

**RELIANCE RETAIL FINANCE LIMITED**  
**FINANCIAL STATEMENTS**  
**2016-17**

## Independent Auditor's Report

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### TO THE MEMBERS OF RELIANCE RETAIL FINANCE LIMITED

#### Report on the Financial Statements

We have audited the accompanying Financial statements of

**Reliance Retail Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the 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 state of affairs, profit or loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity 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 in terms of Section 143(11) of the Act, we give in "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:

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- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 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 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 on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts 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.
  - iv. The Company did not hold any Specified Bank Notes as on 8th November, 2016 and Company had not dealt with such notes during the period from 8th November, 2016 to 30th December, 2016 and hence, the requirement of disclosure in financial statements is not applicable to the Company.

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

Place: Mumbai  
Date : April 14, 2017

**Jignesh Mehta**  
Partner  
Membership No.: 102749

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**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE RETAIL FINANCE LIMITED**

**(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 has no Fixed assets during the year, clause (i) (a) to clause (i) (c) of paragraph 3 of the Order is not applicable to the Company.
- ii) As the Company has no Inventories, clause (ii) 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 not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons and has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given, as applicable.
- 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, 2017 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 any loans from financial institutions or banks or government or debenture holders. Therefore, the 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 Loan 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) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- 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.

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- xiii) In our opinion and according to the information and explanations given to us, section 177 of the Act is not applicable to the Company. Further, Company is in compliance with the section 188 of the Act and 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 of shares 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.
- 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 **Chaturvedi & Shah**  
Chartered Accountants  
(Firm Registration no. 101720W)

Place: Mumbai  
Date : April 14, 2017

**Jignesh Mehta**  
Partner  
Membership No.: 102749

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**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE RETAIL FINANCE LIMITED**

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

**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 Retail Finance Limited** ("the Company") as of 31<sup>st</sup> March, 2017 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 (the "Guidance Note") 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 issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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.

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**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 31<sup>st</sup> March, 2017, 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 issued by ICAI.

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

**Jignesh Mehta**  
Partner  
Membership No.: 102749

Place: Mumbai  
Date : April 14, 2017

## Balance Sheet as at 31st March, 2017

	Notes	As at 31st March, 2017	As at 31st March 2016	Amount in ₹ As at 1st April 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Financial Assets				
Investments	1	<b>101 00 00 000</b>	101 00 00 000	101 00 00 000
<b>Total Non-Current assets</b>		<b>101 00 00 000</b>	101 00 00 000	101 00 00 000
<b>Current assets</b>				
Financial Assets				
Investments	2	<b>95 55 474</b>	91 47 516	86 43 943
Cash and cash equivalents	3	<b>1 52 025</b>	42 203	32 882
Current tax assets (Net)	4	-	-	11 246
<b>Total Current assets</b>		<b>97 07 499</b>	91 89 719	86 88 071
<b>Total Assets</b>		<b>101 97 07 499</b>	101 91 89 719	101 86 88 071
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	5	<b>2 02 00 000</b>	2 02 00 000	2 02 00 000
Other Equity	6	<b>99 91 29 642</b>	99 88 93 288	99 84 00 401
<b>Total equity</b>		<b>101 93 29 642</b>	101 90 93 288	101 86 00 401
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Deferred tax Liabilities	7	<b>2 58 357</b>	-	-
		<b>2 58 357</b>	-	-
<b>Current liabilities</b>				
Other Current liabilities	8	<b>1 19 500</b>	96 431	87 670
<b>Total current liabilities</b>		<b>1 19 500</b>	96 431	87 670
<b>Total Liabilities</b>		<b>3 77 857</b>	96 431	87 670
<b>Total Equity and Liabilities</b>		<b>101 97 07 499</b>	101 91 89 719	101 86 88 071
Significant Accounting Policies				
See accompanying Notes to the Financial Statements 1 to 20				

As per our Report of even date

**For Chaturvedi & Shah**

Chartered Accountants

Firm Registration No : 101720W

**Jignesh Mehta**

Partner

Membership No.: 102749

Mumbai

Dated : April 14, 2017

For and on behalf of the Board

**Atul Dayal**

Director

**M. N. Bajpai**

Director

**Rohit C. Shah**

Director

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

	Notes	2016-17	Amount in ₹ 2015-16
<b>INCOME</b>			
Other Income	9	<u>6 57 958</u>	<u>7 04 462</u>
<b>Total Income</b>		<u>6 57 958</u>	<u>7 04 462</u>
<b>EXPENDITURE</b>			
Other Expenses	10	<u>1 63 247</u>	<u>1 85 429</u>
<b>Total Expenses</b>		<u>1 63 247</u>	<u>1 85 429</u>
Profit / (Loss) Before Tax		<b>4 94 711</b>	5 19 033
<b>Tax Expenses</b>			
Current Tax	4	-	26 146
Deferred Tax	4	<u>2 58 357</u>	-
<b>Profit / (Loss) for the Year</b>		<u>2 36 354</u>	<u>4 92 887</u>
<b>Other comprehensive income:</b>			
a) Items that will be reclassified to profit or loss		-	-
b) Other item not to be reclassified in Profit & Loss account		-	-
<b>Total comprehensive income for the year</b>		<u>2 36 354</u>	<u>4 92 887</u>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic (in ₹)	11	0.12	0.24
Diluted (in ₹)	11	0.12	0.24
Significant Accounting Policies See accompanying Notes to the Financial Statements	1 to 20		

As per our Report of even date

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

**Jignesh Mehta**  
Partner  
Membership No.: 102749

Mumbai  
Dated : April 14, 2017

For and on behalf of the Board

**Atul Dayal**  
Director

**M. N. Bajpai**  
Director

**Rohit C. Shah**  
Director

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

### A. EQUITY SHARE CAPITAL

					Amount in ₹
Balance at the beginning of the reporting period i.e. 1st April, 2015	Changes in equity share capital during the year 2015-16	Balance at the end of the reporting period i.e. 31st March, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017	
2 02 00 000	-	2 02 00 000	-	2 02 00 000	

### B. OTHER EQUITY

					Amount in ₹
					<b>Reserves and Surplus</b>
					<b>Statutory Reserve Fund *</b>
					<b>Retained Earnings</b>
					<b>Total</b>
<b>Year ended 31st March, 2016</b>					
Balance at beginning of reporting period		20 42 41 992	79 41 58 409		99 84 00 401
Total Comprehensive Income for the year			4 92 887		4 92 887
Balance at the end of the reporting period		20 42 41 992	79 46 51 296		99 88 93 288
<b>Year ended 31st March, 2017</b>					
Balance at beginning of reporting period		20 42 41 992	79 46 51 296		99 88 93 288
<b>Total Comprehensive Income for the year</b>			<b>2 36 354</b>		<b>2 36 354</b>
<b>Balance at the end of the reporting period</b>		<b>20 42 41 992</b>	<b>79 48 87 650</b>		<b>99 91 29 642</b>

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

As per our Report of even date

**For Chaturvedi & Shah**

Chartered Accountants

Firm Registration No : 101720W

**Jignesh Mehta**

Partner

Membership No.: 102749

Mumbai

Dated : April 14, 2017

For and on behalf of the Board

**Atul Dayal**

Director

**M. N. Bajpai**

Director

**Rohit C. Shah**

Director

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

	2016-17	Amount in ₹ 2015-16
<b>A Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before tax as per Profit and Loss Statement	4 94 711	5 19 033
Adjusted for :		
Profit on sale of current investments	( 6 57 958)	( 7 03 572)
Interest paid	-	-
	<u>( 6 57 958)</u>	<u>( 7 03 572)</u>
<b>Operating (Loss) before Working Capital Changes</b>	<b>( 1 63 247)</b>	<b>( 1 84 539)</b>
Adjusted for :		
Other current liabilities payable	<u>23 069</u>	<u>( 17 386)</u>
	<u>23 069</u>	<u>( 17 386)</u>
<b>Cash from (used in) Operations</b>	<b>( 1 40 178)</b>	<b>( 2 01 925)</b>
Taxes paid	-	11 246
Net Cash from (used in) Operating Activities	<u>( 1 40 178)</u>	<u>( 1 90 679)</u>
<b>B Cash Flow from Investing Activities</b>		
Payment for financial assets	-	(101 00 00 000)
Proceeds from sale of financial assets	<u>2 50 000</u>	<u>101 02 00 000</u>
Net Cash from (used in) Investing Activities	<u>2 50 000</u>	<u>2 00 000</u>
<b>C Cash Flow from Financing Activities</b>		
Net Cash from (used in) Financing Activities	<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	<b>1 09 822</b>	<b>9 321</b>
Opening Balance of Cash and Cash Equivalents	<u>42 203</u>	<u>32 882</u>
Closing Balance of Cash and Cash Equivalents	<u><b>1 52 025</b></u>	<u><b>42 203</b></u>
(Refer Note No. 3)		

As per our Report of even date  
**For Chaturvedi & Shah**  
 Chartered Accountants  
 Firm Registration No : 101720W

**Jignesh Mehta**  
 Partner  
 Membership No.: 102749

Mumbai  
 Dated : April 14, 2017

For and on behalf of the Board

**Atul Dayal**  
 Director

**M. N. Bajpai**  
 Director

**Rohit C. Shah**  
 Director

## Notes to the Financial Statements

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### A. CORPORATE INFORMATION

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

### B. ACCOUNTING POLICIES

#### B.1 Basis of Preparation and Presentation

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

The Company being NBFC, Ind-AS is applicable with effect from April 1, 2018 vide MCA Notification No. 365 dated March 30, 2016. Since Reliance Industries Limited (the Ultimate Holding Company) is required to prepare Consolidated Financial Statements in compliance with Ind-AS notified by MCA, these financial statements and all the notes appearing hereto are prepared accordingly only for the said purpose.

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

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

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

#### B.2 Summary of Significant Accounting Policies

##### (a) Borrowings Cost

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

##### (b) Inventories

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

Cost of Inventories are determined on weighted average basis.

##### (c) Provisions

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

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

##### (d) Taxation

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

##### Current Tax

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

## Notes to the Financial Statements (Continued)

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### **Deferred Tax**

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

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

### **(e) Cash and cash equivalents**

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

### **(f) Foreign currencies**

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

### **Transactions and balances**

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

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

### **(g) Revenue recognition**

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

Revenue is recognised only if following condition are satisfied:

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

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

### **Interest income**

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

### **Dividends**

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

## Notes to the Financial Statements (Continued)

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### (h) Financial instruments

#### i) Financial Assets

##### A. Initial recognition and measurement

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

##### B. Subsequent measurement

###### a) Financial assets carried at amortised cost (AC)

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

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

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

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

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

##### C. Equity instruments

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

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

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

##### E. Impairment of financial assets

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

###### a) Financial assets at amortised cost

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

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

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

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not

## Notes to the Financial Statements (Continued)

increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

### ii) Financial Liabilities

#### A. Initial recognition and measurement:

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

#### B. Subsequent measurement:

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

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

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

#### (a) Recoverability of trade receivable:

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

#### (b) Provisions

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

#### (c) Impairment of financial assets:

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

### D. FIRST TIME ADOPTION OF IND AS

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

#### a) Exemptions from retrospective application:

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

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

## Notes to the Financial Statements (Continued)

	31st March, 2017		31st March, 2016		(Amount ₹) 1st April, 2015	
	Units	Amount	Units	Amount	Units	Amount
<b>1. NON-CURRENT INVESTMENTS</b>						
<i>(Long Term Investments)</i>						
<b>Other Investments</b>						
<b>Investments measured at Cost</b>						
<b>In Preference Shares of Holding Company</b>						
<b>(Revised Classification Equity)</b>						
<b>Unquoted, fully paid up</b>						
9% Cumulative Optionally Convertible Preference Shares of						
Reliance Industrial Investments and Holdings Limited of ₹ 10 each	-	-	-	-	5,05,000	101 00 00 000
<b>In Debentures of Fellow Subsidiary Companies</b>						
<b>(Revised Classification Equity)</b>						
<b>Unquoted, fully paid up</b>						
Zero Coupon Unsecured Optionally Convertible Debentures of						
Reliance Commercial Land & Infrastructure Limited of ₹ 10 each	10,10,00,000	101 00 00 000	10,10,00,000	101 00 00 000	-	-
<b>Total Non Current Investments</b>		<u>101 00 00 000</u>		<u>101 00 00 000</u>		<u>101 00 00 000</u>
Aggregate amount of unquoted investments		101 00 00 000		101 00 00 000		101 00 00 000
<b>1.1 Category-wise Non current investment</b>						Amount in ₹
			<b>As at</b>	<b>As at</b>		<b>As at</b>
			<b>31st March, 2017</b>	<b>31st March, 2016</b>		<b>1st April, 2015</b>
<b>Financial assets measured at Cost</b>						
In Preference Shares of Holding Company			-	-		101 00 00 000
In Debentures of Fellow Subsidiary Companies			101 00 00 000	101 00 00 000		-
			<u>101 00 00 000</u>	<u>101 00 00 000</u>		<u>101 00 00 000</u>
						(Amount ₹)
<b>2. CURRENT INVESTMENTS</b>						
<i>(Carried at fair value, including current portion of long term investment, if any)</i>						
<b>In Mutual Fund</b>						
<b>Unquoted</b>						
ICICI Prudential Liquid - Growth Plan of ₹ 100 each	39,789	95 55 474	40,864	91 47 516	41,807	86 43 943
<b>Total Current Investments</b>		<u>95,55,474</u>		<u>91,47,516</u>		<u>86,43,943</u>

## Notes to the Financial Statements (Continued)

2.1 Category-wise Current investment	As at 31st March, 2017	As at 31st March, 2016	(Amount ₹) As at 1st April, 2015
<b>Financial assets carried at fair value through profit and loss</b>			
In Mutual Funds	95 55 474	91 47 516	86 43 943
	<u>95 55 474</u>	<u>91 47 516</u>	<u>86 43 943</u>
<b>3. CASH AND CASH EQUIVALENTS</b>			(Amount ₹)
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Bank Balances:			
In Current Accounts	1 52 025	42 203	32 882
<b>Cash and cash equivalents as per balance sheet</b>	<u>1 52 025</u>	<u>42 203</u>	<u>32 882</u>
<b>Cash and cash equivalent as per statement of cash flows</b>	<u>1,52,025</u>	<u>42,203</u>	<u>32,882</u>
<b>4. TAXATION</b>			(Amount ₹)
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>a) Income tax recognised in profit or loss</b>			
<b>Current tax</b>			
In respect of the current year	-	-	-
In respect of prior year	-	26 146	-
	<u>-</u>	<u>26 146</u>	<u>-</u>
<b>Deferred tax</b>	2 58 357	-	-
<b>Total income tax expenses recognised in the current year relating to continuing operations</b>	<u>2 58 357</u>	<u>26 146</u>	<u>-</u>
The income tax expenses for the year can be reconciled to the accounting profit as follows:			(Amount ₹)
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Profit before tax from continuing operations	4 94 711	5 19 033	-
Income tax expenses recognised in profit or loss	-	-	-
The Company has no deferred tax assets or liabilities			
<b>b) Current tax assets (Net)</b>			(Amount ₹)
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
At start of year	-	11 246	-
Charge for the year	-	-	-
Over provision prior period	-	-	-
Tax paid / (refund received) during the year	-	( 11 246)	-
At end of year	<u>-</u>	<u>-</u>	<u>11 246</u>

## Notes to the Financial Statements (Continued)

	As at 31st March, 2017		As at 31st March, 2016		(Amount ₹) As at 1st April, 2015	
	Units	Amount	Units	Amount	Units	Amount
<b>5. SHARE CAPITAL</b>						
<b>Authorised:</b>						
Equity Shares of ₹ 10/- each	45,00,000	4 50 00 000	45,00,000	4 50 00 000	45,00,000	4 50 00 000
		<u>4 50 00 000</u>		<u>4 50 00 000</u>		<u>4 50 00 000</u>
<b>Issued, Subscribed and Paid up:</b>						
Equity Shares of ₹ 10/- each fully paid up	20,20,000	2 02 00 000	20,20,000	2 02 00 000	20,20,000	2 02 00 000
		<u>2 02 00 000</u>		<u>2 02 00 000</u>		<u>2 02 00 000</u>

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

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016		(Amount in ₹) As at 1st April, 2015	
	Nos. of shares	% held	Nos. of shares	% held	Nos. of shares	% held
<b>Holding Company :</b>						
Reliance Industrial Investments and Holdings Limited	20 20 000	100.00	20 20 000	100.00	20 20 000	100.00

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

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Equity (Nos.)	Preference (Nos.)	Equity (Nos.)	Preference (Nos.)	Equity (Nos.)	Preference (Nos.)
Shares at the beginning of the year	20 20 000	-	20 20 000	-	20 20 000	-
Add : Shares issued during the year	-	-	-	-	-	-
Shares at the end of the year	<u>20 20 000</u>	<u>-</u>	<u>20 20 000</u>	<u>-</u>	<u>20 20 000</u>	<u>-</u>

### 5.3 Rights, Preferences and Restrictions attached to shares

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

## 6. OTHER EQUITY

	As at 31st March, 2017		As at 31st March, 2016		(Amount ₹) As at 1st April, 2015	
	<b>Statutory Reserve Fund*</b>					
As per last Balance Sheet	20 42 41 992		20 42 41 992		20 42 41 992	
<b>Retained Earnings</b>						
As per last Balance Sheet	79 46 51 296	79 41 58 409				
Add : Profit for the year	2 36 354	4 92 887				
	<u>79 48 87 650</u>	<u>79 46 51 296</u>			<u>79 41 58 409</u>	
	<u>99 91 29 642</u>	<u>99 88 93 288</u>			<u>99 84 00 401</u>	

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

## Notes to the Financial Statements (Continued)

### 7. DEFERRED TAX LIABILITY

Deferred tax is calculated, in full, on all temporary timing differences under the liability method using a principal tax rate prevalent in the various jurisdictions the Company operates in. The movement on the deferred tax account is as follows:

	As at 31st March, 2017	As at 31st March, 2016	(Amount ₹) As at 1st April, 2015
At start of year	-	-	-
Charge / (Credit) to profit and loss	2 58 357	-	-
Charge to other comprehensive income	-	-	-
At end of year	<u>2 58 357</u>	<u>-</u>	<u>-</u>

### 8. OTHER FINANCIAL AND CURRENT LIABILITIES

	As at 31st March, 2017	As at 31st March, 2016	(Amount ₹) As at 1st April, 2015
Other Payables *	1 19 500	96 431	87 670
	<u>1 19 500</u>	<u>96 431</u>	<u>87 670</u>

\* Includes Statutory Dues and liabilities for expenses.

### 9. OTHER INCOME

	2016-17	(Amount ₹) 2015-16
Other Non Operating Income	-	890
<b>Gain on Financial Assets</b>		
Realised Gains	209	2 039
Unrealised Gains	6 57 749	7 01 533
	<u>6 57 958</u>	<u>7 04 462</u>

### 10. OTHER EXPENSES

	2016-17	(Amount ₹) 2015-16
<b>Establishment Expenses</b>		
Professional Fees	13 055	-
General Expenses	25 637	76 115
Rates and Taxes	7 305	9 646
Membership Fees	22 950	12 648
Payment to Auditors	94 300	87 020
	<u>1 63 247</u>	<u>1 85 429</u>

#### 10.1 Payment to Auditors as

	2016-17	(Amount ₹) 2015-16
Statutory Audit fees	74 750	68 700
Certification and Consultation Fees	19 550	18 320
	<u>94 300</u>	<u>87 020</u>

## Notes to the Financial Statements (Continued)

<b>11. EARNINGS PER SHARE</b>	<b>2016-17</b>	(Amount ₹) 2015-16
Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (₹)	<b>2 36 354</b>	4 92 887
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	<b>20 20 000</b>	20 20 000
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	<b>20 20 000</b>	20 20 000
Basic Earnings per share (₹)	<b>0.12</b>	0.24
Diluted Earnings per share (₹)	<b>0.12</b>	0.24
Face Value per Equity Share (₹)	<b>10</b>	10

12. The Income-Tax assessments of the Company have been completed up to Assessment Year 2014-15. The disputed demand outstanding up to the said Assessment Year is ₹ Nil.
13. Deferred tax assets (net) as at Balance Sheet date consists of the following items. As a matter of prudence, the Company has not recognised deferred tax assets in the books of accounts

	As at <b>31st March, 2017</b>	(Amount ₹) As at 31st March, 2016
Deferred Tax Liabilities	Nil	Nil
Deferred Tax Assets		
Carried forward Losses	<b>22 96 70 886</b>	1 47 48 480
	<b>22 96 70 886</b>	1 47 48 480

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

Loans given and Investments made are given under the respective heads

No Guarantees / Securities are given by the Company as at 31st March, 2017

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

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

## 16. APPROVAL OF FINANCIAL STATEMENTS

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

## 17 RELATED PARTY DISCLOSURES

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

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Commercial Land & Infrastructure Limited	Fellow Subsidiary Company

## Notes to the Financial Statements (Continued)

ii) Transactions during the year with related parties:				Amount in ₹
Sr. No.	Nature of Transaction (Excluding reimbursements)	Holding Company	Fellow Subsidiary Companies	Total
1	Purchase / Subscription of Investments	-	-	-
			<i>101 00 00 000</i>	<i>101 00 00 000</i>
2	Redemption of Investments	-	-	-
		<i>101 00 00 000</i>	-	<i>101 00 00 000</i>
<b>Balance as at 31st March, 2017</b>				
3	<b>Equity Share Capital</b>	<b>2 02 00 000</b>	-	<b>2 02 00 000</b>
		<i>2 02 00 000</i>	-	<i>2 02 00 000</i>
4	<b>Investments</b>	-	<b>101 00 00 000</b>	<b>101 00 00 000</b>
		-	<i>101 00 00 000</i>	<i>101 00 00 000</i>

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

Disclosure in Respect of Major Related Party Transactions during the year:				(Amount ₹)
Particulars	Relationship	2016-17	2015-16	
<b>1 Purchase / Subscription of Investments</b>				
Reliance Commercial Land & Infrastructure Limited	Fellow Subsidiary	-	101 00 00 000	
<b>2 Redemption of Investments</b>				
Reliance Industrial Investments and Holdings Limited	Holding	-	101 00 00 000	

### Notes :

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

## 18 CAPITAL MANAGEMENT

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

## 19 FINANCIAL RISK MANAGEMENT

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

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

### A) Liquidity Risk

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

### B) Credit Risk

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

## Notes to the Financial Statements (Continued)

### 19.1 Fair value measurement hierarchy:

(Amount ₹)

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Carrying Amount	Level of Input used Level 1	Level 2	Carrying Amount	Level of Input used Level 1	Level 2	Carrying Amount	Level of Input used Level 1	Level 2
<b>Financial Assets</b>									
At FVTPL									
Investments	95 55 474	95 55 474	-	91 47 516	91 47 516	-	86 43 943	86 43 943	-
<b>Financial Liabilities</b>	-	-	-	-	-	-	-	-	-

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

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

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

### 20. FIRST-TIME IND AS ADOPTION RECONCILIATIONS

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

Amount in ₹

	As at 31st March, 2016			As at 1st April, 2015		
	Previous GAAP	Effect of transition to ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to ind AS	As per Ind AS balance sheet
<b>ASSETS</b>						
<b>Non-current assets</b>						
Financial Assets						
Investments	101 00 00 000	-	101 00 00 000	101 00 00 000	-	101 00 00 000
<b>Total Non Current Assets</b>	101 00 00 000	-	101 00 00 000	101 00 00 000	-	101 00 00 000
<b>Current assets</b>						
Financial Assets						
Investments	77 60 234	13 87 282	91 47 516	79 39 266	7 04 677	86 43 943
Cash and cash equivalents	42 203	-	42 203	32 882	-	32 882
Current tax assets (Net)	-	-	-	11 246	-	11 246
<b>Total Non Current Assets</b>	78 02 437	13 87 282	91 89 719	79 83 394	7 04 677	86 88 071
<b>Total Assets</b>	101 78 02 437	13 87 282	101 91 89 719	101 79 83 394	7 04 677	101 86 88 071
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share capital	2 02 00 000	-	2 02 00 000	2 02 00 000	-	2 02 00 000
Other Equity	99 75 06 006	13 87 282	99 88 93 288	99 76 95 724	7 04 677	99 84 00 401
<b>Total equity</b>	101 77 06 006	13 87 282	101 90 93 288	101 78 95 724	7 04 677	101 86 00 401
<b>Liabilities</b>						
<b>Current liabilities</b>						
Other Current liabilities	96 431	-	96 431	87 670	-	87 670
<b>Total current liabilities</b>	96 431	-	96 431	87 670	-	87 670
<b>Total Liabilities</b>	96 431	-	96 431	87 670	-	87 670
<b>Total Equity and Liabilities</b>	101 78 02 437	13 87 282	101 91 89 719	101 79 83 394	7 04 677	101 86 88 071

## Notes to the Financial Statements (Continued)

### 20.2 Reconciliation of Profit and Other Equity between IndAS and Previous GAAP

	Note	Net Profit Year end 31st March, 2016	Other Equity (Amount ₹)	
			As at 31st March, 2016	As at 1st April, 2015
<b>Net Profit / Other Equity as per Previous Indian GAAP</b>		( 2 08 646)	99 75 06 006	99 76 95 724
Fair Valuation for Financial Assets	I	7 01 533	13 87 282	7 04 677
<b>Total</b>		7 01 533	13 87 282	7 04 677
<b>Net profit before OCI / Other Equity as per Ind AS</b>		4 92 887	99 88 93 288	99 84 00 401

Note :

I Fair valuation for Financial Assets :

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

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

	Amount in ₹		
	Previous GAAP	2015-2016 Effect of transition to ind AS	As per Ind AS balance sheet
<b>INCOME</b>			
Other Income	2 929	7 01 533	7 04 462
<b>Total Income</b>	2 929	7 01 533	7 04 462
<b>EXPENDITURE</b>			
Other Expenses	1 85 429	-	1 85 429
<b>Total Expenses</b>	1 85 429	-	1 85 429
Profit / (Loss) Before Tax	( 1 82 500)	7 01 533	5 19 033
<b>Tax Expenses</b>			
Current Tax	26 146	-	26 146
<b>Profit / (Loss) for the Year</b>	( 2 08 646)	7 01 533	4 92 887

As per our Report of even date  
**For Chaturvedi & Shah**  
 Chartered Accountants  
 Firm Registration No : 101720W

**Jignesh Mehta**  
 Partner  
 Membership No.: 102749

Mumbai  
 Dated : April 14, 2017

For and on behalf of the Board

**Atul Dayal**  
 Director

**M. N. Bajpai**  
 Director

**Rohit C. Shah**  
 Director