

Reliance Strategic Investments Limited
Financial Statements
2018-19

Independent Auditor's Report

To the Members of RELIANCE STRATEGIC INVESTMENTS LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Strategic Investments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its Loss including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the 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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, 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;
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act.

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- e) On the basis of written representations received from the directors as on March 31 , 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31 , 2019, 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting with reference to these financial statements;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended , 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 Chaturvedi & Shah LLP
Chartered Accountants
Firm Registration no. 101720W/W100355

For Rajendra & Co.
Chartered Accountants
Firm Registration no. 108355W

Jignesh Mehta
Partner
Membership No.: 102749

Sanket. M. Shah
Partner
Membership No.: 148270

Place: Mumbai
Date: April 15, 2019

Place : Mumbai
Date : April 15 , 2019

“ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE STRATEGIC INVESTMENTS 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 had no Fixed Assets during the year, clause (i) of paragraph of 3 of the order is not applicable to the company.
- ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not directly or indirectly advanced loan to the person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. The provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given are not applicable to the company.
- 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, goods and service tax , duty of customs, duty of excise, 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, 2019 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, goods and service tax , duty of customs, duty of excise, cess on account of any dispute, which have not been deposited.
- viii) In our opinion and according to the information and explanation given to us the Company has not raised loans from financial institutions or banks or government or by issue of debentures and hence clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) and terms loans have been used for the purpose for which it has been raised.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) The Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii) In our opinion and according to the information and explanations given to us, the Companies transaction with its 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 reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act, Hence, reporting under clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

xvi) Based on information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and necessary registration has been obtained by the Company.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration no. 101720W/W100355

For Rajendra & Co.

Chartered Accountants

Firm Registration no. 108355W

Jignesh Mehta

Partner

Membership No.: 102749

Sanket. M. Shah

Partner

Membership No.: 148270

Place: Mumbai

Date: April 15, 2019

Place : Mumbai

Date : April 15 , 2019

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE STRATEGIC INVESTMENTS 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 Control over financial reporting of **Reliance Strategic Investments Limited** (“the company”) as of March 31, 2019 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 with reference to these financial statements 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

A company’s internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 With Reference To These Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration no. 101720W/W100355

For **Rajendra & Co.**

Chartered Accountants

Firm Registration no. 108355W

Jignesh Mehta

Partner

Membership No.: 102749

Sanket. M. Shah

Partner

Membership No.: 148270

Place: Mumbai

Date: April 15, 2019

Place : Mumbai

Date : April 15 , 2019

Balance Sheet as at 31st March, 2019

	Note	As at 31st March, 2019	As at 31st March, 2018	₹ in lakhs As at 1st April, 2017
ASSETS				
Financial Assets				
Cash and Cash Equivalents	1.1	1 05	68	1 36
Bank balances other than 1.1	1.2	751 00	1 00	351 00
Derivative Financial Instrument	2	-	-	401 85
Receivables	3			
Trade Receivables		31 08	40 32	37 79
Loans	4	7 65	31 54	165 46
Investments	5	3143 81	3711 49	2855 60
Other Financial Assets	6	70 48	15 47	32 78
Total Financial Assets		4005 07	3800 50	3845 84
Non-Financial Assets				
Current Tax Assets (net)	7	95 12	66 85	-
Total Non-Financial Assets		95 12	66 85	-
Total Assets		4100 19	3867 36	3845 84
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Derivative Financial Instrument	2	16 63	-	-
Payables	8			
Trade Payables				
Micro and Small Enterprises				
Other than Micro and Small Enterprises		86	-	-
Borrowings	9	2321 42	1737 30	1559 60
Other Financial Liabilities	10	47	29	266 67
Total Financial Liabilities		2339 38	1737 59	1826 27
Non-Financial Liabilities				
Current Tax Liabilities (net)	7	-	-	6 28
Deferred Tax Liability (Net)	11	53 78	20 97	145 24
Provisions	12	4	13	1 07
Total Non-Financial Liabilities		53 82	21 10	152 59
		2393 19	1758 69	1978 86
EQUITY				
Equity Share Capital	13	2 02	2 02	2 02
Other Equity	14	1704 97	2106 65	1864 96
Total Equity		1706 99	2108 67	1866 98
Total Liabilities and Equity		4100 19	3867 36	3845 84

Significant Accounting Policies
See accompanying Notes to the
Financial Statements

1 to 31

As per our Report of even date

For **Chaturvedi & Shah LLP**
Firm Registration No: 101720W/W100355
Chartered Accountants

Jignesh Mehta
Partner
Membership No. 102749
Mumbai, Date : 15th April, 2019

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

Sanket M. Shah
Partner
Membership No. 148270

For and on behalf of the Board

K. Sethuraman Chairman
Jayashri Rajesh Director
Dhiren Dalal Independent Director
Shivkumar Bhardwaj Independent Director
Sajita Nair Company Secretary
Suresh Jagannathan Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2019

	Note	2018-19	2017-18
₹ in lakhs			
INCOME			
Revenue from Operations	15		
Interest income		64 97	16 17
Dividend income		46 80	40 99
Net gain on fair value changes		(216 80)	239 11
Total Revenue from operations		(105 03)	296 27
Other Income	16	9	1 20
Total Income		(104 94)	297 47
EXPENSES			
Finance Cost	17	247 89	71 44
Other Expenditure	18	16 04	15 84
Total Expenses		263 93	87 28
Profit/(Loss) before tax		(368 87)	210 19
Tax Expense			
Current Tax	19	-	92 50
Adjustment of tax relating to earlier period		-	27
Deferred Tax	19	32 81	(124 27)
		32 81	(31 50)
Profit/(Loss) for the year		(401 68)	241 69
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year (Comprising Profit/(Loss) and Other Comprehensive Income)		(401 68)	241 69
Earnings per Equity Share of face value of ₹ 10 each			
	20		
Basic (in ₹)		(1,988.32)	1196.38
Diluted (in ₹)		(1,988.32)	467.64
Significant Accounting Policies See accompanying Notes to the Financial Statements	1 to 31		

As per our Report of even date

For Chaturvedi & Shah LLP Firm Registration No: 101720W/W100355 Chartered Accountants	For Rajendra & Co. Firm Registration No : 108355W Chartered Accountants
Jignesh Mehta Partner Membership No. 102749 Mumbai, Date : 15th April, 2019	Sanket M. Shah Partner Membership No. 148270

For and on behalf of the Board

K. Sethuraman Jayashri Rajesh Dhiren Dalal Shivkumar Bhardwaj Sajita Nair Suresh Jagannathan	Chairman Director Independent Director Independent Director Company Secretary Chief Financial Officer
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Statement of Changes in Equity for the year ended 31st March, 2019

A. Equity Share Capital					₹ in lakhs	
Balance at the beginning of the reporting period i.e. 1st April, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018	Changes in equity share capital during the year 2018-19	Balance at the end of the reporting period i.e. 31st March, 2019		
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	Statutory Reserve Fund	Retained Earnings			
As on 31st March, 2018								
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 on 31st March, 2019								
Balance at the beginning of the reporting period i.e. 1st April, 2018	31	1 23	881 17	211 50	1012 44	-	2106 65	
Total Comprehensive Income of the year	-	-	-	-	(401 68)	-	(401 68)	
Transferred from retained earnings	-	-	-	-	-	-	-	
Balance at the end of the reporting period i.e. 31st March, 2019	31	1 23	881 17	211 50	610 76	-	1704 97	

As per our Report of even date

For **Chaturvedi & Shah LLP**
Firm Registration No: 101720W/W100355
Chartered Accountants

Jignesh Mehta
Partner
Membership No. 102749
Mumbai, Date : 15th April, 2019

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

Sanket M. Shah
Partner
Membership No. 148270

For and on behalf of the Board

K. Sethuraman Chairman
Jayashri Rajesh Director
Dhiren Dalal Independent Director
Shivkumar Bhardwaj Independent Director
Sajita Nair Company Secretary
Suresh Jagannathan Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2019

	2018-19	2017-18
		₹ in lakhs
A. Cash Flow from Operating Activities		
Net Profit before tax as per Statement of Profit and Loss	(368 87)	210 19
Adjusted for:		
Interest income	(64 97)	(14 31)
Dividend income on investments/Stock	(46 80)	(40 99)
Profit on sale of investments	169 92	(289 86)
Reversal of general Provision on Standard Assets	(9)	(95)
Finance costs	247 89	71 44
	<u>305 95</u>	<u>(274 67)</u>
Operating Loss before Working Capital Changes	(62 92)	(64 48)
Adjusted for:		
Trade and other Receivables	(3 81)	403 73
Trade Payables	82	5
	<u>(2 99)</u>	<u>403 78</u>
Cash from/(used in) Operations	(65 91)	339 30
Income Taxes paid	(28 27)	(166 10)
Net cash flow from/(used in) Operating Activities	(94 18)	173 20
B. Cash flow from Investing Activities		
Purchase of investments	(14316 91)	(9623 22)
Sale of investments	14714 68	9057 19
Dividend income on investments/stock	46 80	40 99
Net cash inflow from other finance activities	23 89	133 92
Investment in/proceeds from fixed deposits	(750 00)	350 00
Interest income	39 64	27 40
Net cash flow used in Investing Activities	(241 90)	(13 72)
C. Cash flow from financing Activities		
Proceeds from:		
Proceeds from Borrowing – Current (from Holding company)	6164 63	4122 45
Repayment of Borrowings – Current (to Holding company)	(5580 51)	(3944 75)
Interest paid	(247 67)	(337 86)
Net Cash flow from/(used in) Financing Activities	336 45	(160 16)
Net Increase/(Decrease) in Cash and Cash Equivalents	37	(68)
Opening Balance of Cash and cash equivalents	68	1 36
Closing Balance of Cash and cash equivalents (Refer Note 1.1)	1 05	68

As per our Report of even date

For **Chaturvedi & Shah LLP**

Firm Registration No: 101720W/W100355

Chartered Accountants

Jignesh Mehta

Partner

Membership No. 102749

Mumbai, Date : 15th April, 2019

For **Rajendra & Co.**

Firm Registration No : 108355W

Chartered Accountants

Sanket M. Shah

Partner

Membership No. 148270

For and on behalf of the Board

K. Sethuraman

Chairman

Jayashri Rajesh

Director

Dhiren Dalal

Independent Director

Shivkumar Bhardwaj

Independent Director

Sajita Nair

Company Secretary

Suresh Jagannathan

Chief Financial Officer

Notes on the Statement for the year ended 31st March, 2019

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 has adopted Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2018 and the effective date of such transition is April 1, 2017. The Figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India (‘RBI’) (collectively referred to as “the Previous GAAP”). The Figures have been presented in accordance with the format prescribed for financial statements for a Non-Banking Finance Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015 in Division III of Notification No. GSR 1022 (E) dated 11th October, 2018, issued by the Ministry of Corporate Affairs, Government of India.

B.2 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for Certain financial assets and liabilities (including derivative instruments) are measured at fair value.

These financial statements are the Company’s first Ind AS financial statements.

Company’s financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the 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) 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.

(c) 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.

Notes on the Statement for the year ended 31st March, 2019

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.

(d) Revenue recognition

Income from Current and Long-term Investments

Income from dividend on shares of corporate bodies and units of mutual funds is accounted when the Company's right to receive dividend is established. Interest income on bonds and debentures is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Income on Inter corporate deposits and Fixed Deposit

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(e) 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 Fellow Subsidiary and Associate Companies

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

D. Other Equity instruments

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

Notes on the Statement for the year ended 31st March, 2019

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.

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.

f) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGEMENTS 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 next financial year.

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,

Notes on the Statement for the year ended 31st March, 2019

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. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2018 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2017 and all the periods presented have been restated accordingly.

Exemptions from retrospective application :

- i) Investments in subsidiaries, joint ventures and associates
The Company has elected to measure investment in subsidiaries, joint venture and associate at cost
- ii) Classification and Measurement of Financial Assets
The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS

E. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 30,2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2019

a) Issue of Ind AS 116 - Leases

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

b) Amendment to Existing issued Ind AS

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

- i) Ind AS 101 – First time adoption of Indian Accounting Standards
- ii) Ind AS 103 – Business Combinations
- iii) Ind AS 109 – Financial Instruments
- iv) Ind AS 111 – Joint Arrangements
- v) Ind AS 12 – Income Taxes
- vi) Ind AS 19 – Employee Benefits
- vii) Ind AS 23 – Borrowing Costs
- viii) Ind AS 28 – Investment in Associates and Joint Ventures

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

Notes on the Statement for the year ended 31st March, 2019

		₹ in lakhs		
1.1 Cash and Cash Equivalents	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Cash on hand	-	-	-	
Balance with Banks				
In current accounts	<u>1 05</u>	<u>68</u>	<u>1 36</u>	
	<u><u>1 05</u></u>	<u><u>68</u></u>	<u><u>1 36</u></u>	
		₹ in lakhs		
1.2 Cash and Bank balances	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Other bank balances				
In deposits #	<u>751 00</u>	<u>1 00</u>	<u>351 00</u>	
	<u><u>751 00</u></u>	<u><u>1 00</u></u>	<u><u>351 00</u></u>	

Deposits with banks of ₹ NIL (previous year ₹ NIL) with maturity more than 12 months.

Deposits with banks of ₹ 75100 lakhs (previous year ₹ 100 lakhs) are given as collateral securities.

		₹ in lakhs				
2. Derivative Financial Instruments	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Notional Amount	Fair Value Assets/ (Liabilities)	Notional Amount	Fair Value Assets/ (Liabilities)	Notional Amount	Fair Value Assets/ (Liabilities)
Equity linked derivatives	2350 00	(16 63)	-	-	2365 93	401 85

Note:

Notional is grossed up by taking absolute value (including May/June expiry NIFTY calls & puts and April expiry Pidilite short future)

Since futures is daily MTM settled, it does not form part of balance sheet and is not included in Assets/Liabilities. Please note the same has been included in notional amount.

Fair Value – Liabilities is a net number based on fair value of the contract as on 31st March

June 2019 expiry NIFTY contracts are theoretically valued using Bloomberg

All derivative positions are treated as trading positions

Refer note 28

Notes on the Statement for the year ended 31st March, 2019

				₹ in lakhs
3.	Receivables (Unsecured and considered good)	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Trade Receivables	31 08	40 32	37 79
		<u>31 08</u>	<u>40 32</u>	<u>37 79</u>

				₹ in lakhs
4.	Loans (Unsecured and considered good)	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
At Amortised Cost				
	Loan to Related parties *	7 65	6 54	155 51
	Loan to others	-	25 00	9 95
		<u>7 65</u>	<u>31 54</u>	<u>165 46</u>
Loans in India:				
	Other than to Public Sector	7 65	31 54	165 46
	Loans outside India	-	-	-
		<u>7 65</u>	<u>31 54</u>	<u>165 46</u>

*Refer note no 24 & 26

										₹ in lakhs
5.	Investments	As at 31st March, 2019			As at 31st March, 2018			As at 1st April, 2017		
		Cost	At fair value through Profit or Loss	Total	Cost	At fair value through Profit or Loss	Total	Cost	At fair value through Profit or Loss	Total
A. Investments										
	Quoted Debentures	-	433 27	433 27	-	303 65	303 65	-	-	-
	Equity instruments									
	Fellow Subsidiaries *	10 69	-	10 69	-	-	-	-	-	-
	Associates *	3 75	-	3 75	3 75	-	3 75	3 75	-	3 75
	Unquoted shares	-	66 15	66 15	-	69 83	69 83	-	34 42	34 42
	Quoted shares	-	441 07	441 07	-	367 77	367 77	-	12 30	12 30
	Quoted shares – others #	-	2106 03	2106 03	-	2779 83	2779 83	-	2575 55	2575 55
	Warrants	-	-	-	-	73 24	73 24	-	35 85	35 85
	Venture Funds	-	82 85	82 85	-	113 43	113 43	-	193 73	193 73
	Total (A)	14 44	3129 37	3143 81	3 75	3707 74	3711 49	3 75	2851 85	2855 60
	Investments outside India	-	-	-	-	-	-	-	-	-
	Investments in India	14 44	3129 37	3143 81	3 75	3707 74	3711 49	3 75	2851 85	2855 60
	Total (B)	14 44	3129 37	3143 81	3 75	3707 74	3711 49	3 75	2851 85	2855 60
	Less:									
	Allowance for impairment	-	-	-	-	-	-	-	-	-
	Loss (C)									
	Total (A – C)	14 44	3129 37	3143 81	3 75	3707 74	3711 49	3 75	2851 85	2855 60

* The Company has accounted for its investments in Fellow Subsidiary and Associate companies at cost less impairment loss (if any)

Investments held as Stock-in-Trade

Refer note no 25

Notes on the Statement for the year ended 31st March, 2019

				₹ in lakhs
6. Other Financial Assets	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Interest receivable	25 86	53	13 62	
Dividend receivable	-	-	48	
Other receivables/Deposits	1	1	1	
Income receivable from Venture Fund	10 61	14 93	18 67	
Application money	34 00	-	-	
	<u>70 48</u>	<u>15 47</u>	<u>32 78</u>	
				₹ in lakhs
7. Current Tax Asset / (Liabilities) net	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Advance payment of taxes (net) Refer Note 20 (b)	95 12	66 85	(6 28)	
	<u>95 12</u>	<u>66 85</u>	<u>(6 28)</u>	
				₹ in lakhs
8. Trade Payables due to	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Micro and Small Enterprises	-	-	-	
Other than Micro and Small Enterprises	86	-	-	
	<u>86</u>	<u>-</u>	<u>-</u>	
<p>Note: There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2019 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.</p>				
				₹ in lakhs
9. Borrowings	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Secured	-	-	-	
Unsecured				
At amortised cost				
Loans from Holding Company *	2321 42	1737 30	1559 60	
	<u>2321 42</u>	<u>1737 30</u>	<u>1559 60</u>	
Borrowings in India	2321 42	1737 30	1559 60	
Borrowings outside India	-	-	-	
	<u>2321 42</u>	<u>1737 30</u>	<u>1559 60</u>	
* Loan repayable in three months				

Notes on the Statement for the year ended 31st March, 2019

				₹ in lakhs
10. Other Financial Liabilities	As at	As at	As at	
	31st March, 2019	31st March, 2018	1st April, 2017	
Interest accrued but not due on borrowing to the Holding company	-	-	239 91	
Others payables **	<u>47</u>	<u>29</u>	<u>26 76</u>	
	<u>47</u>	<u>29</u>	<u>266 67</u>	
** Mainly includes statutory dues				
				₹ in lakhs
11. Deferred Tax Liabilities/(Asset) (net)	As at	As at	As at	
	31st March, 2019	31st March, 2018	1st April, 2017	
The movement on the deferred tax account is as follows:				
At the start of the year	20 97	145 24	-	
Charge/(Credit) to Statement of Profit and Loss	<u>32 81</u>	<u>(124 27)</u>	<u>145 24</u>	
At the end of year	<u>53 78</u>	<u>20 97</u>	<u>145 24</u>	
				₹ in lakhs
Component of Deferred tax Liabilities	As at	As at	As at	
	31st March, 2019	31st March, 2018	1st April, 2017	
Deferred Tax Liabilities in relation to:				
Financial assets	<u>53 78</u>	<u>20 97</u>	<u>145 24</u>	
Total	<u>53 78</u>	<u>20 97</u>	<u>145 24</u>	
				₹ in lakhs
12. Provisions	As at	As at	As at	
	31st March, 2019	31st March, 2018	1st April, 2017	
Contingent provision against standard asset #	<u>4</u>	<u>13</u>	<u>1 07</u>	
	<u>4</u>	<u>13</u>	<u>1 07</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 ₹ 4 lakhs (previous year ₹ 13 lakhs)

Notes on the Statement for the year ended 31st March, 2019

₹ in lakhs						
13. Equity Share Capital	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Units	Amount	Units	Amount	Units	Amount
Authorised Share Capital						
Equity shares of ₹ 10 each	21,00,000	2 10	21,00,000	2 10	21,00,000	2 10
Preference shares of ₹ 100 each	2,25,00,000	225 00	2,25,00,000	225 00	2,25,00,000	225 00
Preference shares of ₹ 1 each	5,00,00,000	5 00	5,00,00,000	5 00	5,00,00,000	5 00
		<u>232 10</u>		<u>232 10</u>		<u>232 10</u>
Issued, Subscribed and Paid up:						
Equity shares of ₹ 10 each fully paid up	20,20,200	2 02	20,20,200	2 02	20,20,200	2 02
		<u>2 02</u>		<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, 2019		As at 31st March, 2018		As at 1st April, 2017	
	No. of Shares	Held (%)	No. of Shares	Held (%)	No. of Shares	Held (%)
Holding Company Reliance Industries Limited	20,20,200	100.00	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	As at	As at
	31st March, 2019	31st March, 2018	1st April, 2017
	No. of Shares	No. of Shares	No. of Shares
Shares at the beginning of the year	20,20,200	20,20,200	20,20,200
Add: Shares issued during the year	-	-	-
Shares at the end of the year	<u>20,20,200</u>	<u>20,20,200</u>	<u>20,20,200</u>

Rights, Preferences and Restrictions attached to shares

The Equity Shareholders are 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 Statement for the year ended 31st March, 2019

				₹ in lakhs
14. Other Equity	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Instrument Classified as Equity				
9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each (1)	4	4	4	
9% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 1 each (2)	<u>27</u>	<u>27</u>	<u>27</u>	
	31	31	31	
Capital Redemption Reserve				
As per last Balance Sheet	1 23	1 23	1 23	
Securities Premium Reserve				
As per Last Balance Sheet	881 17	881 17	881 17	
Statutory Reserve Fund				
As per last Balance Sheet	211 50	155 70		
Add: Transferred from Retained Earnings	<u>-</u>	<u>55 80</u>		
	211 50	<u>211 50</u>	155 70	
Retained Earnings				
As per Last Balance Sheet	1012 44	826 55		
Add: Profit for the year	<u>(401 68)</u>	<u>241 69</u>		
	610 76	1068 24		
Less: Appropriations				
Transferred to Statutory Reserve Fund	<u>-</u>	<u>55 80</u>		
	610 76	<u>1012 44</u>	<u>826 55</u>	
Total	1704 97	<u>2106 65</u>	<u>1864 96</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.

1. 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.

Notes on the Statement for the year ended 31st March, 2019

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

Particulars	As at	As at	As at
	31st March, 2019	31st March, 2018	1st April, 2017
	No. of Shares	No. of Shares	No. of Shares
Shares at the beginning of the year	4,02,800	4,02,800	4,02,800
Add: Shares issued during the year	-	-	-
Shares at the end of the year	4,02,800	4,02,800	4,02,800

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	As at	As at
	31st March, 2019	31st March, 2018	1st April, 2017
	No. of Shares	No. of Shares	No. of Shares
Shares at the beginning of the year	27,45,355	27,45,355	27,45,355
Add: Shares issued during the year	-	-	-
Shares at the end of the year	27,45,355	27,45,355	27,45,355

₹ in lakhs

15. Revenue from Operations	2018-19	2017-18
Interest income		
On Financial Assets measured at Amortised cost		
Interest on Loans	4 87	11 70
Interest Fixed Deposits	28 82	2 61
On Financial Assets classified at fair value through profit or loss		
Interest income on investments (stock-in-Trade)	31 28	1 86
	64 97	16 17
Dividend Income		
On Investments	8 20	7 91
On stock in trade	38 60	33 08
	46 80	40 99
Net gain on fair value changes		
On Investments (Refer note 15.1)	16 03	140 64
On stock in trade (Refer note 15.2)	(232 83)	98 47
	(216 80)	239 11
	(105 03)	296 27

Notes on the Statement for the year ended 31st March, 2019

		₹ in lakhs	
15.1	Net gain/(loss) on fair value changes – Investments	2018-19	2017-18
	Net Gain/(Loss) on Financial instrument at fair value through profit and loss		
	On investments	12 48	55 45
	Others – Venture funds	3 55	85 19
	Total net gain/(loss) on fair value changes	<u>16 03</u>	<u>140 64</u>
	Fair Value changes		
	Realised	(14 23)	41 52
	Unrealised	30 25	99 12
	Total net gain/(loss) on fair value changes	<u>16 03</u>	<u>140 64</u>
15.2	Net gain/(loss) on fair value changes – Stock-in-Trade		
	Net Gain/(Loss) on Financial instrument at fair value through profit and loss		
	On Investments	(185 95)	149 22
	On Derivatives	(45 87)	(50 75)
	On dealing in interest rate futures	(1 01)	0
	Total net gain/(loss) on fair value changes	<u>(232 83)</u>	<u>98 47</u>
	Fair Value changes		
	Realised	(285 64)	274 14
	Unrealised	52 81	(175 67)
	Total net gain/(loss) on fair value changes	<u>(232 83)</u>	<u>98 47</u>
		₹ in lakhs	
16.	Other Income	2018-19	2017-18
	Interest others	-	25
	Reversal of general provision on Standard Assets	9	95
		<u>9</u>	<u>1 20</u>
		₹ in lakhs	
17.	Finance Cost	2018-19	2017-18
	Interest on Borrowings (measured at amortised cost)	247 89	71 44
		<u>247 89</u>	<u>71 44</u>

Notes on the Statement for the year ended 31st March, 2019

	₹ in lakhs	
18. Other Expenses	2018-19	2017-18
Auditors remuneration		
Statutory audit fees	6	5
Tax audit fees	1	1
Certification fees	-	-
	<u>7</u>	<u>6</u>
Professional fees	88	79
Brokerage	42	32
Securities Transaction Tax	9 24	11 18
Directors sitting fees	12	9
Charity and donations	5 00	3 20
Other administrative expenses	31	20
	<u><u>16 04</u></u>	<u><u>15 84</u></u>

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

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year was ₹ 500 lakhs (previous year ₹ 320 lakhs)

(b) Expenditure related to CSR is ₹ 500 lakhs (previous year ₹ 320 lakhs) is spent through Reliance Foundation

	₹ in lakhs	
Particulars	2018-19	2017-18
Sports	3 75	2 15
Animal Welfare	1 25	105
Total	<u><u>5 00</u></u>	<u><u>3 20</u></u>

Notes on the Statement for the year ended 31st March, 2019

		₹ in lakhs	
19. TAXATION		Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Income Tax recognised in Statement of Profit and Loss			
Current Tax			
In respect of the current year		-	92 50
In respect of prior year		-	27
Deferred Tax		32 81	(124 27)
Total income tax expenses recognised in the current year		32 81	(31 50)
The income tax expenses for the year can be reconciled to the accounting profit as follows:			
		₹ in lakhs	
		Year ended 31st March, 2019	Year ended 31st March, 2018
Profit Before Tax		(368 87)	210 19
Applicable Tax Rate		34.61%	34.61%
Computed Tax Expense		-	72 74
Tax Effect of:			
Income not Taxable		-	19 81
Expenses disallowed		-	22
Current Tax Provision (A)		-	92 77
Incremental/(reversal) Deferred Tax Liability on account of Financial Assets & Other items		32 81	(124 27)
Deferred Tax Provision (B)		32 81	(124 27)
Tax Expenses recognised in Statement of Profit and Loss (A+B)		32 81	(31 50)
		₹ in lakhs	
		As at 31st March, 2019	As at 31st March, 2018
(b) Current Tax Assets (Net)			
At start of year		66 85	(6 28)
Charge for the year		-	(92 77)
Tax paid during the year		28 27	165 90
At end of year		95 12	66 85

Notes on the Statement for the year ended 31st March, 2019

20. Earnings per share (EPS)	2018-19	2017-18
Face value per equity share (₹)	10	10
Basic earnings per share (₹)	(1,988.32)	1196.38
Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lakhs)	(401 68)	241 69
Weighted average number of equity shares used as denominator for calculating Basic EPS	20 20 200	20 20 200
Diluted earnings per equity share (₹)	(1,988.32)*	467.64
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakhs)	(401 68)	241 69
Weighted average number of Equity shares used as denominator for calculating Diluted EPS	51 68 355	51 68 355
Reconciliation of weighted number of shares outstanding		
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

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

21. The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

22. Contingent Liabilities	As at 31st March, 2019	As at 31st March, 2018
i) Commitments towards venture fund units	82	1 81

23. 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 Statement for the year ended 31st March, 2019

24. 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 2019	Maximum balance during the year	As at 31st March 2018	Maximum balance during the year
1.	Reliance Petroinvestments Limited	Fellow Subsidiary Companies	-	-	-	3 40
2.	Reliance Aromatic & Petrochemicals Limited		33	33	20	20
3.	Reliance Energy and Project Development Limited		30	30	23	23
4.	Reliance Chemicals Limited		94	94	69	69
5.	Reliance Energy Generation and Distribution Limited		-	1 30	50	50
6.	Reliance Universal Enterprises Limited		2 25	2 25	1 90	1 90
7.	Reliance World Trade Private Limited		3 83	3 83	3 02	3 02
8.	Reliance Content Distribution Limited		-	17 00	-	-
9.	Reliance Jio Digital Services Limited		-	-	-	135 00
10.	Reliance Jio Messaging Services Limited		-	-	-	79 68
11.	Reliance Fire Brigade Services Private Limited	Others	-	-	-	50
12.	Reliance Group Support Services Private Limited		-	-	-	2 45
13.	JM Financial Products Limited		-	25 00	25 00	25 00
14.	Abans Finance Limited		-	100 00	-	-

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

- Loans shown above under item no. 2 to 7, 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
- Loans shown above under item no. 13 & 14, 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 Statement for the year ended 31st March, 2019

							₹ in lakhs
25.	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017		
	Units	Amount	Units	Amount	Units	Amount	
I. Long term investments							
(A) Investments Measured at Cost *							
In Equity Shares of Fellow Subsidiary Company							
Quoted, fully paid up							
Den Network Limited of ₹ 10 each	14,87,160	10 69	-	-	-	-	
In Equity Shares of Associate Company							
Unquoted, fully paid up							
Reliance Commercial Dealers Limited of ₹ 10 each	37,50,000	3 75	37,50,000	3 75	37,50,000	3 75	
Total (A)		14 44		3 75		3 75	
(B) Investments Measured at Fair Value							
Through Profit and Loss							
In Equity Shares – Quoted, fully paid up							
		441 07		367 77		12 30	
In Debentures – Quoted, fully paid up							
HDB Financials Services Ltd. – NCD Series 113 of ₹ 1000000 each	1,000	109 91	1,000	102 04	-	-	
HDB Financials Services Ltd. – NCD Series 120 of ₹ 1000000 each	1,000	107 00	-	-	-	-	
Kotak Mahindra Prime Limited 0% Secured Redeemable Non-Convertible Debentures – Series I of ₹ 1000000 each	1,000	108 44	1,000	100 15	-	-	
PNB Housing Finance Limited 0% Secured Redeemable Non-Convertible Bonds – Series XLIII-A of ₹ 1000000 each	1,000	107 92	1,000	101 47	-	-	
		433 27		303 65		-	
In Warrants – Quoted, fully paid up		-		73 24		35 85	
In Equity Shares – Unquoted, fully paid up		66 15		69 83		34 42	
In Venture Fund – Unquoted, fully paid up							
Peninsula Realty fund of ₹ 100000 each	-	-	-	-	1,525	10 15	
KKR India Debt Fund I of ₹ 1000 each	308,149	21 22	481,250	46 93	892,060	104 46	
DSP Blackrock India Enhanced Equity Fund – Class B of ₹ 100 each	-	-	-	-	2,000,000	26 12	
		21 22		46 93		140 73	

Notes on the Statement for the year ended 31st March, 2019

							₹ in lakhs
25.	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017		
	Units	Amount	Units	Amount	Units	Amount	
Unquoted, partly paid up							
	Multiples Private Equity Fund – Scheme I of ₹ 100000 each, paid up ₹ 40846.35 (previous year ₹ 48580.59) each						
	5,000	50 98	5,000	47 84	5,000	37 33	
	LICHFL Urban Development Fund of ₹ 10,000 each, paid up ₹ 3857.34 (previous year ₹ 7172.32) each						
	25,000	10 65	25,000	18 65	25,000	15 67	
		61 64		66 50		53 00	
	Total (B)	1023 33		927 91		276 30	
	Total Long term investments (A + B)	1037 78		931 66		280 05	
	Investments outside India	-		-		-	
	Investments in India	1037 78		931 66		280 05	
		1037 78		931 66		280 05	
	Aggregate amount of Quoted Investments	874 34		744 66		14 33	
	Market Value of Quoted Investments	874 34		744 66		48 15	
	Aggregate amount of Unquoted Investments	163 45		187 00		231 90	
	Aggregate provision for impairment in value of Investment	-		-		-	
							₹ in lakhs
Category-wise Long term Investment							
		As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2015			
	Financial assets measured at Cost	14 44	3 75	3 75			
	Financial assets carried at amortised cost	-	-	-			
	Financial assets measured at Fair value through other comprehensive income	-	-	-			
	Financial assets measured at Fair value Through Profit and Loss	1023 34	927 91	276 30			
	Total	1037 78	931 66	280 05			

Notes on the Statement for the year ended 31st March, 2019

		₹ in lakhs		
II. Stock in Trade	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2015	
Investments measured at Fair Value Through Profit and Loss				
In Equity Share, quoted fully paid up	2106 03	2779 83	2575 55	
Total	2106 03	2779 83	2575 55	
Investments outside India	-	-	-	
Investments in India	2106 03	2779 83	2575 55	
	2106 03	2779 83	2575 55	
Aggregate amount of Quoted Investments	2106 03	2779 83	2575 55	
Market Value of Quoted Investments	2106 03	2779 83	2575 55	

		₹ in lakhs		
Category-wise Investments (Stock in Trade)	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017	
Financial assets carried at amortised cost	-	-	-	
Financial assets measured at Fair value through other comprehensive income	-	-	-	
Financial assets measured at Fair value Through Profit and Loss	2106 03	2779 83	2575 55	
Total	2106 03	2779 83	2575 55	

26. 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 Corporate IT Park Limited	
4.	Reliance Energy Generation & Distribution Limited	
5.	Reliance Polyolefins Limited	
6.	Reliance Energy and Project Development Limited	
7.	Reliance Aromatics and Petrochemicals Limited	
8.	Reliance Chemicals Limited	
9.	Reliance Universal Enterprises Limited	
10.	Reliance World Trade Private Limited	
11.	Reliance Jio Digital Services Limited	
12.	Reliance Jio Messaging Services Limited	
13.	Den Network Limited ^	
14.	Reliance Commercial Dealers Limited	
15.	Komal Chhapru ^	Key Managerial Personnel
16.	Sajita Nair ^	
17.	Gopalakrishnan J ^	
18.	Suresh Jagannathan ^	
19.	Tapas Mitra ^	
20.	Vishal Kumar ^	

^ The above entities/KMP includes related parties where the relationship existed for the part of the year

Notes on the Statement for the year ended 31st March, 2019

26. Related Party (Contd.)

ii) Transactions during the year with related parties:						(₹ in lakhs)
Sr. No.	Nature of Transaction	Holding Company	Fellow Subsidiaries	Associates	Key Managerial Personnel	Total
1.	Loans taken/(repaid) (net)	584 12 <i>177 70</i>	-	-	-	584 12 <i>177 70</i>
2.	Loans given/(returned) (net)	-	1 11 <i>(148 97)</i>	-	-	1 11 <i>(148 97)</i>
3.	Interest income	-	-	-	-	-
4.	Expenses Finance Cost	243 63 <i>71 44</i>	-	-	-	243 63 <i>71 44</i>
	Professional fees	*29 <i>*19</i>	55 <i>55</i>	-	9 <i>6</i>	93 <i>80</i>
Balance as at 31st March, 2019						
1.	Equity share capital	2 02 <i>2 02</i>	-	-	-	2 02 <i>2 02</i>
2.	Preference share capital (including premium)	112 78 <i>112 78</i>	768 70 <i>768 70</i>	-	-	881 48 <i>881 48</i>
3.	Loans taken/(repaid) (net) (Incl. accrued interest)	2321 42 <i>1737 30</i>	-	-	-	2321 42 <i>1737 30</i>
4.	Loans given/(returned) (net)	-	7 65 <i>6 54</i>	-	-	7 65 <i>6 54</i>
5.	Trade receivable/(Trade payable)	- <i>(17)</i>	- <i>(59)</i>	-	-	- <i>(76)</i>
6.	Investments	-	10 69 <i>-</i>	3 75 <i>3 75</i>	-	14 44 <i>3 75</i>

* includes remuneration paid to Key Managerial Personnel on secondment basis ₹ 8 lakhs (previous year ₹ 3 lakhs)

Note: Figures in Italics represent previous year's amount

Disclosure in Respect of Material Related Party Transactions during the year:

			(₹ in lakhs)	
Particulars	Relationship	2018-19	2017-18	
1. Loans taken/(repaid) (net)				
Reliance Industries Limited	Holding Company	584 12	<i>177 70</i>	
2. Loans given/(returned) (net)				
Reliance Petroinvestments Limited (now merged with Reliance Industrial Investments and Holdings Limited)	Fellow Subsidiary	-	<i>(3 40)</i>	
Reliance World Trade Private Limited	Fellow Subsidiary	81	<i>75</i>	
Reliance Energy Generation and Distribution Limited	Fellow Subsidiary	(50)	<i>47</i>	
Reliance Energy Project and Development Limited	Fellow Subsidiary	7	<i>8</i>	
Reliance Aromatics and Petrochemicals Limited	Fellow Subsidiary	13	<i>8</i>	
Reliance Chemicals Limited	Fellow Subsidiary	25	<i>25</i>	
Reliance Universal Enterprises Limited	Fellow Subsidiary	35	<i>30</i>	
Reliance Jio Digital Services Limited	Fellow Subsidiary	-	<i>(135 00)</i>	
Reliance Jio Messaging Services Limited	Fellow Subsidiary	-	<i>(12 50)</i>	
3. Interest income				
Reliance Jio Digital Services Limited	Fellow Subsidiary	-	<i>6 93</i>	
Reliance Jio Messaging Services Limited	Fellow Subsidiary	-	<i>2 35</i>	

Notes on the Statement for the year ended 31st March, 2019

28. Financial Instruments (Contd.)

Particulars	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Carrying Amount	Level of input used in	Carrying Amount	Level of input used in	Carrying Amount	Level of input used in
Financial Liabilities						
At Amortised Cost						
Borrowings	2321 42	-	1737 30	-	1559 60	-
Trade Payables	86	-	-	-	-	-
Other Financial liabilities	47	-	-	-	266 67	-
At FVTPL						
Financial Derivatives	16 63	16 63	-	-	-	-
At FVTOCI	-	-	-	-	-	-

* Excludes financial assets measured at cost (Refer note 25)

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.

(B) Financial Risk Management

Different type of risk the Company is 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.

29. Approval of Financial Statements

The Financial statements were approved for issue by the board of directors on April 15, 2019.

Notes on the Statement for the year ended 31st March, 2019

30. NBFC Disclosures

30.1 Disclosures of details as required by Paragraph 16 and 18 of Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

The figures disclosed below are based on management certified financial statement prepared as per the requirement of RBI, and hence the are not in agreement with the Ind AS Financial Statement.

		₹ in lakhs		
Liabilities side		Amount outstanding	Amount overdue	
I.	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid			
	(a) Inter-corporate loans and borrowing	2321 42	-	
Assets side		Amount outstanding		
II.	Break-up of Loans and Advances including bills receivables			
	(a) Secured		-	
	(b) Unsecured		207 01	
III.	Break up of Leased Assets and Stock on hire and other assets counting towards AFC activities		-	
IV.	Break-up of Investments			
	Current Investments (Including Stock-in-trade)			
	1. Quoted			
	i) Shares			
	(a) Equity		2033 92	
	2. Unquoted			
	Long Term Investments			
	1. Quoted			
	i) Shares: Equity		341 05	
	ii) Debentures		400 00	
	2. Unquoted			
	i) Shares: Equity		26 13	
	ii) Units of venture funds/AIF		60 88	
V.	Borrower group-wise classification of assets financed as in (II) and (III) above:			
Category		Amount net of provision		
		Secured	Unsecured	Total
1.	Related parties			
	i) Subsidiaries	-	-	-
	ii) Other related party	-	7 65	7 65
2.	Other than related parties	-	199 36	199 36
	Total	-	207 01	207 01

Notes on the Statement for the year ended 31st March, 2019

VI. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Market value/Break up or fair value or NAV	Book value (net of provisions)
1. Related Parties		
i) Subsidiaries	-	-
ii) Other related parties	14 41	14 44
2. Other than related parties	3063 62	2847 54
Total	3078 03	2861 98

VII. Other information

Particulars	Amount
1. Gross Non-Performing Assets	-
2. Net Non-Performing Assets	-
3. Assets acquired in satisfaction of debt	-

30.2 Capital to Risk Assets Ratio (CRAR)

	As at 31st March, 2019	As at 31st March, 2018
1. i) CRAR (%)	44.55	50.73
ii) CRAR – Tier I Capital (%)	44.55	50.73
iii) CRAR – Tier II Capital (%)	-	-

₹ in lakhs

	As at 31st March, 2019	As at 31st March, 2018
2. Exposure to Real Estate Sector Category		
(a) Direct exposure		
i) Residential Mortgages	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹.15 lakh may be shown separately)		
ii) Commercial Real Estate	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential building, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;		
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
– Residential	-	-
– Commercial Real Estate	-	-
(b) Indirect Exposure *		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	370 53	367 03

* Investment in property venture funds/equity shares/warrants of HDFC Limited

Notes on the Statement for the year ended 31st March, 2019

3. Asset Liability Management – maturity pattern of certain items of assets and liabilities ₹ in lakhs

	1 day to 30/ 31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from Banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Loan from Holding Company	800 00	800 00	721 42		-	-	-	-	2321 42
Assets									
Advances	52 48	-	50	1	6 63	139 74	-	7 65	207 01
Investments	550 00	825 00	725 00	133 92	372 38	210 42	30 82	14 44	2861 98

30.3 The frauds detected and reported for the year amounted to ₹ Nil (Previous year ₹ Nil).

30.4 Disclosures under para 70 of Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

(a) Capital	As at 31st March, 2019	As at 31st March, 2018
i) CRAR (%)	44.55	50.73
ii) CRAR – Tier I Capital (%)	44.55	50.73
iii) CRAR – Tier II Capital (%)	-	-
iv) Amount of subordinated debt raised as Tier-II capital (₹)	-	-
v) Amount raised by issue of Perpetual Debt instruments (₹)	-	-

₹ in lakhs

(b) Investments (Incl. Stock-in-Trade)	As at 31st March, 2019	As at 31st March, 2018
i) Value of Investments		
(a) Gross Value of Investments		
i) In India	2861 98	3652 82
ii) Outside India	-	-
(b) Provision for Depreciation		
i) In India	-	146 26
ii) Outside India	-	-
(c) Net Value of Investments		
i) In India	2861 98	3506 56
ii) Outside India	-	-
ii) Movement of provisions held towards depreciation on investments	-	146 26

Notes on the Statement for the year ended 31st March, 2019

	₹ in lakhs	
	As at 31st March, 2019	As at 31st March, 2018
(c) Derivatives: Forward Rate Agreement/Interest Rate Swap	-	-
(d) Exchange Traded Interest Rate (IR) Derivatives	-	-
(e) Disclosures on Risk Exposure in Derivatives		
i) Qualitative Disclosure	-	-
ii) Quantitative Disclosures	-	-
(f) Securitisation	-	-
(g) Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction	-	-
(h) Assignment transactions	-	-
(i) Non-Performing Financial Assets Purchased	-	-
(j) Non-Performing Financial Assets Sold	-	-
(k) Exposure to Real Estate Sector - Refer 30 (2)(2)		
(l) Exposure to Capital Market		
i) Investment in quoted equity shares and bonds	2774 97	3390 10
ii) Exposure to Venture Capital Funds	60 88	90 33
	<u>2835 85</u>	<u>3480 43</u>
(m) Provisions and Contingencies – Refer note: 12 & 22	86	1 94

30.4 Disclosures under para 70 of Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

	₹ in lakhs
	As at 31st March, 2019
(n) Details of financing of parent company products	-
(o) Details of Single Borrower Limit/Group Borrower Limit exceeded	-
(p) Unsecured Advances	-
Total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral	
(q) Registration obtained from other financial sector regulators	-
(r) Penalties imposed by RBI and other regulators	-
(s) Ratings assigned by credit rating agencies and migration of ratings during the year	-
(t) Remuneration of Directors and Transactions with non-executive directors (Directors sitting fees)	12
(u) Impact of prior period items on current year's profit and loss	-
(v) Revenue recognition has been postponed:	-
(w) Indian Accounting Standard 110 – Consolidated Financial Statements (CFS)	Refer Note I
(x) Country of Operation is whole of India and there are no joint venture partners and Overseas Subsidiaries of the Companies	
(y) Draw Down from Reserves	-
(z) Concentration of Deposits, Advances, Exposures and NPAs	

Notes on the Statement for the year ended 31st March, 2019

	₹ in lakhs
	As at 31st March, 2019
(aa) Concentration of Deposits	-
(ab) Concentration of Advances	
Total Advances to twenty largest borrowers	7 65
Percentage of Advances to twenty largest borrowers to total advances	100
(ac) Concentration of Exposure	
Total exposure to twenty largest borrowers/customers	7 65
Percentage of exposures to twenty largest borrowers/customers to total exposure	100
(ad) Concentration of NPAs	-
(ae) Sector-wise NPAs	-
(af) Movement of NPAs	-
(ag) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)	-
(ah) Off-balance Sheet SPVs sponsored	-
(ai) Customer Complaints	-
(aj) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities – Refer note: 30(2)(3)	-

Note I:

Exemption availed under Rule 6 of Companies (Accounts) Rules, 2014

Notes on the Statement for the year ended 31st March, 2019

31. First time IND AS Adoption Reconciliations

31.1 Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2018 and 1st April, 2017

₹ in lakhs

	As at 31st March 2018			As at 1st April 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
ASSETS						
Financial Assets						
Cash and cash equivalents	68	-	68	1 36	-	1 36
Cash and Bank balances	1 00	-	1 00	351 00	-	351 00
Derivative financial instrument	-	-	-	367 16	34 69	401 85
Receivables						
Trade receivables	40 32	-	40 32	37 79	-	37 79
Other receivables	-	-	-	-	-	-
Loans	31 54	-	31 54	165 46	-	165 46
Investments	3506 56	204 94	3711 49	2524 35	331 25	2855 60
Other financial assets	15 47	-	15 47	32 78	-	32 78
	<u>3595 57</u>	<u>204 94</u>	<u>3800 50</u>	<u>3479 90</u>	<u>365 94</u>	<u>3845 84</u>
Non-Financial Assets						
Tax Assets (net)	66 85	-	66 85	-	-	-
Deferred Tax Assets (net)	-	-	-	-	-	-
	<u>66 85</u>	<u>-</u>	<u>66 85</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>3662 42</u>	<u>204 94</u>	<u>3867 36</u>	<u>3479 90</u>	<u>365 94</u>	<u>3845 84</u>
Liability						
Finance Liabilities						
Derivative financial instrument	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Borrowings	1737 30	-	1737 30	1559 60	-	1559 60
Other Financial Liabilities	29	-	29	266 67	-	266 67
	<u>1737 59</u>	<u>-</u>	<u>1737 59</u>	<u>1826 27</u>	<u>-</u>	<u>1826 27</u>
Non-Financial Liabilities						
Tax Liabilities (net)	-	6 28	-	6 28	-	-
Deferred Tax Liability (net)	-	20 97	20 97	-	145 24	145 24
Provisions	13	-	13	1 07	-	1 07
	<u>13</u>	<u>20 97</u>	<u>21 10</u>	<u>7 35</u>	<u>145 24</u>	<u>152 59</u>
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	2 02	-	2 02	2 02	-	2 02
Other Equity	1922 68	183 97	2106 65	1644 26	220 70	1864 96
Total equity attributable to owners of the company	<u>1924 70</u>	<u>183 97</u>	<u>2108 67</u>	<u>1646 28</u>	<u>220 70</u>	<u>1866 98</u>
Total Equity and Liabilities	<u>3662 42</u>	<u>204 94</u>	<u>3867 36</u>	<u>3479 90</u>	<u>365 94</u>	<u>3845 84</u>

Notes on the Statement for the year ended 31st March, 2019

31.2 Reconciliation of Profit and Other Equity between Ind AS and previous GAAP

₹ in lakhs

Nature of Adjustment	Net Profit		Other Equity	
	Year ended 31st March, 2018	31st March, 2018	As at 1st April, 2017	As at 1st April, 2017
Net Profit/Other Equity as per Previous Indian GAAP	278 42		1922 68	1644 26
Fair Valuation for Financial Assets	(161 00)		204 94	365 94
Deferred Tax	124 27		(20 97)	(145 24)
Total	(36 73)		183 97	220 70
Net profit before OCI/Other Equity as per Ind AS	241 69		2106 65	1864 96

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

31.3 Effect of Ind AS adoption on the statement of profit and loss for the year ended 31st March, 2018

₹ in lakhs

	Year ended 31st March, 2018		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from operation	457 27	(161 00)	296 27
Other Income	1 20	-	1 20
Total Income	458 47	(161 00)	297 47
EXPENDITURE			
Finance Costs	71 44	-	71 44
Other Expenses	15 84	-	15 84
Total Expenses	87 28	-	87 28
Profit Before Tax	371 19	(161 00)	210 19
Tax Expenses			
Current Tax	92 50	-	92 50
Adjustment of tax relating to earlier period	27	-	27
Deferred Tax	-	(124 27)	(124 27)
Profit for the Year	278 42	(36 73)	241 69

As per our Report of even date

For **Chaturvedi & Shah LLP**
Firm Registration No: 101720W/W100355
Chartered Accountants

Jignesh Mehta
Partner
Membership No. 102749
Mumbai, Date : 15th April, 2019

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

Sanket M. Shah
Partner
Membership No. 148270

For and on behalf of the Board

K. Sethuraman Chairman
Jayashri Rajesh Director
Dhiren Dalal Independent Director
Shivkumar Bhardwaj Independent Director
Sajita Nair Company Secretary
Suresh Jagannathan Chief Financial Officer