

# **Reliance Ventures Limited**

# Independent Auditor's Report

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## To the Members of Reliance Ventures Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Reliance Ventures Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 standalone 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 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 standalone 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone 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 31<sup>st</sup> March, 2015, 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.
  - 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.

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- c. The Balance Sheet, the 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 standalone 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 March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. 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 have impact on its financial position.
  - ii. The Company did not have any 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 are required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Amit Chaturvedi**  
Partner  
Membership No.: 103141

Place : Mumbai  
Date : April 15, 2015

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

**K.K.Desai**  
Partner  
Membership No.: 100805

**Balance Sheet as at 31st March, 2015**

	Note	As at 31st March, 2015	₹ in lac As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	2 69	2 69
Reserves and Surplus	2	2584 52	2423 03
		<b>2587 21</b>	2425 72
<b>Current Liabilities</b>			
Short Term Borrowings	3	247 60	14 15
Trade payables	4	-	7 44
Other Current Liabilities	5	60 85	9 87
Short Term Provisions	6	43 80	4 05
		<b>352 25</b>	35 51
<b>TOTAL</b>		<b>2939 46</b>	2461 23
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Non-Current Investments	7	1773 19	1082 17
Long Term Loans and Advances	8	537 10	542 26
		<b>2310 29</b>	1624 43
<b>Current Assets</b>			
Current Investments	9	-	200 00
Inventories	10	300 47	209 23
Cash and Bank Balances	11	2 74	1 59
Short Term Loans and Advance	12	250 00	378 71
Other Current Assets	13	75 96	47 27
		<b>629 17</b>	836 80
<b>TOTAL</b>		<b>2939 46</b>	2461 23
Significant Accounting Policies See accompanying notes to the Financial Statements	1 to 26		

As per our Report of even date

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

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Mumbai  
Date : 15th April, 2015

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

**K.K. Desai**  
Partner  
Membership No. 100805

For and on behalf of the Board

**L.V. Merchant** - Chairman  
**K. Sethuraman**  
**V. Srikanth** Director  
**Dhiren Dalal**  
**B Chandrasekaran**

## Profit and Loss Statement for the year ended 31st March, 2015

	Note	2014-15	₹ in lac 2013-14
<b>INCOME</b>			
Revenue from Operations	14	264 48	164 56
Other Income	15	12	3
<b>Total Revenue</b>		<b>264 60</b>	<b>164 59</b>
<b>EXPENDITURE</b>			
Finance Cost	16	60 81	98 45
Other Expenses	17	2 55	10
<b>Total Expenses</b>		<b>63 36</b>	<b>98 55</b>
Profit before tax		201 24	66 04
<b>Tax Expenses</b>			
Current tax		39 75	10 50
Taxes for earlier years		-	( 1)
<b>Profit for the year</b>		<b>161 49</b>	<b>55 55</b>
Earnings per equity shares of face value of ₹ 10 each			
Basic and Diluted (in ₹)	18	600.07	206.42
Significant Accounting Policies See accompanying notes to the Financial Statements			
	1 to 26		

As per our Report of even date

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

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Mumbai  
Date : 15th April, 2015

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**K. Sethuraman**  
**V. Srikanth** Director  
**Dhiren Dalal**  
**B Chandrasekaran**

**Cash Flow Statement for the year 2014-15**

	2014-15	2013-14	₹ in lac
<b>A Cash Flow from Operating Activities</b>			
Net Profit before tax as per Statement of Profit and Loss	201 24		66 04
Adjusted for :			
Interest expenses	60 81	98 45	
Interest income	(79 92)	(97 26)	
Dividend income	(12 26)	(15 74)	
Income from investment in venture fund	(24 76)	(27 87)	
Profit / (loss) on sale of investments	(48 53)	1 57	
	<u>(104 66)</u>		<u>(40 85)</u>
<b>Operating Profit before working capital changes</b>	<b>96 58</b>		<b>25 19</b>
Adjusted for :			
Trade and other receivables	(14 12)	( 48)	
Inventories	(91 24)	(44 50)	
Trade and other payables	(7 43)	744	
F&O premium on open position	-	( 7)	
	<u>(112 79)</u>		<u>(37 61)</u>
<b>Cash (used in) operations</b>	<b>(16 21)</b>		<b>(12 42)</b>
Taxes paid	(40 06)		(10 20)
Net Cash (used in) operating activities	<u>(56 27)</u>		<u>(22 62)</u>
<b>B Cash flow from Investing Activities</b>			
Purchase of Investments	(1084 71)	(307 36)	
Sale of Investments	642 23	173 54	
Interest income	65 35	71 97	
Dividend income	12 26	15 74	
Income from venture fund	24 76	-	
Movement in Loans	173 93	195 58	
Net Cash from / (used in) Investing Activities	<u>(166 18)</u>		<u>149 47</u>
<b>C Cash flow from financing Activities</b>			
Loan from Holding Company	3984 43	8796 45	
Loan repaid to Holding Company	(3750 98)	(8782 30)	
Interest paid	(9 85)	(141 38)	
Net Cash generated from / (used in) Financing Activities	<u>223 60</u>		<u>(127 23)</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	<b>1 15</b>		<b>( 38)</b>
Opening Balance of Cash and Cash Equivalents	<b>1 59</b>		<b>1 97</b>
Closing Balance of Cash and Cash Equivalents (Refer Note No. 11)	<u><b>2 74</b></u>		<u><b>1 59</b></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 : 15th April, 2015

For **Rajendra & Co.**  
Firm Registration No : 108355W  
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**K.K. Desai**  
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For and on behalf of the Board

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**V. Srikanth** Director  
**Dhiren Dalal**  
**B Chandrasekaran**

## Significant Accounting Policies

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a) **Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the accounting standard notified under the relevant Companies Act, 2013.

b) **Revenue recognition**

The Company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis. Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

c) **Investments**

Current investments are carried at the lower of cost and quoted/fair value, computed category wise. Long term investments are carried at cost and provision for diminution in value is made only if such decline is other than temporary in the opinion of the management.

d) **Inventories**

Stock in Trade is valued at cost or market value / net asset value whichever is lower.

e) **Provision for Current and Deferred Tax**

Provision for current Income Tax is made on the taxable income under the Income Tax Act, 1961. Deferred tax arising on account of "timing difference" and which are capable of reversal in one or more subsequent periods, is recognised using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognised only to the extent there is virtual or reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

f) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

g) **Derivative transactions**

In respect of derivative contracts, premium paid, gains / losses on settlement and losses on restatement are recognised in the Profit and Loss Account.

## Notes on Financial Statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ in lac As at 31st March, 2014
<b>1 Share Capital</b>		
<b>Authorised :</b>		
29,00,000 Equity Shares of ₹ 10 each (29,00,000)	2 90	2 90
10,00,000 Preference Shares of ₹ 1 each (10,00,000)	10	10
	<u>3 00</u>	<u>3 00</u>
<b>Issued, Subscribed and Paid up:</b>		
26,91,150 Equity Shares of ₹ 10 each fully paid up (26,91,150)	2 69	2 69
	<u>2 69</u>	<u>2 69</u>
<b>Note</b>		
a) Details of Share holders holding more than 5% shares		
Name of the Shareholders	As at 31st March, 2015 No. of shares	As at 31st March, 2014 No. of Held (%) shares
Reliance Industries Limited (Holding Company)	26 91 150 100.00	26 91 150 100.00
b) Reconciliation of Equity shares outstanding at the beginning and at the end of the year		
Particulars	As at 31st March, 2015 Nos.	As at 31st March, 2014 Nos.
Equity shares at the beginning of the year	26 91 150	26 91 150
Add : Shares issued during the year	-	-
Equity shares at the end of the year	<u>26 91 150</u>	<u>26 91 150</u>
<b>2 Reserves and Surplus</b>		
<b>Capital Redemption Reserve</b>		
As per last Balance sheet	10	10
<b>Securities Premium Reserve</b>		
As per last Balance sheet	2347 85	2347 85
<b>Statutory Reserve Fund **</b>		
As per last Balance sheet	16 49	5 34
Add : Transferred from Profit and Loss account	<u>32 30</u>	<u>11 15</u>
	48 79	16 49
<b>Profit and Loss Account</b>		
As per last Balance Sheet	58 59	14 19
Add: Profit for the year	<u>161 49</u>	<u>55 55</u>
	220 08	69 74
Appropriation :		
Transferred to Statutory Reserve Fund	<u>32 30</u>	<u>11 15</u>
	187 78	58 59
	<u>2584 52</u>	<u>2423 03</u>

\*\* Created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.

## Notes on Financial Statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ in lac As at 31st March, 2014
<b>3 Short Term Borrowings</b>		
Unsecured Loans		
Loans from Holding Company	247 60	14 15
	<u>247 60</u>	<u>14 15</u>
	<u>247 60</u>	<u>14 15</u>
<b>4 Trade payables</b>		
Micro, Small and Medium Enterprises	-	-
Others	-	7 44
	<u>-</u>	<u>7 44</u>
	<u>-</u>	<u>7 44</u>
<b>5 Other Current Liabilities</b>		
Interest accrued and due, to the Holding Company	54 73	-
Others payables ***	6 12	9 87
	<u>60 85</u>	<u>9 87</u>
	<u>60 85</u>	<u>9 87</u>
*** Includes statutory dues, and provision for revenue expenditure		
<b>6 Short Term Provisions</b>		
Contingent provision against standard asset #	4 05	4 05
For Taxation	39 75	-
	<u>43 80</u>	<u>4 05</u>
	<u>43 80</u>	<u>4 05</u>

# Created pursuant to Section 45JA of the Reserve Bank of India Act, 1934 and Para 10 of Prudential Norms, 2015

## Notes on Financial Statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ in lac As at 31st March, 2014
<b>7 Non-Current Investments</b>		
<i>(Long Term Investments)</i>		
<i>(Valued at Cost less other than temporary diminution in value, if any)</i>		
<b>Other Investments</b>		
<b>(A) Quoted</b>		
<b>In Equity Shares - fully paid up</b>		
36,58,400 (48,97,000) HDFC Limited of ₹ 2 each	240 77	322 29
4,61,520 (4,61,520) Den Networks Limited of ₹ 10 each	4 45	4 45
	245 22	326 74
<b>In Debentures - fully paid up</b>		
— (1,500) HDB Financial Services Limited - 9.43% Secured Redeemable Non Convertible Debentures of ₹500000 each	-	75 00
2,250 (—) HDB Financial Services Limited - 0% Secured Redeemable Non Convertible Debentures of ₹ 1000000 each	225 00	-
3,000 (—) Indiabulls Housing Finance Limited - 0% Secured Redeemable Non Convertible Debentures of ₹1000000 each	300 00	-
1,252 (—) Kotak Mahindra Prime Limited - 0% Secured Redeemable Non Convertible Debentures of ₹ 1000000 each	99 98	-
22,505 (—) Citicorp Finance (India) Limited - 0% Secured Redeemable Non Convertible Debentures of ₹ 100000 each	225 05	-
	850 03	75 00
Total (A)	1095 25	401 74

## Notes on Financial Statements for the year ended 31st March, 2015

		As at 31st March, 2015	₹ in lac As at 31st March, 2014
<b>7</b>	<b>Non-Current Investments</b>		
	<b>(B) Unquoted</b>		
	<b>In Equity Shares of Subsidiary company - fully paid up</b>		
	50,000 Model Economic Township Limited	5	5
	(46,250) (Formerly Reliance Haryana SEZ Limited) of ₹ 10 each		
	<b>In Debentures - fully paid up</b>		
	— D.E. Shaw India Securities Private Limited - 7.90% Optionally Convertible Debentures of ₹ 100 each	-	201 40
	<b>In Venture fund - fully paid up</b>		
	2,73,770 HDFC India Real Estate Fund	29 33	29 33
	(2,73,770) of ₹ 1000 each		
	21,600 Urban Infrastructure Opportunities	188 86	190 58
	(21,600) Fund of ₹ 86160 each (previous year ₹ 86750 each)		
	50,000 JM Financial Property Fund - I	32 17	37 76
	(50,000) of ₹ 6432.82 each (previous year ₹ 7551.28 each)		
	27,10,745 Faering Capital India Evolving	271 08	170 56
	(17,05,638) Fund of ₹ 1000 each		
	15,64,500 KKR India Debt Fund I or ₹ 1000	156 45	50 75
	(5,07,500) each		
		<u>677 89</u>	<u>478 98</u>
	Total (B)	<u>677 94</u>	<u>680 43</u>
	Total (A+B)	<u>1773 19</u>	<u>1082 17</u>
	Aggregate amount of quoted investments	<b>1095 25</b>	401 74
	Market Value of quoted investments	<b>1392 57</b>	516 68
	Aggregate amount of unquoted investments	<b>677 94</b>	680 43
<b>8</b>	<b>Long Term Loans and Advances</b>		
	(Unsecured and considered good)		
	Loan to others *	<u>537 10</u>	<u>542 26</u>
		<u>537 10</u>	<u>542 26</u>

\* Refer note no. 24



## Notes on Financial Statements for the year ended 31st March, 2015

	2014-15	₹ in lac 2013-14
<b>14 Revenue from Operations</b>		
Interest on loans	62 56	57 94
Income from Long term investments		
Income from investment in venture funds	24 76	27 87
Dividend on investments	7 38	6 12
Dividend from venture fund	2 10	3 30
Interest on investments	8 88	39 32
Profit / (loss) on sale of investments	48 53	(1 57)
	<u>91 65</u>	75 04
Income from Current investments		
Interest on investments	8 48	-
Income from trading in shares / securities (Refer Note no. 26)		
Dividend on stock in trade	2 78	6 32
Profit on trading in shares / securities	98 57	22 72
	<u>101 35</u>	29 04
Profit on F&O dealings	44	2 54
	<u><u>264 48</u></u>	<u><u>164 56</u></u>
	<b>2014-15</b>	₹ in lac 2013-14
<b>15 Other Income</b>		
Interest others	12	3
	<u>12</u>	<u>3</u>
	<u><u>12</u></u>	<u><u>3</u></u>
	<b>2014-15</b>	₹ in lac 2013-14
<b>16 Finance Cost</b>		
Interest on Loans	60 81	98 45
	<u>60 81</u>	<u>98 45</u>
	<u><u>60 81</u></u>	<u><u>98 45</u></u>
	<b>2014-15</b>	₹ in lac 2013-14
<b>17 Other Expenses</b>		
Auditors remuneration		
Statutory audit fees	3	2
Tax audit fees	1	1
Certification fees (previous year ₹ 1686/-)	-	0
	<u>4</u>	<u>3</u>
Professional fees	1	1
Brokerage	24	-
Securities transaction tax	1 85	6
Demat/Custodian charges (₹ 8878/-, previous year ₹ 982/-)	0	0
Filing fees (₹ 15500/-, previous year ₹ 500/-)	0	0
Directors sitting fees (₹ 29000/-, previous year ₹ 31000/-)	0	0
Charity and donations *	40	-
General expenses (previous year ₹ 28470/-)	1	0
	<u>2 55</u>	<u>10</u>
	<u><u>2 55</u></u>	<u><u>10</u></u>

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

## Notes on Financial Statements for the year ended 31st March, 2015

18 Earnings per share	2014-15	2013-14
Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lac)	161 49	55 55
Weighted average number of equity shares used as denominator for calculating EPS Basic, as well as diluted earnings per equity share (₹)	26 91 150	26 91 150
Face value per equity share (₹)	600.07	206.42
	10	10

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

20 The Company has no deferred tax assets or liabilities in accordance with Note (e) of Significant Accounting Policies

21 Contingent Liabilities	As at 31st March, 2015 ₹ in lac	As at 31st March, 2014 ₹ in lac
i) Commitments towards venture fund units	37 56	253 69
ii) Bond executed in favour of Central Excise (for the Holding Company)	400 00	400 00

### 22 Segment Reporting

The Company is engaged in business of Financing and Investments in shares and securities and there are no separate business/geographical segments as per Accounting Standard - 17 "Segment Reporting".

23 Disclosure under listing agreement

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

(₹ in lac)

Sr No.	Name of the Company		As at 31st March, 2015	Maximum balance during the year	As at 31st March, 2014	Maximum balance during the year
1	Reliance Commercial Trading Private Limited		11 88	11 88	11 04	11 81
2	Shinano Retail Private Limited		349 97	349 97	349 97	349 97
3	Nexg Ventures India Private Limited		153 25	153 25	153 25	153 25
4	Jewels Buildcon Private Limited		30 00	32 00	32 00	32 00
5	Logix Realtech Private Limited		-	70 00	70 00	70 00
6	JM Financial Products Limited	Others	25 00	25 00	-	25 00
7	Wadhwa Construction & Infrastructure Private Limited		-	125 00	125 00	125 00
8	Raghuleela Builders Private Limited		175 00	175 00	-	175 00
9	Devaryaa Hospitalities Private Limited		-	30 00	-	30 00
10	Indo Global Soft Solutions & Technologies Private Limited		-	95 00	-	95 00
11	Reliance Commercial Dealers Limited		-	315 15	177 90	263 90
12	Reliance Global Trading Private Limited		20	36	7	15

Loans and advances shown above to others are towards business purpose,

- under item nos. 1 & 2 are long term zero coupon optionally convertible loans
- under item no. 3 is long term interest bearing loan for two years
- under item no. 4 is interest bearing loan repayable quarterly wef 31st March, 2015 in sixteen equal instalment.
- under item nos. 5 to 10 are short term interest bearing loans
- under item no. 11 to 12 are short term interest free loans

## Notes on Financial Statements for the year ended 31st March, 2015

### 24 Related Party

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

#### i) List of related parties with whom transactions have taken place and relationship:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Model Economic Township Limited (Formerly Reliance Haryana SEZ Limited)	Subsidiary Companies
3	Resolute Land Consortium Projects Limited (Formerly Model Economic Township Limited)	
4	Bhagyashri Mercantile Private Limited (from 05.11.2014)	
5	Chitrani Mercantile Private Limited (from 05.11.2014)	
6	Gopesh Commercials Private Limited (from 05.11.2014)	
7	Nemita Commercials Private Limited (from 05.11.2014)	
8	Nisarga Commercials Private Limited (from 05.11.2014)	
9	Prakruti Commercials Private Limited (from 05.11.2014)	
10	Vijayant Commercials Private Limited (from 05.11.2014)	
11	Reliance Industrial Investments and Holdings Limited	
12	Reliance Gas Pipelines Limited	

ii) Transactions during the year with related parties:		(₹ in lac)			
Nature of Transaction		Holding Company	Subsidiary Company	Fellow Subsidiary Companies	Total
1	Loans taken / (repaid) (net)	<b>233 45</b> <i>(27 85)</i>	-	-	<b>233 45</b> <i>(27 85)</i>
2	Loans and Advances given / (returned) (net)	-	-	-	-
		-	<i>(350 00)</i>	<i>( 15)</i>	<i>(350 15)</i>
3	Sale / redemption of Investments	-	-	-	-
		-	-	5	5
4	Interest expenses	<b>60 81</b> <i>98 45</i>	-	-	<b>60 81</b> <i>98 45</i>
<b>Balance as on 31st March, 2015</b>					
5	Equity share capital (including premium)	<b>2350 55</b> <i>2350 55</i>	-	-	<b>2350 55</b> <i>2350 55</i>
6	Loan taken	<b>247 60</b> <i>14 15</i>	-	-	<b>247 60</b> <i>14 15</i>
7	Interest accrued and due	<b>54 73</b> <i>-</i>	-	-	<b>54 73</b> <i>-</i>
8	Investments	-	<b>5</b> <i>5</i>	-	<b>5</b> <i>5</i>

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

## Notes on Financial Statements for the year ended 31st March, 2015

### Disclosure in Respect of Material Related Party Transactions during the year:

Particulars	Relationship	2014-15 (₹ in lac)	2013-14 (₹ in lac)
<b>1 Loans taken / (repaid) (net)</b>			
Reliance Industries Limited	Holding Company	<b>233 45</b>	(27 85)
<b>2 Loans and Advances given / (returned) net</b>			
Model Economic Township Limited	Subsidiary	-	(350 00)
Reliance Gas Pipelines Limited	Fellow Subsidiary	-	(15 00)
<b>3 Sale / redemption of Investments</b>			
Reliance Industrial Investments and Holding Limited	Fellow Subsidiary	-	5
<b>4 Interest expenses</b>			
Reliance Industries Limited	Holding Company	<b>60 81</b>	98 45

25 Details of income from trading in shares / securities		Unit	As at 31st March, 2015		As at 31st March, 2014	
			Quantity	Value (₹ in lac)	Quantity	Value (₹ in lac)
<b>Opening Stock</b>	- Equity Shares	Nos.	<b>10144496</b>	<b>209 23</b>	9350671	164 73
	- Mutual Fund	Nos.	-	-	-	-
				<b>209 23</b>		164 73
<b>Purchases</b>	- Equity Shares	Nos.	<b>15696318</b>	<b>868 35</b>	801925	61 23
	- Mutual Fund	Nos.	<b>314765168</b>	<b>2452 00</b>	227949104	7600 00
				<b>3320 35</b>		7661 23
<b>Sales / Redemption</b>	- Equity Shares	Nos.	<b>21892724</b>	<b>852 11</b>	8100	1 55
	- Mutual Fund	Nos.	<b>314765168</b>	<b>2475 58</b>	227949104	7637 90
				<b>3327 68</b>		7639 45
<b>Closing Stock</b>	- Equity Shares	Nos.	<b>3948090</b>	<b>300 47</b>	10144496	209 23
	- Mutual Fund	Nos.	-	-	-	-
				<b>300 47</b>		209 23
				<b>98 57</b>		22 72

### 26 NBFC Disclosures

26.1 Disclosures of details as required by Paragraph 11 and 13 of Systemically Important Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, are given to the extent applicable.

Liabilities side	Amount outstanding	(₹ in lac) Amount overdue
I Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid		
a) Inter-corporate loans and borrowing	302 33	NIL
<b>Assets side</b>		(₹ in lac) Amount Outstanding
II Break-up of Loans and Advances including bills receivables (other than those included in (IV) below)		
Unsecured		821 26
III Break up of Leased Assets and Stock on hire and other assets counting towards AFC activities		NIL

## Notes on Financial Statements for the year ended 31st March, 2015

### 26 NBFC Disclosures (Contd...)

(₹ in lac)

#### IV Break-up of Investments

##### Current Investments (Incl. Stock-in-trade)

##### 1. Quoted

i) Shares : Equity

300 47

ii) Debentures

-

##### Long Term investments

##### 1. Quoted

i) Shares : Equity

245 22

ii) Debentures

850 03

##### 2. Unquoted

i) Shares : Equity

5

ii) Debentures

-

iii) Units of venture funds

677 89

#### V Borrower group-wise classification of assets financed as in (II) and (III) above :

Category	Amount net of provision		Total
	Secured	Unsecured	
1. Related Parties			
i) Subsidiaries	NIL	NIL	NIL
ii) Companies in same group	NIL	NIL	NIL
2. Other than related parties	NIL	821 26	821 26
Total	NIL	821 26	821 26

#### VI Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Category

##### 1. Related Parties

i) Subsidiary company

5

5

ii) Other related parties

NIL

NIL

##### 2. Other than related parties

2383 13

2073 61

Total

2383 18

2073 66

#### VII Other information

##### Particulars

1. Gross Non-Performing Assets

NIL

2. Net Non-Performing Assets

NIL

3. Assets acquired in satisfaction of debt

NIL

#### 26.2 1. Capital to Risk Assets Ratio (CRAR)

	As at 31st March, 2015 (%)	As at 31st March, 2014 (%)
i) CRAR	82.72	83.45
ii) CRAR - Tier I Capital	82.59	83.31
iii) CRAR - Tier II Capital	0.13	0.14

## Notes on Financial Statements for the year ended 31st March, 2015

### 26 NBFC Disclosures (Contd...)

2.	Exposure to Real Estate Sector		(₹ in lac)
	Category	<b>As at 31st March, 2015</b>	As at 31st March, 2014
a)	Direct exposure		
i)	Residential Mortgages	NIL	NIL
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹.15 lakh may be shown separately)		
ii)	Commercial Real Estate	NIL	NIL
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential building, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;		
iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
	- Residential	NIL	NIL
	- Commercial Real Estate	NIL	NIL
b)	Indirect Exposure *	<b>791 13</b>	579 96
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		

\* Investment in Property Venture Funds / Debentures / Equity shares of HDFC Limited

3.	Asset Liability Management - maturity pattern of certain items of assets and liabilities									(₹ in lac)
		1 day to 30/ 31 days one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
	<b>Liabilities</b>									
	Borrowings from Banks	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Market Borrowings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Assets</b>									
	Advances	37 36	NIL	185 39	2 00	26 31	208 35	NIL	361 85	821 26
	Investments	NIL	NIL	NIL	300 47	NIL	1616 69	NIL	156 50	2073 66

### 26.3 Additional Disclosures

- There is no Registration / licence/ authorisation obtained from other financial sector regulators by the Company.
- There are no ratings assigned by any credit rating agencies and hence no migration of ratings during the year.
- There is no Penalties levied by any regulator on the Company during the year.
- Country of operation is whole of India and there are no joint venture partners and Overseas Subsidiaries of the Company.

As per our Report of even date

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

**Amit Chaturvedi**  
Partner  
Membership No. 103141

Mumbai  
Date : 15th April, 2015

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

**K.K. Desai**  
Partner  
Membership No. 100805

For and on behalf of the Board

**L.V. Merchant** - Chairman  
**K. Sethuraman**  
**V. Srikanth** Director  
**Dhiren Dalal**  
**B Chandrasekaran**