

Reliance Industrial Investments and Holdings Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of Reliance Industrial Investments and Holdings Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Reliance Industrial Investments and Holdings Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, as applicable.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 and the Order under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government 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.

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2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable..
 - e) On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which could have impact on its financial position.
 - ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Amit Chaturvedi
Partner
Membership No.: 103141

Place : Mumbai
Date : 20th April 2016

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

K. K. Desai
Partner
Membership No.: 100805

“Annexure A” to Independent Auditors’ Report

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

- i) In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, all the fixed assets have been physically verified by the management at the year end, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) As the Company does not have any immovable properties, clause (c) (i) of paragraph 3 of the Order is not applicable to the company.
- ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of section 185 and 186 of the Act, in respect of grant of loans, making Investments, , and providing guarantee rand security..
- v) According to the information and explanations given to us, the Company has not accepted any deposits from public 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 provisions of clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii) In respect of Statutory dues :
 - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , cess on account of any dispute, which have not been deposited.
- viii) In our opinion and according to the information and explanations given to us, no amounts were due for repayment to debenture holders, the clause (viii) of paragraph 3 of the order is not applicable to the Company.
- ix) The money raised by company from term loans has been applied for the purpose for which they are raised.
- x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 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.

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- xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi) In our opinion and according to the information to the information and explanation given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Amit Chaturvedi
Partner
Membership No.: 103141

Place : Mumbai
Date : 20th April 2016

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

K. K. Desai
Partner
Membership No.: 100805

“Annexure B” to Independent Auditors’ Report

“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

Report on the Internal Financial Controls 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 Industrial Investments and Holdings Limited** (“the company”) as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management Responsibility for the 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 issued by the ICAI.

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

Amit Chaturvedi
Partner
Membership No.: 103141

Place : Mumbai
Date : 20th April 2016

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

K. K. Desai
Partner
Membership No.: 100805

Balance Sheet as at 31st March, 2016

| | Note | As at 31st March, 2016 | As at 31st March, 2015 |
|-------------------------------------|---------|---------------------------|---------------------------|
| <i>₹ in lac</i> | | | |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 1 | 147 65 | 149 06 |
| Reserves and Surplus | 2 | 824 49 | 1100 76 |
| | | 972 14 | 1249 82 |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 3 | 22410 60 | 19508 19 |
| Current Liabilities | | | |
| Trade Payables | 4 | | |
| Micro, Small and Medium Enterprises | | - | - |
| Others | | 92 | 1 45 |
| Other Current Liabilities | 5 | 817 11 | 812 88 |
| Short Term Provisions | 6 | 2 45 | 1 88 |
| | | 820 48 | 816 21 |
| TOTAL | | 24203 22 | 21574 22 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 7 | 13 | 30 |
| Non-Current Investments | 8 | 11102 48 | 9546 88 |
| Long-Term Loans and Advances | 9 | 6154 34 | 8988 39 |
| | | 17256 95 | 18535 57 |
| Current Assets | | | |
| Trade Receivables | 10 | 3 25 | 3 25 |
| Cash and Bank Balances | 11 | 1 32 | 1 13 |
| Short Term Loans and Advance | 12 | 445 87 | 28 41 |
| Other Current Assets | 13 | 6495 83 | 3005 86 |
| | | 6946 27 | 3038 65 |
| TOTAL | | 24203 22 | 21574 22 |
| Significant Accounting Policies | | | |
| See accompanying Notes to the | | | |
| Financial Statements | | | |
| | 1 to 31 | | |

As per our Report of even date

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

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date: 20th April, 2016

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

K.K. Desai
Partner
Membership No. 100805

For and on behalf of the Board

H.R. Meswani
Chairman

M.N. Bajpai
Director

Dhiren Dalal
Director

Geeta Fulwadaya
Company Secretary

Vinod Ambani
Director

B. Chandrasekaran
Director

Komal Chhapru
Director

Vishal Kumar
Chief Financial Officer

Profit and Loss Statement for the year ended 31st March, 2016

| | Note | 2015-16 | 2014-15 |
|---|------|----------------|----------------|
| <i>₹ in lac</i> | | | |
| INCOME | | | |
| Revenue from Operations | 14 | 957 04 | 1095 66 |
| Other Income | 15 | 820 19 | 814 65 |
| Total Revenue | | 1777 23 | 1910 31 |
| EXPENDITURE | | | |
| Purchases of Stock-in-Trade | | 923 73 | 1064 17 |
| Employee Benefits expenses | 16 | 31 80 | 30 21 |
| Finance Cost | 17 | 816 24 | 812 20 |
| Depreciation and Amortisation expenses | | 13 | 15 |
| Other expenses | 18 | 1 91 | 2 29 |
| Total Expenses | | 1773 81 | 1909 02 |
| Profit before tax | | 3 42 | 1 29 |
| Tax Expenses | | | |
| Current tax | | - | - |
| Profit for the year | | 3 42 | 1 29 |
| Earnings per equity shares of face value of ₹ 10 each | 19 | | |
| Basic (in ₹) | | 0.23 | 0.09 |
| Diluted (in ₹) | | 0.06 | 0.02 |
| Significant Accounting Policies | | | |
| See accompanying Notes to the Financial Statements | | | |

As per our Report of even date

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

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date: 20th April, 2016

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K.K. Desai
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Membership No. 100805

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Chairman

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Director

Geeta Fulwadaya
Company Secretary

Vinod Ambani
Director

B. Chandrasekaran
Director

Komal Chhapru
Director

Vishal Kumar
Chief Financial Officer

Cash Flow Statement for the year 2015-16

| | 2015-16 | 2014-15 | ₹ in lac |
|---|------------------|-----------|------------------|
| A Cash Flow from Operating Activities | | | |
| Net Profit before tax as per Profit and Loss Statement | 3 42 | | 1 29 |
| Adjusted for: | | | |
| Interest income | (792 09) | (729 45) | |
| Dividend income | (23 91) | (18 07) | |
| Net gain on sale of investments | (3 97) | (67 05) | |
| Profit on sale of Asset | (1) | - | |
| Share of profit in LLP (previous year loss ₹ 37450/-) | 2 | 0 | |
| Interest expenses | 816 24 | 812 20 | |
| Depreciation | 13 | 15 | |
| | <u>(3 59)</u> | | <u>(2 22)</u> |
| Operating Loss before working capital changes | (17) | | (93) |
| Adjusted for: | | | |
| Trade and other receivables | 30 50 | 87 25 | |
| Trade and other payables | 23 | (447 41) | |
| | <u>30 73</u> | | <u>(360 16)</u> |
| Cash (used in) operations | 30 56 | | (361 09) |
| Taxes paid | (3 14) | | (11 42) |
| Net Cash (used in) operating activities | <u>27 42</u> | | <u>(372 51)</u> |
| B Cash flow from Investing Activities | | | |
| Sale of Investments | 437 44 | 639 98 | |
| Purchase of investments | (1391 98) | (185 35) | |
| Sale of Assets | 4 | - | |
| Dividend received | 23 91 | 18 07 | |
| Movement in loans | 1760 24 | 323 79 | |
| Preference share application money paid | (3334 36) | 317 73 | |
| Interest income | 668 37 | 498 41 | |
| Net Cash from / (used in) investing activities | <u>(1836 34)</u> | | <u>1612 63</u> |
| C Cash flow from financing Activities | | | |
| Proceeds from Long term borrowings | 5281 59 | 3263 61 | |
| Repayment of long term borrowings | (6848 73) | (5046 96) | |
| Proceeds from issue of Debentures | 4469 55 | 1100 00 | |
| Redemption of Preference shares (including Premium) | (281 10) | - | |
| Interest paid | (812 20) | (557 39) | |
| Net Cash from / (used in) financing activities | <u>1809 11</u> | | <u>(1240 74)</u> |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 19 | | (62) |
| Opening Balance of Cash and Cash Equivalents | 1 13 | 1 27 | |
| Add: Opening balance on Amalgamation | - | 48 | |
| | <u>1 13</u> | | <u>1 75</u> |
| Closing Balance of Cash and Cash Equivalents (Refer Note no. 11) | <u>1 32</u> | | <u>1 13</u> |

As per our Report of even date

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

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date: 20th April, 2016

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

K.K. Desai
Partner
Membership No. 100805

For and on behalf of the Board

H.R. Meswani
Chairman

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Director

Geeta Fulwadaya
Company Secretary

Vinod Ambani
Director

B. Chandrasekaran
Director

Komal Chhapru
Director

Vishal Kumar
Chief Financial Officer

Significant accounting policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles in India and the provisions of the Accounting Standards notified under the relevant Companies Act, 2013.

b) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c) Revenue Recognition

The Company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis. Revenue from operations include sale of goods, services and service tax. Dividend income is recognised when right to receive dividend is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

d) Fixed Assets and Depreciation

- (i) Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any.
- (ii) Depreciation on vehicles being tangible assets is provided over its estimated useful life of 5 years as straight line basis.

e) Employee Benefits

- i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss account for the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognised as an expense in the statement of profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in the respect of post employment and other long term benefits are charged to the statement of profit and loss account.

f) Foreign Currency Transactions

- i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- ii) Any income or expense on account of exchange difference on settlement is recognised in the statement of profit and loss account.
- iii) Non monetary foreign currency items are carried at cost.

g) Investments

Current investments are carried at the lower of cost and quoted/fair value, computed category wise. Long term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

h) Inventories

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

i) Provision for Current and Deferred Tax

Provision for current Income Tax is made on the taxable income under the Income Tax Act, 1961. Deferred tax arising on account of "timing difference" and which are capable of reversal in one or more subsequent periods, is recognised using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax assets is recognised only to the extent there is virtual or reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

j) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes on Financial Statements for the Year ended 31st March, 2016

| | | ₹ in lac | |
|----------|---|---------------------------|---------------------------|
| | | As at 31st March, 2016 | As at 31st March, 2015 |
| 1 | Share Capital | | |
| | Authorised: | | |
| | 152,020,000 Equity Shares of ₹ 10 each (15,20,20,000) | 152 02 | 152 02 |
| | 11,080,000 Preference Shares of ₹ 10 each (1,10,80,000) | 11 08 | 11 08 |
| | | <u>163 10</u> | <u>163 10</u> |
| | Issued, Subscribed and Paid up: | | |
| * | 14,75,04,400 Equity Shares of ₹ 10 each fully paid up (14,75,04,400) | 147 50 | 147 50 |
| ** | — 9 % Non-Cumulative Optionally Convertible (14,05,500) Preference Shares of ₹ 10 each fully paid up | - | 1 41 |
| *** | 1,200 10% Non-Cumulative Optionally Convertible (1,200) Preference Shares of ₹ 10 each fully paid up (₹ 12000, previous year ₹ 12000) | 0 | 0 |
| **** | 1,49,020 10% Non-Cumulative Optionally Convertible (1,49,020) Preference Shares of ₹ 10 each fully paid up | 15 | 15 |
| | | <u>147 65</u> | <u>149 06</u> |

Note:

a) Details of Share holders holding more than 5% shares

| Name of the Shareholders | Type | As at 31st March, 2016 | | As at 31st March, 2015 | |
|-----------------------------------|------------|------------------------|---------------|------------------------|--------|
| | | No. of shares | % held | No. of shares | % held |
| * Holding Company | | | | | |
| Reliance Industries Limited | Equity | 14 75 04 400 | 100.00 | 14 75 04 400 | 100.00 |
| ** Subsidiary Company | | | | | |
| Reliance Retail Finance Limited | Preference | - | - | 5 05 000 | 35.93 |
| Fellow Subsidiary Companies | | | | | |
| Reliance Petroinvestments Limited | Preference | - | - | 9 00 500 | 64.07 |
| *** Fellow Subsidiary Company | | | | | |
| Reliance Petroinvestments Limited | Preference | 1 200 | 100.00 | 1 200 | 100.00 |
| **** Subsidiary Company | | | | | |
| Reliance Polyolefins Limited | Preference | 1 49 020 | 100.00 | 1 49 020 | 100.00 |

Notes on Financial Statements for the Year ended 31st March, 2016

1 Share Capital (Contd.)

b) Reconciliation of shares outstanding at the beginning and at the end of the year

| | As at 31st March, 2016 | | As at 31st March, 2015 | |
|-------------------------------------|------------------------|-----------------|------------------------|-----------------|
| | Equity Nos. | Preference Nos. | Equity Nos. | Preference Nos. |
| Shares at the beginning of the year | 14 75 04 400 | 15 55 720 | 14 75 04 400 | 15 55 720 |
| Add: Shares issued during the year | - | - | - | - |
| Less: Redeemed during the year | - | 14 05 500 | - | - |
| Shares at the end of the year | 14 75 04 400 | 1 50 220 | 14 75 04 400 | 15 55 720 |

c) Refer note 3(i), 3(ii) and 3(iii) for option on unissued share capital

d) Terms of Preference shares

*** During the year terms of preference share have changed - Redeemable at the end of ten years from the date of allotment i.e. 23.03.2010 at a price of ₹ 5000 - per share or at the option of the Preference Shareholder, at any time after the expiry of forty five days from the date of allotment by giving not less than 30 days notice to the Company. At any time during the tenure, the Issuer will have an option for early conversion at any time by giving one month notice to the holder of the Preference Shares. The conversion of the Redeemable value of Preference Shares will be based on higher of the book value or face value of equity shares as at March 31, 2015. (Previous year Terms were - Redeemable at the end of ten years from the date of allotment i.e. 23.03.2010 at a price of ₹ 5000 per share or at the option of the Preference shareholder, at any time after the expiry of forty five days from the date of allotment by giving not less than 30 days notice to the Company. The Preference shares shall at the option of Preference shareholders, be redeemable by way of converting them into equity share of the Company at fair value.

**** During the year terms of preference shares have changed - Redeemable at the end of ten years from the date of allotment i.e. 20.01.2011 at a price of ₹ 5000 per share or at the option of the Preference Shareholder, at any time after the expiry of forty five days from the date of allotment by giving not less than 30 days notice to the Company. At any time during the tenure, the Issuer will have an option for early conversion at any time by giving one month notice to the holder of the Preference Shares. The conversion of the Redeemable value of Preference Shares will be based on higher of the book value or face value of equity shares as at March 31, 2015. (Previous year terms were - Redeemable at the end of ten years from the date of allotment i.e. 20.01.2011 at a price of ₹ 5000 per share or at the option of the Preference shareholder, at any time after the expiry of forty five days from the date of allotment by giving not less than 30 days notice to the Company. The Preference shares shall at the option of Preference shareholders, be redeemable by way of converting them into equity share of the Company at fair value.)

e) 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.

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.

Notes on Financial Statements for the Year ended 31st March, 2016

| | | ₹ in lac | |
|---|---|---------------------------|---------------------------|
| 2 | Reserves and Surplus | As at 31st March, 2016 | As at 31st March, 2015 |
| | Capital Reserve | | |
| | As per last Balance sheet | 414 85 | 414 90 |
| | On Amalgamation | - | (5) |
| | | <u>414 85</u> | <u>414 85</u> |
| | Capital Redemption Reserve | | |
| | As per last Balance sheet | 3 61 | 3 58 |
| | Add: Transferred from Profit and Loss Account | 1 41 | - |
| | Add: On Amalgamation | - | 3 |
| | | <u>5 02</u> | <u>3 61</u> |
| | Securities Premium Reserve | | |
| | As per last Balance sheet | 354 65 | 354 65 |
| | Less: On Redemption of preference shares during the year | <u>(279 69)</u> | <u>-</u> |
| | | <u>74 96</u> | <u>354 65</u> |
| | Debenture Redemption Reserve | | |
| | As per last Balance sheet | 35 | - |
| | Add: Transferred from Profit and Loss Account | <u>3 42</u> | <u>35</u> |
| | | <u>3 77</u> | <u>35</u> |
| | General Reserve | | |
| | As per last Balance sheet | 3 95 | 3 95 |
| | Profit and Loss Account | | |
| | As per last Balance Sheet | 323 35 | 293 88 |
| | Add: On Amalgamation | - | 28 53 |
| | Add: Profit for the year | <u>3 42</u> | <u>1 29</u> |
| | | <u>326 77</u> | <u>323 70</u> |
| | Appropriations: | | |
| | Capital Redemption Reserve | 1 41 | - |
| | Debenture Redemption Reserve | <u>3 42</u> | <u>35</u> |
| | | <u>321 94</u> | <u>323 35</u> |
| | | <u><u>824 49</u></u> | <u><u>1100 76</u></u> |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | ₹ in lac | |
|---|---|------------------|------------------|
| | | As at | As at |
| 3 | Long Term Borrowings | 31st March, 2016 | 31st March, 2015 |
| | Unsecured | | |
| | A) Zero Coupon Unsecured Optionally Fully Convertible Debentures of ₹ 5000 each | 441 57 | 441 57 |
| | B) 0 % Fully Convertible Unsecured Debentures of ₹ 100 each | 279 90 | 279 90 |
| | C) Zero Coupon Unsecured Optionally Fully Convertible Debentures of ₹ 10 each | 15103 00 | 1100 00 |
| | D) Loan from the Holding Company | 6586 13 | 17158 72 |
| | E) Loan from fellow subsidiary company | - | 528 00 |
| | | <u>22410 60</u> | <u>19508 19</u> |

Note:

- i) During the year terms of debentures referred to in A above were changed - the Issuer and the Debentureholder will have an option for early conversion at any time by giving one month notice. The conversion of the debentures will be based on higher of the book value or face value of equity shares as at March 31, 2015. The Debentures are redeemable at a premium of 5% of the face value of the Debentures. In the event of the option not being granted by the Company or debentureholders not exercising their option to convert, it may redeem the said Debentures in part or in full at any time during the tenure of the said Debentures but not later than 25 years commencing from the respective dates of allotment. Premium payable on Debentures redeemed during any financial year will become due at the end of the said financial year.

Previous year terms of said debentures were, the Company may give at its option a three months notice to the Debentureholders to opt for conversion of the Debentures into Equity Shares at par at any time after the expiry of 15 years, from the respective dates of allotment of such Debentures, starting with 15.05.1995. The debentures are redeemable at a premium of 5% of the face value of the debentures. In the event of the option not being granted by the Company or debenture-holders not exercising their option to convert, it may redeem the said debentures in part or in full at any time during the tenure of the said debentures but not later than 25 years commencing from the respective dates of allotment. Premium payable on debentures redeemed during any financial year will become due at the end of the said financial year.

- ii) During the year terms of debentures referred to in B above were changed - the debentures are fully convertible into equity shares of the Company at any time after the expiry of 15 years but not later than 20 years from the respective date of allotments, starting with 12.08.1996. The conversion of the debentures will be based on higher of the book value or face value of equity shares as at March 31, 2015.

Previous year terms of said debentures were, Debentures are fully convertible into equity shares of the Company at prevailing book value at any time after the expiry of 15 years but not later than 20 years from the respective date of allotments, starting with 12.08.1996.

- iii) During the year terms of debentures referred to in C above for existing debentures were changed and those allotted during the year are as follow - the Issuer and the Debentureholder will have an option for early conversion at any time by giving one month notice. The conversion of the debentures will be based on higher of the book value or face value of equity shares as at March 31, 2015. The Company will redeem the outstanding debentures on expiry of 15 years from the respective date of allotments. The Company and the debentureholder may mutually agree for early redemption of the outstanding debentures on any date after expiry of 30 days from the respective date of allotments.

Previous year terms of said debentures were, Debenture holders have an option for conversion at fair value at any time after allotment by giving one month notice to the Company. The Company will redeem the outstanding debentures on expiry of 15 years from the date of allotment. The Company and the debentureholder may mutually agree for early redemption of the outstanding debentures on any date after expiry of 30 days from the date of allotment of debentures i.e. 25.03.2015.

- iv) Loan referred to in D above was re-payable over a period of four years.

Notes on Financial Statements for the Year ended 31st March, 2016

4 Trade Payable

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

| | | <i>₹ in lac</i> | |
|----------|---|---------------------------|---------------------------|
| | | As at 31st March, 2016 | As at 31st March, 2015 |
| 5 | Other Current Liabilities | | |
| | Interest accrued but not due to holding company | 734 62 | 730 98 |
| | Others payables * | 82 49 | 81 90 |
| | | 817 11 | 812 88 |

* Includes statutory dues, and provisions for revenue expenditure

| | | <i>₹ in lac</i> | |
|----------|--|---------------------------|---------------------------|
| | | As at 31st March, 2016 | As at 31st March, 2015 |
| 6 | Short Term Provisions | | |
| | Provisions for Employee Benefits (Refer Note no. 16.1) | 2 45 | 1 88 |
| | | 2 45 | 1 88 |

7 Fixed Assets

₹ in lac

| Description | Gross Block | | | | Depreciation | | | | Net Block | |
|-------------------------|---------------------|---------------------------|-----------|--------------------|---------------------|-----------------|-----------|-------------------|--------------------|---------------------|
| | As at 01.04.2015 | Additions/ Adjustments | Deduction | As at 31.3.2016 | As at 01.04.2015 | For the Year | Deduction | Upto 31.3.2016 | As at 31.3.2016 | As at 31.03.2015 |
| TANGIBLE ASSETS: | | | | | | | | | | |
| OWN ASSETS | | | | | | | | | | |
| Vehicles | 60 | - | 9 | 51 | 29 | 13 | 4 | 38 | 13 | 30 |
| Total | 60 | - | 9 | 51 | 29 | 13 | 4 | 38 | 13 | 30 |
| Previous year | - | 60 | - | 60 | - | 29 | - | 29 | 30 | |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | ₹ in lac | |
|---|--|---------------------------|---------------------------|
| 8 | Non-Current Investments (Long Term Investments) (Valued at Cost less other than temporary diminution in value, if any) | As at 31st March, 2016 | As at 31st March, 2015 |
| | Other Investments | | |
| | I) Quoted: | | |
| | In Equity Shares - Fully paid up | | |
| | 4,85,32,764 Himachal Futuristic (4,85,32,764) Communications Limited of ₹ 1 each | 57 00 | 57 00 |
| | 17,42,720 State Bank of India of ₹ 1 each (22,32,720) | 38 51 | 49 33 |
| | 10,59,07,273 EIH Limited of ₹ 2 each (10,59,07,273) | 1433 38 | 1433 38 |
| | 4,52,88,158 Algae. Tech Ltd of AU\$ 0.1636 (3,10,02,444) each | 22 04 | 17 13 |
| | | <u>1550 93</u> | <u>1556 84</u> |
| | Total (I) | <u>1550 93</u> | <u>1556 84</u> |
| | II) Unquoted: | | |
| | In Equity Shares of Subsidiary Companies - Fully paid up | | |
| | 4,30,10,000 Reliance Commercial Land & (4,30,10,000) Infrastructure Limited of ₹ 10 each | 43 01 | 43 01 |
| | — Reliance Global Business BV of (18,00,000) Euro 0.01 each | - | 11 |
| | 10,09,300 Reliance Aromatics and (10,09,300) Petrochemicals Limited of ₹ 10 each | 484 39 | 484 39 |
| | 10,09,280 Reliance Energy and Project (10,09,280) Development Limited of ₹ 10 each | 956 35 | 956 35 |
| | 10,10,600 Reliance Chemicals Limited of (10,10,600) ₹ 10 each | 947 96 | 947 96 |
| | 10,10,000 Reliance Polyolefins Limited of (10,10,000) ₹ 10 each | 1360 73 | 1360 73 |
| | 20,20,000 Reliance Retail Finance Limited of (20,20,000) ₹ 10 each | 101 84 | 101 84 |
| | 40,00,000 Reliance Retail Insurance Broking (40,00,000) Limited of ₹ 10 each | 9 08 | 9 08 |
| | 64,25,000 Reliance Universal Enterprises (64,25,000) Limited of ₹ 10 each | 2 | 2 |
| | — Reliance Sibur Elastomers Private (8,83,86,308) Limited of ₹ 10 each | - | 88 38 |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | <i>₹ in lac</i> | |
|---------------------------------------|--|---------------------------|---------------------------|
| 8 Non-Current Investments (Continued) | | As at 31st March, 2016 | As at 31st March, 2015 |
| 11,50,00,000 (10,00,00,000) | Reliance Payment Solutions Limited of ₹ 10 each | 115 00 | 100 00 |
| 6,80,00,000 (1,80,00,000) | Kanhatech Solutions Limited of ₹ 10 each | 68 00 | 18 00 |
| 26,50,000 (26,50,000) | Indiawin Sports Private Limited of ₹ 10 each | 2 65 | 2 65 |
| 1,000 (1,000) | Reliance World Trade Private Limited of ₹ 10 each (₹ 10,000/-, previous year ₹ 10,000/-) | 0 | 0 |
| 1,76,200 (1,76,200) | Reliance Exploration & Production DMCC of AED 1000 each (₹ 1, previous year ₹ 1) | 0 | 0 |
| 74,999 (—) | RIL Exploration and Production) (Myanmar Company Ltd of USD 1 each | 51 | - |
| 50,000 (50,000) | Reliance Aerospace Technologies Limited of ₹ 10 each | 5 | 5 |
| 1,00,00,000 (31,55,000) | Reliance Jio Digital Services Private Limited of ₹ 10 each | 10 00 | 316 |
| 1,10,10,000 (1,10,10,000) | Reliance Jio Media Private Limited of ₹ 10 each | 11 01 | 1,101 |
| 10,00,000 (—) | Reliance Jio Infratel Private Limited of ₹ 10 each | 1 00 | - |
| 6,46,93,950 (6,46,93,950) | Reliance Innovative Building Solutions Private Limited of ₹ 10 each | 32 35 | 32 35 |
| 13,69,22,912 (13,69,22,912) | Reliance Supply Solutions Private Limited (Formerly Office Depot Reliance Supply Solutions Private Limited) (Class A) of ₹ 10 each | 20 | 20 |
| 1,000 (1,000) | Reliance Supply Solutions Private Limited (Class B) of ₹ 10 each (₹ 7,460/-, previous year ₹ 7460/-) | 0 | 0 |
| 3,702 (3,702) | Reliance Supply Solutions Private Limited (Class C) of ₹ 10 each (₹ 35,920/-, previous year ₹ 35,920/-) | 0 | 0 |
| | | 4144 15 | 4159 29 |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | <i>₹ in lac</i> | |
|--|---------------|---------------------------|---------------------------|
| 8 Non-Current Investments (Continued) | | As at 31st March, 2016 | As at 31st March, 2015 |
| In Equity Shares of Fellow Subsidiary Company - Fully paid up | | | |
| 1,00,000 Reliance Ethane Holding PTE. (1,00,000) Ltd of USD 1 each | 61 | 61 | |
| | <u>61</u> | <u>61</u> | |
| In Equity Shares of Associates / Joint Ventures - Fully paid up | | | |
| 2,50,00,000 D.E. Shaw India Securities (2,50,00,000) Private Limited of ₹ 10 each | 25 00 | 25 00 | |
| 5,000 Reliance Commercial Trading (5,000) Private Limited of ₹ 10 each | 1 | 1 | |
| — Reliance Jio Infratel Private (5,000) Limited of ₹ 10 each | - | 1 | |
| 45,05,000 India Gas Solution Private Limited (45,05,000) of ₹ 10 each | 4 51 | 4 51 | |
| 4,97,40,342 IMG Reliance Limited of (4,04,38,897) ₹ 10 each | 185 46 | 120 35 | |
| 31,76,645 Vayana Private Limited (—) of ₹ 10 each | 21 81 | - | |
| | <u>236 79</u> | <u>149 88</u> | |
| In Equity Shares of Associates - Partly paid up | | | |
| 4,16,907 Vayana Private Limited (—) of ₹ 10 each, ₹ 5.50 paid up | 2 67 | - | |
| | <u>2 67</u> | <u>-</u> | |
| In Equity Shares - Fully paid up | | | |
| — Shinano Retail Private Limited (2,53,800) of ₹ 10 each | - | 25 | |
| — Teesta Retail Private Limited (1,800) of ₹ 10 each (₹ NIL, previous year ₹ 18,000) | - | 0 | |
| | <u>-</u> | <u>25</u> | |

Notes on Financial Statements for the Year ended 31st March, 2016

₹ in lac

| 8 Non-Current Investments (Continued) | As at 31st March, 2016 | As at 31st March, 2015 |
|---|---------------------------|---------------------------|
| In Limited Liability Partnership | | |
| GenNext Ventures Investments Advisers LLP | 9 | 7 |
| In Venture fund | | |
| 4,01,28,946 GenNext Ventures Fund - (1,48,49,960) Class A units of ₹ 10 each | 40 13 | 14 85 |
| 1,86,250 Multiples Private Equity (—) Fund II LLP of ₹ 1,000 each | 18 62 | - |
| | 58 75 | 14 85 |
| In Preference Shares of Subsidiary company - Fully paid up | | |
| 14,70,955 5% Non Cumulative Compulsorily (14,51,846) Convertible Preference Shares of Reliance Exploration & Production DMCC of AED 1,000 each | 1690 74 | 1683 41 |
| | 1690 74 | 1683 41 |
| In Preference Shares of Fellow Subsidiary Company - Fully paid up | | |
| * 12,50,00,000 0.10% Non Cumulative (12,50,00,000) Optionally Convertible Preference Shares of Reliance Jio Infocomm Limited of ₹ 10 each | 250 00 | 250 00 |
| | 250 00 | 250 00 |
| In Debentures of Subsidiary companies - Fully paid up | | |
| 45,00,00,000 Zero Coupon Unsecured (3,50,00,000) Optionally Fully Convertible Debentures of Reliance Payment Solutions Limited of ₹ 10 each | 450 00 | 35 00 |
| **22,40,90,000 Zero Coupon Unsecured (—) Optionally Fully Convertible Debentures of Indiawin Sports Private Limited of ₹ 10 each | 224 09 | - |
| **6,97,50,000 Zero Coupon Unsecured (—) Optionally Fully Convertible Debentures of Reliance Aromatics and Petrochemicals Limited of ₹ 10 each | 69 75 | - |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | ₹ in lac | |
|---|---------------------------|---------------------------|--|
| 8 Non-Current Investments (Continued) | As at 31st March, 2016 | As at 31st March, 2015 | |
| **30,32,50,000 Zero Coupon Unsecured (—) Optionally Fully Convertible Debentures of Reliance Energy and Project Development Limited of ₹ 10 each | 303 25 | - | |
| | <u>1047 09</u> | <u>35 00</u> | |
| In Debentures of Associate companies - Fully paid up | | | |
| — Zero Coupon Secured Optionally (4,17,319) Convertible Redeemable Debentures - Series B of ₹ 1,000 each of Reliance Commercial Trading Private Limited | - | 41 73 | |
| | <u>-</u> | <u>41 73</u> | |
| In Debentures - Fully paid up | | | |
| 46,57,00,000 Zero Coupon Unsecured (—) Convertible Debentures of Teesta Retail Private Limited of ₹ 10 each | 465 70 | - | |
| | <u>465 70</u> | <u>-</u> | |
| Total (II) | <u>7896 59</u> | <u>6335 08</u> | |
| III) Interest in Beneficiary Trust (Refer Note no. 22) | <u>1654 96</u> | <u>1654 96</u> | |
| Total (I+II+III) | <u>11102 48</u> | <u>9546 88</u> | |
| * During the year terms changed from “0.1% Non-Cumulative Redeemable Preference Shares” to “ 0.1% - Non-Cumulative Optionally Convertible Preference Shares” | | | |
| ** During the year Debentures allotted against outstanding unsecured loan amount. | | | |
| Aggregate amount of quoted investments | 1550 93 | 1556 84 | |
| Market Value of quoted investments | 1228 42 | 1271 70 | |
| Aggregate amount of unquoted investments | 7896 59 | 6335 08 | |

Notes on Financial Statements for the Year ended 31st March, 2016

| | As at 31st March, 2016 | ₹ in lac As at 31st March, 2015 |
|--|---------------------------|---------------------------------------|
| 9 Long Term Loans and Advances | | |
| Unsecured and considered good | | |
| Loan to Related Parties * | 6154 34 | 8104 86 |
| Loan to other than related parties | - | 883 53 |
| | <u>6154 34</u> | <u>8988 39</u> |
| * Refer note no. 25 & 27 | | |
| 10 Trade Receivables | | |
| (Unsecured and Considered Good) | | |
| Outstanding for a period exceeding six months | 3 25 | 325 |
| Others | - | - |
| | <u>3 25</u> | <u>3 25</u> |
| 11 Cash and Bank Balances | | |
| Cash and cash equivalents | - | - |
| Bank Balances | | |
| In current accounts | 1 32 | 1 13 |
| | <u>1 32</u> | <u>1 13</u> |
| 12 Short Term Loans and Advances | | |
| (Unsecured and Considered Good) | | |
| Loan to other than Related Parties | 429 32 | 15 00 |
| Advance payment of taxes | 16 52 | 13 38 |
| Balance with service tax/sales tax authorities, etc. | 3 | 3 |
| | <u>445 87</u> | <u>28 41</u> |
| 13 Other Current Assets | | |
| Preference share/Debenture application money paid | | |
| to Related parties | 3396 76 | - |
| to others | 25 | 2277 22 |
| Interest receivable | 852 20 | 728 48 |
| Advance against purchase of shares | 2246 39 | - |
| Advances recoverable | 23 | 16 |
| | <u>6495 83</u> | <u>3005 86</u> |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | <i>₹ in lac</i> | |
|--|----------------|-----------------|-----------------|
| 14 Revenue from Operations | 2015-16 | 2014-15 | |
| Sale of Petroleum Products | | | |
| Petroleum Products | 924 71 | 1064 76 | |
| Others (₹ NIL, previous year ₹ 22080/-) | <u>-</u> | <u>0</u> | |
| | 924 71 | | 1064 76 |
| Income from Services | | | |
| Manpower Supply Services | 36 78 | 34 72 | |
| Less: Service Tax Recovered | <u>4 45</u> | <u>3 82</u> | |
| | 32 33 | | 30 90 |
| | 957 04 | | 1095 66 |
| | | | <i>₹ in lac</i> |
| 15 Other Income | 2015-16 | 2014-15 | |
| Interest | | | |
| On loans | 792 09 | 729 45 | |
| Others | <u>3</u> | <u>5</u> | |
| | 792 12 | | 729 50 |
| Dividend from long term investments | 23 91 | | 18 07 |
| Net gain on sale of investments | | | |
| From current investments | - | 34 40 | |
| From long term investments | <u>3 97</u> | <u>32 65</u> | |
| | 3 97 | | 67 05 |
| Profit on sale of Assets | 1 | | - |
| Income from investment in LLP fund | 13 | | - |
| Share of profit in LLP (previous year ₹ 37450/-) | 2 | | 0 |
| Miscellaneous income | <u>3</u> | | <u>3</u> |
| | 820 19 | | 814 65 |

Notes on Financial Statements for the Year ended 31st March, 2016

| | ₹ in lac | |
|-------------------------------------|----------------|---------|
| 16 Employee Benefits Expense | 2015-16 | 2014-15 |
| Salaries and Wages | 26 75 | 25 90 |
| Contribution to other funds | 77 | 1 19 |
| Staff Welfare Expenses | 4 28 | 3 12 |
| | 31 80 | 30 21 |

16.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plan

₹ in lac

Contribution to Defined contribution plan, recognised as expenses for the year are as under:

| | 2015-16 | 2014-15 |
|---|---------|---------|
| Employer's contribution to Provident Fund | 0.48 | 6 |
| Employer's contribution to Pension Scheme | 1.08 | 1 |

Defined Benefit Plan

The present value obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Compensated Absences is recognised in the same manner as gratuity.

| i) Reconciliation of opening and closing balances of Defined Benefit obligation | ₹ in lac | | | |
|---|------------------------|---------|------------------------------------|---------|
| | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Defined benefit obligation at beginning of the year | 66 | 31 | 122 | 61 |
| On Amalgamation | - | 2 | 0 | 2 |
| Current service cost | 2 | 2 | 1 | 2 |
| Interest cost | 6 | 2 | 9 | 5 |
| Actuarial (gain)/loss | 29 | 29 | 28 | 52 |
| Benefits paid | - | - | (18) | - |
| Defined benefit obligation at year end | 103 | 66 | 142 | 122 |

| ii) Reconciliation of fair value of assets and obligations | ₹ in lac | | | |
|--|---------------------------|------|------------------------------------|------|
| | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | |
| | As at 31st March, 2016 | 2015 | As at 31st March, 2016 | 2015 |
| Fair value of plan assets | - | - | - | - |
| Present value of obligation | 103 | 66 | 142 | 122 |
| Amount recognised in Balance sheet | 103 | 66 | 142 | 122 |

Notes on Financial Statements for the Year ended 31st March, 2016

| | | <i>₹ in lac</i> | | | |
|--|------------------------|-----------------------|------------------------------------|-----------------------|--|
| iii) Expenses recognised during the year | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | | |
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 | |
| Current service cost | 2 | 2 | 1 | 2 | |
| Interest cost | 6 | 2 | 9 | 5 | |
| Expected return on plan assets | - | - | - | - | |
| Actuarial (gain)/loss | 29 | 29 | 28 | 72 | |
| Net cost | 37 | 33 | 38 | 79 | |
| iv) Actuarial assumptions | Gratuity (Unfunded) | | Compensated Absences (Unfunded) | | |
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 | |
| Mortality Table (LIC) | 2006-08 (Ultimate) | 2006-08 (Ultimate) | 2006-08 (Ultimate) | 2006-08 (Ultimate) | |
| Discount rate (per annum) | 8.00% | 8.00% | 8.00% | 8.00% | |
| Rate of escalation in salary (per annum) | 6.00% | 6.00% | 6.00% | 6.00% | |

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

| v) Amount recognised in current year and previous years | <i>₹ in lac</i> | | | |
|---|-----------------|-------------------|------|------|
| | | As at 31st March, | | |
| Gratuity | 2016 | 2015 | 2014 | 2013 |
| Defined Benefit Obligation | 1 03 | 66 | 31 | NA |
| Actuarial (Gain)/Loss on Plan Obligation | 29 | 29 | - | NA |

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2015-16

| | | <i>₹ in lac</i> | |
|-----------------|-------------------|-----------------|---------|
| 17 Finance Cost | | 2015-16 | 2014-15 |
| | Interest expenses | | 816 24 |
| | | 816 24 | 812 20 |

| | | <i>₹ in lac</i> | |
|---|-----------------------|-----------------|---------|
| 18 Other Expenses | | 2015-16 | 2014-15 |
| | Auditors Remuneration | | |
| Statutory audit fees | | 3 | 3 |
| Tax audit fees | | 1 | 1 |
| Certification fees (₹ 11,450/-, previous year ₹ 11,236/-) | | 0 | 0 |
| | | 4 | 4 |
| Professional fees | | 1 62 | 63 |
| Loss on exchange rate difference | | 3 | (7) |
| Filing fees (₹ 24,000/-, previous year ₹ 29,300/-) | | 0 | 0 |
| Directors sitting fees | | 11 | 2 |
| Securities Transaction Tax | | 1 | 63 |
| Merger expenses | | - | 20 |
| General expenses | | 10 | 84 |
| | | 1 91 | 2 29 |

Notes on Financial Statements for the Year ended 31st March, 2016

| 19 Earnings per share (EPS) | 2015-16 | 2014-15 |
|---|---------------------|---------------|
| a) Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lac) | 3 42 | 1 29 |
| Weighted average number of equity shares used as denominator for calculating EPS | 14 75 04 400 | 14 75 04 400 |
| Basic earnings per share (₹) | 0.23 | 0.09 |
| Face value per equity share (₹) | 10 | 10 |
| b) Net Profit after Tax as per Statement of Profit and Loss Account attributable to Equity Shareholders (₹ in lac) | 3 42 | 1 29 |
| Weighted average number of equity shares used as denominator for calculating EPS | 53 24 00 238 | *59 06 31 620 |
| Diluted earnings per equity share (₹) | 0.06 | 0.02 |
| Face value per equity share (₹) | 10 | 10 |
| * Does not include shares to be allotted on conversion of 0% Fully convertible unsecured debentures of ₹ 100 each, since conversion of these debentures will take place at prevailing book value at the time of conversion. | | |

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

21 The Company is a beneficiary of a Trust viz. Petroleum Trust settled by it on May 2, 2002, into which 10,46,60,154 equity shares of Reliance Industries Limited (RIL), the holding company have been allotted pursuant to the scheme of amalgamation of erstwhile Reliance Petroleum Limited (amalgamated in the year 2002) with RIL. At the year end the beneficial interest in the Petroleum Trust amounting to ₹ 165496 lac representing cost of shares of RIL is shown as Non-Current Investment in the Balance Sheet.

22 No provision is made for premium on redemption of debentures since the amount so payable is uncertain. The premium paid will therefore be accounted for in the year of redemption.

23 In accordance with Accounting Standard 22 "Accounting for Taxes on Income", the Company has amount of carried forward losses and disallowances under Income Tax Act. However, as a matter of prudence, deferred tax assets in respect thereof has not been recognised.

| | <i>₹ in lac</i> | |
|--|-----------------------------------|---------------------------|
| 24 Contingent Liabilities | As at 31st March, 2016 | As at 31st March, 2015 |
| i) Commitments towards LLP investments | 81 38 | - |
| ii) Partly paid up shares | 19 | - |

Notes on Financial Statements for the Year ended 31st March, 2016

25 Disclosure under SEBI (Listing Obligation and Disclosure) regulations, 2015

a) Loans and advances in the nature of loans to Subsidiaries and Associates etc.

₹ in lac

| Sr. No. | Name of the Company | | As at 31st March, 2016 | Maximum balance during the year | As at 31st March, 2015 | Maximum balance during the year |
|---------|--|---------------------|------------------------|---------------------------------|------------------------|---------------------------------|
| 1 | Reliance Commercial Land & Infrastructure Limited | | 732 10 | 947 28 | 201 03 | 1706 09 |
| 2 | Reliance Aerospace Technologies Ltd | | 1 35 | 1 74 | 1 35 | 1 35 |
| 3 | Reliance Jio Digital Services Limited | | 87 00 | 87 00 | - | - |
| 4 | Reliance Innovative Building Solutions Private Limited | | 2 55 | 1 20 | 1 20 | 1 20 |
| 5 | Reliance Payment Solutions Limited | Subsidiaries | - | 6 00 | 6 00 | 6 00 |
| 6 | Kanhatech Solutions Limited | | - | 35 94 | 17 85 | 17 85 |
| 7 | Reliance Sibur Elastomers Private Limited | | - | 97 55 | 87 50 | 87 50 |
| 8 | Indiawin Sports Private Limited | | - | 227 09 | 224 09 | 227 09 |
| 9 | Reliance Energy and Project Development Limited | | - | 303 25 | 303 25 | 303 25 |
| 10 | Reliance Aromatics and Petrochemicals Limited | | - | 69 75 | 69 75 | 71 02 |
| 11 | Model Economic Township Limited | Fellow Subsidiaries | 5331 34 | 5490 59 | 4871 24 | 5150 34 |
| 12 | Independent Media Trust | | - | 2278 85 | 2276 60 | 2278 85 |
| 13 | IMG Reliance Limited | Joint Venture | - | 45 00 | 45 00 | 45 00 |
| 14 | Shinano Retail Private Limited | | 414 32 | 983 86 | 883 53 | 886 43 |
| 15 | Himachal Futuristics Communications Limited | Others | 15 00 | 15 00 | 15 00 | 15 00 |

Note:

Loans and Advances (Loans) shown above are given towards business purpose and in the nature of:

(i) Loans to all Subsidiary companies fall under the category Long Term Loans and Advances

Loan under serial no. 1 is in nature of interest bearing and partially interest free re-payable in two years. During the year interest free loan is converted to zero coupon optionally convertible debentures.

Loans under serial no. 3,4 & 5 are interest bearing re-payable in one to three years.

Loan under serial no. 6 was in the nature of interest bearing and partially interest free, now repaid.

Loan under serial no. 7 & 8 was in the nature of interest bearing loan, now repaid.

Loan under serial no. 9 & 10 was in the nature of interest free loan, now converted to zero coupon optionally convertible debentures.

(ii) Loans to Fellow Subsidiaries fall under the category Long Term Loans and Advances.

Loan under serial no. 11 is interest bearing loan re-payable in four years.

Loan under serial no. 12 was interest free loan, now repaid.

(iii) Loan to Associate fall under category Long Term Loans and Advances in the nature interest bearing loan, now repaid.

(iv) Loan to Others fall under category Short Term Loans and Advances in the nature interest bearing loan.

Notes on Financial Statements for the Year ended 31st March, 2016

25 Disclosure under SEBI (Listing Obligation and Disclosure) regulations, 2015 (Continued)

b) (i) Investment by the loanee in the shares of the Company or Holding / subsidiary Company

* None of the loanees have, per se, made investments in shares of the Holding Company. These investments represent shares of the Holding Company allotted as a result of amalgamation of erstwhile Reliance Petroleum Limited (amalgamation in 2001-02) and Indian Petrochemicals Corporation Limited with the Holding Company under the Scheme approved by the Hon'ble High Court of Bombay and Gujarat and subsequent inter se transfer of shares amongst them.

| Sr. No. | Name of Company | No. of shares | Loan Amount ₹ in lac |
|---------|---|---------------|-------------------------|
| 1 | Reliance Aromatics and Petrochemicals Limited * | 2 98 89 898 | 69 75 |
| 2 | Reliance Energy and Project Development Limited * | 20 58 000 | 303 25 |

(ii) Investment by Reliance Commercial Land & Infrastructure Limited in subsidiaries

In Equity shares:

| Sr. No. | Name of the Company | No. of shares |
|---------|---|---------------|
| 1 | Reliance Corporate IT Park Limited | 237 99 94 480 |
| 2 | Reliance Eminent Trading & Commercial Private Limited | 1 00 00 000 |
| 3 | Reliance Prolific Traders Private Limited | 1 00 00 000 |
| 4 | Reliance Progressive Traders Private Limited | 1 00 00 000 |
| 5 | Reliance Universal Traders Private Limited | 1 00 00 000 |
| 6 | Reliance Prolific Commercial Private Limited | 10 00 000 |
| 7 | Reliance Comtrade Private Limited | 10 00 000 |
| 8 | Reliance Ambit Trade Private Limited | 10 00 000 |
| 9 | Reliance Vantage Retail Private Limited | 5 60 000 |
| 10 | Surela Investments and Trading Private Limited | 5 000 |

In Preference shares:

| Sr. No. | Name of the Company | No. of shares |
|---------|------------------------------------|---------------|
| 1 | Reliance Corporate IT Park Limited | 59 49 98 620 |

Notes on Financial Statements for the Year ended 31st March, 2016

26 Segment Reporting

The Company has identified three reportable segments viz. Finance & Investments, Trading and Others (include Man Power Supply). Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Segment assets and segment liabilities represent assets and liabilities in respective segments.

i) Primary Segment Information

₹ in lac

| Sr. No. | Particulars | Finance & Investments | | Trading | | Others | | Total | |
|---------|--|-----------------------|----------|---------|---------|---------|---------|----------|----------|
| | | 2015-16 | 2014-15 | 2015-16 | 2014-15 | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| 1 | Segment Revenue | | | | | | | | |
| | External Turnover | 820 19 | 814 65 | 924 71 | 1064 76 | 32 33 | 30 90 | 1777 23 | 1910 31 |
| 2 | Segment results before Interest and Taxes | 395 | 245 | 98 | 59 | (151) | (175) | 342 | 129 |
| | Less: Interest expense | - | - | - | - | - | - | - | - |
| | Add: Interest Income | - | - | - | - | - | - | - | - |
| | Less: Exceptional item | - | - | - | - | - | - | - | - |
| | Profit/(loss) before tax | 3 95 | 2 45 | 98 | 59 | (1 51) | (1 75) | 3 42 | 1 29 |
| | Current Tax | - | - | - | - | - | - | - | - |
| | Net profit/(loss) after tax | 3 95 | 2 45 | 98 | 59 | (1 51) | (1 75) | 3 42 | 1 29 |
| 3 | Other Information | | | | | | | | |
| | Segment Assets | 24198 79 | 21570 14 | - | - | 443 | 408 | 24203 22 | 21574 22 |
| | Segment Liabilities | 23227 02 | 20320 98 | - | - | 4 06 | 3 42 | 23231 08 | 20324 40 |
| | Capital Expenditure | - | - | - | - | - | - | - | - |
| | Depreciation | - | - | - | - | 13 | 15 | 13 | 15 |

ii) Secondary Segment Information

₹ in lac

| | | | |
|----|--|-----------------|----------------|
| a) | Segment Revenue - External Turnover | 2015-16 | 2014-15 |
| | Within India | 852 52 | 845 55 |
| | Outside India | 924 71 | 1064 76 |
| | Total revenue | 1777 23 | 1910 31 |
| b) | Segment Assets | | |
| | Within India | 22474 46 | 19873 07 |
| | Outside India | 1728 76 | 1701 15 |
| | Total Assets | 24203 22 | 21574 22 |
| c) | Segment Liabilities | | |
| | Within India | 23231 08 | 20324 40 |
| | Outside India | - | - |
| | Total Liability | 23231 08 | 20324 40 |
| d) | Capital Expenditure | | |
| | Within India | - | - |
| | Outside India | - | - |
| | Total Expenditure | - | - |

Notes on Financial Statements for the Year ended 31st March, 2016

27 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

i) List of related parties with whom transactions have taken place and relationship:

| Sr. No. | Name of the Related Party | | Relationship |
|---------|---|-------------------|----------------------|
| 1 | Reliance Industries Limited | | Holding Company |
| 2 | Reliance Global Business B.V. | (upto 10.03.2016) | Subsidiary Companies |
| 3 | Recron (Malaysia) Sdn Bhd | (upto 10.03.2016) | |
| 4 | Reliance do Brasil Industria e Comercio de Produtos Texteis, Quimicos, Petroquimicos e Derivados Ltda | (upto 10.03.2016) | |
| 5 | Wave Land Developers Limited | (upto 10.03.2016) | |
| 6 | Delta Corp East Africa Limited | (upto 10.03.2016) | |
| 7 | RIL USA Inc. | (upto 10.03.2016) | |
| 8 | Reliance Universal Enterprises Limited | | |
| 9 | Reliance Energy and Project Development Limited | | |
| 10 | Reliance Aromatics and Petrochemicals Limited | | |
| 11 | Reliance Chemicals Limited | | |
| 12 | Reliance Polyolefins Limited | | |
| 13 | Reliance Retail Finance Limited | | |
| 14 | Reliance Retail Insurance Broking Limited | | |
| 15 | Reliance World Trade Private Limited ** | | |
| 16 | Reliance Innovative Building Solutions Private Limited | | |
| 17 | Reliance Supply Solutions Private Limited (formerly Office Depot Reliance Supply Solutions Private Limited) | | |
| 18 | Reliance Aerospace Technologies Limited | | |
| 19 | Reliance Sibur Elastomers Private Limited | (upto 07.04.2015) | |
| 20 | Kanhatech Solutions Limited | | |
| 21 | Indiawin Sports Private Limited | | |
| 22 | Reliance Commercial Land & Infrastructure Limited | | |
| 23 | Reliance Corporate IT Park Limited | | |
| 24 | Reliance Eminent Trading & Commercial Private Limited | | |
| 25 | Reliance Prolific Traders Private Limited | | |
| 26 | Reliance Progressive Traders Private Limited | | |
| 27 | Reliance Universal Traders Private Limited | | |
| 28 | Reliance Prolific Commercial Private Limited | | |
| 29 | Reliance Comtrade Private Limited | | |
| 30 | Reliance Ambit Trade Private Limited | | |
| 31 | Reliance Vantage Retail Limited | | |

Notes on Financial Statements for the Year ended 31st March, 2016

| Sr. No. | Name of the Related Party | | Relationship |
|---------|---|-------------------|--------------------------------------|
| 32 | Reliance Jio Asiainfo Innovation Centre Limited | (from 10.06.2015) | Subsidiary Companies |
| 33 | Surela Investment and Trading Private Limited | | |
| 34 | Strategic Manpower Solutions Limited | | |
| 35 | Reliance Payment Solutions Limited | | |
| 36 | Reliance Jio Digital Services Private Limited | | |
| 37 | Reliance Jio Media Private Limited | | |
| 38 | Reliance Jio Infratel Private Limited | (from 17.02.2016) | |
| 39 | Reliance Exploration & Production DMCC | | |
| 40 | Central Park Enterprises DMCC | | |
| 41 | Gulf Africa Petroleum Corporation | | |
| 42 | Gapco Uganda Limited | | |
| 43 | Gapco Kenya Limited | | |
| 44 | Transenergy (Kenya) Limited | (upto 30.12.2015) | |
| 45 | Gapco Tanzania Limited | | |
| 46 | Gapoil (Zanzibar) Limited | | |
| 47 | RIL Exploration and Production (Myanmar) Company Ltd | (from 11.09.2015) | |
| 48 | Model Economic Township Limited | | Fellow Subsidiary Companies |
| 49 | Reliance Petroinvestments Limited | | |
| 50 | Reliance Jio Infocomm Limited | | |
| 51 | Reliance Retail Ventures Limited | | |
| 52 | Reliance Retail Limited | | |
| 53 | Reliance Energy Generation and Distribution Limited | | |
| 54 | Reliance Ethane Holding Pte Limited | | |
| 55 | Independent Media Trust - Trust Fully controlled by the Holding Company | | Fully Controlled Trusts |
| 56 | Petroleum Trust - Beneficiary Trust | | |
| 57 | GenNext Ventures Investment Advisers LLP | | |
| 58 | D.E. Shaw India Securities Private Limited | | Joint Ventures / Associate Companies |
| 59 | Reliance Commercial Trading Private Limited | | |
| 60 | IMG Reliance Limited | | |
| 61 | India Gas Solution Private Limited | | |
| 62 | Reliance Jio Infratel Private Limited | (upto 16.02.2016) | |
| 63 | Vayana Private Limited | (from 24.04.2015) | |
| 64 | Shri Dipan Dalal | | Key Managerial Personnel (Manager) |

** Company held through a Trust

Notes on Financial Statements for the Year ended 31st March, 2016

27 Related Party Disclosures (Contd.)

ii) Transactions during the year with related parties:

₹ in lac

| Sr. No. | Nature of Transaction (Excluding Reimbursements) | Holding Company | Subsidiary Companies | Fellow Subsidiaries Trusts | Fully Controlled Associates / | Joint Ventures / Person LLP | Key Managerial (Manager) | Total |
|---------------------------------------|---|-----------------|----------------------|-------------------------------|-------------------------------|--------------------------------|-----------------------------|------------|
| 1 | Preference Share capital redeemed (including premium) | - | (101 00) | (180 10) | - | - | - | (281 10) |
| | | - | - | - | - | - | - | - |
| 2 | Loans taken / (repaid) (net) * | (10572 59) | - | (528 00) | - | - | - | (11100 59) |
| | | (1782 20) | - | (1 15) | - | - | - | (1783 35) |
| 3 | Debentures issued | 14003 00 | - | - | - | - | - | 14003 00 |
| | | 1100 00 | - | - | - | - | - | 1100 00 |
| 4 | Purchase / subscription of Investments | - | 1092 76 | - | - | 65 11 | - | 1157 87 |
| | | - | 167 69 | - | - | - | - | 167 69 |
| 5 | Sale of Investments | 88 52 | - | - | - | 41 73 | - | 130 25 |
| | | 3 | - | - | - | - | - | 3 |
| 6 | Loans and Advances given / (returned) (net) ** | - | (89 02) | 460 10 | (2276 60) | (45 00) | - | (1950 52) |
| | | - | (970 26) | 103 52 | (2 25) | 45 00 | - | (823 99) |
| 7 | Share / Debenture application money paid | - | 77 26 | 3319 50 | - | - | - | 3396 76 |
| | | - | - | - | - | - | - | - |
| 8 | Income | | | | | | | |
| | Interest | - | 57 08 | 662 96 | - | 2 28 | - | 722 32 |
| | | - | 42 36 | 625 86 | - | 76 | - | 668 98 |
| | Man Power Supply | - | 32 33 | - | - | - | - | 32 33 |
| | | - | 30 90 | - | - | - | - | 30 90 |
| | Share of income in LLP (previous year ₹ 37450/-) | - | - | - | - | 2 | - | 2 |
| | | - | - | - | - | 0 | - | 0 |
| 9 | Expenditure | | | | | | | |
| | Purchases | 923 73 | - | - | - | - | - | 923 73 |
| | | 1064 17 | - | - | - | - | - | 1064 17 |
| | Finance Cost | 816 24 | - | - | - | - | - | 816 24 |
| | | 812 20 | - | - | - | - | - | 812 20 |
| | Professional fees | - | - | - | - | - | 61 | 61 |
| | | - | - | - | - | - | 52 | 52 |
| Balance as at 31st March, 2016 | | | | | | | | |
| 10 | Equity share capital | 147 50 | - | - | - | - | - | 147 50 |
| | | 147 50 | - | - | - | - | - | 147 50 |
| 11 | Preference share capital (including premium) | - | 74 51 | 60 | - | - | - | 75 11 |
| | | - | 175 51 | 180 70 | - | - | - | 356 21 |
| 12 | Loans taken | 22410 60 | - | - | - | - | - | 22410 60 |
| | | 18980 19 | - | 528 00 | - | - | - | 19508 19 |

Notes on Financial Statements for the Year ended 31st March, 2016

27 Related Party Disclosures (Contd.)

ii) Transactions during the year with related parties:

₹ in lac

| Sr. No. | Nature of Transaction (Excluding Reimbursements) | Holding Company | Subsidiary Companies | Fellow Subsidiaries Trusts | Fully Controlled Associates / | Joint Ventures / Person LLP | Key Managerial (Manager) | Total |
|---------|---|--------------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------|----------------------------------|
| 13 | Interest accrued but not due | 734 62 <i>730 98</i> | - | - | - | - | - | 734 62 <i>730 98</i> |
| 14 | Trade Receivable / (Payable) | - <i>(2)</i> | - <i>(47)</i> | - | - | - | - | - <i>(49)</i> |
| 15 | Loans and Advances given | - | 823 00 <i>912 02</i> | 5331 34 <i>4871 24</i> | - <i>2276 60</i> | - <i>45 00</i> | - | 6154 34 <i>8104 86</i> |
| 16 | Share / Debenture application money | - | 77 26 <i>-</i> | 3319 50 <i>-</i> | - <i>-</i> | - <i>-</i> | - | 3396 76 <i>-</i> |
| 17 | Investments | - | 6881 98 <i>5877 70</i> | 250 61 <i>250 61</i> | 1654 96 <i>1669 81</i> | 239 52 <i>191 66</i> | - | 9027 07 <i>7989 79</i> |
| 18 | Interest receivables | - | 42 25 <i>30 45</i> | 662 96 <i>619 60</i> | - <i>-</i> | - <i>75</i> | - | 705 21 <i>650 80</i> |

* Includes debentures issued on conversion of loan

** Includes allotment of debentures / application money on conversion of loan

Note: Figures in italic represents previous year's amounts

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

(₹ in lac)

| Particulars | Relationship | 2015-16 | 2014-15 |
|--|---------------------------|-------------------|-----------|
| 1 Preference Share capital redeemed (including premium) | | | |
| Reliance Retail Finance Limited | Subsidiary Company | (1 01 00) | - |
| Reliance Petroinvestments Limited | Fellow Subsidiary Company | (1 80 10) | - |
| 2 Loans taken / (repaid) (net) | | | |
| Reliance Industries Limited | Holding Company | (10572 59) | (1782 20) |
| Reliance Retail Ventures Limited | Fellow Subsidiary Company | (528 00) | (1 15) |
| 3 Debentures issued | | | |
| Reliance Industries Limited | Holding Company | 14003 00 | 1100 00 |
| 4 Purchase / subscription of Investments | | | |
| Kanhatech Solutions Limited | Subsidiary Company | 50 00 | 1 44 |
| Reliance Payment Solutions Limited | Subsidiary Company | 430 00 | 126 11 |
| Reliance Jio Electronics Private Limited | Subsidiary Company | - | - |
| Reliance Jio Digital Services Limited | Subsidiary Company | 6 84 | 3 15 |
| Reliance Jio Infratel Private Limited | Subsidiary Company | 99 | - |
| Reliance Jio Media Private Limited | Subsidiary Company | - | 11 00 |

Notes on Financial Statements for the Year ended 31st March, 2016

27 Related Party Disclosures (Contd.)

Disclosure in Respect of Material Related Party Transactions during the year: (₹ in lac)

| Particulars | Relationship | 2015-16 | 2014-15 |
|--|---------------------------|-----------|-----------|
| Reliance Exploration & Production DMCC | Subsidiary Company | 7 33 | 25 38 |
| Reliance Exploration and Production Myanmar Co., Ltd | Subsidiary Company | 51 | - |
| Reliance Ethane Holding Pte. Limited | Subsidiary Company | - | 61 |
| Indiawin Sports Private Limited | Subsidiary Company | 224 09 | - |
| Reliance Energy and Project Development Limited | Subsidiary Company | 303 25 | - |
| Reliance Aromatics and Petrochemicals Limited | Subsidiary Company | 69 75 | - |
| IMG Reliance Limited | Associate Company | 65 11 | - |
| GenNext Ventures Investment Advisers LLP | LLP | - | - |
| 5 Sale / Redemption of Investments | | | |
| Reliance Industries Limited | Holding Company | 88 52 | 3 |
| Reliance Commercial Trading Private Limited | Associate Company | 41 73 | - |
| 6 Loans and Advances given/(returned) (net) | | | |
| Reliance Commercial Land & Infrastructure Limited | Subsidiary Company | 531 07 | (1078 39) |
| Kanhatech Solutions Limited | Subsidiary Company | (17 85) | 17 85 |
| Reliance Payment Solutions Limited | Subsidiary Company | (6 00) | 1 50 |
| Reliance Aerospace Technologies Limited | Subsidiary Company | - | 135 |
| Reliance Sibur Elastomers Private Limited | Subsidiary Company | (87 50) | 87 50 |
| Reliance Jio Digital Services Limited | Subsidiary Company | 87 00 | - |
| Indiawin Sports Private Limited | Subsidiary Company | (224 09) | - |
| Reliance Energy and Project Development Limited | Subsidiary Company | (303 25) | - |
| Reliance Aromatics and Petrochemicals Limited | Subsidiary Company | (69 75) | (1 27) |
| Reliance Innovative Building Solutions Private Limited | Subsidiary Company | 1 35 | 120 |
| Model Economic Township Limited | Fellow Subsidiary Company | 460 10 | 103 52 |
| Independent Media Trust | Fully Controlled Trust | (2276 60) | (2 25) |
| IMG Reliance Limited | Associate Company | (45 00) | 45 00 |
| 7 Share / Debenture application money paid | | | |
| Reliance Exploration & Production DMCC | Subsidiary Company | 14 86 | - |
| Reliance Commercial Land & Infrastructure Limited | Subsidiary Company | 62 40 | - |
| Reliance Energy Generation and Distribution Limited | Fellow Subsidiary Company | 3319 50 | - |
| 8.1 Income - Interest received | | | |
| Reliance Commercial Land & Infrastructure Limited | Subsidiary Company | 41 52 | 23 74 |
| Reliance Polyolefins Limited | Subsidiary Company | 4 68 | 15 95 |

Notes on Financial Statements for the Year ended 31st March, 2016

27 Related Party Disclosures (Contd.)

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

(₹ in lac)

| Particulars | Relationship | 2015-16 | 2014-15 |
|---|------------------------------------|-----------------|----------|
| Indiawin Sports Private Limited | Subsidiary Company | - | 1 |
| Kanhatech Solutions Limited | Subsidiary Company | 2 59 | 80 |
| Reliance Payment Solutions Limited | Subsidiary Company | 15 | 13 |
| Reliance Aerospace Technologies Limited | Subsidiary Company | 4 | 9 |
| Reliance Sibur Elastomers Private Limited | Subsidiary Company | 7 30 | 1 64 |
| Reliance Jio Digital Services Limited | Subsidiary Company | 57 | 0.20 |
| Reliance Innovative Building Solutions Private Limited | Subsidiary Company | 22 | 0.04 |
| Model Economic Township Limited | Fellow Subsidiary Company | 662 96 | 625 86 |
| IMG Reliance Limited | Associate Company | 2 28 | 76 |
| 8.2 Income - Man Power Supply | | | |
| Reliance Corporate IT Park Limited | Subsidiary Company | 32 33 | 30 90 |
| 8.3 Income - Share of Income in LLP | | | |
| GenNext Ventures Investment Advisers LLP | LLP | 2.02 | 0.37 |
| 9.1 Expenditure - Purchases | | | |
| Reliance Industries Limited | Holding Company | 923 73 | 1064 17 |
| 9.2 Expenditure - Finance Cost | | | |
| Reliance Industries Limited | Holding Company | 816 24 | 812 20 |
| 9.3 Expenditure - Professional fees | | | |
| Shri Dipan Dalal | Key Managerial Personnel (Manager) | 61 | 52 |
| 28 Expenditure in Foreign Currency | | | |
| | | 2015-16 | 2014-15 |
| | | ₹ in lac | ₹ in lac |
| Travelling Expenses (including in Staff welfare expenses) | | 14 | - |
| 29 Earnings in Foreign Exchange | | | |
| | | 2015-16 | 2014-15 |
| | | ₹ in lac | ₹ in lac |
| FOB value of exports | | 924 71 | 1064 76 |
| 30 Debenture Redemption Reserve (DRR) required to be created for the year is ₹ 25,63,67,652/-, due to inadequate profit for the year company has created DRR to the extend of profit for the year ie ₹ 3,41,72,618/-, balance will be created in the year of profit. | | | |

Notes on Financial Statements for the Year ended 31st March, 2016

31 Details of Loans given, Investment made, Guarantee given and security provided covered u/s 186 (4) of the Companies Act, 2013

a) Details of Investments made during the Financial Year 2015-16 (also Refer Note no. 8 & 27)

| Sr No | Name of the Entity | Opening balance as on April 1, 2015 ₹ in lac | Investment made during the year ₹ in lac | Investment sold during the year ₹ in lac | Closing balance as on March 31, 2016 ₹ in lac |
|-------|--|---|---|---|--|
| 1 | Himachal Futuristics Communication Limited | 57 00 | - | - | 57 00 |
| 2 | State Bank of India | 49 33 | - | 10 82 | 38 51 |
| 3 | Shinano Retail Private Limited | 25 | - | 25 | - |
| 4 | Teesta Retail Private Limited | 0 | 465 70 | 0 | 465 70 |
| 5 | Ojasvi Trading Private Limited | - | 290 00 | 290 00 | - |
| 6 | Algae Tech Ltd | 17 13 | 491 | - | 22 04 |
| 7 | GenNext Venture Fund | 14 85 | 25 28 | - | 40 13 |
| 8 | Multiples Private Equity Fund II LLP | - | 20 80 | 2 18 | 18 62 |

b) Details of Loans given during the Financial Year 2015-16 (also Refer Note no. 9,12 & 27)

| Sr No. | Name of the Entity | Opening balance as on April 1, 2015 ₹ in lac | Loans given during the year ₹ in lac | Loans repaid during the year ₹ in lac | Closing balance as on March 31, 2016 ₹ in lac | Purpose for which the loan is proposed to be utilised by the recipient |
|--------|--|---|---|--|--|--|
| 1 | Himachal Futuristics Communication Limited | 15 00 | - | - | 15 00 | Business |
| 2 | Ojasvi Trading Private Limited | - | 174 95 | 174 95 | - | Business |
| 3 | Shinano Retail Private Limited | 883 53 | 781 93 | 1251 14 | 414 32 | Business |

c) No Guarantees were given or security was provided by the company during the Financial Year 2015-16.

As per our Report of even date

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

Amit Chaturvedi
Partner
Membership No. 103141

Mumbai
Date: 20th April, 2016

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

K.K. Desai
Partner
Membership No. 100805

For and on behalf of the Board

H.R. Meswani
Chairman

M.N. Bajpai
Director

Dhiren Dalal
Director

Geeta Fulwadaya
Company Secretary

Vinod Ambani
Director

B. Chandrasekaran
Director

Komal Chhapru
Director

Vishal Kumar
Chief Financial Officer