

RELIANCE CORPORATE IT PARK LIMITED
FINANCIAL STATEMENTS
2017-18

Independent Auditor's Report

TO THE MEMBERS OF RELIANCE CORPORATE IT PARK LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Corporate IT Park Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, 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 (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 31st March, 2018, 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.

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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.
 - 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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 25 to the financial statements.
 - 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.

For D T S & Associates
Chartered Accountants
Firm Registration No. -142412W

Place: Mumbai
Date: 24th April 2018

Ashish G. Mistry
Partner
Membership No. 132639

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE CORPORATE IT PARK LIMITED

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

- i) In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds, comprising all the immovable properties of lands which are freehold, are held in the name of the entity that have amalgamated with the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements for the said lands are held in the name of the entity that have amalgamated with the Company and buildings are in the name of the Company.
- ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- 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 person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. Company has complied with the provisions of the section 186 of the Act, in respect of investments, loans, guarantee 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, Goods and Services 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, 2018 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, Goods and Services 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. Further, no amounts were due for repayment to 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) and term Loans has been applied for the purpose for which it has been raised.
- 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 explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provision of section 197 read with schedule V to the Act.
- xii) In our opinion the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable.

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- 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 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 D T S & Associates
Chartered Accountants
Firm Registration No. -142412W

Place: Mumbai
Date: 24th April 2018

Ashish G. Mistry
Partner
Membership No. 132639

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE CORPORATE IT PARK 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 Corporate IT Park Limited** (“the Company”) as of 31st March, 2018 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.

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 31st March, 2018, 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 **D T S & Associates**
Chartered Accountants
Firm Registration No. -142412W

Place: Mumbai
Date: 24th April 2018

Ashish G. Mistry
Partner
Membership No. 132639

Balance Sheet as at 31st March 2018

	Note	As at 31st March 2018	₹ in crore As at 31st March, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	13,103.87	11,985.96
Capital Work-in-Progress	1	5,058.62	3,028.48
Intangible Assets	1	662.63	409.53
Financial Assets			
Investments	2	18.95	18.93
Other Non- Current Assets	3	189.58	423.75
Total Non-Current Assets		19,033.65	15,866.65
Current Assets			
Inventories	4	47.47	30.89
Financial Assets			
Investments	5	-	1.12
Trade Receivables	6	2,448.15	1,818.29
Cash and Cash Equivalents	7	0.36	4.24
Other Financial Assets	8	1,675.99	1,244.51
Other Current Assets	9	2,082.91	392.31
Total Current Assets		6,254.88	3,491.36
Total Assets		25,288.53	19,358.01
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	2,379.99	2,379.99
Other Equity	11	7,612.08	7,009.12
Total Equity		9,992.07	9,389.11
Non-Current Liabilities			
Financial Liabilities			
Borrowings	12	10,051.03	5,403.57
Deferred Tax Liability (Net)	13	1,639.47	1,701.72
Total Non-Current Liabilities		11,690.50	7,105.29
Current Liabilities			
Financial Liabilities			
Trade Payables	14	2,783.22	1,663.79
Other Financial Liabilities	15	311.57	848.04
Other Current Liabilities	16	479.28	325.94
Provisions	17	31.89	25.84
Total Current Liabilities		3,605.96	2,863.61
Total Equity and Liabilities		25,288.53	19,358.01

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 32

As per our Report of even date

For and on behalf of the Board

For **D T S & Associates**
Chartered Accountants
Firm Registration No. -142412W

Virender Kumar Gandhi
Director

Rohit Shah
Director

Arvind Modgil
Director

Ashish G. Mistry
Partner
Membership No. 132639

Jagmohanlal Bhamri
Director

S R Bhardwaj
Director

Komal Chhapru
Director

Mumbai
April 24, 2018

Radhika Thorat
Company Secretary

S Rajagopal
CFO

Ramakant Singru
Manager

Statement of Profit and Loss for the year ended 31st March, 2018

	Note	2017-18	₹ in crore 2016 - 17
INCOME			
Revenue from Operations	18	4,315.48	6,370.37
Other Income	19	3.02	15.67
Total Income		4,318.50	6,386.04
EXPENSES			
Purchases of Stock-in-Trade		13.25	-
Employee Benefits Expense	20	830.26	1,820.38
Finance Costs	21	386.99	216.20
Depreciation / Amortisation Expense		675.74	519.17
Other Expenses	22	1,819.84	3,587.14
Total Expenses		3,726.08	6,142.89
Profit Before Tax		592.42	243.15
Tax Expenses:			
Current Tax	3A	155.96	79.21
Deferred Tax		(62.28)	(11.78)
		93.68	67.43
Profit for the Year		498.74	175.72
Other Comprehensive Income			
a) Item that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plan		9.97	(8.53)
Income tax on above		(2.13)	1.82
b) Items that will be reclassified to profit or loss			
		-	-
Total Comprehensive Income for the Year		506.58	169.01
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	23	2.10	0.74
Diluted (in ₹)	23	1.43	0.51
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 32		

As per our Report of even date

For **D T S & Associates**
Chartered Accountants
Firm Registration No. -142412W

Ashish G. Mistry
Partner
Membership No. 132639

Mumbai
April 24, 2018

For and on behalf of the Board

Virender Kumar Gandhi
Director

Jagmohanlal Bhamri
Director

Radhika Thorat
Company Secretary

Rohit Shah
Director

S R Bhardwaj
Director

S Rajagopal
CFO

Arvind Modgil
Director

Komal Chhapru
Director

Ramakant Singru
Manager

Statement of Changes in Equity for the year ended 31st March, 2018

A Equity Share Capital ₹ in crore

Balance at the beginning 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	Changes in Equity Share Capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018
2,379.99	-	2,379.99	-	2,379.99

B Other Equity ₹ in crore

	Reserves and Surplus						Total
	Instruments Classified as Equity	Capital Redemption Reserve	Securities Premium Account	Debenture Redemption Reserve	Retained Earnings	Other Comprehensive Income	
Balance at beginning of reporting period i.e 1st April 2016	775.10	1.33	1.97	-	5728.28	0.31	6,506.99
Add: Profit for the year	-	-	-	-	175.72	(6.71)	169.01
On Amalgamation (Refer Note 30)	4.62	-	-	-	(2.27)	-	2.35
Redemption of Zero Coupon Unsecured Optionally Fully Convertible Debentures (OFCDs) of ₹ 10 each	(180.10)	-	-	-	-	-	(180.10)
Issue of 9% Non Cumulative Optionally Convertible Preference Shares	510.87	-	-	-	-	-	510.87
Balance at end of reporting period i.e. 31st March 2017	1,110.49	1.33	1.97	-	5,901.73	(6.40)	7,009.12
Balance at the beginning of the reporting period i.e. 1st April 2017	1,110.49	1.33	1.97	-	5,901.73	(6.40)	7,009.12
Total Comprehensive Income for the year	-	-	-	-	498.74	7.84	506.58
Transferred to/(from) Retained Earnings	-	-	-	0.42	(0.42)	-	-
Redemption of Zero Coupon Optionally Convertible Loan on Amalgamation (Refer Note 30)	(4.62)	-	-	-	-	-	(4.62)
Issue of 6% Non Cumulative Optionally Convertible Preference Shares	15.07	-	85.93	-	-	-	101.00
Balance at end of reporting period i.e. 31st March 2018	1,120.94	1.33	87.90	0.42	6,400.05	1.44	7,612.08

As per our Report of even date

For **D T S & Associates**
Chartered Accountants
Firm Registration No. -142412W

Ashish G. Mistry
Partner
Membership No. 132639

Mumbai
April 24, 2018

For and on behalf of the Board

Virender Kumar Gandhi
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Director

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CFO

Arvind Modgil
Director

Komal Chhapru
Director

Ramakant Singru
Manager

Cash Flow Statement for the year ended 31st March, 2018

	2017 - 18	₹ in crore 2016 - 17
A: Cash Flow from Operating Activities		
Net Profit before tax as per Statement of Profit & Loss	592.42	243.15
Adjusted for :		
Depreciation / Amortisation Expense	675.74	519.17
(Profit)/Loss on Sale/Discarding of Property, Plant and Equipment (Net)	94.12	(0.12)
Net Gain on Investments	(1.30)	(1.59)
Finance Costs	386.99	216.20
Effect of Exchange Rate Change	1.67	-
Interest Income	(0.01)	(8.33)
	<u>1,157.21</u>	<u>725.33</u>
Operating Profit before Working Capital Changes	1,749.63	968.48
Adjusted for:		
Trade and Other Receivables	(2,483.09)	(1,527.29)
Inventories	(16.58)	18.36
Trade and Other Payables	1,069.46	815.47
	<u>(1,430.21)</u>	<u>(693.46)</u>
Cash Generated from Operations	319.42	275.02
Taxes Paid (Net)	(64.95)	(86.94)
Net Cash Flow from Operating Activities	254.47	188.08
B: Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Intangible Assets	(3,775.50)	(1,051.57)
Proceeds from Sale of Property, Plant and Equipment	4.81	1.15
Purchase of Investments	-	(1.14)
Withdrawal of Fixed Deposits	-	0.40
Proceeds from Sale of Investments	2.41	0.01
Net Cash Flow for Other Financial Assets	-	(1.33)
Interest Income	0.01	8.34
Net Cash Flow used in Investing Activities	(3,768.27)	(1,044.41)

Cash Flow Statement for the year 2017-18

	2017 - 18		₹ in crore 2016 - 17
C: Cash Flow From Financing Activities			
Proceeds from Borrowings - Non Current	17,343.32	9,476.90	
Issue / (Redemption) of Debenture	-	(510.87)	
Proceeds from Issue of Optionally Convertible Preference Shares	101.00	510.87	
Repayment of Borrowings - Non Current	(12,695.07)	(8,267.50)	
Repayment of Convertible Loan	(4.62)	-	
Finance Cost	(1,234.71)	(350.33)	
Net Cash Flow from Financing Activities	3,509.92		859.07
Net Increase/(Decrease) in Cash and Cash Equivalents	(3.88)		2.74
Opening balance of Cash and Cash Equivalents	4.24		0.12
Add: On Amalgamation (Refer Note 30)	-		1.38
Closing balance of Cash and Cash Equivalents (Refer Note 7)	0.36		4.24
Change in Liability arising from financing activities			₹ in crore
	As at	Cashflow	As at
	April 1, 2017		March 31, 2018
Borrowings - Non Current (Refer note 12)	5,401.11	4,648.25	10,049.36
Total	<u>5,401.11</u>	<u>4,648.25</u>	<u>10,049.36</u>

As per our Report of even date

For **D T S & Associates**
Chartered Accountants
Firm Registration No. -142412W

Ashish G. Mistry
Partner
Membership No. 132639

Mumbai
April 24, 2018

For and on behalf of the Board

Virender Kumar Gandhi
Director

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Company Secretary

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Director

S R Bhardwaj
Director

S Rajagopal
CFO

Arvind Modgil
Director

Komal Chhapru
Director

Ramakant Singru
Manager

NOTES TO THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

Reliance Corporate IT Park Limited (“the Company”) is an entity incorporated in India. The Company’s major activity is providing Support Services including IT / ITES, Business Support, Manpower Support and all other activities revolve around the same. The addresses of its registered office of Reliance Corporate IT Park Ltd. - Building No. 4, 5, TTC Industrial Area, Thane Belapur Road, Ghansoli, Navi Mumbai-400 701

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

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

- i) Certain financial assets and liabilities,
- ii) Defined benefit plans - plan assets

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company’s financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest crore (₹ 00,00,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant and Equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. In case of land the Company has availed fair values as deemed cost on the date of transition to Ind AS. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work – in - Progress.

Depreciation on property, plant and equipment is provided based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 except in case of Leasehold Land which is amortised over the period of lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(b) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

(c) Intangible Assets:

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

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets comprising of Software are amortised over the period of 5 years.

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date

(d) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(e) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of stores and spares, trading and other products are determined on weighted average basis.

(f) Impairment of Non-Financial Assets- Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual assets, the Company estimates the recoverable amount of the (CGU) to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(g) 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.

(h) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Post-Employment Benefits

Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(i) Tax Expenses

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 at the Balance sheet date.

- Deferred Tax

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

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

(j) Foreign Currencies Transactions and Translation

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 closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

(k) Revenue Recognition

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

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 from operations includes sale of services, net of goods and services tax, service tax, adjusted for discount.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Interest Income

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

Dividends

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

(I) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement:

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

B. Subsequent Measurement

a) Financial Assets Measured at Amortised Cost (AC)

A financial asset is 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 Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is 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 Measured 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. Investment in Subsidiaries, Associates and Joint Ventures

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

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment assessment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to :

- (1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (2) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further the company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

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 Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

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

iii) Derecognition of Financial Instruments

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

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

a) Depreciation/ Amortisation and Useful Lives of Property Plant and Equipment/ Intangible Assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) 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.

c) 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.

d) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) 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) STANDARDS ISSUED BUT NOT EFFECTIVE

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Currency Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

Notes on Financial Statements for the year ended 31st March 2018

Description	Gross block				Depreciation/ amortisation			Net block		
	As at 1st April 2017	Additions	Deductions/ Adjustment	As at 31st March 2018	As at 1st April 2017	For the year	Deductions/ Adjustment	Upto 31st March 2018	As at 31st March 2018	As at 31st March 2017
(i) Property, Plant and Equipment										
Own Assets:										
Leasehold Land	7,028.57	-	-	7,028.57	256.16	122.07	-	378.23	6,650.34	6,772.41
Freehold Land	634.85	-	-	634.85	-	91.84	-	-	634.85	634.85
Buildings	3,367.72	1,186.10	-	4,553.82	233.71	21.92	-	325.55	4,228.28	3,134.01
Plant and Machinery	196.33	63.63	0.16	259.96	49.83	154.75	0.07	71.76	188.20	146.49
Computers, Servers and Others	708.46	90.43	-	798.72	212.41	15.57	-	367.10	431.63	496.04
Equipment	133.75	45.00	-	178.75	97.58	74.67	-	113.15	65.60	36.18
Electrical Installations	653.57	154.47	-	808.04	138.36	38.32	-	213.03	595.01	515.20
Furniture and Fixtures	303.00	109.84	-	412.85	82.78	7.30	-	121.10	291.75	220.22
Vehicles	58.85	0.09	15.76	43.18	37.71	11.31	-	33.70	9.49	21.14
Sub-Total	13,085.10	1,649.56	15.92	14,718.74	1,108.54	526.44	11.37	1,623.61	13,095.14	11,976.55
Leased Assets:										
Plant and Machinery	144.46	-	-	144.46	135.05	0.68	-	135.73	8.73	9.41
Sub-Total	144.46	-	-	144.46	135.05	0.68	-	135.73	8.73	9.41
Total (i)	13,229.56	1,649.56	15.92	14,863.20	1,243.60	527.12	11.37	1,759.34	13,103.87	11,985.96
(ii) Intangible Assets										
Software	757.56	401.73	-	1,159.29	348.03	148.63	-	496.66	662.63	409.53
Total (ii)	757.56	401.73	-	1,159.29	348.03	148.63	-	496.66	662.63	409.53
Total (i+ii)	13,987.12	2,051.29	15.92	16,022.50	1,591.63	675.74	11.37	2,256.00	13,766.50	12,395.49
Previous Year	11,252.07	2,739.47	4.42	13,987.12	1,075.83	519.17	3.37	1,591.63	12,395.49	10,176.20
Capital Work-in-Progress									5,058.62	3,028.48

₹ in crore

Notes on Financial Statements for the year ended 31st March 2018

1. Property, Plant and Equipment

1.1 In respect of Fixed Assets - Computer Equipments acquired on finance lease, the minimum lease rentals outstanding as on 31st March 2018 are as follows:

	₹ in crore					
	Total Minimum Lease Payments outstanding as at 31st		Future interest on outstanding Lease payments		Present Value of Minimum Lease Payments as at 31st	
	March-18	March-17	March-18	March-17	March-18	March-17
Within One Year	-	0.41	-	0.02	-	0.39
Later than one year not later than five years	-	-	-	-	-	-
		0.01		0.01		-
Total	-	0.42	-	0.03	-	0.39

1.2 General Description of Lease terms:

Lease rentals are charged on the basis of agreed terms.

Assets taken on lease are at a fixed non-cancellable period of 10 years.

1.3 Capital Work in Progress includes:

(a) Cost of Construction Materials at Site ₹ 203 crore (Previous Years 2016-17 ₹ 317 crore)

(b) Capital Work-in-Progress includes Project Development Expenditure ₹ 2,919 crore (Previous years 2016-17 ₹ 1,037 crore)

1.4 Assets include asset pledged as security Refer Note 12

2. Investments - Non-Current

Investment Measured at Cost	As at 31st March, 2018		₹ in crore As at 31st March, 2017	
	Units	Amt	Units	Amt
In Equity Shares of Subsidiary Company - Unquoted, Fully Paid Up				
Reliance SMSL Limited of ₹10 each	50,000	0.05	50,000	0.05
Sub-total (a)		0.05		0.05
In Equity Shares of Associates - Unquoted, Fully Paid Up				
Reliance Commercial Dealers Limited of ₹10 each*	75,00,000	7.50	75,00,000	7.50
Reliance LNG Limited of ₹10 each*	22,500	0.02	22,500	0.02
Naroda Power Private Limited of ₹10 each	5,000	0.01		-
Sub-total (b)		7.53		7.52
In LLPs				
GenNext Ventures Investment Advisers LLP		0.10		0.09
Sub-total (c)		0.10		0.09

Notes on Financial Statements for the year ended 31st March 2018

2. Investments - Non-Current (Continued)	As at		₹ in crore	
	31st March, 2018	31st March, 2017	As at	As at
	Units	Amt	Units	Amt
In Debentures of Subsidiary Company				
Zero coupon Optionally Fully Convertible Debentures of Reliance SMSL Limited of ₹ 10 each	1,12,72,583	11.27	1,12,72,583	11.27
Sub-total (d)		<u>11.27</u>		<u>11.27</u>
Total (a+b+c+d)		<u>18.95</u>		<u>18.93</u>
2.1 Category-wise Investment - Non-Current				
		As at		As at
		31st March, 2018		31st March, 2017
Financial Assets measured at cost		18.95		18.93
* Shares acquired on merger of Reliance Commercial Trading Private Limited Refer Note 30				
3. Other Non Current Assets (Unsecured and Considered Good)		As at		₹ in crore
		31st March, 2018		As at
				31st March, 2017
Capital Advances		53.53		130.79
Advance Income Tax (Net of Provision)		135.83		226.84
Others		0.22		66.12
Total		<u>189.58</u>		<u>423.75</u>
3A. Advance Income Tax Assets (Net)				₹ in crore
		As at		As at
		31st March, 2018		31st March, 2017
a) Income tax recognised in Statement of Profit and Loss				
Current tax		155.96		79.21
Deferred tax		(62.28)		(11.78)
Total Income Tax Expenses recognised in the current year		<u>93.68</u>		<u>67.43</u>

Notes on Financial Statements for the year ended 31st March 2018

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	As at 31st March, 2018	As at 31st March, 2017
Profit Before Tax	592.42	243.15
Applicable Tax Rate	34.608%	34.608%
Computed Tax Expenses	205.02	84.12
Tax Effect of :		
Exempted Income		(32.16)
Expenses Disallowed	273.24	27.35
Additional allowances net of MAT credit	(117.70)	(0.10)
Carried forward loss utilised	(204.61)	-
Current Tax Provision (A)	155.96	79.21
Incremental Deferred Tax asset on account of Property, Plant and Equipment and Intangible Assets	(104.83)	63.27
Incremental Deferred Tax Asset / (Liability) on account of Financial Assets & Other Items	42.54	(75.06)
Deferred Tax Provision (B)	(62.28)	(11.78)
Tax Expenses recognised in Statement of Profit and Loss (A+B)	93.68	67.43
Effective Tax Rate	16%	28%
	As at 31st March, 2018	As at 31st March, 2017
b) Advance Income Tax assets (Net)		
At start of year	226.84	219.12
Charge for the year - Current Tax	(155.96)	(79.21)
Tax paid net during the year	64.95	86.93
At end of year	135.83	226.84
		₹ in crore
4. Inventories	As at 31st March, 2018	As at 31st March, 2017
Stores and Spares	47.47	30.89
Total	47.47	30.89
		₹ in crore
5. Investments - Current	As at 31st March, 2018	As at 31st March, 2017
Investments measured at Fair Value Through Profit & Loss (FVTPL)		
In Mutual Funds - Unquoted		
Nil (Previous Year 4427) units of SBI-Premier Liquid Fund - Growth Option (Face value of ₹ 1,000 each)	-	1.12
Total	-	1.12
Category-wise Investment - Current	As at 31st March, 2018	As at 31st March, 2017
Financial Assets measured at Fair Value Through Profit & Loss (FVTPL)	-	1.12

Notes on Financial Statements for the year ended 31st March 2018

	As at 31st March, 2018	₹ in crore As at 31st March, 2017
6. Trade Receivables (Unsecured and Considered good)		
Trade Receivables	2,448.15	1,818.29
Total	2,448.15	1,818.29
7. Cash and Cash Equivalents		
Cash on Hand	-	0.04
Balance with Banks	0.36	4.20
Total	0.36	4.24
8. Other Financial Assets - Current		
Others*	1,675.99	1,244.51
Total	1,675.99	1,244.51
* Others includes Receivable from contracts in process and Security Deposits		
9. Other Current Assets (Unsecured & Considered Good)		
Balance with Customs, Central Excise, GST and State Authorities	540.82	166.70
Others#	1,542.09	225.61
Total	2,082.91	392.31
# includes primarily Advance to Vendors, prepaid expenses and advance to Employees.		
10. Share Capital		
Authorised:		
2,700,308,000 Equity Shares of ₹ 10 each (2,700,308,000)	2,700.31	2,700.31
1,400,000 000 Preference Shares of ₹ 10 each (1,400,000,000)	1,400.00	1,400.00
Total	4100.31	4100.31
Issued, Subscribed and Paid-Up:		
Fully paid-up		
2,379,994,480 Equity Shares of ₹ 10 each (2,379,994,480)	2,379.99	2,379.99
Total	2,379.99	2,379.99

Notes on Financial Statements for the year ended 31st March 2018

- (i) Of the above, Reliance Industrial Investments and Holdings Limited*, the Holding Company, along with its nominees holds 237,99,94,480 (previous Year 237,99,94,480) fully paid up Equity Shares
- (ii) Of the above Equity Shares, 16,77,18,620 shares (previous year 16,77,18,620) were allotted without payment being received in Cash pursuant to the terms of Scheme of Arrangement sanctioned by the Hon'ble High Court of Bombay.

(iii) **The details of Shareholders holding more than 5% shares :**

Name of the Shareholders	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% held	No. of Shares	% held
Reliance Commercial Land and Infrastructure Limited*	-	-	2,379,994,480	100
Reliance Industrial Investments and Holdings Limited *	2,379,994,480	100	-	-

*Reliance Commercial Land and Infrastructure Limited since merged with Reliance Industrial Investments and Holdings Limited

(iv) **Reconciliation of opening and closing number of shares**

Particulars	As at	
	31st March, 2018 No. of shares	31st March, 2017 No. of shares
Equity Shares outstanding at the beginning of the year	2,379,994,480	2,379,994,480
Add: Equity Shares issued during the year	-	-
Equity Shares outstanding at the end of the year	2,379,994,480	2,379,994,480

- (v) Rights, Preferences and restrictions attached to Shares: The Company has one class of ordinary shares which carry equal voting rights on income and distribution of assets on liquidation or otherwise.

₹ in crore

11. Other Equity

	As at	
	31st March, 2018	31st March, 2017
Instruments classified as Equity		
Non Cumulative Optionally Convertible Preference Shares		
As per last Balance Sheet ⁽¹⁾	1,105.87	595.00
Issued and Paid Up during the Year ⁽²⁾	15.07	510.87
	1,120.94	1,105.87
Zero Coupon Optionally Convertible Loan ⁽³⁾		
As per last Balance Sheet	4.62	-
Addition / (Payment) during the Year	(4.62)	4.62
	-	4.62
Capital Redemption Reserve		
As per last Balance Sheet	1.33	1.33
Securities Premium Account		
As per last Balance Sheet	1.97	1.97
Add: On issue of Preference Shares	85.93	-
	87.90	1.97

Notes on Financial Statements for the year ended 31st March 2018

Debt Redemption Reserve

As per last Balance Sheet	-	-	-
Add: Transferred from Retained Earnings	<u>0.42</u>	-	-
		0.42	-

Retained Earnings

As per last Balance Sheet	5,901.73	5,728.27	
Add on amalgamation (Refer note 30)	-	(2.27)	
Add: Profit of the Year	498.74	175.73	
Less: Transferred to Debt Redemption Reserve	<u>(0.42)</u>	-	
		6,400.05	5,901.73

Other Comprehensive Income

As per last Balance Sheet	(6.40)	0.31	
Remeasurement of Defined Benefit Plan	<u>7.84</u>	(6.71)	
		1.44	(6.40)
Total		<u>7,612.08</u>	<u>7,009.12</u>

⁽¹⁾ Non Cumulative Optionally Convertible Preference Shares

2% Non Cumulative Optionally Convertible Preference Shares of Rs. 10 each fully paid up

59 49 98 620 Preference Shares of Rs. 10 each	595.00	595.00
(59 49 98 620)	<u>595.00</u>	<u>595.00</u>

2% Non-cumulative Optionally Convertible Preference Shares of nominal value of ₹ 10 each are redeemable on February 15, 2026 unless they are converted into Equity Shares of ₹ 10 each, at the option of the Company and the holder of preference shares.

The details of Shareholders holding more than 5% shares :

Name of the Shareholders	No. of Shares	% held	No. of Shares	% held
Reliance Industrial Investments and Holdings Limited	594,998,620	100	594,998,620	100

Reconciliation of opening and closing number of shares

Particulars	No. of shares	No. of shares
Preference Shares outstanding at the beginning of the year	594,998,620	594,998,620
Add: Preference Shares issued during the year	-	-
Preference Shares outstanding at the end of the year	<u>594,998,620</u>	<u>594,998,620</u>

9% Non-Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up

51 08 70 000 Preference Shares of ₹ 10 each	510.87	510.87
(51 08 70 000)	<u>510.87</u>	<u>510.87</u>

9% Non-cumulative Optionally Convertible Preference Shares of nominal value of ₹ 10 each shall be either redeemed at ₹ 10 or converted in to 1 (one) Equity Share of ₹ 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of 9% Non-cumulative Optionally Convertible Preference Shares.

Notes on Financial Statements for the year ended 31st March 2018

		₹ in crore			
11 Other Equity (Continued)		As at 31st March, 2018		As at 31st March, 2017	
The details of Shareholders holding more than 5% shares :					
Name of the Shareholders	No. of Shares	% held	No. of Shares	% held	
Reliance Industrial Investments and Holdings Limited	510,870,000	100	-	-	
Reliance Commercial Land & Infrastructure Limited*	-	-	330,770,000	65	
Reliance Petroinvestment Limited*	-	-	180,100,000	35	
* since merged with Reliance Industrial Investments and Holdings Limited					
Reconciliation of opening and closing number of shares					
Particulars	No. of shares		No. of shares		
Preference Shares outstanding at the beginning of the year	510,870,000		-		
Add: Preference Shares issued during the year	-		510,870,000		
Preference Shares outstanding at the end of the year	<u>510,870,000</u>		<u>510,870,000</u>		
⁽²⁾ 6% Non-Cumulative Preference Shares of ₹ 10/- each fully paid-up					
1 50 74 626	Preference Shares of ₹ 10 each	<u>15.07</u>	-		
(Nil)		<u>15.07</u>	-		
6% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each shall be either redeemed at ₹ 67 per OCPS or converted into 1 (one) Equity Shares of ₹ 10 each at any time at the option of the Company, but not later than 10 years from the date of allotment of the 6% Non-Cumulative Optionally Convertible Preference Shares.					
The details of Shareholders holding more than 5% shares :					
Name of the Shareholders	No. of Shares	% held	No. of Shares	% held	
Reliance Retail Finance Limited	15,074,626	100	-	-	
Reconciliation of opening and closing number of shares					
Particulars	No. of shares		No. of shares		
Preference Shares outstanding at the beginning of the year	-		-		
Add: Preference Shares issued during the year	15,074,626		-		
Preference Shares outstanding at the end of the year	<u>15,074,626</u>		<u>-</u>		
⁽³⁾ Zero Coupon Optionally Convertible loan in above represent Nil (P.Y 46,15,600) equity shares of ₹ 10 each at par, convertible at the option of the lender by giving three month notice (Refer note 30).					
12. Borrowings - Non Current		As at 31st March, 2018		₹ in crore As at 31st March, 2017	
Secured (At Amortised Cost)					
Zero coupon optionally convertible redeemable					
Debtenture - Series B of ₹ 1,000/- each.					
		1.67	2.46		
Unsecured (At Amortised Cost)					
Loans and Advances from Related Parties**					
		<u>10,049.36</u>	<u>5,401.11</u>		
Total		<u>10,051.03</u>	<u>5,403.57</u>		

Notes on Financial Statements for the year ended 31st March 2018

Terms of Zero coupon optionally convertible redeemable Debenture -

- The Debentures are secured by a first charge ranking pari passu with the existing and future charges in favour of the Debenture Trustees on the immovable property of the Company located in Village Lodhivali, Taluka Khalapur, District Raigad, Maharashtra.
- The tenure of the Debentures is 20 years from the date of allotment i.e. January 2, 2010 and will be redeemed by the Company, at par, unless the Debentureholder opts for conversion.
- The Debentureholders shall have an option to convert the Debenture amount outstanding into Equity Share of the face value of ₹ 10 each, at par, by giving advance notice to the Company.
- The Debentureholders shall have a one-time option during the tenure of the Debentures to specify the date of redemption for each Debenture which cannot be altered under any circumstances by the Debentureholder making the aforesaid choice or by any subsequent transferee.
- Maturity profile for debentures is as set out below :

Year	2018 - 19	2019 - 20	2020 - 21	2021 - 22	Beyond 2022
Zero coupon Debentures	0.79	0.52	0.07	0.07	0.22

** Unsecured Loan includes ₹ 3299 crore (Previous Years - FY 16-17 ₹ 807 crore) as Interest Bearing Loan taken from Reliance Industries Limited, repayable after 5 years.

** Unsecured Loan includes ₹ 6750 crore (Previous Year ₹ 4594 crore) as Interest Bearing Loan taken from Reliance Industrial Investment and Holding Limited, repayable after 5 years.

** Interest on above loans are 8.5% (Previous Year 9.5%)

13. Deferred Tax Liabilities (Net)

	As at 31 st March, 2018	As at 31 st March, 2017	
At the start of the year	1,701.72	1,713.50	
Charge/(credit) to Statement of Profit and Loss (Note 3A)	(62.28)	(11.78)	
At the end of year	1,639.47	1,701.72	
Components of Deferred Tax Liabilities/(assets)			
	At the start of the year	Charge/(credit) to profit or loss	At the end of year
Deferred tax liabilities / (asset) in relation to:			
Property, plant and equipment	2,169.29	(104.83)	2,064.47
Carried forward loss	(355.42)	196.72	(158.70)
Others	(112.15)	(154.15)	(266.30)
	1,701.72		1,639.47

14. Trade Payables

	As at 31 st March, 2018	As at 31 st March, 2017
Micro, Small and Medium Enterprises ⁽ⁱ⁾	85.26	18.72
Others	2697.96	1,645.07
Total	2,783.22	1,663.79

- There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2018 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

Notes on Financial Statements for the year ended 31st March 2018

	As at 31st March, 2018	₹ in crore As at 31st March, 2017
15. Other Financial Liabilities - Current		
Current Maturities of Finance Lease Obligations	-	0.39
Interest Accrued but not due on Borrowings	-	564.59
Creditors for Capital Expenditure	306.00	282.20
Others	5.57	0.86
Total	311.57	848.04
16. Other Current Liabilities		
Others*	479.28	325.94
Total	479.28	325.94
*Others include Statutory Dues, Payable to employees and Advance from Customers.		
17. Provisions - Current		
Provision for Employee Benefits	31.89	25.84
Total	31.89	25.84
18. Revenue from Operations	2017-18	₹ in crore 2016 - 17
Sale of Products	28.87	5.85
Sale of Services	5,076.35	7,017.46
	5,105.22	7,023.31
Less: GST / Service Tax Recovered	789.74	652.94
Total	4,315.48	6,370.37
18.1 Revenue from Operations		
<u>Broad Categories of Revenue</u>		
IT / ITES Support Services	1,309.77	2,317.81
Business and Infrastructure Support Services#	2,483.81	2,536.68
Manpower Services	489.03	1,501.03
Others	32.87	14.85
	4,315.48	6,370.37

Net of reimbursement towards certain subcontracting of expenses amounting to ₹ 8,639.89 Crores (Previous Year ₹ 6,270.33 Crores Crores) in case of certain cost plus contracts

Notes on Financial Statements for the year ended 31st March 2018

	2017-18	₹ in crore 2016 - 17
19. Other Income		
Interest Income		
From Others	0.01	8.33
Net Gain / (loss) arising on Financial Assets	1.30	1.59
Other Non-Operating Income	1.71	5.75
Total	3.02	15.67
		₹ in crore
20. Employee Benefits Expense	2017-18	2016 - 17
Salaries and Wages	696.99	1,627.52
Contribution to Provident and Other Funds	51.93	77.91
Staff Welfare Expenses	81.34	114.95
Total	830.26	1,820.38

As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plans , recognised as expense for the year is as under

	2017-18	2016-17
Employers Contribution to Provident Fund	25.30	40.70
Employers Contribution to Superannuation Scheme	2.55	3.33
Employers Contribution to Pension Scheme	12.47	18.90

The Company’s Provident Fund is exempted under section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.

I Reconciliation of Opening and closing balances of Defined Benefit obligation

	2017-18	₹ in crore 2016-17
Defined Benefit obligation at beginning of the year	137.86	111.29
Current Service Cost	8.91	14.46
Interest cost	10.28	8.90
From Transfer	(38.50)	1.85
Actuarial (gain) / loss on obligations due to experience variance	(3.36)	3.87
Actuarial (gain) / loss on obligations due to change in financial assumption	(3.51)	6.21
Benefits paid	(42.31)	(8.72)
Defined Benefit obligation at end of the year	69.37	137.86

Notes on Financial Statements for the year ended 31st March 2018

II Reconciliation of Opening and closing balances of fair value of plan assets		₹ in crore	
	2017-18	Gratuity (Funded)	2016-17
Fair value of plan assets at the beginning of the year	137.86		111.29
Expected return on plan assets	8.56		8.90
Actuarial Gain / (Loss)	3.09		0.56
Employer Contribution	0.67		22.99
Other Transfers	(38.50)		2.85
Benefits Paid	(42.31)		(8.72)
Fair value of plan assets at the end of the year	69.37		137.86
Actual Return on Plan Assets	8.56		8.90
III. Reconciliation of Fair Value of Assets and Obligations		₹ in crore	
	2017-18	Gratuity (Funded)	2016-17
Fair Value of Plan Assets	69.37		137.86
Present Value of Obligation	69.37		137.86
Amount recognised in Balance Sheet	(0.00)		(0.00)
IV. Expenses recognised during the year in the Statement of Profit and Loss		₹ in crore	
	2017-18	Gratuity (Funded)	2016-17
Current Service Cost	8.91		14.46
Interest Cost on Benefit Obligation	10.28		8.90
Return on Plan Assets	(8.56)		(8.90)
Net Benefit Expense/ (Income)	10.63		14.46
V. Expenses recognised in the Other Comprehensive Income (OCI) for Current Period		₹ in crore	
Actuarial (Gains) / Losses on Obligation for the period	(9.96)		10.08
Return on Plan Assets, Excluding Interest Income	-		(0.56)
Net (Income) / Expense for the Period Recognised in OCI	(9.96)		9.53
VI. Investment Details		₹ in crore	
	31-03-2018	As at	31.03.17
Insurance Policies	69.37		137.86
% Invested	100.00		100.00

Notes on Financial Statements for the year ended 31st March 2018

VII. Actuarial Assumptions

	31-03-2018	Gratuity (funded)
Mortality Table	2006-08	31.03.17 2006-08
	(Ultimate)	(Ultimate)
Discount Rate (per annum)	8%	8%
Expected Rate of Return on Assets (per annum)	8%	8%
Rate of Escalation in Salary (per annum)	6%	6%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

VIII. The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2017-18.

IX. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
	₹ in crore			
Projected Benefit Obligation on Current Assumptions	69	69	112	112
Change in rate of discounting (delta effect of +/- 0.5%)	3	(3)	5	(5)
Change in rate of salary increase (delta effect of +/- 0.5%)	(3)	3	(5)	5
Change in rate of employee turnover (delta effect of +/- 25%)	(0)	0	(1)	1

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes on Financial Statements for the year ended 31st March 2018

	2017-18	₹ in crore 2016 - 17
21. Finance Costs		
Interest Expenses*	<u>386.99</u>	216.20
Total	<u><u>386.99</u></u>	<u><u>216.20</u></u>

* Interest Expenses are net of Interest Capitalised of ₹ 283.13 crore (Previous Year ₹ 381.26 crore)

	2017-18	₹ in crore 2016 - 17
22. Other Expenses		
Establishment Expenses		
Building Repairs and Maintenance	8.94	2.78
Other Repairs	201.02	307.14
Rent including Lease Rentals	788.25	524.93
Insurance	22.71	17.82
Rates and Taxes	16.89	55.19
Travelling and Conveyance Expenses	29.81	62.91
Payment to Auditors	0.53	0.25
Professional Fees	339.21	655.62
Exchange Differences (Net)	1.67	(1.73)
Contracted Manpower	909.50	859.31
Electricity, Fuel and Water	130.62	152.11
Sub-Contracting Expenses	2.33	16.94
Facility Management Expenses	695.85	610.97
Telephone Expenses	78.10	88.82
General Expenses	313.08	233.03
Charity and Donation	2.61	1.05
	3,541.12	3,587.14
Less: Transfer to Project Development Expenditure	<u>1,721.28</u>	
Total	<u><u>1,819.84</u></u>	<u><u>3,587.14</u></u>

22.1 Payment to Auditors as:

Statutory Audit Fees	0.41	0.20
Tax Audit Fees	0.05	0.04
Certification Fees	0.07	0.01
	<u>0.53</u>	<u>0.25</u>

Notes on Financial Statements for the year ended 31st March 2018

22.2 Corporate Social Responsibility (CSR)

- a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 2.60 crore (Previous Year ₹ 1.05 crore).
- b) Expenditure related to Corporate Social Responsibility is ₹ 2.60 crore (Previous Year ₹ 1.05 crore).

Details of amount spent towards CSR given below:		₹ in crore	
Particulars	2017 - 18	2016 - 17	
Education	-	1.05	
Sports	2.60	-	
Total	2.60	1.05	

- c) Out of note (b) above, ₹ 2.60 crore (Previous Year ₹ 1.05 crore) is spent through Reliance Foundation, a related party.

23 Earning Per Share (EPS):

		₹ in crore	
Basic Earning Per Share	2017-18	2016-17	
Net Profit after tax as per statement of profit and loss	498.74	175.72	
Dividend on Cumulative Preference Share	-	-	
Net Profit attributable to Equity Shareholders	498.74	175.72	
Weighted Average number of equity shares used as denominator for calculating Basic EPS:	2,379,994,480	2,379,994,480	
Basic Earnings per share of face value of ₹ 10 each (In ₹)	2.10	0.74	

Diluted Earning Per Share

		₹ in crore	
		2017-18	2016-17
Net Profit attributable to Equity Shareholders		498.74	175.72
Weighted Average number of equity shares used as denominator for calculating Basic EPS:		2,379,994,480	2,379,994,480
Add: Number of Non-Cumulative Preference Shares convertible into equity shares		1,107,933,637	1,038,184,453
Add: Loan convertible to equity shares		0	4,615,600
Weighted Average number of equity shares used as denominator for calculating Diluted EPS:		3,487,928,117	3,422,794,533
Diluted Earnings per share of face value of ₹ 10 each (In ₹)		1.43	0.51

Notes on Financial Statements for the year ended 31st March 2018

24 Related Parties Disclosures

As per Indian Accounting Standard 24, the disclosures of transactions with the related parties are given below:

- (i) List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and the relationships:

SNo.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited (w.e.f 18th December 2017)	Holding Companies
3	Reliance Commercial Land & Infrastructure Limited (since merged with Reliance Industrial Investments and Holdings Limited. (upto 17th December 2017)	
4	Reliance SMSL Ltd	Subsidiary Companies
5	Reliance Jio AsiaInfo Innovation Centre Limited and Reliance Commercial Trading Private Limited (since merged w.e.f. 4th September 2017)	
6	Reliance Jio Infocomm Limited	Fellow Subsidiary Companies
7	Reliance Jio Digital Services Limited	
8	Reliance Payment Solutions Limited	
9	Reliance Jio Messaging Services Limited	
10	Reliance Retail Limited	
11	Reliance Retail Ventures Limited	
12	Reliance Retail Insurance Broking Limited	
13	Reliance Jio Infocomm Pte Limited	
14	Reliance Gas Pipelines Limited	
15	Reliance Global Energy Services (Singapore) Pte Limited	
16	RIL USA Inc	
17	Reliance Industries (Middle East) DMCC	
18	AETN18 Media Private Limited	
19	Digital18 Media Limited	
20	e-Eighteen.com Limited	
21	Network18 Media & Investments Limited	
22	Panorama Television Private Limited	
23	Greycells18 Media Limited	
24	TV18 Broadcast Limited	
25	Ethane Crystal LLC	
26	Ethane Emerald LLC	
27	Ethane Opal LLC	
28	Ethane Pearl LLC	

Notes on Financial Statements for the year ended 31st March 2018

29	Ethane Sapphire LLC	
30	Ethane Topaz LLC	
31	Indiawin Sports Private Limited	
32	Reliance Brands Limited	
33	Reliance Eminent Trading & Commercial Private Limited	
34	Reliance World Trade Private Limited	
35	Reliance Energy Generation and Distribution Limited	
36	Reliance Lifestyle Holdings Limited	
37	Reliance Petro Marketing Limited	
38	Reliance Polyolefins Limited	
39	Reliance Progressive Traders Private Limited	
40	Reliance Prolific Traders Private Limited	
41	Reliance Retail Finance Limited	
42	Reliance Universal Traders Private Limited	
43	Reliance Strategic Investments Limited	
44	Reliance Ventures Limited	
45	GenNext Ventures Investment Advisers LLP	Associates
46	Reliance Industrial Infrastructure Limited	
47	Sikka Ports and Terminals Limited (Formerly known as Reliance Ports and Terminals Limited)	
48	Ashwani Commercials Private Limited	
49	Gujarat Chemical Port Terminal Company Limited	
50	East West Pipeline Limited (Formerly known as Reliance Gas Transportation Infrastructure Limited)	
51	Marks and Spencer Reliance India Private Limited	Joint Ventures
52	India Gas Solutions Private Limited	
53	IBN Lokmat News Private Limited	
54	IMG Reliance Limited	
55	Football Sports Development Limited	
56	Jio Payments Bank Limited	
57	Sh. S Rajagopal	Key Managerial Personnel (KMP)
58	Smt. Radhika Throat	
59	Sh. Ramakant Singru	

Notes on Financial Statements for the year ended 31st March 2018

(ii) Transactions during the year with Related Parties:								₹ in crore
Sr. No.	Nature of Transactions (Excluding reimbursements)	Ultimate Holding Company	Holding Company	Subsidiary Company	Fellow Subsidiaries	Associates/ Joint Venture	Key Managerial Personnel	Total
1	Revenue from Operation	2,081.97	0.34	9.00	1,834.31	11.51	-	3,937.13
		3,093.57	-	9.00	1,770.49	3.75	-	4,876.81
2	Professional fees	31.03	32.06	55.68	53.44	19.00	-	191.21
		-	36.86	86.61	880.55	19.02	-	1,023.04
3	Hire Charges - Contracted Services	-	-	1,340.30	-	-	-	1,340.30
		-	-	981.90	-	-	-	981.90
4	Lease Finance Charges	-	-	-	-	0.48	-	0.48
		-	-	-	-	7.88	-	7.88
5	Net Unsecured Loans taken/(returned)	2,492.12	2,156.13	-	-	-	-	4,648.25
		(2,697.79)	3,908.00	-	-	-	-	1,210.21
6	Purchase / Subscription of Investments	-	-	-	-	0.01	-	0.01
		-	-	0.01	-	-	-	0.01
7	Issue of Zero Coupon Unsecured Optionally Fully Convertible Debentures	-	-	-	-	-	-	-
		-	330.77	-	-	-	-	330.77
8	Redemption of Zero Coupon Unsecured Optionally Fully Convertible Debentures	-	-	-	-	-	-	-
		-	330.77	-	180.10	-	-	510.87
9	Issue of Optionally Fully Convertible Preference Shares	-	-	-	101.00	-	-	101.00
		-	330.77	-	180.10	-	-	510.87
10	Finance Charges Paid	252.48	416.92	-	-	0.02	-	669.42
		327.06	237.52	-	-	0.38	-	564.96
11	Payment to Key Managerial Personnel	-	-	-	-	-	1.95	1.95
		-	-	-	-	-	1.59	1.59
12	Rent	9.25	-	-	66.65	1.00	-	76.90
		1.41	-	-	-	-	-	1.41
13	General Expenses	-	-	-	23.40	-	-	23.40
		-	-	-	-	-	-	-

Notes on Financial Statements for the year ended 31st March 2018

								₹ in crore
Sr. No.	Nature of Transactions (Excluding reimbursements)	Ultimate Holding Company	Holding Company	Subsidiary Company	Fellow Subsidiaries	Associates/ Joint Venture	Key Managerial Personnel	Total
Balance as at 31st March, 2018								
1	Share Capital	-	2,379.99	-	-	-	-	2,379.99
		-	<i>2,379.99</i>	-	-	-	-	<i>2,379.99</i>
2	Preference Share	-	1,105.87	-	15.07	-	-	1,120.94
		-	<i>1,105.87</i>	-	-	-	-	<i>1,105.87</i>
3	Trade Receivables	436.08	0.03	-	1,972.75	1.51	-	2,410.37
		<i>444.42</i>	-	-	<i>1,550.59</i>	<i>1.28</i>	-	<i>1,996.29</i>
4	Investments	-	-	11.32	-	7.63	-	18.95
		-	-	<i>11.32</i>	-	<i>7.61</i>	-	<i>18.93</i>
5	Trade Payables	41.04	1.78	20.59	52.84	-	-	116.26
		<i>0.11</i>	-	<i>84.06</i>	<i>17.17</i>	<i>4.96</i>	-	<i>106.30</i>
6	Unsecured Loans	3,299.33	6,750.03	-	-	-	-	10,049.36
		<i>807.21</i>	<i>4,593.90</i>	-	<i>4.62</i>	-	-	<i>5,405.73</i>
7	Lease Rent Receivable	-	-	-	-	-	-	-
		<i>94.69</i>	-	-	-	-	-	<i>94.69</i>
8	Interest Accrued but Not Due	-	-	-	-	-	-	-
		<i>327.06</i>	<i>237.52</i>	-	-	-	-	<i>564.58</i>

Note :

Figures in Italic represents Previous Year's amount.

(iii) Disclosure in Respect of Related Party Transactions during the year:

₹ in crore

Particulars	Relationship	2017-18	2016-17
1 Revenue from Operations			
Reliance Industries Limited	Ultimate Holding	2,081.97	3,093.57
Reliance Industrial Investments & Holding Limited	Holding	0.34	-
Reliance SMSL Limited	Subsidiary	9.00	9.00
Reliance Jio Infocomm Limited	Fellow Subsidiary	734.53	1,116.95
Reliance Jio Digital Services Limited	Fellow Subsidiary	0.46	1.96
Reliance Payment Solutions Limited	Fellow Subsidiary	2.57	5.70
Reliance Jio Messaging Services Limited	Fellow Subsidiary	0.15	-
Reliance Retail Limited	Fellow Subsidiary	965.78	629.07
Reliance Retail Ventures Limited	Fellow Subsidiary	14.41	0.79
Reliance Jio Infratel Private Limited	Fellow Subsidiary	-	6.20
Gapco Kenya Limited*	Fellow Subsidiary	-	3.00
Gapco Tanzania Limited*	Fellow Subsidiary	-	2.65
Gapco Uganda Limited*	Fellow Subsidiary	-	1.24

* These Companies are not related parties for FY 2017-18.

Notes on Financial Statements for the year ended 31st March 2018

			₹ in crore	
Particulars	Relationship	2017-18	2016-17	
Reliance Retail Insurance Broking Limited	Fellow Subsidiary	1.81	2.35	
Reliance Jio Infocomm Pte Limited	Fellow Subsidiary	1.88	-	
Reliance Gas Pipelines Limited	Fellow Subsidiary	104.12	0.15	
Reliance Global Energy Services (Singapore) Pte Limited	Fellow Subsidiary	0.26	0.20	
RIL USA Inc	Fellow Subsidiary	0.22	0.15	
Reliance Industries (Middle East) DMCC	Fellow Subsidiary	0.04	0.09	
AETN18 Media Private Limited	Fellow Subsidiary	0.04	-	
Digital18 Media Limited	Fellow Subsidiary	0.01	-	
e-Eighteen.com Limited	Fellow Subsidiary	0.19	-	
Network18 Media & Investments Limited	Fellow Subsidiary	0.20	-	
Panorama Television Private Limited	Fellow Subsidiary	0.06	-	
Greycells18 Media Limited	Fellow Subsidiary	0.01	-	
TV18 Broadcast Limited	Fellow Subsidiary	0.61	-	
Ethane Crystal LLC	Fellow Subsidiary	0.01	-	
Ethane Emerald LLC	Fellow Subsidiary	0.01	-	
Ethane Opal LLC	Fellow Subsidiary	0.01	-	
Ethane Pearl LLC	Fellow Subsidiary	0.01	-	
Ethane Sapphire LLC	Fellow Subsidiary	0.01	-	
Ethane Topaz LLC	Fellow Subsidiary	0.01	-	
Indiawin Sports Private Limited	Fellow Subsidiary	2.42	-	
Reliance Brands Limited	Fellow Subsidiary	1.23	-	
Reliance Eminent Trading & Commercial Private Limited	Fellow Subsidiary	0.53	-	
Reliance World Trade Private Limited	Fellow Subsidiary	0.11	-	
Reliance Energy Generation and Distribution Limited	Fellow Subsidiary	0.10	-	
Reliance Lifestyle Holdings Limited	Fellow Subsidiary	0.17	-	
Reliance Petro Marketing Limited	Fellow Subsidiary	0.11	-	
Reliance Polyolefins Limited	Fellow Subsidiary	0.42	-	
Reliance Progressive Traders Private Limited	Fellow Subsidiary	0.16	-	
Reliance Prolific Traders Private Limited	Fellow Subsidiary	0.18	-	
Reliance Retail Finance Limited	Fellow Subsidiary	0.03	-	
Reliance Universal Traders Private Limited	Fellow Subsidiary	0.35	-	
Reliance Strategic Investments Limited	Fellow Subsidiary	0.55	-	
Reliance Ventures Limited	Fellow Subsidiary	0.55	-	
Marks and Spencer Reliance India Private Limited	Joint Venture	1.11	1.05	
India Gas Solutions Private Limited	Joint Venture	2.04	2.04	
IBN Lokmat News Private Limited	Joint Venture	0.03	-	
IMG Reliance Limited	Joint Venture	1.46	-	
Football Sports Development Limited	Joint Venture	4.06	-	
Jio Payments Bank Limited	Joint Venture	0.81	-	
Reliance Industrial Infrastructure Limited	Associate	0.68	0.66	

Notes on Financial Statements for the year ended 31st March 2018

			₹ in crore	
Particulars	Relationship	2017-18	2016-17	
Sikka Ports and Terminals Limited (Formerly known as Reliance Ports and Terminals Limited)	Associate	0.08	-	
Reliance LNG Limited	Associate	0.04	-	
East West Pipeline Limited (Formerly known as Reliance Gas Transportation Infrastructure Limited)	Associate	1.21	-	
2 Professional Fees				
Reliance Industries Limited	Ultimate Holding	31.03	-	
Reliance Industrial Investments and Holdings Limited	Holding	32.06	36.86	
Reliance SMSL Limited	Subsidiary	55.68	86.61	
Reliance Retail Limited	Fellow Subsidiary	-	810.75	
Reliance Jio Global Resources LLC	Fellow Subsidiary	53.44	69.80	
Reliance Industrial Infrastructure Limited	Associate	19.00	19.02	
3 Hire Charges Contracted Manpower				
Reliance SMSL Limited	Subsidiary	1,340.30	981.90	
4 Lease Finance Charges				
Reliance Industrial Infrastructure Limited	Associate	0.48	7.88	
5 Net Unsecured Loans Taken				
Reliance Industries Limited	Ultimate Holding	2,492.12	(2,697.79)	
Reliance Commercial Land & Infrastructure Limited	Holding	-	(685.90)	
Reliance Industrial Investments & Holding Limited	Holding	2,156.30	4,593.90	
6 Purchase / Subscription of Investments				
Naroda Power Private Limited	Associate	0.01	-	
Reliance Commercial Trading Private Limited	Subsidiary	-	0.01	
7 Issue of Zero Coupon Unsecured Optionally Fully Convertible Debentures				
Reliance Commercial Land & Infrastructure Limited	Holding	-	330.77	
8 Redemption Zero Coupon Unsecured Optionally Fully Convertible Debentures				
Reliance Petroinvestment Limited	Fellow Subsidiary	-	180.10	
Reliance Commercial Land & Infrastructure Limited	Holding	-	330.77	
9 Issue of Optionally Fully Convertible Preference Shares				
Reliance Petroinvestment Limited	Fellow Subsidiary	-	180.10	
Reliance Commercial Land & Infrastructure Limited	Holding	-	330.77	
Reliance Retail Finance Limited	Fellow Subsidiary	101.00	-	

Notes on Financial Statements for the year ended 31st March 2018

			₹ in crore	
Particulars	Relationship	2017-18	2016-17	
10 Finance Charges Paid				
Reliance Industries Limited	Ultimate Holding	252.48	327.06	
Reliance Commercial Land & Infrastructure Limited	Holding	-	14.66	
Reliance Industrial Investments and Holding Limited	Holding	416.92	237.52	
Reliance Industrial Infrastructure Limited	Associate	0.02	0.38	
11 Payment to Key Managerial Personnel				
Sh. Ramakant Singru	Key Managerial Personnel	0.74	0.62	
Sh. Ranbir Sanayal	Key Managerial Personnel	-	0.02	
Sh. S Rajagopal	Key Managerial Personnel	1.08	0.92	
Smt. Radhika Throat	Key Managerial Personnel	0.13	0.03	
12 Rent				
Reliance Industries Limited	Ultimate Holding	9.25	1.41	
Reliance Universal Traders Private Limited	Fellow Subsidiary	2.96	-	
Reliance Ambit Trade Private Limited	Fellow Subsidiary	4.07	-	
Reliance Eminent Trading & Commercial Private Limited	Fellow Subsidiary	14.95	-	
Reliance Progressive Traders Private Limited	Fellow Subsidiary	25.99	-	
Reliance Prolific Commercial Private Limited	Fellow Subsidiary	6.14	-	
Reliance Prolific Traders Private Limited	Fellow Subsidiary	9.30	-	
Surela Investment & Trading Private Limited	Fellow Subsidiary	0.22	-	
Reliance Vantage Retail Limited	Fellow Subsidiary	3.02	-	
Ashwani Commercials Private Limited	Associates	1.00	-	
13 General Expenses				
Reliance Retail Limited	Fellow Subsidiary	20.95	-	
Reliance Jio Infocomm Limited	Fellow Subsidiary	2.45	-	
iv Balance as at 31st March, 2018				
Particulars	Relationship	As at 31st March, 2018	As at 31st March, 2017	
1 Investments				
Reliance SMSL Limited	Subsidiary	11.32	11.32	
Reliance Commercial Dealers Limited	Associate	7.50	7.50	
Reliance LNG Limited	Associate	0.02	0.02	
Naroda Power Private Limited	Associate	0.01	-	
GenNext Ventures Investment Advisers LLP	Associate	0.10	0.09	
2 Unsecured Loans				
Reliance Industries Limited	Ultimate Holding	3,299.33	807.21	
Reliance Industrial Investments and Holding Limited	Holding	6,750.03	4,593.90	
Reliance Ventures Limited	Fellow Subsidiary	-	4.62	

Notes on Financial Statements for the year ended 31st March 2018

24.1 Compensation of Key Managerial Personnel*

The remuneration of director and other member of key management personnel during the year was as follows:

	₹ in crore	
	2017-18	2016-17
i Short-term benefits	1.59	1.51
ii Post employment benefits	0.10	0.08
iii Other long term benefits	-	-
iv Share based payments	0.26	-
v Termination benefits	-	-
Total	<u>1.95</u>	<u>1.59</u>

* Includes Professional Fees towards Key Management Personnel payments reimbursed to Reliance Industries Limited.

25 Contingent Liabilities & Commitments

	₹ in crore	
	As at 31st March, 2018	As at 31st March, 2017
I) Contingent Liabilities		
Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of credit.	21	7
Claims against the Company / disputed liabilities not acknowledged as debts *	230	19
II) Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	461	515

* The Company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary

26 Capital Management

The capital structure of the Company consists of net debt (borrowings as detailed in note 12) and total equity of the Company.

26.1 Gearing Ratio

The net gearing ratio at end of the reporting period was as follows.

	₹ in crore	
Particulars	As at 31st March, 2018	As at 31st March, 2017
Gross Debt	10,051.03	5,402.78
Cash and Cash Equivalents	0.36	4.24
Net Debt (A)	10,050.67	5,398.54
Total Equity (as per Balance Sheet) (B)	9,991.90	9,389.11
Net Gearing Ratio (A/B)	1.01	0.58

Notes on Financial Statements for the year ended 31st March 2018

27 FINANCIAL INSTRUMENTS

Valuation Methodology

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

- The fair value of investment in quoted Equity Shares and Mutual Funds is measured at quoted price or NAV.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

A. Fair Value Measurement Hierarchy :

₹ in crore

Particulars	As at 31st March, 2018		As at 31st March, 2017			
	Carrying amount	Level of Input used in		Carrying amount	Level of Input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	2,448.15	-	-	1,818.29	-	-
Cash and Cash Equivalents	0.36	-	-	4.24	-	-
Other Financial Assets	1,675.99	-	-	1,244.51	-	-
Financial Liabilities						
At Amortised Cost						
Borrowings	10,051.20	-	-	5,402.78	-	-
Trade Payables	2,783.24	-	-	1,663.79	-	-
Other Financial Liabilities	311.57	-	-	848.83	-	-

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.

B. Financial Risk Management

The different type of risks the Company is exposed to are liquidity risk, credit risk and market risk.

(i) Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates.

(ii) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables.

(iii) Market Risk

(a) Foreign Currency Risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, EUR and GBP.

Foreign currency risk arises from recognised assets and liabilities and future commercial transactions that are in foreign currency.

Notes on Financial Statements for the year ended 31st March 2018

Foreign currency exposure profile is given below:

	₹ in crore							
	As at 31st March, 2018				As at 31st March, 2017			
	USD	EUR	SGD	AED	USD	EUR	SGD	AED
Trade and Other Payables	52.94	0.19	0.06	(0.04)	28.33	1.52	0	0
Trade and Other Receivables	(1.14)	-	-	-	(0.47)	-	-	-
Net Exposure	51.80	0.19	0.06	(0.04)	27.86	1.52	0.00	0.00

Sensitivity analysis of 1% change in exchange rate at the end of reporting period:

Foreign Currency Sensitivity

	₹ in crore							
	As at 31st March, 2018				As at 31st March, 2017			
	USD	EUR	SGD	AED	USD	EUR	SGD	AED
1 % Depreciation in INR								
Impact on P & L	0.52	-	-	-	18.07	1.07	-	-
Total	0.52	-	-	-	18.07	1.07	-	-
1 % Appreciation in INR								
Impact on P & L	(0.52)	-	-	-	(18.07)	(1.07)	-	-
Total	(0.52)	-	-	-	(18.07)	(1.07)	-	-

(b) Interest Rate Risk

Fluctuation in future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107.

Interest Rate Exposure

Interest rate exposure profile is given below:

Particulars	₹ in crore	
	As at 31st March, 2018	As at 31st March, 2017
Borrowings		
Non-Current - Fixed	<u>10,049.36</u>	<u>5,401.11</u>
Total	<u><u>10,049.36</u></u>	<u><u>5,401.11</u></u>

28. All the activities of the Company revolve around its main business. Accordingly the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segments". The Board of Directors (the 'Chief Operational Decision Maker as defined in Ind AS 108 – Operating Segments) monitors the operating results on the entity's business for the purpose of making decisions about resources allocation and performance assessment.

29. Details of loans given, investments made and guarantee given as on 31st March 2018 covered U/S 186 (4) of the Companies Act, 2013.

i) Loan given ₹ Nil (Previous year ₹ Nil)

ii) Investment made by the Company as at 31st March, 2018 (Refer Note 2).

iii) Guarantees given and securities provided by the Company in respect of loan ₹ Nil (Previous year ₹ Nil)

Notes on Financial Statements for the year ended 31st March 2018

30. Pursuant to Scheme of Amalgamation ('the Scheme') of Reliance Commercial Trading Private Limited (RCTPL) engaged in the business of event hosting & maintenance of parking and Reliance Jio Asiainfo Innovation Centre Limited (RJAICL) engaged in the business of Software innovation the wholly owned subsidiaries of the Company (jointly termed as 'Transferor Companies') with the Company under Sections 230 to 232 of the Companies Act, 2013 sanctioned by the Honourable National Company Law Tribunal, Mumbai Bench on 04th September 2017, the assets and liabilities of Transferor Companies are transferred to and vested in the Company with effect from the Appointed date i.e 01st April 2016, with previous year figures being restated to give effect to the business combination from the appointed date.

In accordance with the said Scheme and as per the approval of Honourable National Company Law Tribunal, Mumbai Bench:

- The assets, liabilities and reserves of the transferor companies have been vested with the Company with effect from 1st April, 2016 and have been recorded at their respective book values after making adjustment to ensure uniformity of accounting policies under pooling of interest method of amalgamation.
- 10,00,000 Equity Shares of ₹ 10 each of Reliance Jio AsiaInfo Innovation Centre Limited (RJAICL) and 10,000 Equity shares of ₹ 10 each of Reliance Commercial Trading Private Limited (RCTPL) held by the Company have been cancelled and no shares have been issued to the shareholders of RJAICL and RCTPL, the Company's wholly owned subsidiaries

The above scheme is in accordance with Indian Accounting Standards i.e. Ind AS 103 - Business Combination.

31. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on April 24, 2018.

32. The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our Report of even date	For and on behalf of the Board		
For D T S & Associates Chartered Accountants Firm Registration No. -142412W	Virender Kumar Gandhi Director	Rohit Shah Director	Arvind Modgil Director
Ashish G. Mistry Partner Membership No. 132639	Jagmohanlal Bhamri Director	S R Bhardwaj Director	Komal Chhapru Director
Mumbai April 24, 2018	Radhika Thorat Company Secretary	S Rajagopal CFO	Ramakant Singru Manager