

**Reliance Energy and Project Development Limited**  
**Financial Statements**  
**FY : 2017-18**

## Independent Auditor's Report

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### TO THE MEMBERS OF RELIANCE ENERGY AND PROJECT DEVELOPMENT LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Energy and Project Development Limited** (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> 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, profit or loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company’s Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

## Independent Auditor's Report (Contd.)

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 does not have any pending litigations which would impact on its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Pathak H.D & Associates**  
Chartered Accountants  
(Firm Registration no. 107783W)

**Ashutosh Jethlia**  
**Partner**  
Membership No.: 136007

Place : Mumbai  
Date : April 19, 2018

**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE ENERGY AND PROJECT DEVELOPMENT LIMITED**

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

- i) As the Company has no fixed assets during the year, clause (i) (a) to clause (i) (c) of paragraph 3 of the Order is not applicable to the Company.
- ii) As 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 persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons and has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given, as applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii) In respect of Statutory dues :
  - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, 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, service 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 or debenture holders. Therefore, the clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- 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.

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- 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 **Pathak H.D & Associates**  
Chartered Accountants  
(Firm Registration no. 107783W)

**Ashutosh Jethlia**  
**Partner**  
Membership No.: 136007

Place : Mumbai  
Date : April 19, 2018

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE ENERGY AND PROJECT DEVELOPMENT 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 Energy and Project Development Limited** (“the Company”) as of 31<sup>st</sup> 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.

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**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 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 **Pathak H.D & Associates**  
Chartered Accountants  
(Firm Registration no. 107783W)

**Ashutosh Jethlia**  
**Partner**  
Membership No.: 136007

Place : Mumbai  
Date : April 19, 2018

## Balance Sheet as at 31st March, 2018

	Notes	As at 31st March, 2018	(Amount ₹) As at 31st March, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial Assets			
Investments	1	1111 47 85 914	1255 98 85 914
<b>Total Non-Current assets</b>		<b>1111 47 85 914</b>	1255 98 85 914
<b>Current assets</b>			
Financial Assets			
Cash and cash equivalents	2	6 89 909	1 60 129
Current tax assets (Net)	3	23 22 340	23 22 340
Other Current Assets	4	50 626	-
<b>Total Current assets</b>		<b>30 62 875</b>	24 82 469
<b>Total Assets</b>		<b>1111 78 48 789</b>	1256 23 68 383
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	5	1 00 92 800	1 00 92 800
Other Equity	6	1110 58 02 737	1255 04 14 782
<b>Total equity</b>		<b>1111 58 95 537</b>	1256 05 07 582
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial Liabilities			
Trade payables	7	1 25 351	47 025
Other Current liabilities	8	18 27 901	18 13 776
<b>Total current liabilities</b>		<b>19 53 252</b>	18 60 801
<b>Total Liabilities</b>		<b>19 53 252</b>	18 60 801
<b>Total Equity and Liabilities</b>		<b>1111 78 48 789</b>	1256 23 68 383
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 18		

As per our Report of even date

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

**Ashutosh Jethlia**  
Partner  
Membership No. :136007

Mumbai  
Dated : April 19, 2018

For and on behalf of the Board

**KVVS Murthy**  
Director

**Shivkumar R Bhardwaj**  
Director

**S Rajagopal**  
Director

**Dhiren V. Dalal**  
Director

**Rohit C. Shah**  
Director

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

	Notes	2017-18	(Amount ₹) 2016-17
<b>INCOME</b>			
<b>Revenue from operation</b>			
Sale of Products	9	2 18 245	1 96 100
<b>Total Income</b>		<b>2 18 245</b>	<b>1 96 100</b>
<b>EXPENDITURE</b>			
Purchase of Stock-in-Trade		2 17 718	1 95 457
Other Expenses	10	9 52 172	7 86 015
<b>Total Expenses</b>		<b>11 69 890</b>	<b>9 81 472</b>
Profit / (Loss) Before Tax		( 9 51 645)	( 7 85 372)
<b>Tax Expenses</b>			
Current Tax		-	-
<b>Profit / (Loss) for the Year</b>		<b>( 9 51 645)</b>	<b>( 7 85 372)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>( 9 51 645)</b>	<b>( 7 85 372)</b>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic (in ₹)	11	(0.94)	(0.78)
Diluted (in ₹)	11	(0.94)	(0.78)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 18		

As per our Report of even date

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

**Ashutosh Jethlia**  
Partner  
Membership No. :136007

Mumbai  
Dated : April 19, 2018

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Director

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Director

**Rohit C. Shah**  
Director

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Director

**Dhiren V. Dalal**  
Director

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

### A. EQUITY SHARE CAPITAL

(Amount ₹)

Balance at the beginning of the reporting period i.e. 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017	Change in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018
1 00 92 800	-	1 00 92 800	-	1 00 92 800

### B. OTHER EQUITY

(Amount ₹)

	Instruments classified as Equity	Reserves and Surplus			Total
		Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings	
<b>Year ended 31st March, 2017</b>					
Balance at beginning of reporting period	303 31 00 000	62 27 400	-	951 10 32 754	1255 03 60 154
Redemption of Zero Coupon Unsecured Optionally Convertible Debentures	(303 25 00 000)	-	-	-	(303 25 00 000)
6% Non-Cumulative Optionally-Convertible Preference Shares Issued	32 26 000	-	302 92 14 000	-	303 24 40 000
Unsecured Zero Coupon Optionally Convertible Loan	9 00 000	-	-	-	9 00 000
Total Comprehensive Income for the year	-	-	-	(7 85 372)	(7 85 372)
Balance at the end of the reporting period	47 26 000	62 27 400	302 92 14 000	951 02 47 382	1255 04 14 782
<b>Year ended 31st March, 2018</b>					
Balance at beginning of reporting period	47 26 000	62 27 400	302 92 14 000	951 02 47 382	1255 04 14 782
Redemption of 1,53,666 Nos of 6% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each at a premium of ₹ 9,390/- per share during the year	(15 36 660)	-	-	(144 29 23 740)	(144 44 60 400)
Transferred towards redemption of 1,53,666 Nos of 6% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each during the year	-	15 36 660	-	(15 36 660)	-
Unsecured Zero Coupon Optionally Convertible Loan	8 00 000	-	-	-	8 00 000
Total Comprehensive Income for the year	-	-	-	(9 51 645)	(9 51 645)
Balance at the end of the reporting period	39 89 340	77 64 060	302 92 14 000	806 48 35 337	1110 58 02 737

As per our Report of even date

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

**Ashutosh Jethlia**  
Partner  
Membership No. :136007

Mumbai  
Dated : April 19, 2018

For and on behalf of the Board

**KVVS Murthy**  
Director

**Shivkumar R Bhardwaj**  
Director

**S Rajagopal**  
Director

**Dhiren V. Dalal**  
Director

**Rohit C. Shah**  
Director

## Cash Flow Statement for the Year ended 31st March, 2018

	(Amount ₹)	
	2017-18	2016-17
<b>A Cash Flow from Operating Activities</b>		
Net Profit/ (Loss) before Tax as per Statement of Profit and Loss	( 9 51 645)	( 7 85 372)
Adjusted for :		
	-	-
<b>Operating Loss before Working Capital Changes</b>	<b>( 9 51 645)</b>	<b>( 7 85 372)</b>
Adjusted for :		
Trade and Other Receivables	( 50 626)	-
Trade and Other Payables	<b>92 451</b>	29 850
	<b>41 825</b>	29 850
<b>Cash Used in Operations</b>	<b>( 9 09 820)</b>	<b>( 7 55 522)</b>
Taxes paid	-	-
<b>Net Cash flow Used in Operating Activities</b>	<b>( 9 09 820)</b>	<b>( 7 55 522)</b>
<b>B Cash Flow from Investing Activities</b>		
Proceeds from sale of financial assets	<b>144 51 00 000</b>	-
<b>Net Cash flow from Investing Activities</b>	<b>144 51 00 000</b>	-
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Zero Coupon Optionally Convertible Loan	<b>8 00 000</b>	9 00 000
Repayment of Zero Coupon Optionally Convertible Debentures	-	(303 25 00 000)
Redemption of Preference Share Capital (Including premium)	<b>(144 44 60 400)</b>	-
Proceeds towards Preference Share Capital	-	303 24 40 000
<b>Net Cash flow (Used in) / from Financing Activities</b>	<b>(144 36 60 400)</b>	<b>8 40 000</b>
Net Increase in Cash and Cash Equivalents	<b>5 29 780</b>	84 478
Opening Balance of Cash and Cash Equivalents	<b>1 60 129</b>	75 651
Closing Balance of Cash and Cash Equivalents (Refer Note 2)	<b>6 89 909</b>	1 60 129

As per our Report of even date

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

**Ashutosh Jethlia**  
Partner  
Membership No. :136007

Mumbai  
Dated : April 19, 2018

For and on behalf of the Board

**KVVS Murthy**  
Director

**Shivkumar R Bhardwaj**  
Director

**S Rajagopal**  
Director

**Dhiren V. Dalal**  
Director

**Rohit C. Shah**  
Director

## Notes to the Financial Statements for the Year ended 31st March, 2018

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### A. CORPORATE INFORMATION

Reliance Energy and Project Development Limited [‘the company’] is a public limited company incorporated in India. The registered office of the Company is located at 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021. The Company is mainly engaged in the business of Wholesale Trading of Goods and Investment in shares & securities.

### B. SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements have been prepared on the historical cost basis.

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

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

#### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (a) Finance Cost

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

##### (b) Inventories

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

Cost of Inventories are determined on weighted average basis.

##### (c) Provisions

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

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

##### (d) Taxation

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

#### Current Tax

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

## Notes to the Financial Statements for the Year ended 31st March, 2018

### (e) 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 spot 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

### (f) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed. Revenue from sale of goods 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.

#### 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.

### (g) 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 carried 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 at fair value through other comprehensive income (FVTOCI)

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

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

## Notes to the Financial Statements for the Year ended 31st March, 2018

### C. Investment in Holding and Subsidiaries

The Company has accounted for its investments in holding and fellow subsidiaries 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:

- 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
- 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.

### ii) Financial liabilities

#### A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in Statement of Profit or Loss as finance cost.

#### B. Subsequent measurement

Financial liabilities are 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 future periods.

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

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

#### (b) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition

## Notes to the Financial Statements for the Year ended 31st March, 2018

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and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

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

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

**D. 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 Exchange 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 to the Financial Statements for the Year ended 31st March, 2018

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

1. INVESTMENTS - NON-CURRENT	As at 31st March, 2018		As at 31st March, 2017	
	Units	Amount	Units	Amount
				(Amount ₹)
<b>Investments measured at Cost</b>				
<b>In Equity Shares of Ultimate Holding Company</b>				
<b>Quoted, fully paid up</b>				
Reliance Industries Limited of ₹ 10 each	20,58,000	81 38 85 914	20,58,000	81 38 85 914
<b>In Preference shares of Fellow Subsidiary</b>				
<b>Unquoted, fully paid up</b>				
10% Non-Cumulative Optionally Convertible Preference Shares of Reliance Polyolefins Limited of ₹ 10 each	1,03,00,900	1030 09 00 000	1,17,46,000	1174 60 00 000
<b>Total of Investments measured at Cost</b>		<b>1111 47 85 914</b>		<b>1255 98 85 914</b>
<b>Total Investments - Non-Current</b>		<b>1111 47 85 914</b>		<b>1255 98 85 914</b>
Aggregate amount of quoted investments		81 38 85 914		81 38 85 914
Market Value of quoted investments		181 65 96 600		271 84 12 200
Aggregate amount of unquoted investments		1030 09 00 000		1174 60 00 000
				(Amount ₹)
2. CASH AND CASH EQUIVALENTS			As at	As at
			31st March, 2018	31st March, 2017
Bank Balances:				
In Current Accounts		6 89 909		1 60 129
<b>Cash and cash equivalents as per Balance Sheet</b>		<b>6 89 909</b>		<b>1 60 129</b>
<b>Cash and cash equivalents as per statement of Cash Flows</b>		<b>6 89 909</b>		<b>1 60 129</b>
				(Amount ₹)
3. CURRENT TAX ASSETS (NET)			As at	As at
			31st March, 2018	31st March, 2017
<b>Current tax assets (Net)</b>				
At start of year		23 22 340		23 22 340
Charge for the year		-		-
Tax paid / (refund received) during the year		-		-
<b>At end of year</b>		<b>23 22 340</b>		<b>23 22 340</b>
				(Amount ₹)
4. OTHER CURRENT ASSETS			As at	As at
(Unsecured and Considered Good)			31st March, 2018	31st March, 2017
Recoverable from Statutory Authorities		50 626		-
<b>Total</b>		<b>50 626</b>		<b>-</b>

## Notes to the Financial Statements for the Year ended 31st March, 2018

5. SHARE CAPITAL	As at 31st March, 2018		As at 31st March, 2017	
	Units	Amount	Units	Amount
(Amount ₹)				
<b>Authorised:</b>				
Equity Shares of ₹ 10/- each	10,30,000	1 03 00 000	10,30,000	1 03 00 000
Preference Shares of ₹ 100/- each	1,000	1 00 000	1,000	1 00 000
Preference Shares of ₹ 10/- each	15,00,000	1 50 00 000	15,00,000	1 50 00 000
Unclassified Shares of ₹ 10/- each	10,000	1 00 000	10,000	1 00 000
		<b>2 55 00 000</b>		<b>2 55 00 000</b>
<b>Issued, Subscribed and Paid up:</b>				
Equity Shares of ₹ 10/- each fully paid up	10,09,280	1 00 92 800	10,09,280	1 00 92 800
<b>Total</b>		<b>1 00 92 800</b>		<b>1 00 92 800</b>

### 5.1 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
<b>Holding Company : Equity Share</b>				
Reliance Industrial Investments and Holdings Limited	10,09,280	100.00	10,09,280	100.00

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Equity (Nos.)	Equity (Nos.)
Shares at the beginning of the year	10,09,280	10,09,280
Add : Shares issued during the year	-	-
Shares at the end of the year	10,09,280	10,09,280

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

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

6. OTHER EQUITY	As at 31st March, 2018		As at 31st March, 2017	
(Amount ₹)				
<b>Instruments classified as Equity</b>				
<b>6% Non-Cumulative Optionally Convertible Preference Shares</b>				
As per last Balance Sheet	32 26 000		-	
Add: Issued during the year	-		32 26 000	
Less : Redeemed 1,53,666 Nos during the year	( 15 36 660)		-	
		<b>16 89 340</b>		<b>32 26 000</b>
<b>Unsecured Zero Coupon Optionally Convertible Loan</b>				
As per last Balance Sheet	15 00 000		6 00 000	
Add: Taken during the year	8 00 000		9 00 000	
		<b>23 00 000</b>		<b>15 00 000</b>

## Notes to the Financial Statements for the Year ended 31st March, 2018

		(Amount ₹)	
6. OTHER EQUITY (Continued)	As at 31st March, 2018	As at 31st March, 2017	
<b>Zero Coupon Unsecured Optionally Convertible Debentures</b>			
As per last Balance Sheet	-	303 25 00 000	
Add: Issued during the year	-	-	
Less: Redeemed during the year	-	(303 25 00 000)	
	<u>-</u>	<u>-</u>	
<b>Reserve and Surplus</b>			
<b>Capital Redemption Reserve</b>			
As per last Balance Sheet	62 27 400	62 27 400	
Add : Transferred from Retained Earnings	15 36 660	-	
	<u>77 64 060</u>	<u>-</u>	62 27 400
<b>Securities Premium Reserve</b>			
As per last Balance Sheet	302 92 14 000	-	
Add : On issue of 6% Non-Cumulative Optionally Convertible Preference Shares	-	302 92 14 000	
	<u>302 92 14 000</u>	<u>302 92 14 000</u>	302 92 14 000
<b>Retained Earnings</b>			
As per last Balance Sheet	951 02 47 382	951 10 32 754	
Less : Redemption of 1,53,666 Nos of 6% Non-Cumulative Optionally Convertible Preference Shares at a premium of ₹ 9,390/- per share	(144 29 23 740)	-	
Less : Transferred to Capital Redemption Reserve	( 15 36 660)	-	
Less : Loss for the year	( 9 51 645)	( 7 85 372)	
	<u>806 48 35 337</u>	<u>951 02 47 382</u>	
<b>Total</b>	<u>1110 58 02 737</u>	<u>1255 04 14 782</u>	

**6.1** 6% Non-Cumulative Optionally Convertible Preference Shares issued to Reliance Industrial Investments and Holdings Limited (the holding Company) are convertible at the end of twenty years from the date of allotment i.e. 31-03-2017 at a price of ₹ 9400 per share at the option of the Company [Issuer] or at any time after the date of allotment.

**6.2** The Unsecured Zero Coupon Optionally Convertible Loan [ZCOC Loan] from Reliance Strategic Investments Limited (a fellow subsidiary) is convertible at the option of the Borrower at any time after allotment on face value ₹ 10/- per share. The outstanding amount of Loan, if not opted for conversion shall be repayable, at the end of 10 years from the date of first disbursement i.e. 05-06.2015 or such other period as may be mutually agreed between the Borrower and the Lender.

**6.3** The Zero Coupon Unsecured Optionally Convertible Debenture were redeemed as per the terms of issue of debentures.

#### **6.4 The details of shareholding more than 5% :**

Name of the shareholders	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares	% held	No. of shares	% held
<b>Holding Company : Preference Shares</b>				
Reliance Industrial Investments and Holdings Limited	1,68,934	100.00	3,22,600	100.00

## Notes to the Financial Statements for the Year ended 31st March, 2018

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Debenture (Nos.)	Preference (Nos.)	Debenture (Nos.)	Preference (Nos.)
At the beginning of the year	-	3,22,600	30,32,50,000	-
Add : issued during the year	-	-	-	3,22,600
Less : redeemed during the year	-	1,53,666	30,32,50,000	-
At the end of the year	-	1,68,934	-	3,22,600

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

All the Preference Shares shall carry a preferential right over the Equity shares of the Company as regards to payment of dividend and repayment of capital, in the event of winding-up of the Company. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

7. TRADE PAYABLES	(Amount ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Micro and Small Enterprises	-	-
Other Payables	1 25 351	47 025
<b>Total</b>	<b>1 25 351</b>	<b>47 025</b>

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

8. OTHER CURRENT LIABILITIES	(Amount ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Other Payables *	18 27 901	18 13 776
<b>Total</b>	<b>18 27 901</b>	<b>18 13 776</b>

\* Includes Statutory Dues.

9. SALE OF PRODUCTS	(Amount ₹)	
	2017-18	2016-17
Sale of Fabrics	2 18 245	1 96 100
<b>Total</b>	<b>2 18 245</b>	<b>1 96 100</b>

10. OTHER EXPENSES	(Amount ₹)	
	2017-18	2016-17
<b>Establishment Expenses</b>		
Professional Fees	2 36 175	1 26 375
General Expenses	1 935	1 348
Rates & Taxes	8 542	12 726
Demat / Custodian charges	920	916
Directors Sitting Fees	6 88 600	6 20 500
Payment to Auditors	16 000	24 150
<b>Total</b>	<b>9 52 172</b>	<b>7 86 015</b>

## Notes to the Financial Statements for the Year ended 31st March, 2018

	2017-18	2016-17
<b>10.1 Payment to Auditors as</b>		(Amount ₹)
Statutory Audit fees	<b>16 000*</b>	18 400
Certification fees #	-	5 750
	<b>16 000</b>	24 150

\* Excluding taxes

# Certification fees includes certification fees paid to auditors towards certification of XBRL filings.

	2017-18	2016-17
<b>11. EARNINGS PER SHARE</b>		
Face Value per Equity Share (₹)	<b>10</b>	10
<b>Basic Earnings per share (₹)</b>	<b>( 0.94)</b>	( 0.78)
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	<b>( 9 51 645)</b>	( 7 85 372)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	<b>10 09 280</b>	10 09 280
<b>Diluted Earnings per share (₹)*</b>	<b>( 0.94)</b>	( 0.78)
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	<b>( 9 51 645)</b>	( 7 85 372)
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	<b>13 68 101</b>	10 20 738
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	<b>10 09 280</b>	10 09 280
Total Weighted Average Potential Equity Shares	<b>3 58 821</b>	11 458
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	<b>13 68 101</b>	10 20 738

\* Diluted earnings per share is same as basic earnings per share, since the potential equity share are anti dilutive.

12. The Income-Tax assessments u/s 143(1) of the Company have been completed up to Assessment Year 2015-16. The disputed demand outstanding up to the said Assessment Year is ₹ Nil.

### 13. RELATED PARTY DISCLOSURES

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

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Polyolefins Limited	Fellow Subsidiary Companies
4	Reliance Strategic Investments Limited	

## Notes to the Financial Statements for the Year ended 31st March, 2018

### ii) Transactions during the year with related parties: (Amount ₹)

Sr. No.	Nature of Transaction (Excluding reimbursements)	Ultimate Holding Company	Holding Company	Fellow Subsidiary Companies	Total
1	Redemption of Investments	-	-	144 51 00 000	144 51 00 000
2	Redemption of Optionally Convertible Preference Shares (including premium)	-	144 44 60 400	-	144 44 60 400
3	Share application money received	-	-	-	-
		-	303 24 40 000	-	303 24 40 000
4	Redemption of Debentures	-	-	-	-
		-	303 25 00 000	-	303 25 00 000
5	ZCOC Loans taken / (repaid)	-	-	8 00 000	8 00 000
		-	-	9 00 000	9 00 000
6	Purchases	2 17 718	-	-	2 17 718
		1 95 457	-	-	1 95 457
7	Professional Fees	1 01 250	-	-	1 01 250
		-	-	-	-
<b>Balance as at 31st March, 2018</b>					
9	Investments	81 38 85 914	-	1030 09 00 000	1111 47 85 914
		81 38 85 914	-	1174 60 00 000	1255 98 85 914
10	ZCOC Loans	-	-	23 00 000	23 00 000
		-	-	15 00 000	15 00 000
11	Trade Payables	1 09 351	-	-	1 09 351
		-	-	-	-

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

### Disclosure in respect of Major Related Party Transactions during the year: (Amount ₹)

Sr. No.	Particulars	Relationship	2017-18	2016-17
1	<b>Redemption of Investments</b>			
	Reliance Polyolefins Limited	Fellow Subsidiary Company	144 51 00 000	-
2	<b>Redemption of Optionally Convertible Preference Shares (including premium)</b>			
	Reliance Industrial Investments and Holdings Limited	Holding Company	144 44 60 400	-
3	<b>Share application money received</b>			
	Reliance Industrial Investments and Holdings Limited	Holding Company	-	303 24 40 000
4	<b>Redemption of Debentures</b>			
	Reliance Industrial Investments and Holdings Limited	Holding Company	-	303 25 00 000
5	<b>ZCOC Loans taken / (repaid)</b>			
	Reliance Strategic Investments Limited	Fellow Subsidiary	8 00 000	9 00 000
6	<b>Purchases</b>			
	Reliance Industries Limited	Ultimate Holding	2 17 718	1 97 457
7	<b>Professional Fees</b>			
	Reliance Industries Limited	Ultimate Holding	1 01 250	-

## Notes to the Financial Statements for the Year ended 31st March, 2018

### 14. SEGMENT INFORMATION

The Company operating segments are established on the basis of those components which are evaluated regularly by the Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of activities and the differing risks and returns.

The Company has two principal operating and reporting segments; viz. Finance & Investments and Trading as follows:

- The Finance and Investment segment, which comprises of loans, investments and borrowings of the Company.
- The Trading segment, denotes wholesale trading of Fabrics undertaken by the company
- No operating segments have been aggregated to form the above reportable operating segments.
- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Year ended 31st March, 2018				(Amount ₹)	
Sr. No.	Particulars	Finance & Investments	Trading	Unallocable	Total
1	<b>Segment Revenue</b>				
	External Turnover	-	2 18 245	-	2 18 245
	<b>Total Revenue</b>	-	2 18 245	-	2 18 245
2	<b>Income / (expenses)</b>				
	Depreciation and amortisation	-	-	-	-
3	<b>Segment Profit</b>	( 920)	527	( 9 51 252)	( 9 51 645)
	<b>Less: Current tax</b>			-	-
	<b>Less: Deferred tax</b>			-	-
	<b>Profit after tax</b>	( 920)	527	( 9 51 252)	( 9 51 645)
4	<b>Total Assets</b>	1111 47 85 914	-	30 62 875	1111 78 48 789
5	<b>Total Liabilities</b>	-	-	19 53 252	19 53 252
6	<b>Other disclosures</b>				
	Capital Expenditure	-	-	-	-
Year ended 31st March, 2017				(Amount ₹)	
Sr. No.	Particulars	Finance & Investments	Trading	Unallocable	Total
1	<b>Segment Revenue</b>				
	External Turnover	-	1 96 100	-	1 96 100
	<b>Total Revenue</b>	-	1 96 100	-	1 96 100
2	<b>Income / (expenses)</b>				
	Depreciation and amortisation	-	-	-	-
3	<b>Segment Profit</b>	( 916)	643	( 7 85 099)	( 7 85 372)
	<b>Less: Current tax</b>			-	-
	<b>Less: Deferred tax</b>			-	-
	<b>Profit after tax</b>	( 916)	643	( 7 85 099)	( 7 85 372)
4	<b>Total Assets</b>	1255 98 85 914	-	24 82 469	1256 23 68 383
5	<b>Total Liabilities</b>	-	-	18 60 801	18 60 801
6	<b>Other disclosures</b>				
	Capital Expenditure	-	-	-	-

## Notes to the Financial Statements for the Year ended 31st March, 2018

<b>Reconciliations to amounts reflected in the financial statements</b>		(Amount ₹)
<b>Reconciliation of profit</b>	<b>2017-18</b>	2016-17
Segment profit	<u>( 9 51 645)</u>	<u>( 7 85 372)</u>
Profit / (Loss) Before Tax	<u>( 9 51 645)</u>	<u>( 7 85 372)</u>
<b>Reconciliation of assets</b>	<b>As at 31st March, 2018</b>	As at 31st March, 2017
Segment operating assets	<u>1111 78 48 789</u>	<u>1256 23 68 383</u>
Total assets	<u>1111 78 48 789</u>	<u>1256 23 68 383</u>
Segment operating liabilities	<u>19 53 252</u>	<u>18 60 801</u>
Total liabilities	<u>19 53 252</u>	<u>18 60 801</u>

### Notes :

- 1) Since all the operations of the Company are conducted within India, as such there is no separate reportable geographical segment.
- 2) Entire Revenue is from sale to its largest customer. No other single customer contributed 10% or more to the Company's revenue for both 2017-18 and 2016-17.

### 15. Capital Management

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

### 16. Financial Instruments

#### Valuation

All financial instruments are measured at amortised cost as described below:

#### Fair value measurement hierarchy:

Particulars	(Amount ₹)					
	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	
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Cash and Cash Equivalents	<b>6 89 909</b>	-	-	1 60 129	-	-
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Trade Payable	<b>1 25 351</b>	-	-	47 025	-	-

## Notes to the Financial Statements for the Year ended 31st March, 2018

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.

### 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 its investment activities, derivative instruments and other financial assets.

### Liquidity Risk

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Management monitors rolling forecasts of the company's cash flow position and ensures that the Company is able to meet its financial obligations at all times including contingencies.

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

Investments made is given under the said head

No Loans and Guarantees are given by the Company as at 31st March, 2018

## 18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on April 19, 2018.

As per our Report of even date

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

**Ashutosh Jethlia**  
Partner  
Membership No. :136007

Mumbai  
Dated : April 19, 2018

For and on behalf of the Board

**KVVS Murthy**  
Director

**Shivkumar R Bhardwaj**  
Director

**S Rajagopal**  
Director

**Dhiren V. Dalal**  
Director

**Rohit C. Shah**  
Director