

RELIANCE POLYOLEFINS LIMITED
FINANCIAL STATEMENTS
2017-18

Independent Auditor's Report

TO THE MEMBERS OF RELIANCE POLYOLEFINS LIMITED

Report on the Financial Statements

We have audited the accompanying Financial statements of **Reliance Polyolefins 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, 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 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.

Independent Auditor's Report (Continued)

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 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

Independent Auditor's Report (Continued)

“Annexure A” to the Independent Auditors' Report on the Financial Statements of Reliance Polyolefins Limited

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

- i) As the Company has no fixed assets during the year, clause (i) (a) to clause (i) (c) of paragraph 3 of the Order is not applicable to the Company.
- ii) As 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) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement 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.

Independent Auditor's Report (Continued)

- 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 POLYOLEFINS 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 Polyolefins 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 **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
ASSETS			
Non-current assets			
Financial Assets			
Investments	1	2498 21 33 236	2595 66 46 971
Total Non-Current assets		2498 21 33 236	2595 66 46 971
Current assets			
Financial Assets			
Investments	2	3 92 23 345	19 52 56 443
Trade Receivables	3	112 08 96 000	-
Cash and cash equivalents	4	12 67 519	7 84 593
Other Current Assets	5	30 96 137	19 65 200
Total Current assets		116 44 83 001	19 80 06 236
Total Assets		2614 66 16 237	2615 46 53 207
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	6	1 01 00 000	1 01 00 000
Other Equity	7	2500 72 46 479	2612 51 25 359
Total equity		2501 73 46 479	2613 52 25 359
Liabilities			
Non-current liabilities			
Deferred tax liabilities (net)	8	86 01 092	1 37 35 578
Total non-current liabilities		86 01 092	1 37 35 578
Current liabilities			
Financial Liabilities			
Trade Payables	9	112 01 28 351	51 99 188
Other Current liabilities	10	5 40 315	4 93 082
Total current liabilities		112 06 68 666	56 92 270
Total Liabilities		112 92 69 758	1 94 27 848
Total Equity and Liabilities		2614 66 16 237	2615 46 53 207
Significant Accounting Policies			
See accompanying Notes to the Financial Statements 1 to 24			

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

K V S Murthy
Director

Shivkumar R Bhardwaj
Director

Deepak Vaid
Chief Financial Officer

N Shanker
Director

Dhiren V. Dalal
Director

Avani Gangapurkar
Secretarial Officer

J B Dholakia
Director

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

	Notes	2017-18	(Amount ₹) 2016-17
INCOME			
Revenue from operation			
Sale of Products	11	163 09 01 938	34 47 87 805
Other Income	12	2 79 66 902	12 11 53 941
Total Income		165 88 68 840	46 59 41 746
EXPENDITURE			
Purchase of Stock-in-Trade	13	162 92 75 420	34 39 27 820
Other Expenses	14	76 73 419	75 49 456
Total Expenses		163 69 48 839	35 14 77 276
Profit / (Loss) Before Tax		2 19 20 001	11 44 64 470
Tax Expenses			
Current Tax	15	92 14 411	3 80 23 127
Deferred Tax	15	(13 33 658)	19 03 923
Profit / (Loss) for the Year		1 40 39 248	7 45 37 420
Other comprehensive income:			
a) Items that will be reclassified to Profit or Loss		-	-
b) Item that will not be reclassified to Profit or Loss			
- Gain on Investment measured at Fair Value through Other Comprehensive Income		48 47 71 263	4 29 46 115
c) Income tax relating to items that will not be reclassified to Profit or Loss		(17 15 89 391)	(1 18 31 655)
Total comprehensive income for the year		32 72 21 120	10 56 51 880
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	16	13.90	73.80
Diluted (in ₹)	16	6.65	33.34
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 24		

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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Secretarial Officer

J B Dholakia
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 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period 31st March, 2018
1 01 00 000	-	1 01 00 000	-	1 01 00 000

B. OTHER EQUITY

(Amount ₹)

	Instruments classified as Equity	Reserves & Surplus			Other Comprehensive Income	Total
		Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings		
Year ended 31st March, 2017						
Balance at beginning of reporting period	12 24 53 800	98 20 000	1412 04 46 200	1176 67 53 479	-	2601 94 73 479
Total Comprehensive Income for the year	-	-	-	7 45 37 420	3 11 14 460	10 56 51 880
Balance at the end of the reporting period	12 24 53 800	98 20 000	1412 04 46 200	1184 12 90 899	3 11 14 460	2612 51 25 359
Year ended 31st March, 2018						
Balance at beginning of reporting period	12 24 53 800	98 20 000	1412 04 46 200	1184 12 90 899	3 11 14 460	2612 51 25 359
Less : Redemption of 14,45,100 Nos of 10% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each at a premium of ₹ 990/- per share during the year	(1 44 51 000)	-	(143 06 49 000)	-	-	(144 51 00 000)
Add : Transferred towards redemption of 14,45,100 Nos of 10% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each during the year	-	1 44 51 000	-	(1 44 51 000)	-	-
Total Comprehensive Income for the year	-	-	-	1 40 39 248	31 31 81 872	32 72 21 120
Balance at the end of the reporting period	10 80 02 800	2 42 71 000	1268 97 97 200	1184 08 79 147	34 42 96 332	2500 72 46 479

As per our Report of even date

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

Ashutosh Jethlia
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Membership No. :136007

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Dated : April 19, 2018

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Secretarial Officer

J B Dholakia
Director

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

	2017-18	(Amount ₹) 2016-17
A Cash Flow from Operating Activities		
Net Profit before Tax as per Statement of Profit and Loss	2 19 20 001	11 44 64 470
Adjusted for :		
Gain on Investments	(2 79 66 902)	(12 11 18 834)
Dividend Income	-	(35 107)
	<u>(2 79 66 902)</u>	<u>(12 11 53 941)</u>
Operating Profit /(Loss) before Working Capital Changes	(60 46 901)	(66 89 471)
Adjusted for :		
Trade and Other Receivables	(112 17 78 146)	-
Trade and Other Payables	111 49 76 396	52 00 853
	<u>(68 01 750)</u>	<u>52 00 853</u>
Cash Used in Operations	(1 28 48 651)	(14 88 618)
Taxes Paid (Net)	(18 48 53 421)	(3 82 85 060)
Net Cash flow Used in Operating Activities	<u>(19 77 02 072)</u>	<u>(3 97 73 678)</u>
B Cash Flow from Investing Activities		
Payment for financial assets	(71 00 00 000)	(22 77 49 075)
Proceeds from sale of financial assets	235 32 84 998	26 73 35 746
Net Cash flow from Investing Activities	<u>164 32 84 998</u>	<u>3 95 86 671</u>
C Cash Flow from Financing Activities		
Redemption of Preference Share Capital (including premium)	(144 51 00 000)	-
Net Cash flow Used in Financing Activities	<u>(144 51 00 000)</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	4 82 926	(1 87 007)
Opening Balance of Cash and Cash Equivalents	7 84 593	9 71 600
Closing Balance of Cash and Cash Equivalents (Refer Note 4)	<u>12 67 519</u>	<u>7 84 593</u>

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

K V V S Murthy
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Avani Gangapurkar
Secretarial Officer

J B Dholakia
Director

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

A. CORPORATE INFORMATION

Reliance Polyolefins 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 except for certain assets and liabilities which have been measured at fair value amount.

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.

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.

(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.

Notes to the Financial Statements (Continued)

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.

C. Investment in Holding, Subsidiaries, Associates and Joint Ventures

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

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Notes to the Financial Statements (Continued)

E. 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 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.

Notes to the Financial Statements (Continued)

(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		(Amount ₹) As at 31st March, 2017	
	Units	Amount	Units	Amount
Investments measured at Cost				
In Equity Shares of Ultimate Holding Company				
Quoted, fully paid up				
Reliance Industries Limited of ₹ 10 each	6,11,94,924	2407 20 21 195	6,11,94,924	2407 20 21 195
In Preference shares of Holding Company				
Unquoted, fully paid up				
10% Non-Cumulative Optionally Convertible Preference Shares of Reliance Industrial Investments and Holdings Limited of ₹ 10 each	-	-	1,49,020	74 51 00 000
In Preference shares of Fellow Subsidiary Company				
Unquoted, fully paid up				
10% Non-Cumulative Optionally Convertible Preference Shares of Reliance Chemicals Limited of ₹ 10 each	1,24,450	24 89 00 000	1,24,450	24 89 00 000
Total of Investments measured at Cost		<u>2432 09 21 195</u>		<u>2506 60 21 195</u>
Investments measured at Fair Value through Other Comprehensive Income				
In Others - Unquoted				
MPM Bioventure IV-QP, LP, USA (Limited Partner)		66 12 12 041		89 06 25 776
Total of Investments measured at Fair Value through Other Comprehensive Income		<u>66 12 12 041</u>		<u>89 06 25 776</u>
Total Investments - Non-Current		<u>2498 21 33 236</u>		<u>2595 66 46 971</u>
Aggregate amount of quoted investments		2407 20 21 195		2407 20 21 195
Market Value of quoted investments		5401 67 59 415		8083 23 75 112
Aggregate amount of unquoted investments		91 01 12 041		188 46 25 776
2. INVESTMENTS - CURRENT				(Amount ₹) As at 31st March, 2017
Investments measured at Fair Value Through Profit & Loss				
In Mutual Fund - Unquoted				
ICICI Liquid Plan - Direct - Growth Plan of ₹ 100 each	152,539	3 92 23 345	811,144	19 52 56 443
Total of Investments measured at Fair Value through Profit & Loss		<u>3 92 23 345</u>		<u>19 52 56 443</u>
Total Investments - Current		<u>3 92 23 345</u>		<u>19 52 56 443</u>
Aggregate amount of quoted investments		-		-
Market Value of quoted investments		-		-
Aggregate amount of unquoted investments		3 92 23 345		19 52 56 443

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

3. TRADE RECEIVABLES (Unsecured and Considered Good)	(Amount ₹)			
	As at		As at	
	31st March, 2018		31st March, 2017	
Trade Receivables	112 08 96 000		-	
Total	112 08 96 000		-	
4. CASH AND CASH EQUIVALENTS	(Amount ₹)			
	As at		As at	
	31st March, 2018		31st March, 2017	
Bank Balances:				
In Current Accounts	12 67 519		7 84 593	
Cash and cash equivalents as per Balance Sheet	12 67 519		7 84 593	
Cash and cash equivalents as per statement of Cash Flows	12 67 519		7 84 593	
5. OTHER CURRENT ASSETS (Unsecured and Considered Good)	(Amount ₹)			
	As at		As at	
	31st March, 2018		31st March, 2017	
Advance Income Tax (Net of provision)	21 88 991		19 40 200	
Balances with Statutory Authorities	9 07 146		25 000	
Total	30 96 137		19 65 200	
Advance Income Tax (Net of provision)				
At start of year	19 40 200		16 78 267	
Charge for the year	(92 14 411)		(3 80 23 127)	
Others *	(17 53 90 219)		-	
Tax paid / (refund received) during the year	18 48 53 421		3 82 85 060	
At end of year	21 88 991		19 40 200	
* Pertains to Provision for tax on Other Comprehensive Income				
6. SHARE CAPITAL	(Amount ₹)			
	As at 31st March, 2018		As at 31st March, 2017	
	Units	Amount	Units	Amount
Authorised:				
Equity Shares of ₹ 10/- each	10,50,000	1 05 00 000	10,50,000	1 05 00 000
Preference Shares of ₹ 10/- each	1,35,00,000	13 50 00 000	1,35,00,000	13 50 00 000
		14 55 00 000		14 55 00 000
Issued, Subscribed and Paid up:				
Equity Shares of ₹ 10/- each fully paid up	10,10,000	1 01 00 000	10,10,000	1 01 00 000
Total	1 01 00 000		1 01 00 000	
6.1 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
Holding Company : Equity Shares				
Reliance Industrial Investments and Holdings Limited	10,10,000	100.00	10,10,000	100.00

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

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

Particulars	As at 31st March, 2018 Equity (Nos.)	As at 31st March, 2017 Equity (Nos.)
Shares at the beginning of the year	10,10,000	10,10,000
Add : Shares issued during the year	-	-
Less : Shares redeemed during the year	-	-
Shares at the end of the year	10,10,000	10,10,000

6.3 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.

7. OTHER EQUITY	As at 31st March, 2018	(Amount ₹) As at 31st March, 2017
<u>Instruments classified as Equity</u>		
10% Non-Cumulative Optionally Convertible Preference Shares		
As per last Balance Sheet	12 24 53 800	12 24 53 800
Less : Redemption of 14,45,100 Nos during the year	(1 44 51 000)	-
	10 80 02 800	12 24 53 800
<u>Reserve and Surplus</u>		
Capital Redemption Reserve		
As per last Balance Sheet	98 20 000	98 20 000
Add : Transferred from Retained Earnings	1 44 51 000	-
	2 42 71 000	98 20 000
Securities Premium Reserve		
As per last Balance Sheet	1412 04 46 200	1412 04 46 200
Less : Redemption of 14,45,100 Nos of 10% Non-Cumulative Optionally Convertible Preference Shares of ₹ 10/- each at a premium of ₹ 990/- per share during the year	(143 06 49 000)	-
	1268 97 97 200	1412 04 46 200
Retained Earnings		
As per last Balance Sheet	1184 12 90 899	1176 67 53 479
Less : Transferred to Capital Redemption Reserve	(1 44 51 000)	-
Add : Profit for the year	1 40 39 248	7 45 37 420
	1184 08 79 147	1184 12 90 899
Other Comprehensive Income (OCI)		
As per last Balance Sheet	3 11 14 460	-
Add: Movement in OCI (Net) during the year	31 31 81 872	3 11 14 460
	34 42 96 332	3 11 14 460
Total	2500 72 46 479	2612 51 25 359

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

7.1 10% Non-Cumulative Optionally Convertible Preference Shares of ₹10/- each includes -

- (a) 1,03,00,900 (Previous year 1,17,46,000) Preference Shares issued to Reliance Energy and Project Development Ltd (a fellow subsidiary company) are redeemable at the option of the Company, at the end of thirteen years from the date of allotment 30.03.2007, by giving not less than seven days notice to the holder of the Preference Shares, at a premium of ₹ 990/- per share. The Company (Issuer) will have an option for early conversion at any time by giving one month notice to the Preference Shareholder. The conversion of the Preference Shares will be based on higher of the book value or face value of the share as at March 31, 2015.
- (b) 4,99,380 Preference Shares issued to Reliance World Trade Private Limited (a fellow subsidiary company) are redeemable at the option of the Company, at the end of ten years from the dates of allotment 13.01.2010 & 31.03.2010, by giving not less than thirty days notice to the holder of the Preference Shares, at a premium of ₹ 4,990/- per share. The Company (Issuer) will have an option for early conversion at any time by giving one month notice to the Preference Shareholder. The conversion of the Preference Shares will be based on higher of the book value or face value of the share as at March 31, 2015.

7.2 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
Fellow Subsidiary Companies : Preference Shares				
Reliance Energy and Project Development Limited	1,03,00,900	95.38	1,17,46,000	95.92

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

Particulars	As at 31st March, 2018 Preference (Nos.)	As at 31st March, 2017 Preference (Nos.)
Shares at the beginning of the year	1,22,45,380	1,22,45,380
Add : Shares issued during the year	-	-
Less : Shares redeemed during the year	14,45,100	-
Shares at the end of the year	1,08,00,280	1,22,45,380

7.4 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.

8. DEFERRED TAX LIABILITY (NET)

	As at 31st March, 2018	(Amount ₹) As at 31st March, 2017
The movement on the deferred tax account is as follows:		
At the start of the year	1 37 35 578	-
Charge/(credit) to Statement of Profit and Loss (Refer Note 15)	(13 33 658)	19 03 923
Charge/ (credit) to Other Comprehensive Income	(38 00 828)	1 18 31 655
Total	86 01 092	1 37 35 578

Component of Deferred Tax Liabilities :

	As at 31st March, 2017	Charge/(Credit) to Statement of Profit and Loss	Others	(Amount ₹) As at 31st March, 2018
Deferred Tax Liabilities in relation to:				
Financial Assets	1 37 35 578	(13 33 658)	(38 00 828)	86 01 092
	<u>1 37 35 578</u>	<u>(13 33 658)</u>	<u>(38 00 828)</u>	<u>86 01 092</u>

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

9. TRADE PAYABLES	(Amount ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Micro and Small Enterprises	-	-
Other Payables	<u>112 01 28 351</u>	<u>51 99 188</u>
Total	<u>112 01 28 351</u>	<u>51 99 188</u>

9.1 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.

10. OTHER CURRENT LIABILITIES	(Amount ₹)	
	As at 31st March, 2018	As at 31st March, 2017
Other Payables *	<u>5 40 315</u>	<u>4 93 082</u>
Total	<u>5 40 315</u>	<u>4 93 082</u>

* Includes Statutory Dues.

11. SALE OF PRODUCTS	(Amount ₹)	
	2017-18	2016-17
Sale of Electronic goods	<u>184 76 98 990</u>	<u>34 47 87 805</u>
Less : GST Recovered	<u>21 67 97 052</u>	<u>-</u>
Total	<u>163 09 01 938</u>	<u>34 47 87 805</u>

12. OTHER INCOME	(Amount ₹)	
	2017-18	2016-17
Dividend Income	-	35 107
Gain on Financial Assets	<u>2 79 66 902</u>	<u>12 11 18 834</u>
Total	<u>2 79 66 902</u>	<u>12 11 53 941</u>

Above other income generated from Financial Assets measured at Fair Value through Profit and Loss.

13. Purchase of Stock-in-Trade	(Amount ₹)	
	2017-18	2016-17
Purchase of Electronic goods	<u>162 92 75 420</u>	<u>34 39 27 820</u>
Total	<u>162 92 75 420</u>	<u>34 39 27 820</u>

14. OTHER EXPENSES	(Amount ₹)	
	2017-18	2016-17
Establishment Expenses		
Professional Fees	<u>54 52 693</u>	<u>58 19 918</u>
General Expenses	<u>20 984</u>	<u>16 888</u>
Rates & Taxes	<u>8 542</u>	<u>7 300</u>
Directors Sitting Fees	<u>6 72 200</u>	<u>6 77 750</u>
Payment to Auditors	<u>19 000</u>	<u>27 600</u>
Charity and Donations	<u>15 00 000</u>	<u>10 00 000</u>
Total	<u>76 73 419</u>	<u>75 49 456</u>

Professional fees includes payment to Key Managerial Personnel ₹ 51 89 893 (previous year ₹ 49 30 798)

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

14.1 Payment to Auditors as	2017-18	2016-17
Statutory Audit fees	16 000	18 400
Tax Audit fees	3 000	3 450
Certification fees #	-	5 750
	19 000*	27 600

* Excluding taxes

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

14.2 Corporate Social Responsibility (CSR)

- 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 ₹ 14 08 021 (Previous Year ₹ 8 29 999)
- Expenditure related to Corporate Social Responsibility is ₹ 15 00 000 (Previous Year ₹ 10 00 000).
- The above amount spent on CSR activity through Reliance Foundation during the financial year 2017-18 and previous year was utilised for promoting Education.

15. TAXATION	As at 31st March, 2018	(Amount ₹) As at 31st March, 2017
a) Income tax recognised in Statement of Profit and Loss		
Current tax	92 14 411	3 80 23 127
Deferred tax	(13 33 658)	19 03 923
Total Income Tax expenses	78 80 753	3 99 27 050
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit Before Tax	2 19 20 001	11 44 64 470
Applicable Tax Rate	34.608%	33.064%
Computed Tax Expense	75 86 074	3 78 46 532
Tax effect of :		
Expenses Disallowed	2 59 560	1 65 320
Others	13 68 777	11 275
Current Tax Provision (A)	92 14 411	3 80 23 127
Incremental Deferred Tax Liability on account of Financial Assets	(13 33 658)	19 03 923
Deferred Tax Provision (B)	(13 33 658)	19 03 923
Tax Expenses recognised in Statement of Profit and Loss (A+B)	78 80 753	3 99 27 050
Effective Tax Rate	35.95%	34.88%

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

16. EARNINGS PER SHARE	2017-18	2016-17
Face Value per Equity Share (₹)	10	10
Basic Earnings per share (₹)	13.90	73.80
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	1 40 39 248	7 45 37 420
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10 10 000	10 10 000
Diluted Earnings per share (₹)	6.65	33.34
Net Profit/ (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	1 40 39 248	7 45 37 420
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	21 11 462	22 35 837
Reconciliation of weighted average number of shares outstanding		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	10 10 000	10 10 000
Total Weighted Average Potential Equity Shares	11 01 462	12 25 837
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	21 11 462	22 35 837

17 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 Energy and Project Development Limited	Fellow Subsidiary Companies
4	Reliance Chemicals Limited	
5	Reliance Retail Limited	
6	Reliance Corporate IT Park Limited	
7	Reliance World Trade Private Limited	
8	Mr. Pankaj Mittal	Key Managerial Personnel
9	Mr. Deepak R Vaid	
10	Ms. Avani Gangapurkar (w.e.f 12.01.2017)	
11	Ms. Drashti Shah (upto 14.09.2016)	

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	Key Managerial Personnel	Total
1	Purchases	-	-	13 13 74 432	-	13 13 74 432
		-	-	-	-	-
2	Payment to Key Managerial Personnel	-	-	-	51 89 893	51 89 893
		-	-	-	49 30 798	49 30 798
3	Professional Fees	1 01 250	-	-	-	1 01 250
		-	-	-	-	-
4	Redemption of OC Preference Shares	-	-	144 51 00 000	-	144 51 00 000
		-	-	-	-	-
5	Investment in Preference shares redeemed	-	74 51 00 000	-	-	74 51 00 000
		-	-	-	-	-
Balance as at 31st March, 2018						
6	Investments	2407 20 21 195	-	24 89 00 000	-	2432 09 21 195
		<i>2407 20 21 195</i>	<i>74 51 00 000</i>	<i>24 89 00 000</i>	-	<i>2506 60 21 195</i>
7	Trade and Other Payables	1 09 351	-	-	-	1 09 351
		<i>13 59 342</i>	-	<i>43 11 076</i>	-	<i>56 70 418</i>

Note : Figures in *Italic* represents 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	Purchases			
	Reliance Retail Limited	Fellow Subsidiary	13 13 74 432	-
2	Payment to Key Managerial Personnel			
	Mr. Pankaj Mittal	Key Managerial Personnel	9 72 179	9 02 164
	Mr. Deepak R Vaid		32 05 336	28 46 597
	Ms. Avani Gangapurkar		10 12 378	2 11 227
	Ms. Drashti Shah		-	9 70 810
3	Professional Fees			
	Reliance Industries Limited	Ultimate Holding Company	1 01 250	-
4	Redemption of OC Preference Shares			
	Reliance Energy and Project Development Limited	Fellow Subsidiary	144 51 00 000	-
5	Investment in Preference shares redeemed			
	Reliance Industrial Investments and Holdings Limited	Holding Company	74 51 00 000	-

Note : Professional fees towards key managerial personnel payments reimbursed to Reliance Corporate IT Park Limited and Reliance Industries Limited.

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

18. CONTINGENT LIABILITIES AND COMMITMENTS	2017-18	2016-17
Unfunded capital commitment towards investment	<u>9 24 83 325</u>	<u>9 58 17 975</u>
	<u>9 24 83 325</u>	<u>9 58 17 975</u>

19. 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.

20. 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 Electronic goods 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	Segment Revenue				
	External Turnover	<u>2 79 66 902</u>	<u>163 09 01 938</u>	-	<u>165 88 68 840</u>
	Total Revenue	<u>2 79 66 902</u>	<u>163 09 01 938</u>	-	<u>165 88 68 840</u>
2	Income / (expenses)				
	Depreciation and amortisation	-	-	-	-
3	Segment Profit	<u>2 79 66 902</u>	<u>16 26 518</u>	<u>(76 73 419)</u>	<u>2 19 20 001</u>
	Less: Current tax			<u>92 14 411</u>	<u>92 14 411</u>
	Less: Deferred tax			<u>(13 33 658)</u>	<u>(13 33 658)</u>
	Profit after tax	<u>2 79 66 902</u>	<u>16 26 518</u>	<u>(1 55 54 172)</u>	<u>1 40 39 248</u>
4	Total Assets	<u>2502 13 56 581</u>	<u>112 08 96 000</u>	<u>43 63 656</u>	<u>2614 66 16 237</u>
5	Total Liabilities	<u>-</u>	<u>112 01 28 351</u>	<u>91 41 407</u>	<u>112 92 69 758</u>
6	Other disclosures				
	Capital Expenditure	-	-	-	-

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

Year ended 31st March, 2017					(Amount ₹)
Sr.No.	Particulars	Finance & Investments	Trading	Unallocable	Total
1	Segment Revenue				
	External Turnover	12 11 53 941	34 47 87 805	-	46 59 41 746
	Total Revenue	12 11 53 941	34 47 87 805	-	46 59 41 746
2	Income / (expenses)				
	Depreciation and amortisation	-	-	-	-
3	Segment Profit	12 11 53 941	8 59 985	(75 49 456)	11 44 64 470
	Less: Current tax			3 80 23 127	3 80 23 127
	Less: Deferred tax			19 03 923	19 03 923
	Profit after tax	12 11 53 941	8 59 985	(4 74 76 506)	7 45 37 420
4	Total Assets	2615 19 03 414	-	27 49 793	2615 46 53 207
5	Total Liabilities	-	-	1 94 27 848	1 94 27 848
6	Other disclosures				
	Capital Expenditure	-	-	-	-
Geographical Segment Information			Within India	Outside India	Total
Year ended 31st March, 2018					
	Segment Revenue - External Turnover		165 88 68 840	-	165 88 68 840
	Segment Assets		2548 54 04 196	66 12 12 041	2614 66 16 237
	Segment Liabilities		112 92 69 758	-	112 92 69 758
	Capital Expenditure		-	-	-
Year ended 31st March, 2017					
	Segment Revenue - External Turnover		35 18 32 447	11 41 09 299	46 59 41 746
	Segment Assets		2526 40 27 431	89 06 25 776	2615 46 53 207
	Segment Liabilities		1 94 27 848	-	1 94 27 848
	Capital Expenditure		-	-	-
Reconciliations to amounts reflected in the financial statements					(Amount ₹)
Reconciliation of profit					
	Segment profit		2 19 20 001		11 44 64 470
	Profit / (Loss) Before Tax		2 19 20 001		11 44 64 470
					As at
					As at
Reconciliation of assets					
	Segment operating assets		2614 66 16 237		2615 46 53 207
	Total assets		2614 66 16 237		2615 46 53 207
	Segment operating liabilities		112 92 69 758		1 94 27 848
	Total liabilities		112 92 69 758		1 94 27 848

Note : More than 60% of the revenue is generated from a single customer in trading segment.

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

21. Capital Management

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

22. Financial Instruments

Valuation

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

- The fair value of investment in Mutual Funds is measured at NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

(Amount ₹)

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	112 08 96 000	-	-	-	-	-
Cash and Cash Equivalents	12 67 519	-	-	7 84 593	-	-
At FVTPL						
Investments	3 92 23 345	3 92 23 345	-	19 52 56 443	19 52 56 443	-
At FVTOCI						
Investments	66 12 12 041	-	66 12 12 041	89 06 25 776	-	-89 06 25 776
Financial Liabilities						
At Amortised Cost						
Trade Payables	112 01 28 351	-	-	51 99 188	-	-

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 fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from company's activities in investments, dealing in derivatives and outstanding receivables from customers.

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 / marketable securities and matching maturity profiles of financial assets and financial liabilities. 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.

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

23. 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

24. 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

K V V S Murthy
Director

Shivkumar R Bhardwaj
Director

Deepak Vaid
Chief Financial Officer

N Shanker
Director

Dhiren V. Dalal
Director

Avani Gangapurkar
Secretarial Officer

J B Dholakia
Director