventories							
Financial Assets							
Inventories	3167 24	122 96	3290 20	2369 34	481 00	2850 34	
Trade receivables	225 17	-	225 17	-	-	-	
Cash and cash equivalents	351 37	-	351 37	201 38	-	201 38	
Loans	207 21	-	207 21	95 80	-	95 80	
Other financial assets	261 17	12 49	273 66	60 31	1 20	61 51	
Other Current Assets	14 74	-	14 74	12 69	-	12 69	
	4226 90	135 46	4362 36	2739 52	482 20	3221 72	
Total Assets	4703 32	126 75	4830 07	3537 82	485 78	4023 60	
EQUITY AND LIABILITIES							
Equity							
Equity Share capital	202	-	2 02	202	-	2 02	
Other Equity	1314 29	126 75	1441 04	1256 09	485 78	1741 87	
Total equity attributable to owners of the company	1316 31	126 75	1443 06	1258 11	485 78	1743 89	
Non-current liabilities	-	-	-	-	-	-	
Current liabilities							
Financial Liabilities							
Borrowings	3024 50	-	3024 50	2121 39	-	2121 39	
Trade payables	74 01	-	74 01	55	-	55	
Other Financial Liabilities	258 65	-	258 65	140 99	-	140 99	
Provisions	1 07	-	1 07	1 07	-	1 07	
Other Current liabilities	28 78	-	28 78	15 71	-	15 71	
	3387 01	-	3387 01	2279 71	-	2279 71	
Total Equity and Liabilities	4703 32	126 75	4830 07	3537 82	485 78	4023 60	

Notes to the Financial Statements

32.2 Reconciliation of Profit and Other Equity between Ind AS and previous GAAP

₹ in lac

Nature of Adjustment	Net Profit	Other Equity	
	Year ended 31st March, 2016	As at 31st March, 2016	As at 1st April, 2015
Net Profit / Other Equity as per Previous Indian GAAP	58 20	1314 29	1256 09
Fair Valuation for Financial Assets	(359 03)	126 75	485 78
Net profit before OCI / Other Equity as per Ind AS	(300 83)	1441 04	1741 87

Note: The Company has valued financial assets (other than Investment in subsidiaries and associates which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Profit and Loss Account).

32.3 Effect of Ind AS adoption on the statement of profit and loss for the year ended 31st March, 2016

₹ in lac

	Year Ended 31st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
INCOME			
Revenue from operation	357 75	(359 03)	(1 28)
Other Income	42	-	42
Total Income	<u>358 17</u>	<u>(359 03)</u>	<u>(86)</u>
EXPENDITURE			
Finance Costs	287 39	-	287 39
Other Expenses	6 61	-	6 61
Total Expenses	<u>294 00</u>	<u>-</u>	<u>294 00</u>
Profit / (Loss) Before Tax	64 17	(359 03)	(294 86)
Tax Expenses			
Current Tax	5 60	-	5 60
Adjustment of tax relating to earlier period	37	-	37
Deferred Tax	-	-	-
Profit / (Loss) for the Year	<u>58 20</u>	<u>(359 03)</u>	<u>(300 83)</u>

As per our Report of even date

For **Chaturvedi & Shah**
Firm Registration No : 101720W
Chartered Accountants

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date : 18th April, 2017

For **Rajendra & Co.**
Firm Registration No : 108355W
Chartered Accountants

K.K. Desai
Partner
Membership No. 100805

For and on behalf of the Board

K. Sethuraman
Director

Jagannath Kumar
Director

Jayashri Rajesh
Director

Dhiren Dalal
Director

S. K. Bhardwaj
Director