

**RELIANCE STRATEGIC  
INVESTMENTS LIMITED  
FINANCIAL STATEMENTS  
2017-18**

# INDEPENDENT AUDITOR'S REPORT

## TO THE BOARD OF DIRECTORS OF RELIANCE STRATEGIC INVESTMENTS LIMITED

### Report on the Ind AS Financial Statements

We have audited the accompanying Ind As financial statements of **Reliance Strategic Investments 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 (hereinafter referred to as “Ind As Financial Statements”).

### Management's Responsibility for the Ind AS 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 Ind As financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

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 judgments 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 Ind As 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 Ind As 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 Ind As 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 Ind As financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind As financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind As 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 Ind As 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 Ind As 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 Ind As financial statements.

### Opinion

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

### Restriction on Use

This report is provided to you solely for use in the preparation and submission of Ind AS Consolidated Financial Statements by Reliance Industries Limited, the Holding Company, for the year ended March 31, 2018. It should not be distributed to any other person other than the authorised management personnel and the auditors of Reliance Industries Limited and/or used for any other purposes.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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- b) In our opinion, proper books of account and documents as required by law have been kept by the Company so far as it appears from our examination of those books and documents.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and documents.
  - d) In our opinion, the aforesaid Ind As financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.

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

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

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

**Sanket M. Shah**  
Partner  
Membership No.: 148270

Place: Mumbai  
Date: April 18, 2018

Place: Mumbai  
Date: April 18, 2018

## Balance Sheet as at 31st March, 2018

	Note	As at 31st March, 2018	₹ in lakhs As at 31st March, 2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Financial Assets			
Investments	1	931 67	280 05
Loans	2	6 54	15 01
Other Non-current assets	3	66 86	1
		<u>1005 07</u>	<u>295 07</u>
<b>Current Assets</b>			
Financial Assets			
Investments	4	2779 83	2575 55
Trade Receivable	5	40 32	37 79
Cash and Cash Equivalents	6	1 68	352 36
Loans	7	25 00	150 45
Other Financial Assets	8	15 46	434 62
		<u>2862 29</u>	<u>3550 77</u>
<b>Total Assets</b>		<u><u>3867 36</u></u>	<u><u>3845 84</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	9	2 02	2 02
Other Equity	10	2106 65	1864 96
		<u>2108 67</u>	<u>1866 98</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred Tax Liability (Net)	11	20 97	145 24
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	12	1737 30	1559 60
Trade Payables	13	-	-
Other Financial Liabilities	14	-	239 91
		<u>1737 30</u>	<u>1799 51</u>
Other Current Liabilities	15	29	26 76
Provisions	16	13	7 35
		<u>1737 72</u>	<u>1833 62</u>
<b>Total Equity and Liabilities</b>		<u><u>3867 36</u></u>	<u><u>3845 84</u></u>

Significant Accounting Policies  
See accompanying Notes to the  
Financial Statements

1 to 30

As per our Report of even date

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

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

For and on behalf of the Board

**K. Sethuraman**  
Chairman

**Jignesh Mehta**  
Partner  
Membership No. 102749

**Sanket M. Shah**  
Partner  
Membership No. 148270

**Jayashri Rajesh**  
Director

**Jagannatha Kumar**  
Director

**Shivkumar Bhardwaj**  
Independent Director

**Komal Chhapru**  
Company Secretary

Mumbai  
Date : 18th April, 2018

**Dhiren Dalal**  
Independent Director

**Suresh Jagannathan**  
Chief Financial Officer

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

	Note	2017-18	2016-17
₹ in lakhs			
<b>INCOME</b>			
Revenue from Operations	17	296 27	940 28
Other Income	18	1 20	108
<b>Total Income</b>		<b>297 47</b>	<b>941 36</b>
<b>EXPENSES</b>			
Finance Cost	19	71 44	266 56
Other Expenditure	20	15 84	11 41
<b>Total Expenses</b>		<b>87 28</b>	<b>277 97</b>
Profit Before Tax		<b>210 19</b>	663 39
<b>Tax Expense</b>			
Current Tax		92 50	93 75
Adjustment of tax relating to earlier period	21	27	48
Deferred Tax	11	(124 27)	145 24
Profit for the Year		<b>241 69</b>	<b>423 92</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the Year</b>		<b>241 69</b>	<b>423 92</b>
<b>Earnings per Equity Share of face value of ₹ 10 each</b>	22		
Basic (in ₹)		1196.36	2098.43
Diluted (in ₹)		467.57	820.23
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 30		

As per our Report of even date

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Chief Financial Officer

## Statement of Changes in Equity

### A. EQUITY SHARE CAPITAL

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	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018
2 02	-	2 02	-	2 02

### B. OTHER EQUITY

₹ in lakhs

	Instruments Classified as Equity		Reserves and Surplus			Other Comprehensive Income	Total
	Capital Redemption Reserve	Securities Premium Reserve	Statutory Reserve Fund	Retained Earnings			
<b>As on 31st March, 2017</b>							
Balance at the beginning of the reporting period i.e. 1st April, 2016	31	1 23	881 17	89 60	468 73	-	1441 04
Total Comprehensive Income of the year	-	-	-	-	423 92	-	423 92
Transferred from retained earnings	-	-	-	66 10	(66 10)	-	-
Balance at the end of the reporting period i.e. 31st March, 2017	31	1 23	881 17	155 70	826 55	-	1864 96
<b>As on 31st March, 2018</b>							
Balance at the beginning of the reporting period i.e. 1st April, 2017	31	1 23	881 17	155 70	826 55	-	1864 96
Total Comprehensive Income of the year	-	-	-	-	241 69	-	241 69
Transferred from retained earnings	-	-	-	55 80	(55 80)	-	-
Balance at the end of the reporting period i.e. 31st March, 2018	31	1 23	881 17	211 50	1012 44	-	2106 65

As per our Report of even date

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Company Secretary

Mumbai  
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Independent Director

**Suresh Jagannathan**  
Chief Financial Officer

## Cash Flow Statement for the Year ended 2017-18

	2017-18	2016-17
₹ in lakhs		
<b>A Cash Flow from Operating Activities</b>		
Net Profit Before Tax as per Statement of Profit and Loss	210 19	663 39
Adjusted for :		
Interest income	(14 31)	(52 48)
Dividend income on investments / Stock	(40 99)	(40 73)
Share of income on investment in Venture fund	(29 88)	(23 49)
Profit on sale of investments	(259 98)	(774 05)
Reversal of general Provision on Standard Assets	( 95)	-
Finance costs	71 44	266 56
	<u>(274 67)</u>	<u>(624 18)</u>
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>(64 48)</b>	<b>39 21</b>
Adjusted for :		
Trade and other Receivables	403 73	34 07
Trade Payables	5	(73 96)
	<u>403 78</u>	<u>(39 89)</u>
<b>Cash from / (used in) operations</b>	<b>339 30</b>	<b>( 68)</b>
Income Taxes paid	(166 10)	(74 29)
<b>Net cash flow from / (used in) Operating Activities</b>	<b>173 20</b>	<b>(74 97)</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of investments	(9623 22)	(4990 06)
Sale of investments	9017 85	6615 18
Dividend income on investments / stock	40 99	40 73
Share of income on investment in Venture fund	39 34	21 09
Net cash inflow / (outflow) from other finance activities	133 92	76 72
Investment in / proceeds from fixed deposits	350 00	-
Interest income	27 40	64 58
<b>Net cash flow from / (used in) Investing Activities</b>	<b>(13 72)</b>	<b>1828 24</b>
<b>C Cash flow from Financing Activities</b>		
Proceed from Borrowing - Current	4122 45	5133 72
Repayment of Borrowings - Current	(3944 75)	(6598 62)
Interest paid	(337 86)	(287 39)
<b>Net Cash flow used in Financing Activities</b>	<b>(160 16)</b>	<b>(1752 29)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>( 68)</b>	<b>98</b>
Opening Balance of Cash and cash equivalents	1 36	38
<b>Closing Balance of Cash and cash equivalents (Refer Note 6)</b>	<b>68</b>	<b>1 36</b>

As per our Report of even date

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

For **Rajendra & Co.**  
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Company Secretary

Mumbai  
Date : 18th April, 2018

**Dhiren Dalal**  
Independent Director

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Chief Financial Officer

## Notes on the Financial Statement for the Period ended 31st March, 2018

### A. CORPORATE INFORMATION

Reliance Strategic Investments Limited ['the company'] is a limited company incorporated in India having CIN U65990MH1999PLC120918. The registered office of the company is located at 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021, India. The Company is a registered Non-Banking Financial Company - Systemically Important Non-Deposit taking Company.

### B. SIGNIFICANT ACCOUNTING POLICIES

#### B.1 Statement of Compliance

The Company being NBFC, Ind-AS is applicable with effect from April 1, 2018 vide MCA Notification No. 365 dated March 30, 2016. Since Reliance Industries Limited (the Holding Company) is required to prepare Consolidated Financial Statements in compliance with Ind-AS notified by MCA, these financial statements are prepared accordingly only for the purpose of consolidated financial statement by holding company and hence this are not general purpose financial statements.

For the purpose of statutory compliances, company has also prepared financial statements in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 read with section 133 of the Companies Act, 2013.

#### B.2 Basis of Preparation and Presentation

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

- i) Certain financial assets (including derivative instruments) measured at fair value,

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

#### B.3 Summary of Significant Accounting Policies

##### (a) Finance Cost

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.

##### (c) Provisions

Provisions are recognised when the Company has a present obligation 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.

##### (d) Tax Expenses

The tax expense for the period comprises current and deferred tax, same is recognised in Statement of Profit and Loss.

##### Current Tax

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

##### 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 on the Financial Statement for the Period ended 31st March, 2018

### (e) Revenue recognition

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

#### 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 is established.

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

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

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

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

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

##### C. Investment in Associate

The Company has accounted for its investments in Associate at cost less impairment loss (if any).

##### D. Equity instruments

All equity investments are measured at fair value, with value changes recognised in statement of profit and loss.

#### ii) Financial liabilities

##### A. Initial recognition and measurement:

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

##### B. Subsequent measurement:

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

## Notes on the Financial Statement for the Period ended 31st March, 2018

### iii) Derivative financial instruments:

The company uses various derivative financial instruments such as future and options in equity to mitigate the risk of changes in market. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of profit or loss.

### iv) 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 JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgment, 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:

Judgments 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 judgment 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 judgment 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 on the Financial Statement for the Period ended 31st March, 2018

1	Investments - Non-Current	As at		₹ in lakhs	
		31st March, 2018		31st March, 2017	
		Units	Amount	Units	Amount
(A)	<b>Investments measured at Cost</b>				
	<b>In Equity Shares of Associate Company</b>				
	<b>Unquoted, fully paid up</b>				
	Reliance Commercial Dealers Limited	37,50,000	3 75	37,50,000	3 75
	of ₹ 10 each				
	<b>Total (A)</b>		<b>3 75</b>		<b>3 75</b>
(B)	<b>Investments measured at Fair Value</b>				
	<b>Through Profit and Loss</b>				
	<b>In Equity Shares - Quoted, fully paid up</b>		367 77		12 30
	<b>In Debentures - Quoted, fully paid up</b>				
	HDB Financials Services Ltd. - NCD	1,000	102 04	-	-
	Series 113 of ₹ 1000000 each				
	Kotak Mahindra Prime Limited	1,000	100 15	-	-
	0% Secured Redeemable Non Convertible				
	Debentures - Series I of ₹ 1000000 each				
	PNB Housing Finance Limited	1,000	101 47	-	-
	0% Secured Redeemable Non Convertible				
	Bonds - Series XLIII-A of ₹ 1000000 each				
			<b>303 65</b>		-
	<b>In Warrants - Quoted, fully paid up</b>		73 24		35 85
	<b>In Equity Shares - Unquoted, fully paid up</b>		69 83		34 42
	<b>In Ventures Fund -</b>				
	<b>Unquoted, fully paid up</b>				
	Peninsula Realty fund of ₹ 100000 each	-	-	1,525	10 14
	KKR India Debt Fund I of ₹ 1000 each	4,81,250	46 93	8,92,060	104 46
	DSP Blackrock India Enhanced Equity	-	-	20,00,000	26 13
	Fund - Class B of ₹ 100 each				
			<b>46 93</b>		<b>140 73</b>
	<b>Unquoted, partly paid up</b>				
	Multiples Private Equity Fund - Scheme I	5,000	47 84	5,000	37 33
	of ₹ 100000 each,				
	₹ 48530.59 (previous year ₹ 62084.24)				
	each paid up				

## Notes on the Financial Statement for the Period ended 31st March, 2018

1	Investments - Non-Current	As at		₹ in lakhs	
		31st March, 2018		As at	
		Units	Amount	31st March, 2017	Amount
	LICHFL Urban Development Fund of ₹ 10,000 each, ₹ 7172.32 (previous year ₹ 7287.40) each paid up	25,000	18 65	25,000	15 67
			<u>66 50</u>		<u>53 00</u>
	<b>Total (B)</b>		<u>927 92</u>		<u>276 30</u>
	<b>Total Investments - Non-Current (A+B)</b>		<u>931 67</u>		<u>280 05</u>
	Aggregate amount of Quoted Investments		744 67		48 15
	Market Value of Quoted Investments		744 67		48 15
	Aggregate amount of Unquoted Investments		187 00		231 91
	Aggregate provision for Impairment in Value of Investments		-		-
1.1	Category-wise Investments - Non-Current		As at		As at
			31st March, 2018		31st March, 2017
	Financial assets measured at Cost		3 75		3 75
	Financial assets measured at Fair Value Through Profit and Loss		927 92		276 30
	<b>Total Investments - Non-Current</b>		<u>931 67</u>		<u>280 05</u>
2	Loans - Non-Current		As at		₹ in lakhs
	(Unsecured and considered good)		31st March, 2018		As at
	Loan to Related Parties (Refer Note 26 and 27)		6 54		31st March, 2017
	Loan to others		-		8 01
			<u>6 54</u>		<u>7 00</u>
					<u>15 01</u>
3	Other Non-Current Assets		As at		₹ in lakhs
			31st March, 2018		As at
	Deposits		1		31st March, 2017
	Advance payment of taxes (net) [Refer Note 21(b)]		66 85		1
			<u>66 86</u>		<u>1</u>

## Notes on the Financial Statement for the Period ended 31st March, 2018

	As at 31st March, 2018	₹ in lakhs As at 31st March, 2017
<b>4 Investments - Current</b>		
Investments measured at Fair Value Through Profit and Loss		
In Equity Share, quoted fully paid up	2779 83	2575 55
<b>Total Investments - Current</b>	<u>2779 83</u>	<u>2575 55</u>
Aggregate amount of Quoted Investments	2779 83	2575 55
Market Value of Quoted Investments	2779 83	2575 55
<b>4.1 Category-wise current investments</b>		
Financial assets measured at Fair value through Profit and Loss	2779 83	2575 55
<b>Total Investments - Current</b>	<u>2779 83</u>	<u>2575 55</u>
<b>5 Trade Receivables</b>		
(Unsecured and considered good)		
Trade receivable	40 32	37 79
	<u>40 32</u>	<u>37 79</u>
<b>6 Cash and Cash Equivalents</b>		
Cash on hand	-	-
<b>Balance with Banks</b>		
In current accounts	68	1 36
<b>Other bank balances</b>		
In deposits #	1 00	351 00
	<u>1 68</u>	<u>352 36</u>
# Deposits with banks of ₹ NIL (previous year ₹ NIL) with maturity more than 12 months. Deposits of ₹ 100 lakhs (previous year ₹ 35100 lakhs) are given under pledge against option dealings and others.		
Cash and cash equivalents include deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.		
<b>7 Loans - Current</b>		
(Unsecured and considered good)		
Loan to Related Parties (Refer Note 26 and 27)	-	147 50
Loan to others	25 00	2 95
	<u>25 00</u>	<u>150 45</u>

## Notes on the Financial Statement for the Period ended 31st March, 2018

		₹ in lakhs	
		As at 31st March, 2018	As at 31st March, 2017
<b>8</b>	<b>Other Financial Assets - Current</b>		
	Interest receivable	53	13 62
	Dividend receivable	-	48
	Income receivable from Venture Fund	14 93	18 67
	Future and Option premium on open position (net)	-	401 85
		<u>15 46</u>	<u>434 62</u>

		₹ in lakhs	
		As at 31st March, 2018	As at 31st March, 2017
		Units	Amount
<b>9</b>	<b>Share Capital</b>		
	<b>Authorised Share Capital</b>		
	Equity shares of ₹ 10 each	21,00,000	2 10
	Preference shares of ₹ 100 each	2,25,00,000	225 00
	Preference shares of ₹ 1 each	5,00,00,000	5 00
		<u>232 10</u>	<u>232 10</u>
	<b>Issued, Subscribed and Paid up:</b>		
*	Equity shares of ₹ 10 each fully paid up	20,20,200	2 02
		<u>2 02</u>	<u>2 02</u>

### Note

- a) Details of Share holders 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				
* Reliance Industries Limited	20,20,200	100.00	20,20,200	100.00

- b) Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Equity Nos.		Equity Nos.	
Shares at the beginning of the year	20,20,200		20,20,200	
Add : Shares issued during the year	-		-	
Shares at the end of the year	20,20,200		20,20,200	

### 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.

## Notes on the Financial Statement for the Period ended 31st March, 2018

	As at 31st March, 2018	As at 31st March, 2017
₹ in lakhs		
<b>10 Other Equity</b>		
<b>Instrument Classified as Equity</b>		
9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each <sup>(1)</sup>	4	4
9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each <sup>(2)</sup>	27	27
	<u>31</u>	31
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	1 23	1 23
<b>Securities Premium Reserve</b>		
As per Last Balance Sheet	881 17	881 17
<b>Statutory Reserve Fund</b>		
As per last Balance Sheet	155 70	89 60
Add: Transferred from Retained Earnings	55 80	66 10
	<u>211 50</u>	155 70
<b>Retained Earnings</b>		
As per Last Balance Sheet	826 55	468 73
Add: Profit for the year	241 69	423 92
	<u>1068 24</u>	892 65
Less: Appropriations		
Transferred to Statutory Reserve Fund	55 80	66 10
	<u>1012 44</u>	826 55
<b>Total</b>	<u><u>2106 65</u></u>	<u><u>1864 96</u></u>

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.

<sup>(1)</sup> 9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each amounting to ₹ 4 lakhs (402800 shares held by Reliance Industries Limited - holding company). Each Compulsorily convertible preference share (CCPS) shall be convertible into one equity share of ₹ 10 each at a premium of ₹ 2790 per share at any time after 5 years from the date of issue i.e. 31.03.2010 upto 20 years from the date of issue. Outstanding CCPS, if any on the expiry of 20 years from the date of issue will automatically and compulsorily be converted into one equity share for every one CCPS.

Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2018 No. of shares	As at 31st March, 2017 No. of shares
Shares at the beginning of the year	4,02,800	4,02,800
Add : Shares issued during the year	-	-
Shares at the end of the year	<u><u>4,02,800</u></u>	<u><u>4,02,800</u></u>

## Notes on the Financial Statement for the Period ended 31st March, 2018

(2) 9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each amounting to ₹ 27 lakhs (2745355 shares held by Reliance World Trade Private Limited - fellow subsidiary company). Each Compulsorily convertible preference share (CCPS) shall be convertible into one equity share of ₹ 10 each at a premium of ₹ 2790 per share at any time after 5 years from the date of respective issues i.e. 06.01.2010 & 13.01.2010 upto 20 years from the date of respective issues. Outstanding CCPS, if any on the expiry of 20 years from the date of respective issues will automatically and compulsorily be converted into one equity share for every one CCPS.

Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2018 No. of shares	As at 31st March, 2017 No. of shares
Shares at the beginning of the year	27,45,355	27,45,355
Add : Shares issued during the year	-	-
Shares at the end of the year	<u>27,45,355</u>	<u>27,45,355</u>

### 11 Deferred Tax Liabilities (net)

The movement on the deferred tax account is as follows:

	As at 31st March, 2018	₹ in lakhs As at 31st March, 2017
At the start of the year	145 24	-
Charged / (credit) Statement of Profit and Loss (Note 21)	(124 27)	145 24
At the end of year	<u>20 97</u>	<u>145 24</u>

#### Component of Deferred Tax Liabilities

	As at 31st March, 2017	Charged/(credit) to profit or loss	₹ in lakhs As at 31st March, 2018
Deferred Tax Liabilities in relation to:			
Financial assets	145 24	(124 27)	20 97
<b>Total</b>	<u>145 24</u>	<u>(124 27)</u>	<u>20 97</u>

### 12 Borrowings - Current

Unsecured at Amortised cost

	As at 31st March, 2018	₹ in lakhs As at 31st March, 2017
Loans from Holding Company	1737 30	1559 60
	<u>1737 30</u>	<u>1559 60</u>

### 13 Trade Payables

The Company does not have any creditors governed by the Micro, Small and Medium Enterprises Development Act, 2006.

### 14 Other Financial Liabilities - Current

Interest accrued but not due on borrowings, to the Holding company

	As at 31st March, 2018	₹ in lakhs As at 31st March, 2017
	-	239 91
	<u>-</u>	<u>239 91</u>



## Notes on the Financial Statement for the Period ended 31st March, 2018

	As at 31st March, 2018	₹ in lakhs As at 31st March, 2017
<b>15 Other Current Liabilities</b>		
Others *	29	26 76
	<u>29</u>	<u>26 76</u>

\* Includes statutory dues, and provision for revenue expenditure

	As at 31st March, 2017	As at 31st March, 2016
<b>16 Provisions - Current</b>		
Contingent provision against standard asset #	13	1 07
Provision for taxation (net) [Refer Note 21(b)]	-	6 28
	<u>13</u>	<u>7 35</u>

# Created pursuant to Section 45JA of the Reserve Bank of India Act, 1934 and Para 14 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Provision required is ₹ 13 lakhs (previous year ₹ 58 lakhs)

	2017-18	₹ in lakhs 2016-17
<b>17 Revenue from Operations</b>		
<b>Interest income</b>		
on loans	11 70	25 06
on fixed deposits	2 61	27 42
	<u>14 31</u>	52 48
<b>Income from Non-Current investments</b>		
Income from investment in venture funds (net)	28 79	22 57
Dividend income	7 91	1 30
Dividend from venture fund	1 09	92
Realised Gain	11 64	-
Unrealised Gain	99 12	32 96
	<u>148 55</u>	57 75
<b>Income from Current investments</b>		
Dividend income	33 08	39 43
Interest on securities	1 86	9 04
Realised Gain	324 89	438 65
Unrealised Gain	(175 67)	302 43
	<u>184 16</u>	789 56
Profit on Future and Option dealings	(50 75)	40 50
	<u>296 27</u>	<u>940 28</u>

## Notes on the Financial Statement for the Period ended 31st March, 2018

	2017-18	2016-17
<b>18 Other Income</b>		
Interest others	25	1 08
Reversal of general provision on Standard Assets	95	-
	<u>1 20</u>	<u>1 08</u>
<b>19 Finance Cost</b>		
Interest on Loans	71 44	266 56
	<u>71 44</u>	<u>266 56</u>
<b>20 Other Expenses</b>		
Auditors remuneration		
Statutory audit fees	5	6
Tax audit fees	1	1
Certification fees (₹ NIL, previous year ₹ 5750/-)	-	0
	<u>6</u>	<u>7</u>
Professional fees	79	46
Brokerage	32	32
Securities Transaction Tax	11 18	9 72
Directors sitting fees	9	8
Charity and donations	3 20	73
Other administrative expenses	20	3
	<u>15 84</u>	<u>11 41</u>

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

- 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 was ₹ 320 lakhs (previous year ₹ 72 lacs)
- Expenditure related to CSR is ₹ 320 lakhs (previous year ₹ 73 lakhs) is spent through Reliance Foundation

Particulars	2017-18	2016-17
Education	-	73
Sports	2 15	-
Animal Welfare	1 05	-
<b>Total</b>	<u>3 20</u>	<u>73</u>

## Notes on the Financial Statement for the Period ended 31st March, 2018

	<b>Year ended 31st March, 2018</b>	₹ in lakhs Year ended 31st March, 2017
<b>21 TAXATION</b>		
a) Income Tax recognised in Statement of Profit and Loss		
<b>Current Tax</b>		
In respect of the current year	92 50	93 75
In respect of prior year	27	48
<b>Deferred Tax</b>	<u>(124 27)</u>	<u>145 24</u>
Total income tax expenses recognised in the current year	<u><u>(31 50)</u></u>	<u><u>239 47</u></u>
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
	<b>Year ended 31st March, 2018</b>	₹ in lakhs Year ended 31st March, 2017
Profit Before Tax	210 19	663 39
Applicable Tax Rate	34.61%	34.61%
Computed Tax Expense	72 74	229 59
Tax Effect of :		
Income not Taxable	19 81	(135 88)
Expenses disallowed	<u>22</u>	<u>52</u>
Current Tax Provision (A)	<u>92 77</u>	<u>94 23</u>
Incremental (reversal) Deferred Tax Liability on account of Financial Assets & Other items	<u>(124 27)</u>	<u>145 24</u>
Deferred Tax Provision (B)	<u>(124 27)</u>	<u>145 24</u>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	<u><u>(31 50)</u></u>	<u><u>239 47</u></u>
	<b>As at 31st March, 2018</b>	₹ in lakhs As at 31st March, 2017
b) <b>Current Tax Assets (Net)</b>		
At start of year	(6 28)	13 46
Charge for the year	(92 77)	(94 23)
Tax paid during the year	<u>165 90</u>	<u>74 49</u>
<b>At end of year</b>	<u><u>66 85</u></u>	<u><u>(6 28)</u></u>

## Notes on the Financial Statement for the Period ended 31st March, 2018

<b>22 Earnings per share (EPS)</b>	<b>2017-18</b>	2016-17
Face value per equity share (₹)	10	10
<b>Basic earnings per share (₹)</b>	<b>1196.36</b>	2098.43
Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lakhs)	241 69	423 92
Weighted average number of equity shares used as denominator for calculating Basic EPS	20 20 200	20 20 200
<b>Diluted earnings per equity share (₹)</b>	<b>467.63</b>	820.23
Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (₹ in lakhs)	241 69	423 92
Weighted average number of Equity shares used as denominator for calculating Diluted EPS	51 68 355	51 68 355
<b>Reconciliation of weighted number of shares outstanding</b>		
Weighted average number of Equity shares used as denominator for calculating Basic EPS	20 20 200	20 20 200
Total Weighted Average Potential Equity Shares	31 48 155	31 48 155
Weighted average number of Equity shares used as denominator for calculating Diluted EPS	51 68 355	51 68 355
<b>23</b>	The Previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.	
<b>24 Contingent Liabilities</b>	<b>As at 31st March, 2018</b>	As at 31st March, 2017
	₹ in lakhs	₹ in lakhs
i) Commitments towards venture fund units	1 81	2 83

### 25 Segment Reporting

The Company is engaged in business of finance, future and option, Trading / investments in shares and securities in India only and there are no separate business / geographical segments as per Ind AS 108- "Operating Segment". The Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

## Notes on the Financial Statement for the Period ended 31st March, 2018

### 26 Disclosure under Para 2 of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation , 2015

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

₹ in lakhs

Sr No.	Name of the Company		As at 31st March, 2018	Maximum balance during the year	As at 31st March, 2017 during the year	Maximum balance
1	Reliance Global Commercial Limited		-	-	-	4 43
2	Reliance Universal Commercial Limited	Subsidiaries	-	-	-	4 43
3	Reliance Petroinvestments Limited		-	3 40	3 40	14 25
4	Reliance Aromatic & Petrochemicals Limited		20	20	12	12
5	Reliance Energy & Project Development Limited		23	23	15	15
6	Reliance Chemicals Limited		69	69	44	44
7	Reliance Energy Generation & Distribution Limited		50	50	3	3
8	Reliance Universal Enterprises Limited	Fellow	1 90	1 90	1 60	1 60
9	Reliance World Trade Private Limited	Subsidiaries	3 02	3 02	2 27	2 27
10	Reliance Jio Infratel Private Limited		-	-	-	11 15
11	Reliance Jio Media Limited		-	-	-	10 00
12	Reliance Jio Digital Services Limited		-	135 00	135 00	135 00
13	Reliance Jio Messaging Services Limited		-	79 68	12 50	12 50
14	Reliance Fire Brigade Services Private Limited		-	50	50	50
15	Reliance Group Support Services Private Limited	Others	-	2 45	2 45	2 45
16	JM Financial Products Limited		25 00	25 00	-	25 00
17	Raghuleela Builders Private Limited		-	-	-	160 00

Note : All above loans and advances (Loans) are towards business purpose :

- i) Loans shown above under item no. 3 to 9, to Fellow subsidiary companies fall under the Category of “Loans and Advances” - in nature of zero coupon optionally convertible for a period of 10 years
  - ii) Loans shown above under item no. 12 & 13, to Fellow subsidiary companies fall under the Category of “Loans and Advances” - in nature of short term interest bearing loan
  - iii) Loans shown above under item no. 14 to 16, to Others fall under the Category of “Loans and Advances” - in nature of short term interest bearing loan.
- b) Investment by the loanee in the shares of the Company, out of loans given is NIL**

## Notes on the Financial Statement for the Period ended 31st March, 2018

### 27 Related Party

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

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary Companies
3	Reliance Ventures Limited	
4	Reliance Global Commercial Limited ( From 30.08.2016 to 01.11.2017)	
5	Reliance Universal Commercial Limited (From 30.08.2016 to 01.11.2017)	
6	Reliance Petroinvestments Limited (From 30.08.2016 to 01.11.2017)	
7	Reliance Polyolefins Limited	
8	Reliance Energy and Project Development Limited	
9	Reliance Aromatics and Petrochemicals Limited	
10	Reliance Chemicals Limited	
11	Reliance Universal Enterprises Limited	
12	Reliance World Trade Private Limited	
13	Kanhatech Solutions Limited	
14	Reliance Jio Infratel Private Limited	
15	Reliance Jio Media Limited	
16	Reliance Jio Digital Services Limited	
17	Reliance Jio Messaging Services Limited	
18	Reliance Commercial Dealers Limited	
19	Komal Chhapru (From 28.09.2017)	Key Managerial Personnel
20	Gopalkrishnan J (From 28.09.2017 to 28.02.2018)	
21	Tapas Mitra	

#### ii) Transactions during the year with related parties:

(₹ in lakhs)

Sr. No.	Nature of Transaction	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Key Managerial Personnel	Total
1	Loans taken / (repaid) (net)	177 70 (1464 90)	-	-	-	177 70 (1464 90)
2	Loans given / (returned) (net)	-	-	(148 97) 109 34	-	(148 97) 109 34
3	Purchase of Investments / (stock)	-	-	-	-	-
4	Sale / Redemption of Investments	-	-	264 38	-	264 38
5	Interest income	160 12	-	5	-	160 17
6	Expenses	-	-	9 28	-	9 28
	Finance Cost	-	-	5 93	-	5 93
	Professional fees	71 44	-	-	-	71 44
		266 56	-	-	-	266 56
		19*	-	55	6	80
		-	-	33	-	33

\* Includes remuneration paid to Key Managerial Personnel on secondment basis ₹ 3 lakhs

## Notes on the Financial Statement for the Period ended 31st March, 2018

27 Related Party (contd...)						(₹ in lakhs)
Sr. No.	Nature of Transaction	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Key Managerial Personnel	Total
<b>Balance as on 31st March, 2018</b>						
1	Equity share capital	<b>2 02</b>	-	-	-	<b>2 02</b>
		<i>2 02</i>	-	-	-	<i>2 02</i>
2	Preference share capital (including premium)	<b>112 78</b>	-	<b>768 70</b>	-	<b>881 48</b>
		<i>112 78</i>	-	<i>768 70</i>	-	<i>881 48</i>
3	Loans taken/(repaid)(net)	<b>1737 30</b>	-	-	-	<b>1737 30</b>
		<i>1559 60</i>	-	-	-	<i>1559 60</i>
4	Interest accrued but not due	-	-	-	-	-
		<i>239 91</i>	-	-	-	<i>239 91</i>
5	Long Term Loans given (returned)(net)	-	-	<b>6 54</b>	-	<b>6 54</b>
		-	-	<i>155 51</i>	-	<i>155 51</i>
6	Interest receivable	-	-	-	-	-
		-	-	<i>474</i>	-	<i>4 74</i>
7	Others payable	<b>(17)</b>	-	<b>(59)</b>	-	<b>( 76)</b>
		-	-	-	-	-
8	Investments	-	-	<b>3 75</b>	-	<b>3 75</b>
		-	-	<i>3 75</i>	-	<i>3 75</i>

Note : Figures in Italic represents previous year's amount

<b>Disclosure in Respect of Material Related Party Transactions during the year:</b>				(₹ in lakhs)
Particulars	Relationship	2017-18	2016-17	
<b>1 Loans taken / (repaid) (net)</b>				
Reliance Industries Limited	Holding Company	<b>177 70</b>	(1464 90)	
<b>2 Loans given / (returned) (net)</b>				
Reliance Global Commercials Limited	Fellow Subsidiary	-	(4 43)	
Reliance Universal Commercials Limited	Fellow Subsidiary	-	(4 43)	
Reliance Petroinvestments Limited	Fellow Subsidiary	<b>(3 40)</b>	(10 29)	
Reliance World Trade Private Limited	Fellow Subsidiary	<b>75</b>	1 08	
Reliance Energy Generation & Distribution Limited	Fellow Subsidiary	<b>47</b>	3	
Reliance Energy Project and Development Limited	Fellow Subsidiary	<b>8</b>	9	
Reliance Aromatics and Petrochemicals Limited	Fellow Subsidiary	<b>8</b>	8	
Reliance Chemicals Limited	Fellow Subsidiary	<b>25</b>	44	
Reliance Universal Enterprises Limited	Fellow Subsidiary	<b>30</b>	43	
Reliance Jio Infratel Private Limited	Fellow Subsidiary	-	(11 15)	
Reliance Jio Media Limited	Fellow Subsidiary	-	(10 00)	
Reliance Jio Digital Services Limited	Fellow Subsidiary	<b>(135 00)</b>	135 00	
Reliance Jio Messaging Services Limited	Fellow Subsidiary	<b>(12 50)</b>	12 50	
<b>3 Sale / Redemption of investmetns</b>				
Reliance Industries Limited	Holding Company	-	160 12	
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	-	5	
<b>4 Purchase of Investments (including stock)</b>				
Reliance Ventures Limited	Fellow Subsidiary	-	264 38	

## Notes on the Financial Statement for the Period ended 31st March, 2018

### 27 Related Party (contd...)

Disclosure in Respect of Material Related Party Transactions during the year:			(₹ in lakhs)	
Particulars	Relationship	2017-18	2016-17	
<b>5 Interest income</b>				
Reliance Jio Infratel Private Limited	Fellow Subsidiary	-	52	
Reliance Jio Media Limited	Fellow Subsidiary	-	15	
Reliance Jio Digital Services Limited	Fellow Subsidiary	<b>6 93</b>	522	
Reliance Jio Messaging Services Limited	Fellow Subsidiary	<b>2 35</b>	4	
<b>6.1 Interest expense</b>				
Reliance Industries Limited	Holding Company	<b>71 44</b>	266 56	
<b>6.2 Professional fees</b>				
Reliance Industries Limited	Holding Company	<b>19*</b>	-	
Reliance Corporate IT Park Limited	Fellow Subsidiary	<b>55</b>	33	
Komal Chhapru	KMP	<b>1</b>	-	
Gopalakrishnan	KMP	<b>2</b>	-	
Tapas Mitra	KMP	<b>3</b>	-	

\* Includes remuneration paid to Key Managerial Personnel on secondment basis ₹ 3 lakhs

### 28 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 compare to last year.

The Net Gearing Ratio at end of the reporting period was as follows	₹ in lakhs	
	As at 31st March, 2018	As at 31st March, 2017
Gross Debt	<b>1737 30</b>	1559 60
Cash and Marketable Securities	<b>(1 68)</b>	(352 36)
Net debt (A)	<b>1735 62</b>	1207 24
Total Equity (as per Balance Sheet) (B)	<b>2108 64</b>	1866 98
Net Gearing Ratio (A/B)	<b>0.82</b>	0.65



## Notes on the Financial Statement for the Period ended 31st March, 2018

### 29 Financial Instruments

#### A. Fair Valuation Measurement hierarchy

₹ in lakhs

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
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Investments	-	-	-	-	-	-
Trade Receivables	40 32	-	-	37 79	-	-
Cash and Cash Equivalents	1 68	-	-	352 36	-	-
Loans	31 54	-	-	165 46	-	-
Other Financial Assets	15 46	-	-	32 77	-	-
<b>At FVTPL</b>						
Investments	3707 74	3220 84	486 90	2851 85	2623 69	228 16
Financial Derivatives (net)	-	-	-	401 85	401 85	-
<b>At FVTOCI</b>						
Investments	-	-	-	-	-	-
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings	1737 30	-	-	1559 60	-	-
Trade Payables	-	-	-	-	-	-
Other Financial liabilities	-	-	-	239 91	-	-
<b>At FVTPL</b>						
	-	-	-	-	-	-

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

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

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

#### Valuation Methodology

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

The fair value of investment in quoted Equity Shares, Bonds, Government Securities, and Mutual / Venture Funds is measured at quoted price or NAV

## Notes on the Financial Statement for the Period ended 31st March, 2018

### B. Financial Risk Management

Different type of the risk the Company exposed are as under:

#### Interest rate risk

Company's borrowing is only through its holding company viz Reliance Industries Limited, it has no borrowing from Bank/FI etc. Interest payable against such borrowing is as per agreed terms.

#### Credit risk

Credit risk is the risk that a Broker or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, derivative financial instruments, deposits with Banks and from credit exposures relating to outstanding receivables.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities..

#### Liquidity risk

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

#### Market risk

Companies main activity is to do trading in financial instruments viz. equity shares, debentures, bonds, derivatives etc. This market is influenced by domestic / international political, financial and other events occurring on day to day basis. Hence the market is constantly volatile and uncertain. Company has strong treasury philosophies and practices and is well geared to meet the challenges of volatile market conditions.

### 30 Approval of Financial Statements

The Financial statements were approved for issue by the Board of Directors on 18th April, 2018

As per our Report of even date

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

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

**Jignesh Mehta**  
Partner  
Membership No. 102749

**Sanket M. Shah**  
Partner  
Membership No. 148270

For and on behalf of the Board

**K. Sethuraman**  
Chairman

**Jayashri Rajesh**  
Director

**Jagannatha Kumar**  
Director

**Shivkumar Bhardwaj**  
Independent Director

**Komal Chhapru**  
Company Secretary

**Dhiren Dalal**  
Independent Director

**Suresh Jagannathan**  
Chief Financial Officer

Mumbai  
Date : 18th April, 2018