

Reliance World Trade Private Limited

Independent Auditor's Report

To the Members of Reliance World Trade Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance World Trade Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, and the Statement of Profit and Loss and 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 specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the 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 fair presentation of the 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 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 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 judgement, 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 31st March, 2016, and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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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 appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss and 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 specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 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 on its financial position.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Pathak H.D. & Associates
Chartered Accountants
Registration No : 107783W

Place : Mumbai
Date : 19th April, 2016

Saurabh Pamecha
Partner
Membership No. : 126551

“Annexure A” to Independent Auditors’ Report

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

- i) As the Company had no Fixed assets during the year, clause (i) of paragraph 3 of the Order is not applicable to the company.
- ii) As the company had no inventories during the year, clause (ii) of paragraph 3 of the order is not applicable to the company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantees or security given.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by 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, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with 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 they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , cess on account of any dispute, which have not been deposited.
- viii) The Company has not raised loans from financial institutions or banks or by issue of debentures and hence clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence clause (ix) of paragraph 3 of the order is not applicable to the company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or 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, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details 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 or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.

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- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Pathak H.D. & Associates
Chartered Accountants
Registration No : 107783W

Place : Mumbai
Date : 19th April, 2016

Saurabh Pamecha
Partner
Membership No. : 126551

“Annexure B” to Independent Auditors’ Report

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of **Reliance World Trade Private Limited** (“the company”) as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the 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 Act.

Auditor’s 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 judgment, 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, 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 31st March, 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 Pathak H.D. & Associates

Chartered Accountants

Registration No : 107783W

Place : Mumbai

Date : 19th April, 2016

Saurabh Pamecha

Partner

Membership No. : 126551

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	12 27 72 000	12 27 72 000
Reserves and Surplus	2	<u>6120 06 50 932</u>	<u>6121 05 56 510</u>
		6132 34 22 932	6133 33 28 510
Non-Current liabilities			
Long Term Borrowings	3	1 19 40 000	-
Current liabilities			
Short Term Borrowings	4	-	1 55 000
Other Current Liabilities	5	8 31 186	15 40 534
Short Term Provision	6	<u>-</u>	<u>39</u>
		8 31 186	16 95 573
TOTAL		<u>6133 61 94 118</u>	<u>6133 50 24 083</u>
ASSETS			
Non-Current Assets			
Non-Current Investments	7	6133 49 94 000	6133 49 94 000
Current Assets			
Cash and Bank Balance	8	12 00 118	30 083
TOTAL		<u>6133 61 94 118</u>	<u>6133 50 24 083</u>
Significant Accounting Policies			
Notes on Financial Statements	1 to 16		

As per our Report of even date

For **Pathak H. D. & Associates**
Chartered Accountants
Registration No.: 107783W

Saurabh Pamecha
Partner
Membership No. :126551

Mumbai
Dated : April 19, 2016

For and on behalf of the Board

K V V S Murthy
Director

Shivkumar R Bhardwaj
Director

Ketan Patil
Chief Financial Officer

K. Sridhar
Director

Dhiren V. Dalal
Director

V Saravanan
Company Secretary

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

	Note	2015-16 ₹	2014-15 ₹
INCOME			
Other income	9	10 000	10 000
Total Revenue		10 000	10 000
EXPENDITURE			
Other expenditure	10	99 15 617	15 85 364
Total Expenses		99 15 617	15 85 364
Loss before tax		(99 05 617)	(15 75 364)
Current tax		-	-
Taxes for earlier years		(39)	-
Loss for the year		(99 05 578)	(15 75 364)
Earnings per equity shares of face value of ₹10 each	11		
Basic (in ₹)		(990.56)	(2,745.41)
Diluted (in ₹)		(990.56)	(2,745.41)
Significant Accounting Policies			
Notes on Financial Statements	1 to 16		

As per our Report of even date

For **Pathak H. D. & Associates**
Chartered Accountants
Registration No.: 107783W

Saurabh Pamecha
Partner
Membership No. :126551

Mumbai
Dated : April 19, 2016

For and on behalf of the Board

K V V S Murthy
Director

Shivkumar R Bhardwaj
Director

Ketan Patil
Chief Financial Officer

K. Sridhar
Director

Dhiren V. Dalal
Director

V Saravanan
Company Secretary

Cash Flow Statement for the year 2015-16

	2015-16	2014-15
	₹	₹
A. Cash Flow from Operating Activities		
Net Loss before tax as per Profit and Loss Statement	(99 05 617)	(15 75 364)
Adjusted for :	-	-
Operating Loss before Working Capital Changes	(99 05 617)	(15 75 364)
Adjusted for :	-	-
Trade and Other Payables	(7 09 348)	15 29 298
	(7 09 348)	15 29 298
Cash (used in) from Operations	(1 06 14 965)	(46 066)
Taxes paid	-	-
Net Cash (used in) operating activities	(1 06 14 965)	(46 066)
B. Cash Flow from Investing Activities		
Net Cash from Investing Activities	-	-
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	1 19 40 000	-
Repayment of Short Term Borrowings	(1 55 000)	-
Net Cash Generated from Financing Activities	1 17 85 000	-
Net Increase / (Decrease) in Cash and Cash Equivalents	11 70 035	(46 066)
Opening Balance of Cash and Cash Equivalents	30 083	76 149
Closing Balance of Cash and Cash Equivalents	12 00 118	30 083
(Refer Note No. 8)		

As per our Report of even date

For **Pathak H. D. & Associates**
Chartered Accountants
Registration No.: 107783W

Saurabh Pamecha
Partner
Membership No. :126551

Mumbai
Dated : April 19, 2016

For and on behalf of the Board

K V V S Murthy
Director

Shivkumar R Bhardwaj
Director

Ketan Patil
Chief Financial Officer

K. Sridhar
Director

Dhiren V. Dalal
Director

V Saravanan
Company Secretary

Significant Accounting Policies

A. Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), 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 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. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

C. Inventories

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

D. Revenue recognition

Revenue from services are recognised when services have been rendered and no significant uncertainty to collectability exists. The revenue is recognised net of discounts and services tax.

E. Investments

Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

F. 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 losses, they 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.

G. 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

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
1. Share Capital		
Authorised :		
50,000 Equity Shares of ₹ 10 each (50,000)	5 00 000	5 00 000
1,23,00,000 Preference shares of ₹ 10 each (1,23,00,000)	12 30 00 000	12 30 00 000
	<u>12 35 00 000</u>	<u>12 35 00 000</u>
Issued, Subscribed and Paid up:		
* 10,000 Equity Shares of ₹ 10 each fully paid up (10,000)	1 00 000	1 00 000
** - 11% Optionally Convertible Cumulative Preference @ (53,43,000) Shares - Series A of ₹ 10 each fully paid up (Redeemable at the end of fifteen years from the date of allotment i.e., 06.01.2010 at a price of ₹ 5000 per shares. The Preference shareholder have an option to redeem by way of converting the preference shares to equity shares aggregating to the equivalent amount any time after expiry of 18 month from the date of allotment by giving not less than three months notice)	-	5 34 30 000
** 53,43,000 11% Non-Cumulative Optionally-Convertible Preference (-) Shares - Series A of ₹ 10 each fully paid up (Preference shares are redeemable at a price of ₹ 5000 per share on expiry of 15 years from the date of allotment i.e. 06.01.2010. The Preference Shares shall at the option of the Issuer or the Preference Shareholder be redeemable by way of converting them in to Equity Shares of the Company. Upon conversion, the Issuer shall issue 600 equity shares of ₹ 10/- each, for cash, at par, for every one Preference Share held by the Preference Shareholder)	5 34 30 000	-
*** - 11% Optionally Convertible Cumulative Preference @ (69,24,200) Shares - Series B of ₹ 10 each fully paid up (Redeemable at the end of fifteen years from the date of allotment i.e., 14.01.2010 at a price of ₹ 5000 per shares. The Preference shareholder have an option to redeem by way of converting the preference shares to equity shares aggregating to the equivalent amount any time after expiry of 18 month from the date of allotment by giving not less than three months notice)	-	6 92 42 000
*** 69,24,200 11% Non-Cumulative Optionally-Convertible Preference (-) Shares - Series B of ₹ 10 each fully paid up (Preference shares are redeemable at a price of ₹ 5000 per share on expiry of 15 years from the date of allotment i.e. 14.01.2010. The Preference Shares shall at the option of the Issuer or the Preference Shareholder be redeemable by way of converting them in to Equity Shares of the Company. Upon conversion, the Issuer shall issue 600 equity shares of ₹ 10/- each, for cash, at par, for every one Preference Share held by the Preference Shareholder)	6 92 42 000	-
	<u>12 27 72 000</u>	<u>12 27 72 000</u>

@ During the year, the terms have been changed from "Optionally Convertible Cumulative Preference Shares - Series A & B" to "Non-Cumulative Optionally-Convertible Preference Shares".

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

Note

a) Details of Share holders 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 Industrial Investments and Holdings Limited (Holding Co.)	1 000	10.00	1 000	10.00
Petroleum Trust	9 000	90.00	9 000	90.00
** Petroleum Trust	53 43 000	100.00	53 43 000	100.00
*** Petroleum Trust	69 24 200	100.00	69 24 200	100.00

b) The Reconciliation of number of shares outstanding is set out below :

	As at 31st March, 2016		As at 31st March, 2015	
	Equity Nos.	Preference Nos.	Equity Nos.	Preference Nos.
Shares at the beginning	10 000	1 22 67 200	10 000	1 22 67 200
Add : Shares issued during the year	-	-	-	-
Shares at the end of the year	10 000	1 22 67 200	10 000	1 22 67 200

c) No bonus shares issued in the last five years.

d) Refer Note 3 in respect of option on unissued share capital.

e) 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.

2. Reserves and Surplus	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Securities Premium Account				
As per last Balance Sheet		6121 33 28 000		6121 33 28 000
Deficit in Profit and Loss Account				
As per last Balance Sheet	(27 71 490)		(11 96 126)	
Less : Loss for the year	(99 05 578)		(15 75 364)	
		(1 26 77 068)		(27 71 490)
		<u>6120 06 50 932</u>		<u>6121 05 56 510</u>

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

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
3. Non-Current liabilities		
Long Term Borrowings		
Unsecured Zero Coupon Optionally Convertible Loan	1 19 40 000	-
	<u>1 19 40 000</u>	<u>-</u>

Note :

The Zero Coupon Optionally Convertible Loan from Reliance Strategic Investments Limited (a fellow subsidiary company) is fully convertible into equity shares of ₹ 10/- each at par, at the option of the Company. The outstanding amount of Loan, if not opted for conversion shall be repayable, at the end of 10 years from the date of first disbursement i.e., 29-04-2015 or such other period as may be mutually agreed between the Borrower and the Lender.

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
4. Short Term Borrowings		
Unsecured loan from others	-	1 55 000
	<u>-</u>	<u>1 55 000</u>

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
5. Other current liabilities		
Others - for expenses & statutory dues	8 31 186	15 40 534
	<u>8 31 186</u>	<u>15 40 534</u>

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

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
6. Short Term Provision		
Provision for taxation (Net of Advance Tax)	-	39
	<u>-</u>	<u>39</u>

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

		As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
7. Non-Current Investments			
Long Term Investments			
(Valued at Cost, less other than temporary diminution in value, if any.)			
Other Investments			
Unquoted, fully paid up			
In Preference Shares of Fellow Subsidiaries			
- 10% Non-cumulative redeemable Preference Shares of Reliance Chemicals Limited of ₹ 10 each	(13,44,700)	-	672 35 00 000
@ 13,44,700 10% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Chemicals Limited of ₹ 10 each	(-)	672 35 00 000	-
2,28,080 9% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Aromatics and Petrochemicals Limited of ₹ 10 each	(2,28,080)	114 04 00 000	114 04 00 000
4,05,600 9% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Aromatics and Petrochemicals Limited of ₹ 10 each	(4,05,600)	202 80 00 000	202 80 00 000
3,33,340 10% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Polyolefins Limited of ₹ 10 each	(3,33,340)	166 67 00 000	166 67 00 000
1,66,040 10% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Polyolefins Limited of ₹ 10 each	(1,66,040)	83 02 00 000	83 02 00 000
38,90,000 10% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Commercial Land & Infrastructure Limited of ₹ 10 each	(38,90,000)	1945 00 00 000	1945 00 00 000
43,61,840 10% Non-Cumulative Optionally-Convertible Preference Shares of Reliance Commercial Land & Infrastructure Limited of ₹ 10 each	{43,61,840}	2180 92 00 000	2180 92 00 000
27,45,355 9% Non-Cumulative compulsorily convertible Preference Shares of Reliance Strategic Investments Limited ₹ 1 each	(27,45,355)	768 69 94 000	768 69 94 000
		6133 49 94 000	6133 49 94 000

@ During the year, the terms have been changed from “Non-Cumulative Redeemable Preference Shares” to “Non-Cumulative Optionally-Convertible Preference Shares”.

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
8. Cash and Bank Balance		
Cash and cash equivalents		
Balance with Bank in current account	12 00 118	30 083
	12 00 118	30 083

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

	2015-16 ₹	2014-15 ₹
9. Other income		
Consultancy fees	10 000	10 000
	<u>10 000</u>	<u>10 000</u>
10. Other Expenses		
Audit fees	17 175	13 483
# Professional fees	92 82 195	15 28 050
Filing fees	5 400	36 600
Charities and Donation	-	2 000
Directors Sitting Fees	6 09 292	-
General expenses	1 555	5 231
	<u>99 15 617</u>	<u>15 85 364</u>

Professional fees include payment to Key Managerial Personnel ₹ 92 22 082 (Previous Year ₹ 15 27 050)

	2015-16	2014-15
11. Earnings per share		
Net Profit after Tax as per Profit and Loss Statement (₹)	(99 05 578)	(15 75 364)
Less : Dividend on Cumulative Preference Shares	0	2 58 78 750
Adjusted Net Profit / (Loss) (₹)	(99 05 578)	(2 74 54 114)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10 000	10 000
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	8 04 86 541	10 000
Basic Earnings per share (₹)	(990.56)	(2,745.41)
Diluted Earnings per share (₹)	(990.56)	(2,745.41)
Face Value per Equity Share (₹)	10	10

12. The Previous year's figures have been regrouped / reclassified wherever necessary to conform with the current year presentation.

13. a) Deferred tax assets (net) as on 31st March, 2016 consists of the following items. As a matter of prudence, the Company has not recognised deferred tax assets in the books of accounts

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Deferred Tax Liabilities	Nil	Nil
Deferred Tax Assets		
Carried forward Losses	34 31 519	3 126
Deferred Tax Asset (Net)	<u>34 31 519</u>	<u>3 126</u>

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

- b) The Income-Tax assessments of the Company have been completed up to Assessment Year 2013-14. The disputed demand outstanding up to the said Assessment Year is ₹ Nil.
- c) Details of Loans given, Investment made and Guarantee given covered u/s. 186 (4) of the Companies Act, 2013
- Investments made by the Company as at 31st March, 2016 (Refer Note No. 7)
 - No Loans are given by the Company as at 31st March, 2016.
 - No Guarantees are given by the Company as at 31st March, 2016.

14. Contingent Liabilities

	2015-16	2014-15
	₹	₹
Arrears of Dividend on Cumulative Preference Shares	-	7 15 17 200

15. Segment Reporting

The Company has identified two reportable segments viz. Finance & Investments and Consultancy. Segments have been identified and reported taking into account nature of activities, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting.

a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment assets and segment liabilities represent assets and liabilities in respective segments.

i) Primary Segment Information

Sr No	Particulars	Finance & Investments		Consultancy		Unallocable		Total	
		2015-16 ₹	2014-15 ₹	2015-16 ₹	2014-15 ₹	2015-16 ₹	2014-15 ₹	2015-16 ₹	2014-15 ₹
1	Segment Revenue								
	External Turnover	-	-	10 000	10 000	-	-	10 000	10 000
2	Segment results before Interest and Taxes	-	-	10 000	10 000	(99 15 617)	(15 85 364)	(99 05 617)	(15 75 364)
	Less: Interest expense	-	-	-	-	-	-	-	-
	Add : Interest income	-	-	-	-	-	-	-	-
	Profit before tax	-	-	10 000	10 000	(99 15 617)	(15 85 364)	(99 05 617)	(15 75 364)
	Current tax (incl. taxes for earlier years)	-	-	-	-	(39)	-	(39)	-
	Net Profit after tax	-	-	10 000	10 000	(99 15 578)	(15 85 364)	(99 05 578)	(15 75 364)
3	Other Information								
	Segment Assets	6133 61 94 118	6133 50 24 083	-	-	-	-	6133 61 94 118	6133 50 24 083
	Segment Liabilities	1 27 71 186	16 95 573	-	-	-	-	1 27 71 186	16 95 573
	Capital Expenditure	-	-	-	-	-	-	-	-
	Depreciation	-	-	-	-	-	-	-	-

- ii) Since all the operations of the Company are conducted within India, as such there is no separate reportable geographical segment.

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

16. Related Party Disclosures

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

i) List of related parties and relationships :

Sr. No.	Name of the Related Parties	Relationship
1.	Reliance Industries Limited	Ultimate Holding Company
2.	Reliance Industrial Investments and Holding Limited	Parties where control exist
3.	Petroleum Trust	
4.	Reliance Aromatics and Petrochemicals Limited	Fellow Subsidiary Companies
5.	Reliance Chemicals Limited	
6.	Reliance Polyolefins Limited	
7.	Reliance Commercial Land and Infrastructure Limited	
8.	Reliance Corporate IT Park Limited	
9.	Reliance Strategic Investments Limited	
10.	Shri Varun Tekriwala (Manager)	Key Managerial Personnel

ii) Transactions during the year with related parties :

Sr No	Nature of Transaction (Excluding Reimbursement)	Ultimate Holding Company	Parties where control exist	Fellow Subsidiary Companies	Key Managerial Personnel	Total
		₹	₹	₹	₹	₹
1	Loans taken / (returned)	-	-	1 19 40 000	-	1 19 40 000
		-	-	-	-	-
2	Professional Fees	-	-	-	11 23 363	11 23 363
		-	-	-	8 88 768	8 88 768
	Balance as at 31st March, 2016					
3	Equity share capital	-	1 00 000	-	-	1 00 000
		-	1 00 000	-	-	1 00 000
4	Preference Share Capital (including premium)	-	6133 60 00 000	-	-	6133 60 00 000
		-	6133 60 00 000	-	-	6133 60 00 000
5	Long Term Borrowings	-	-	1 19 40 000	-	1 19 40 000
		-	-	-	-	-
6	Investments	-	-	6133 49 94 000	-	6133 49 94 000
		-	-	6133 49 94 000	-	6133 49 94 000
7	Other Current Liabilities	-	-	-	-	-
		5 81 475	-	8 09 668	-	13 91 143

Note :Figures in italic represent 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 Loans taken / (returned)			
Reliance Strategic Investments Limited	Fellow Subsidiary	1 19 40 000	-
2 Professional Fees			
Shri Varun Tekriwala	Key Managerial Personnel	11 23 363	8 88 768

As per our Report of even date

For **Pathak H. D. & Associates**
Chartered Accountants
Registration No.: 107783W

Saurabh Pamecha
Partner
Membership No. :126551

Mumbai
Dated : April 19, 2016

For and on behalf of the Board

K V V S Murthy
Director

Shivkumar R Bhardwaj
Director

Ketan Patil
Chief Financial Officer

K. Sridhar
Director

Dhiren V. Dalal
Director

V Saravanan
Company Secretary