

Reliance Sibur Elastomers Private Limited

Independent Auditor's Report

TO THE MEMBERS OF RELIANCE SIBUR ELASTOMERS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **RELIANCE SIBUR ELASTOMERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for The 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 and the Order under section 143(11) of the Act.

We conducted our audit of the 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

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;

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- 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“CARO 2016”) issued by the Central Government in terms of Section 143(11) of the Act, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

R. Koria
Partner
Membership No. 35629
Mumbai, April 21, 2016

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Registration No.117366W / W-100018)

A. Siddharth
Partner
Membership No. 31467
Mumbai, April 21, 2016

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **RELIANCE SIBUR ELASTOMERS PRIVATE LIMITED** on the financial statements for the year ended March 31, 2016)

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

We have audited the internal financial controls over financial reporting of Reliance Sibur Elastomers Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

R. Koria
Partner
Membership No. 35629
Mumbai, April 21, 2016

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

A. Siddharth
Partner
Membership No. 31467
Mumbai, April 21, 2016

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **RELIANCE SIBUR ELASTOMERS PRIVATE LIMITED** on the financial statements for the year ended March 31, 2016)

- i. The Company does not have any fixed assets except tangible and intangible assets under development and accordingly, the provisions of Clause (i) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- ii. The Company does not have any inventories and accordingly, the provisions of Clause (ii) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- iii. The Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given loan and it has not made any investments or given any guarantee or security on which the provisions of Section 185 and 186 of the Companies Act, 2013 applies. Accordingly, the provisions of Clause (iv) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit and accordingly, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. The Company has not commenced the manufacturing operations and accordingly, the provisions of Clause (vi) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vii. In respect of statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
 - b. There were no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has neither taken any loan or borrowing from financial institutions, banks or government nor has it issued any debentures and accordingly, the provisions of Clause (viii) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, the term loans raised have been applied for the purposes for which they were raised. During the year, the Company has not raised money by way of initial public offer or further public offer (including debt instruments).
- x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, during the year no managerial remuneration has been paid or provided by the Company. Therefore, the provisions of Clause (xi) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential

allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Therefore, the provisions of Clause (xiv) of paragraph 3 of the CARO 2016 are not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

R. Koria
Partner
Membership No. 35629
Mumbai, April 21, 2016

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W / W-100018)

A. Siddharth
Partner
Membership No. 31467
Mumbai, April 21, 2016

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016	As at 31st March, 2015	₹
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	1	442 52 15 700	118 00 57 520	
Reserves and Surplus	2	11 69 77 245	9 66 51 186	
		454 21 92 945		127 67 08 706
Non-Current Liabilities				
Long Term Borrowings	3	-	87 50 00 000	
Other Long Term Liabilities	4	-	1 60 66 385	
				89 10 66 385
Current Liabilities				
Other Current Liabilities	5	329 84 25 320	8 94 98 218	
Total		784 06 18 265	225 72 73 309	
ASSETS				
Non-Current Assets				
Fixed Assets				
Capital Work-in-Progress	6	585 13 87 511	141 28 72 566	
Intangible Assets under Development	6	20 60 56 500	20 60 56 500	
Long Term Loans and Advances	7	65 75 89 127	50 26 04 492	
		671 50 33 138		212 15 33 558
Current Assets				
Current Investments	8	85 38 00 000	-	
Cash and Cash Equivalents	9	4 76 458	2 75 601	
Short Term Loans and Advances	10	27 13 08 669	13 54 64 150	
		112 55 85 127		13 57 39 751
Total		784 06 18 265	225 72 73 309	
Significant Accounting Policies				
Notes on Financial Statements	1 to 19			

As per our Report of even date

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

R. Koria
Partner
Membership No.35629

Place: Mumbai
Dated: April 21, 2016

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W-100018)

A. Siddharth
Partner
Membership No.31467

For and on behalf of the Board

Kishor Jhalaria
Director
DIN - 02373095

Pankaj Dadhich
Director and CFO
DIN - 01958598

Siddharth A. Shah
Company Secretary
Membership No.A23987

Statement of Profit and Loss for the Year ended 31st March, 2016

	Note	2015-16	2014-15
₹			
INCOME			
Other Income	11	2 75 80 315	2 36 47 918
Total Revenue		<u>2 75 80 315</u>	<u>2 36 47 918</u>
EXPENDITURE			
Other Expenses	12	24 69 594	12 22 098
Total Expenses		<u>24 69 594</u>	<u>12 22 098</u>
Profit Before Tax		2 51 10 721	2 24 25 820
Tax Expense			
Current Tax		47 84 662	1 00 000
Profit for the Year		<u>2 03 26 059</u>	<u>2 23 25 820</u>
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	16	0.09	0.19
Significant Accounting Policies			
Notes on Financial Statements	1 to 19		

As per our Report of even date

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

R. Koria
Partner
Membership No.35629

Place: Mumbai
Dated: April 21, 2016

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Registration No. 117366W/W-100018)

A. Siddharth
Partner
Membership No.31467

For and on behalf of the Board

Kishor Jhalaria
Director
DIN - 02373095

Pankaj Dadhich
Director and CFO
DIN - 01958598

Siddharth A. Shah
Company Secretary
Membership No.A23987

Cash Flow Statement for the Year 2015-16

	2015-16	2014-15
A: CASH FLOW FROM OPERATING ACTIVITIES		₹
Net Profit Before Tax as per Statement of Profit and Loss	2 51 10 721	2 24 25 820
Adjusted for:		
Dividend Income	(1 03 14 546)	(2 19 32 201)
Net (Gain) / Loss on Sale of Investments	(1 72 41 769)	(17 15 717)
Interest Income	(24 000)	-
	<u>(2 75 80 315)</u>	<u>(2 36 47 918)</u>
Operating Profit/ (Loss) before Working Capital Changes	(24 69 594)	(12 22 098)
Adjusted for:		
Trade and Other Receivables	(13 58 19 519)	(7 18 39 583)
Trade and Other Payables	(49 63 964)	6 58 181
	<u>(14 07 83 483)</u>	<u>(7 11 81 402)</u>
Cash (Used in) Operations	(14 32 53 077)	(7 24 03 500)
Taxes (Paid) / Refund (Net)	(46 06 349)	(1 00 000)
Net Cash (Used in) Operating Activities	(14 78 59 426)	(7 25 03 500)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(125 06 86 177)	(151 09 15 934)
Purchase of Investments	(385 25 80 000)	(33 74 40 000)
Sale / Redemption of Investments	301 60 21 769	102 44 08 215
Interest Income	24 000	-
Dividend Income	1 03 14 546	2 19 32 201
Net Cash (Used in) Investing Activities	(207 69 05 862)	(80 20 15 518)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	324 51 58 180	-
Proceeds from Long Term Borrowings	99 34 00 000	87 50 00 000
Repayment of Long Term Borrowings	(186 84 00 000)	-
Interest Paid	(14 51 92 035)	(3 74 538)
Net Cash Generated from Financing Activities	222 49 66 145	87 46 25 462
Net Increase in Cash and Cash Equivalents (A+B+C)	2 00 857	1 06 444
Opening Balance of Cash and Cash Equivalents	2 75 601	1 69 157
Closing Balance of Cash and Cash Equivalents	4 76 458	2 75 601
(Refer Note No. 9)		

As per our Report of even date

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

R. Koria
Partner
Membership No.35629

Place: Mumbai
Dated: April 21, 2016

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W-100018)

A. Siddharth
Partner
Membership No.31467

For and on behalf of the Board

Kishor Jhalaria
Director
DIN - 02373095

Pankaj Dadhich
Director and CFO
DIN - 01958598

Siddharth A. Shah
Company Secretary
Membership No.A23987

Significant Accounting Policies

A Basis of preparation of Financial Statements

These financial statements have been prepared to comply with Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

B Use of Estimates

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

C Fixed Assets

Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

D Investments

Current investments are carried at the lower of cost and quoted/ fair value, computed category wise. Non Current Investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

E Foreign Currency Transactions

- i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

F Revenue Recognition

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably

measured and it is reasonable to expect ultimate collection. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

G Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

H Preliminary Expenses

Preliminary Expenses are charged to the Statement of Profit and Loss in the year in which it is incurred.

I Financial Derivative and Hedging Transactions

In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognised in the Statement of Profit and Loss except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

J Income Taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

K Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

Notes on Financial Statements for the year ended 31st March, 2016

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

	As at 31st March, 2016	As at 31st March, 2015
₹		
1. Share Capital		
Authorised Share Capital:		
46,00,00,000 Equity shares of ₹ 10 each (13,00,00,000)	460 00 00 000	130 00 00 000
Total	460 00 00 000	130 00 00 000
Issued, Subscribed and Paid-up:		
44,25,21,570 Equity shares of ₹ 10 each fully paid up (11,80,05,752)	442 52 15 700	118 00 57 520
Total	442 52 15 700	118 00 57 520

1.1 The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Limited (Holding Company from 08.04.2015; erstwhile Ultimate Holding Company) including those held with its nominees.	33,14,48,655	74.90	-	-
Reliance Industrial Investments And Holdings Limited (Holding Company upto 08.04.2015) including those held with its nominees.	-	-	8,83,86,308	74.90
Sibur Investments AG	11,10,72,915	25.10	2,96,19,444	25.10

1.2 Reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2016 No. of shares	As at 31st March, 2015 No. of shares
Equity Shares at the beginning of the year	11,80,05,752	11,80,05,752
Add: Equity Shares issued during the year	32,45,15,818	-
Equity Shares at the end of the year	44,25,21,570	11,80,05,752

1.3 Rights, Preferences and Restrictions attached to Equity Shares:

The Company has one class of Equity Shares having a par value of ₹ 10 per share. Each equity shareholder is entitled to 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 ensuing Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

	As at 31st March, 2016	As at 31st March, 2015
₹		
2. Reserves and Surplus		
Profit and Loss Account		
As per last Balance Sheet	9 66 51 186	7 43 25 366
Add: Profit for the Year	2 03 26 059	2 23 25 820
Total	11 69 77 245	9 66 51 186

Notes on Financial Statements for the year ended 31st March, 2016

	As at 31st March, 2016	As at 31st March, 2015
3. Long Term Borrowings		
Unsecured		
Loans and advances from Related Parties * (Refer note 17)	-	87 50 00 000
Total	<u>-</u>	<u>87 50 00 000</u>

* Represents interest bearing loan borrowed from the Holding Company, repayable at the end of two years.

	As at 31st March, 2016	As at 31st March, 2015
4. Other Long Term Liabilities		
Interest accrued but not due on Borrowings	-	1 60 66 385
Total	<u>-</u>	<u>1 60 66 385</u>

	As at 31st March, 2016	As at 31st March, 2015
5. Other Current Liabilities		
Creditors for Capital Expenditure *	329 53 53 153	8 14 62 087
Other Payables #	30 72 167	80 36 131
Total	<u>329 84 25 320</u>	<u>8 94 98 218</u>

* Includes for Micro and Small Enterprises ₹ 2,41,60,589/- (Previous year ₹ 55,45,159/-)

Includes Statutory dues.

5.1 The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:

	As at 31st March, 2016	As at 31st March, 2015
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

	As at 31st March, 2016	As at 31st March, 2015
6. Fixed Assets		
Capital Work-in-Progress	585 13 87 511	141 28 72 566
Intangible Assets under Development		
Technical Know-how Fee	20 60 56 500	20 60 56 500
Total	<u>605 74 44 011</u>	<u>161 89 29 066</u>

6.1 The Company, a joint venture between "Reliance Industries Limited" (Reliance Industrial Investments And Holdings Limited, upto 8th April, 2015) and "Sibur Investments AG" is in the process of setting up a Butyl Rubber Plant ('Project') at Jamnagar, Gujarat, India.

Notes on Financial Statements for the year ended 31st March, 2016

6.2 Capital Work-in-Progress include:

- (i) ₹ 382,22,68,553/- (Previous Year ₹ 38,86,74,873/-) on account of cost of construction material at site. During the year, Company has sold construction material amounting ₹ 43,41,27,387/- (including excise duty recovered ₹ 1,14,77,542/-) out of the purchased stock for the project (previous year Nil).
- (ii) ₹ 96,48,73,463/- (Previous Year ₹ 17,93,04,829/-) on account of Project Development Expenditure.

6.3 Project Development Expenditure include:

	As at 31st March, 2016	As at 31st March, 2015
Opening Balance	17 93 04 829	-
Add:		
Interest & Finance Charges	15 83 68 833	1 64 40 923
Fluctuation on Foreign exchange Derivatives	59 56 50 339	15 12 37 037
Professional fees	98 22 277	92 07 003
Others	2 17 27 185	24 19 866
	<u>78 55 68 634</u>	17 93 04 829
Closing Balance	<u>96 48 73 463</u>	<u>17 93 04 829</u>

7. Long Term Loans and Advances

	As at 31st March, 2016	As at 31st March, 2015
(Unsecured and Considered Good)		
Capital Advances	65 75 52 146	50 23 64 198
Advance Income Tax (Net of Provision)	16 981	1 95 294
Other Loans and Advances *	20 000	45 000
Total	<u>65 75 89 127</u>	<u>50 26 04 492</u>

* Represents deposits.

8. Current Investments

	As at 31st March, 2016	As at 31st March, 2015
(Valued at lower of cost and fair value)		
Investment in Mutual Funds - Unquoted		
464,107 IDFC Cash Fund - Growth - Direct Plan of ₹ 1000 each.	85 38 00 000	-
Total	<u>85 38 00 000</u>	<u>-</u>
Aggregate amount of unquoted investments	85 38 00 000	-

9. Cash and Cash Equivalents

	As at 31st March, 2016	As at 31st March, 2015
Bank Balances in Current Accounts	4 76 458	2 75 601
Total	<u>4 76 458</u>	<u>2 75 601</u>

10. Short Term Loans and Advances

	As at 31st March, 2016	As at 31st March, 2015
(Unsecured and Considered Good)		
Balance with Customs, Central Excise Authorities	15 37 79 676	12 41 31 062
Others *	11 75 28 993	1 13 33 088
Total	<u>27 13 08 669</u>	<u>13 54 64 150</u>

* Includes Taxes paid pending for Cenvat credit availment.

Notes on Financial Statements for the year ended 31st March, 2016

	2015-16	2014-15
11. Other Income		₹
Interest Income from Others	24 000	-
Dividend Income from Current Investments	1 03 14 546	2 19 32 201
Net Gain/ (Loss) on Sale of Current investments	1 72 41 769	17 15 717
Total	2 75 80 315	2 36 47 918
		₹
12. Other Expenses	2015-16	2014-15
Establishment Expenses		
Professional Fees	2 51 650	46 000
Rates & Taxes	57 582	32 379
General Expenses	11 94 237	63 719
Payment to Auditors	2 65 125	2 50 000
Charity and Donations	7 01 000	8 30 000
	24 69 594	12 22 098
Total	24 69 594	12 22 098
12.1 Expenditure related to Corporate Social Responsibility as per section 135 of the Companies Act, 2013 read with Schedule VII thereof : ₹ 7,01,000/- (Previous year ₹ 8,30,000/-).		
Gross amount required to be spent as per the aforesaid provision is ₹ 7,00,475/- (Previous year ₹ 8,26,454/-).		
The amount spent on CSR activity during the financial year 2015-16 was utilised for promoting Education.		
		₹
12.2 Payment to Auditors as:	2015-16	2014-15
a) Auditor:		
Statutory Audit Fees	2 40 000	2 20 000
b) Certification Fees	25 125	30 000
	2 65 125	2 50 000
13. The Company's activities during the financial year revolve around setting up of the Butyl Rubber Plant ('Project'). Considering the nature of Company's business, there is only one Reportable Segment in accordance with the requirement of AS-17 "Segment Reporting".		
		₹
14. Value of Imports on CIF Basis in respect of:	2015-16	2014-15
Capital Goods	316 28 75 288	8 51 60 676
		₹
15. Expenditure in Foreign currency:	2015-16	2014-15
Interest & Finance charges	2 36 80 721	-
Capital Project Contracts	66 30 620	-

Notes on Financial Statements for the year ended 31st March, 2016

16. Earnings Per Share (EPS)	2015-16	2014-15
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	2 03 26 059	2 23 25 820
(ii) Weighted Average number of equity shares used as denominator for calculating EPS	23 62 53 982	11 80 05 752
(iii) Basic and diluted earnings per share (₹)	0.09	0.19
(iv) Face Value per equity share (₹)	10	10

17. Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(i) List of related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationships
1	Reliance Industries Limited * (from 08.04.2015)	Holding Companies
2	Reliance Industrial Investments And Holdings Limited # (Upto 08.04.2015)	
3	Sibur Investments AG	Joint Venturer
4	Reliance Industrial Investments And Holdings Limited # (from 08.04.2015)	Fellow Subsidiaries
5	Reliance Retail Limited	

* Ultimate Holding Company upto 08.04.2015, became Holding Company thereafter.

Holding Company upto 08.04.2015, became Fellow Subsidiary thereafter.

(ii) Transactions during the year with related parties:

Sr. No.	Nature of Transactions (Excluding Reimbursement)	Holding Company	Joint Venturer	Fellow Subsidiary	Total
1	Proceeds from issue of Share Capital	243 06 23 470	81 45 34 710	-	324 51 58 180
		-	-	-	-
2	Net Unsecured Loan taken / (repaid)	-	-	(87 50 00 000)	(87 50 00 000)
		87 50 00 000	-	-	87 50 00 000
3	Purchase of Fixed Assets (includes Borrowing cost on unsecured loan taken)	7 53 62 911	-	7 29 75 654	14 83 38 565
		1 64 40 923	-	16 63 671	1 81 04 594
4	Sale of Project Materials	43 41 27 387	-	-	43 41 27 387
		-	-	-	-
Balance as at 31st March, 2016					
5	Share Capital	331 44 86 550	111 07 29 150	-	442 52 15 700
		88 38 63 080	29 61 94 440	-	118 00 57 520
6	Unsecured Loans	-	-	-	-
		87 50 00 000	-	-	87 50 00 000
7	Other Payables	11 30 558	-	-	11 30 558
		2 54 90 673	-	16 63 671	2 71 54 344
8	Performance Guarantee	21 97 33 050	5 51 52 996	-	27 48 86 046
		-	-	-	-

Figures in *italics* represents previous year's amount.

Notes on Financial Statements for the year ended 31st March, 2016

Disclosure in respect of Material Related Party Transactions during the year:				₹
Particulars	Relationship	2015-16	2014-15	
1 Proceeds from issue of Share Capital				
Reliance Industries Limited *	Holding Company	243 06 23 470	-	
Sibur Investments AG	Joint Venturer	81 45 34 710	-	
2 Net Unsecured Loan taken / (repaid)				
Reliance Industries Limited *	Holding Company	-	-	
Reliance Industrial Investments And Holdings Limited #	Holding Company	(87 50 00 000)	87 50 00 000	
3 Purchase of Fixed Assets				
Reliance Industries Limited *	Holding Company	7 53 62 911	-	
Reliance Industrial Investments And Holdings Limited #	Fellow Subsidiary	7 29 62 534	1 64 40 923	
Reliance Retail Limited	Fellow Subsidiary	13 120	16 63 671	
4 Sale of Project Materials				
Reliance Industries Limited *	Holding Company	43 41 27 387	-	
Balances as at 31st March, 2016				
5 Unsecured Loans				
Reliance Industrial Investments And Holdings Limited #	Fellow Subsidiary	-	87 50 00 000	
₹				
18. Contingent Liabilities and Commitments		As at		As at
		31st March, 2016		31st March, 2015
Capital Commitments:				
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for		396 67 40 956		844 13 92 032
19. Financial and Derivative Instruments				
Derivative contracts entered into by the Company and outstanding as on 31st March, 2016				
For Hedging Currency related risks:				
Nominal amounts of forward contracts entered into by the Company and outstanding as at 31st March, 2016 amount to ₹ 610,96,91,762/- (previous year ₹ 348,22,75,749/-), for hedging currency related risk.				

As per our Report of even date

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

R. Koria
Partner
Membership No.35629

Place: Mumbai
Dated: April 21, 2016

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W-100018)

A. Siddharth
Partner
Membership No.31467

For and on behalf of the Board

Kishor Jhalaria
Director
DIN - 02373095

Pankaj Dadhich
Director and CFO
DIN - 01958598

Siddharth A. Shah
Company Secretary
Membership No.A23987