

**Reliance Sibur Elastomers Private Limited**

**Financial Statements**

**2022-23**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Reliance Sibur Elastomers Private Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Reliance Sibur Elastomer Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ("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 Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **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 Director's 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

#### **Responsibility of Management 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 changes in

equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 with reference to financial statements 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.

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, 2020 ("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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30 to the Financial Statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 01, 2023 and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For D T S & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 142412W/W100595

**Parimal Kumar Jha**

Partner

Membership No.: 124262

UDIN: 23124262BGXPGA2280

Place: Mumbai

Date: April 19, 2023

## **ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RELIANCE SIBUR ELASTOMER PRIVATE LIMITED**

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has not capitalized any intangible assets in the books and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) Property, Plant and Equipment were physically verified by the management in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets, no material discrepancies were noticed on such physical verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) During the year the Company has not provided any loans, advances in the nature of loans, stood guarantee or provided security to, and has not made investments in, companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company. During the year Company has made investments which, in our opinion, prima facie, are not prejudicial to the Company's interest.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, income tax, customs duty, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loan during the year. Further, the term loans obtained in prior period were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 10,010.50 lakhs in the current year and amounting to Rs. 18.60 lakhs in the immediately preceding financial year respectively.
- (xviii) There has been a resignation of one of the joint statutory auditors (M/s S R B C & Co. LLP) during the year on the grounds of internal independence requirement regarding certain non-audit services proposed to be provided by other global network firms to the holding company, Reliance Industries Limited ("RIL") and other entities in the RIL group, no other issues, objections or concerns were raised by the outgoing auditor. We have considered the same while performing our audit procedures and its implication on our audit opinion, if any.
- (xix) On the basis of the financial ratios disclosed in note no. 35 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the



Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 26.2 to the financial statements.

- (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 26.2 to the financial statements.

**For D T S & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 142412W/W100595

**Parimal Kumar Jha**

Partner

Membership No.: 124262

UDIN: 23124262BGXPGA2280

Place: Mumbai

Date: April 19, 2023

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RELIANCE SIBUR ELASTOMERS PRIVATE LIMITED****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 controls with reference to financial statements of Reliance Sibur Elastomers Private Limited ("the Company") as of March 31, 2023 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 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 the 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 Companies Act, 2013, as amended.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls 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 with reference to these financial statements.

**Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to 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 controls with reference to 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 With Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 the ICAI.

### **For D T S & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 142412W/W100595

### **Parimal Kumar Jha**

Partner

Membership No.: 124262

UDIN: 23124262BGXPGA2280

Place: Mumbai

Date: April 19, 2023

**Reliance Sibur Elastomers Private Limited**  
**Balance Sheet as at 31st March, 2023**

	Notes	(₹ in Lakh)	
		As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	1	4513 99.26	3490 33.96
Capital Work-in-Progress	1	185 50.92	1216 92.56
Financial Assets			
Investments	2	0.32	0.32
Deferred Tax Assets (Net)	3	49 59.29	6.56
Other Non-Current Assets	4	22 71.01	97 04.09
<b>Total Non-Current Assets</b>		<b>4771 80.80</b>	<b>4804 37.49</b>
<b>Current Assets</b>			
Inventories	5	145 51.70	134 10.31
Financial Assets			
Investments	6	12 72.56	23 05.51
Trade Receivables	7	135 35.39	64 33.23
Cash and Cash Equivalents	8	3 15.11	1 13.25
Other Financial Assets	9	1 44.63	13 12.07
Other Current Assets	10	388 10.13	375 25.12
<b>Total Current Assets</b>		<b>686 29.52</b>	<b>610 99.49</b>
<b>Total Assets</b>		<b>5458 10.32</b>	<b>5415 36.98</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	11	2354 53.02	2354 53.02
Other Equity	12	(228 73.52)	1 12.84
<b>Total Equity</b>		<b>2125 79.50</b>	<b>2355 65.86</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	13	1696 70.52	2075 76.46
Provisions	14	1 22.38	1 16.55
<b>Total Non-Current Liabilities</b>		<b>1697 92.90</b>	<b>2076 93.01</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	1041 97.74	28,680.48
Trade Payables Due to :			
Micro and small enterprises	16	1 88.66	2 89.06
Other than micro and small enterprises		454 79.50	409 04.78
Other Financial Liabilities	17	99 55.47	238 42.71
Other Current Liabilities	18	35 08.10	45 03.28
Provisions	19	1 08.45	57.80
<b>Total Current Liabilities</b>		<b>1634 37.92</b>	<b>982 78.11</b>
<b>Total Liabilities</b>		<b>3332 30.82</b>	<b>3059 71.12</b>
<b>Total Equity and Liabilities</b>		<b>5458 10.32</b>	<b>5415 36.98</b>

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 39

For D T S & Associates LLP  
Chartered Accountants  
(Registration No. 142412W/W100595)

Parimal Kumar Jha  
Partner  
Membership No. 124262

**Dated : 19th April, 2023**

**For and on behalf of the Board**

Pawan Kumar Kapil  
DIN: 02460200

Sudhakar Saraswatula  
DIN: 00001330

Ajay Shah  
DIN: 03613030

Virendra Rathod  
DIN: 05357880

Vadim Lishchinskiy  
DIN: 06402449

Mohana V  
DIN: 08333092

Puneet Madan  
DIN: 08792455

Dhiren Dalal  
DIN: 01218886

Shiv Kumar Bhardwaj  
DIN: 00001584

Director

Independent Director

Dmitry Khrichenko - Whole Time Director  
DIN: 07438565

Pankaj Dadhich - Chief Financial Officer

Vaibhav Jha - Chief Executive Officer

Janani Ashish - Company Secretary

**Reliance Sibur Elastomers Private Limited****Statement of Profit and Loss for the period ended 31st March, 2023**

	Notes	<u>2022-23</u>	(₹ in Lakh) <u>2021-22</u>
<b>INCOME</b>			
Value of Sales		1261 95.22	-
Less: GST Recovered		215 28.84	-
Revenue from Operations	20	<u>1046 66.38</u>	-
Other Income	21	18 47.23	-
<b>Total Income</b>		<u><b>1065 13.61</b></u>	<u>-</u>
<b>EXPENSES</b>			
Cost of Material Consumed		803 72.25	-
Purchases of Stock-in-Trade		62 40.32	-
Changes in Inventories of Stock-in-Trade	23	(81 59.48)	-
Employee Benefits Expense	24	17 05.08	-
Finance Cost	25	82 28.02	-
Depreciation	1	84 19.97	-
Other Expenses	26	245 31.00	18.60
<b>Total Expenses</b>		<u><b>1213 37.16</b></u>	<u>18.60</u>
<b>(Loss) Before Tax</b>		<b>(148 23.55)</b>	( 18.60)
Tax Expenses			
Current Tax		-	-
Deferred Tax		(16 51.81)	( 4.68)
<b>(Loss) for the Year</b>		<u><b>(16 51.81)</b></u>	<u>( 4.68)</u>
<b>(Loss) for the Year</b>		<u><b>(131 71.74)</b></u>	<u>( 13.92)</u>
<b>Other Comprehensive Income</b>			
i) Items that will not be reclassified to profit or loss	22	( 25.96)	-
ii) Income tax relating to items that will not be reclassified to profit or loss		6.53	-
iii) Items that will be reclassified to profit or loss	22	(130 89.58)	-
iv) Income tax relating to items that will be reclassified to profit or loss		32 94.39	-
<b>Total Other Comprehensive Income for the year</b>		<b>(98 14.62)</b>	-
<b>Total Comprehensive Income for the year</b>		<u><b>(229 86.36)</b></u>	<u>( 13.92)</u>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic and Diluted (in ₹ )	28	<b>(0.56)</b>	(0.00)
Significant Accounting Policies	B		
See accompanying Notes to the Financial Statements	1 to 39		

For D T S & Associates LLP  
Chartered Accountants  
(Registration No. 142412W/W100595)

Parimal Kumar Jha  
Partner  
Membership No. 124262

**Dated : 19th April, 2023**

**For and on behalf of the Board**

Pawan Kumar Kapil  
DIN: 02460200

Sudhakar Saraswatula  
DIN: 00001330

Ajay Shah  
DIN: 03613030

Virendra Rathod  
DIN: 05357880

Vadim Lishchinskiy  
DIN: 06402449

Mohana V  
DIN: 08333092

Puneet Madan  
DIN: 08792455

Dhiren Dalal  
DIN: 01218886

Shiv Kumar Bhardwaj  
DIN: 00001584

Director

Independent Director

Dmitry Khrichenko - Whole Time Director  
DIN: 07438565

Pankaj Dadhich - Chief Financial Officer

Vaibhav Jha - Chief Executive Officer

Janani Ashish - Company Secretary

**Reliance Sibur Elastomers Private Limited****Statement of Changes in Equity for the year ended 31st March, 2023****A. Equity Share Capital**

(₹ in Lakh)

	Balance as at 1st April, 2021	Changes during the year 2021-22	Balance as at 31st March, 2022	Changes during the year 2022-23	Balance as at 31st March, 2023
	2354 53.02	-	2354 53.02	-	<b>2354 53.02</b>

**B. Other Equity**

Particulars	Balance as at 1st April, 2022	Total Comprehensive Income for the year	Balance as at 31st March, 2023
<b>As at 31st March, 2023</b>			
<b>Reserves and Surplus</b>			
Retained Earnings	1 12.84	(131 71.74)	(130 58.90)
Other Comprehensive Income			
Employee Benefit	-	( 19.43)	( 19.43)
Cash Flow Hedge	-	(97 95.19)	(97 95.19)
<b>Total</b>	<b>1 12.84</b>	<b>(229 86.36)</b>	<b>(228 73.52)</b>

Particulars	Balance as at 1st April, 2021	Total Comprehensive Income for the year	Balance as at 31st March, 2022
<b>As on 31st March, 2022</b>			
<b>Reserves and Surplus</b>			
Retained Earnings	1 26.76	( 13.92)	1 12.84
Other Comprehensive Income	-	-	-
<b>Total</b>	<b>1 26.76</b>	<b>( 13.92)</b>	<b>1 12.84</b>



For D T S & Associates LLP  
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**Reliance Sibur Elastomers Private Limited**  
**Cash Flow Statement for the period ended 31st March, 2023**

	2022-23	2021-22
	(₹ in Lakh)	
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (Loss) before Tax as per Statement of Profit and Loss	(148 23.55)	( 18.60)
<b>Adjusted for:</b>		
Net Gain on Financial Assets	(1 12.39)	-
Depreciation	84 19.97	-
Interest Income	( 37.13)	-
Finance Costs	82 28.02	-
Effect of exchange rate change	11.28	-
	<u>165 09.75</u>	<u>-</u>
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>16 86.20</b>	<b>( 18.60)</b>
<b>Adjusted for:</b>		
Trade and Other Receivables	2 93.39	40 39.13
Inventories	(11 41.39)	(27 68.76)
Trade and Other Payables	<u>87 93.38</u>	<u>251 32.56</u>
	<u>79 45.38</u>	<u>264 02.93</u>
<b>Cash generated from Operations</b>	<b>96 31.58</b>	<b>263 84.33</b>
Taxes Paid (Net)	( 75.86)	( 81.87)
<b>Net Cash Flow from Operating Activities</b>	<b>95 55.72</b>	<b>263 02.46</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(266 00.75)	(295 47.05)
Purchase of Financial Assets	(844 70.77)	(312 28.44)
Proceeds from Sale of Financial Assets	856 16.11	308 66.83
Interest Income	37.07	13.52
	<u>(254 18.34)</u>	<u>(298 95.14)</u>
<b>Net Cash flow used in Investing Activities</b>	<b>(254 18.34)</b>	<b>(298 95.14)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings - Non-Current	(222 83.96)	-
Borrowing - Current (net)	52,500.00	7,000.00
Interest Paid	(141 51.56)	(39 22.29)
	<u>160 64.48</u>	<u>30 77.71</u>
<b>Net Cash flow from Financing Activities</b>	<b>160 64.48</b>	<b>30 77.71</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>2 01.86</b>	<b>(5 14.97)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1 13.25</b>	<b>6 28.22</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>3 15.11</b>	<b>1 13.25</b>
<b>(Refer Note 8)</b>		

**Change in Liability arising from Financing Activities**

	(₹ in Lakh)				
	1st April, 2022	Cash Flow	Foreign Exchange Movement	Amortisation of Finance Charges	31st March, 2023
<b>Borrowings- Non-Current (including current maturities) (Refer Note 13)</b>	2292 56.94	(222 83.96)	70 50.12	3 45.16	2143 68.26
<b>Borrowings-Current (Refer Note 15)</b>	70 00.00	525 00.00	-	-	595 00.00

	(₹ in Lakh)				
	1st April, 2021	Cash Flow	Foreign Exchange	Other	31st March, 2022
Borrowings- Non-Current (including current maturities) (Refer Note 13)	2338 56.74	-	(49 44.96)	3 45.16	2292 56.94
Borrowings-Current (Refer Note 15)	-	70 00.00	-	-	70 00.00

For D T S & Associates LLP  
Chartered Accountants  
(Registration No. 142412W/W100595)

Parimal Kumar Jha  
Partner  
Membership No. 124262

**Dated : 19th April, 2023**

**For and on behalf of the Board**

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Vaibhav Jha - Chief Executive Officer

Janani Ashish - Company Secretary

**Notes to the Financial Statements for the year ended 31st March, 2023**

**A. CORPORATE INFORMATION**

Reliance Sibur Elastomers Private Limited ("the Company") is an unlisted entity incorporated in India. The Company's registered office is at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400021. The Company, a joint venture between "Reliance Industries Limited" and "Sibur Investments AG" is in the operation of manufacturing of Butyl Rubber. Company is in trial production stage for Halo Butyl Rubber Plant at Jamnagar, Gujarat, India.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**B.1 BASIS OF PREPARATION AND PRESENTATION**

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

- i. Certain Financial Assets and Liabilities (including derivative instruments)

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

Company's Financial Statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

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

**(a) Current and Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**(b) Property, Plant and Equipment**

Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on Property, Plant and Equipment is provided using straight line method on depreciable amount. Consequently depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

<b>Particular</b>	<b>Depreciation</b>
Plant and Machinery (useful life: 50 years)	Over its useful life as technically assessed

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## Notes to the Financial Statements for the year ended 31st March, 2023

**(c) Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

**(d) Intangible assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation / depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

**(e) Cash and Cash Equivalent**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(f) Finance Cost**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

**(g) Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of finished goods, trial run inventory, work-in-progress, raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

**(h) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(i) Provisions**

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

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

## Notes to the Financial Statements for the year ended 31st March, 2023

**(j) Contingent Liabilities**

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

**(k) Employee Benefits Expense****Short-Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post-Employment Benefits****Defined Contribution Plans**

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**Defined Benefit Plans**

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation / superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

**(l) Tax Expenses**

The tax expense for the period comprises of Current Tax and Deferred Income Tax. Tax is recognised in the Statement of Profit and loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

**i) Current tax**

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

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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.

**(m) Foreign Currencies Transactions and Translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

## Notes to the Financial Statements for the year ended 31st March, 2023

**(n) Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally, the credit period varies between 0-60 days from the shipment or delivery of goods or services as the case may be.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

**Contract Balances****Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

**Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Company performs under the contract.

**Interest Income**

Interest Income from a Financial Assets is recognised using effective interest rate method.

**Dividend Income**

Dividend Income is recognised when the Company's right to receive the amount has been established.

**(o) Financial Instruments****(i) Financial Assets****A. Initial Recognition and Measurement**

All Financial Assets 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 adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement****a) Financial Assets carried at Amortised Cost (AC)**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

**b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)**

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

**c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)**

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

**C. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognized in Profit and loss when the company's right to receive payment is established.

## Notes to the Financial Statements for the year ended 31st March, 2023

**D. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**(ii) Financial Liabilities****A. Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement:**

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

**(iii) Derivative Financial Instruments and Hedge Accounting**

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps and forwards & options to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently 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 and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

**a) Cash Flow Hedge**

The Company designates derivative contracts or non-derivative Financial Assets/ Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold or terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs.

The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

**b) Fair Value Hedge**

The Company designates derivative contracts or non-derivative Financial Assets/Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

**(iv) Derecognition of Financial Instruments**

The Company derecognises 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 derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.



## Notes to the Financial Statements for the year ended 31st March, 2023

**(v) Offsetting**

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(p) 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 JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

**a) Property Plant And Equipment / Intangible Assets**

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological and future risks. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

**b) Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**c) Impairment of Financial and Non-Financial Assets**

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

In case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**d) Recognition of Deferred Tax Assets and Liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**D. STANDARDS ISSUED BUT NOT EFFECTIVE**

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023

- i Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii Ind AS 102 – Share-based Payment
- iii Ind AS 103 – Business Combinations
- iv Ind AS 107 – Financial Instruments Disclosures
- v Ind AS 109 – Financial Instruments
- vi Ind AS 115 – Revenue from Contracts with Customers
- vii Ind AS 1 – Presentation of Financial Statements
- viii Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- ix Ind AS 12 – Income Taxes
- x Ind AS 34 – Interim Financial Reporting

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

**Reliance Sibur Elastomers Private Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2023**

**1 Property, Plant & Equipment and Capital Work-in-Progress**

(₹ in Lakh)

Description	Gross block				Depreciation				Net block	
	As at 01-04-2022	Additions / Adjustments	Deductions / Adjustments	As at 31-03-2023	As at 01-04-2022	For the year	Deductions / Adjustments	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
<b>Property, Plant &amp; Equipment</b>										
<b>Own Assets</b>										
Buildings	257 69.73	4 18.49	-	261 88.22	-	8 16.04	-	8 16.04	253 72.18	257 69.73
Plant & Machinery	3029 12.64	896 33.82	-	3925 46.46	-	57 55.34	-	57 55.34	3867 91.12	3029 12.64
Electrical Installations	187 85.00	207 32.96	-	395 17.96	-	17 84.57	-	17 84.57	377 33.39	187 85.00
Furniture & Fixtures	66.59	-	-	66.59	-	6.33	-	6.33	60.26	66.59
<b>Sub-Total</b>	<b>3475 33.96</b>	<b>1107 85.27</b>	<b>-</b>	<b>4583 19.23</b>	<b>-</b>	<b>83 62.28</b>	<b>-</b>	<b>83 62.28</b>	<b>4499 56.95</b>	<b>3475 33.96</b>
<b>Right-of-Use Assets</b>										
Land	15 00.00	-	-	15 00.00	-	57.69	-	57.69	14 42.31	15 00.00
<b>Sub-Total</b>	<b>15 00.00</b>	<b>-</b>	<b>-</b>	<b>15 00.00</b>	<b>-</b>	<b>57.69</b>	<b>-</b>	<b>57.69</b>	<b>14 42.31</b>	<b>15 00.00</b>
<b>Total</b>	<b>3490 33.96</b>	<b>1107 85.27</b>	<b>-</b>	<b>4598 19.23</b>	<b>-</b>	<b>84 19.97</b>	<b>-</b>	<b>84 19.97</b>	<b>4513 99.26</b>	<b>3490 33.96</b>
Previous Year	-	3490 33.96	-	3490 33.96	-	-	-	-	3490 33.96	-
Capital Work-in-Progress									185 50.92	1216 92.56

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****1 CAPITAL WORK IN PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

	As at <u>31st March, 2023</u>	(₹ in Lakh) As at <u>31st March, 2022</u>
<b>Capital Work-in-Progress</b>	<b>185 50.92</b>	1216 92.56
	<u><b>185 50.92</b></u>	<u><b>1216 92.56</b></u>

1.1 The Company has commenced the commercial operations of Butyl Rubber Plant in Financial Year 22 - 23. Halo Butyl Rubber Plant will begin commercial operation from Financial Year 23 - 24. The project is based at Jamnagar, Gujarat, India.

**1.2 Capital Work in Progress includes :**

- (i) ₹ 185 50.92 Lakh (Previous Year ₹ 232 85.21 Lakh) on account of cost of construction material at site.  
(ii) ₹ Nil (Previous Year ₹ 147 06.67 Lakh) on account of Project Development Expenditure.  
(iii) ₹ Nil (Previous Year ₹ 97 93.71 Lakh) on account of interest & finance charges included in project development expenditure.

1.3 Assets include assets charged as security - Refer Note 13

**1.4 Capital-Work-in Progress (CWIP)****(a) Ageing schedule as at 31st March, 2023:**

CWIP	Outstanding for following periods from				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress- CWIP	-	-	185 50.92	-	185 50.92
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	<b>185 50.92</b>	-	<b>185 50.92</b>

**(b) Ageing schedule as at 31st March, 2022:**

CWIP	Outstanding for following periods from				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress- CWIP	162 30.40	479 57.28	397 77.87	177 27.01	1216 92.56
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>162 30.40</b>	<b>479 57.28</b>	<b>397 77.87</b>	<b>177 27.01</b>	<b>1216 92.56</b>

**2 INVESTMENTS- NON-CURRENT****Investments measured at Cost****Investments in Equity Instruments  
- Unquoted, fully paid up**

	As at <u>31st March, 2023</u>		As at <u>31st March, 2022</u>	
	No. of Shares	Amount	No. of Shares	Amount
Jamnagar Utilities & Power Private Limited (JUPPL) (Class "A" Equity Shares of ₹1 each)	<b>32,000</b>	<b>0.32</b>	32,000	0.32
<b>Total</b>		<u><b>0.32</b></u>		<u><b>0.32</b></u>
Aggregate amount of Unquoted Investments		<b>0.32</b>		0.32

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

## 3 DEFERRED TAX ASSETS (NET)

The movement on the deferred tax account is as follows

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
At the start of the year	6.56	1.88
Credit to Statement of Profit and Loss	16 51.81	4.68
Credit to Other Comprehensive Income	33 00.92	-
<b>Total</b>	<b>49 59.29</b>	<b>6.56</b>

## COMPONENT OF DEFERRED TAX (LIABILITIES) / ASSET

	As at 31st March, 2022	(Charge)/Credit to Statement of Profit and Loss	Other Comprehensive Income	(₹ in Lakh) As at 31st March, 2023
Deferred tax asset / (liabilities) in relation to:				
Capital Work in Progress and Property Plant & Equipment	(373 45.47)	4 84.08		<b>(368 61.39)</b>
Tax Losses	373 52.03	11 09.63		<b>384 61.66</b>
Provisions	-	58.10		<b>58.10</b>
Financial Assets and Others			33 00.92	<b>33 00.92</b>
<b>Total</b>	<b>6.56</b>	<b>16 51.81</b>	<b>33 00.92</b>	<b>49 59.29</b>

4 OTHER NON-CURRENT ASSETS  
(Unsecured and Considered Good)

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Capital Advances	1 41.96	1 37.84
Advance Income Tax (Net of Provision)	2 73.54	1 97.68
Balance with GST Authorities	18 55.51	93 68.57
<b>Total</b>	<b>22 71.01</b>	<b>97 04.09</b>

## 4.1 Advance Income Tax (Net of Provision)

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
At start of year	1 97.68	1 15.81
Charge for the year - Current Tax	-	-
Tax paid (Net) during the year	75.86	81.87
<b>At end of year</b>	<b>2 73.54</b>	<b>1 97.68</b>

## 5 INVENTORIES

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Raw Materials (Including Material In Transit)	5 21.28	12 54.00
Finished Goods	81 59.48	-
Stores, Chemicals and Packing Materials	58 70.94	28 96.03
Inventory others-generated from trial run operation	-	92 60.28
<b>Total</b>	<b>145 51.70</b>	<b>134 10.31</b>

## 6 INVESTMENTS - CURRENT

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
	Units	Units
	Amount	Amount
<b>Investments measured at Fair Value Through Profit and Loss (FVTPL)</b>		
<b>In Mutual Funds - Unquoted</b>		
Nippon India Low Duration Fund-Direct-Growth Option	-	72,757
Nippon India Overnight Fund-Direct-Growth Option	10,57,252	23 05.51
<b>Total Investments - Current</b>	<b>12 72.56</b>	<b>23 05.51</b>
Aggregate amount of Unquoted Investments	12 72.56	23 05.51



**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****8 CASH AND CASH EQUIVALENTS**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
<b>Cash and Cash Equivalents:</b>		
In Current Accounts	3 14.10	1 12.14
In Fixed Deposits	1.01	1.11
<b>Cash and Cash equivalents as per Balance Sheet</b>	<u>3 15.11</u>	<u>1 13.25</u>
<b>Cash and Cash equivalents as per Statement of Cash flows</b>	<u>3 15.11</u>	<u>1 13.25</u>

8.1 Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

8.2 Fixed deposit with Banks include ₹ 1.01 lakh (Previous year ₹ 1.01 lakh) as deposit with Banks under Lien.

**9 OTHER FINANCIAL ASSETS- CURRENT**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Interest accrued on Deposits	0.20	0.14
Claims Receivables	50.85	49.90
Others *	93.58	12 62.03
<b>Total</b>	<u>1 44.63</u>	<u>13 12.07</u>

\* Mainly includes Other Receivables (Previous year mainly includes fair valuation of Derivatives)

**10 OTHER CURRENT ASSETS**

(₹ in Lakh)

**(Unsecured and Considered Good)**

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Balance with GST Authorities	370 95.98	366 23.91
Export Incentive Receivables	10 33.90	4 78.03
Others	6 80.25	4 23.18
<b>Total</b>	<u>388 10.13</u>	<u>375 25.12</u>

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

## 11 SHARE CAPITAL

(₹ in Lakh)

Authorised Share Capital	No. of Shares	As at	No. of Shares	As at
		31st March, 2023		31st March, 2022
		Amount		Amount
Equity Shares of ₹ 10 each	2,70,00,00,000	2700 00.00	2,70,00,00,000	2700 00.00
<b>Total</b>		<b>2700 00.00</b>		<b>2700 00.00</b>

## Issued, Subscribed and Paid-Up

Equity Shares of ₹ 10 each fully paid up	2,35,45,30,198	2354 53.02	2,35,45,30,198	2354 53.02
<b>Total</b>		<b>2354 53.02</b>		<b>2354 53.02</b>

## 11.1 The details of Shareholders holding more than 5% shares :

Name of the Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Limited (The Holding Company)	1763,543,119	74.90	1763,543,119	74.90
Sibur Investments AG	590,987,079	25.10	590,987,079	25.10

## 11.2 Shareholding of Promoter :

## As at 31st March, 2023

Sr No	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Equity Shares of ₹ 10 each fully paid up	Reliance Industries Limited (The Holding Company)	1,76,35,43,119	-	1,76,35,43,119	74.90	-
2	Equity Shares of ₹ 10 each fully paid up	Sibur Investments AG	59,09,87,079	-	59,09,87,079	25.10	-

## As at 31st March, 2022

Sr No	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Equity Shares of ₹ 10 each fully paid up	Reliance Industries Limited (The Holding Company)	1,76,35,43,119	-	1,76,35,43,119	74.90	-
2	Equity Shares of ₹ 10 each fully paid up	Sibur Investments AG	59,09,87,079	-	59,09,87,079	25.10	-

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

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	No. of shares	No. of shares
Equity Shares outstanding at the beginning of the year	2,35,45,30,198	2,35,45,30,198
Add: Equity Shares issued during the year	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>2,35,45,30,198</b>	<b>2,35,45,30,198</b>

## 11.4 Rights, Preferences and Restrictions attached to Equity Shares :

The Company has one class of Equity Shares having a par value of ₹ 10 per share. Each equity shareholder is entitled to 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 ensuing Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

## 11.5 No bonus shares have been issued during the last five years.

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****12 OTHER EQUITY**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
<b>Retained Earnings</b>		
As per Last Balance Sheet	1 12.84	1 26.76
Add: (Loss) for the Year	(131 71.74)	( 13.92)
<b>Other Comprehensive Income (OCI)</b>		
As per Last Balance Sheet	-	-
Add: Movement in OCI (Net) during the year	(98 14.62)	-
<b>Total</b>	<u>(228 73.52)</u>	<u>1 12.84</u>

**13 BORROWINGS - NON CURRENT**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
<b>Secured- At Amortised Cost</b>		
Term Loans from Banks	1696 70.52	2075 76.46
<b>Total</b>	<u>1696 70.52</u>	<u>2075 76.46</u>

13.1 Term loan represents External Commercial Borrowings (ECB) of US\$ 130.00 Million & 200 Million USD equivalent JPY against sanctioned Facility of US\$ 330.00 million.

ECB refinancing has been done in Sept-20, new facility of US\$ 130 Million & US\$ 200 Million equivalent JPY.

13.2 Term loan is secured by way of a first ranking pari passu charge on all the fixed assets (excluding land and / or any interest in the land) relating to the Project located at Jamnagar. This Facility is additionally secured by Corporate Guarantee of Reliance Industries Limited, the holding company.

13.3 The Company has satisfied all the covenants prescribed in terms of borrowings.

13.4 Interest rates on term loans are in range of 0.66% to 5.74% (Previous Year 0.66% to 1.48%)

13.5 **Maturity Profile of Secured Term Loans are as set out below :**

(₹ in Lakh)

<b>Maturity Profile as at 31st March, 2023</b>				
	Maturity Profile		Non-Current	Current
	Above 5 years	1-5 years	Total	1 Year
<b>Term Loans- From Banks *</b>	-	1708 59.19	1708 59.19	446 97.74

(₹ in Lakh)

<b>Maturity Profile as at 31st March, 2022</b>				
	Maturity Profile		Non-Current	Current
	Above 5 years	1-5 years	Total	1 Year
<b>Term Loans- From Banks *</b>	-	2091 10.28	2091 10.28	216 80.48

\* Includes ₹ 11 88.67 lakh (Previous Year ₹ 15 33.82 lakh) as prepaid finance charges

Note : Term loan is repayable by 8 semi-annual instalments which started from March 2023.

**14 PROVISIONS - NON-CURRENT**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Provision for Employee Benefits (Refer Note 32)	1 22.38	116.55
<b>Total</b>	<u>1 22.38</u>	<u>116.55</u>



**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****15 BORROWINGS - CURRENT**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
<b>Unsecured - At Amortised Cost</b>		
Loan from Banks	-	70 00.00
Loan from Holding Company	<b>595 00.00</b>	-
<b>Secured- At Amortised Cost</b>		
Current maturities of long term debt	<b>446 97.74</b>	216 80.48
<b>Total</b>	<b><u>1041 97.74</u></b>	<b><u>286 80.48</u></b>

**16 TRADE PAYABLES DUE TO**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Micro and Small Enterprises	<b>1 88.66</b>	2 89.06
Other than Micro and Small Enterprises	<b>454 79.50</b>	409 04.78
<b>Total</b>	<b><u>456 68.16</u></b>	<b><u>411 93.84</u></b>

**16.1 Trade Payables Ageing as at 31st March, 2023:**

(₹ in Lakh)

Particulars	Not Due	Outstanding from due date of payment				Total
		< 1 year	1-2 year	2-3 year	> 3 year	
MSME	188.66	-	-	-	-	188.66
Others	45,479.50	-	-	-	-	45,479.50
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
<b>Subtotal</b>	<b>45,668.16</b>	-	-	-	-	<b>45,668.16</b>

**16.2 Trade Payables Ageing as at 31st March, 2022:**

(₹ in Lakh)

Particulars	Not Due	Outstanding from due date of payment				Total
		< 1 year	1-2 year	2-3 year	> 3 year	
MSME	2 89.06	-	-	-	-	2 89.06
Others	167 04.78	241 00.00	100.00	-	-	409 04.78
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
<b>Subtotal</b>	<b>169 93.84</b>	241 00.00	100.00	-	-	<b>411 93.84</b>

**16.3** There are no overdue amounts to Micro and Small Enterprises as at March 31, 2023 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****17 OTHER FINANCIAL LIABILITIES - CURRENT**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Interest accrued but not due on borrowings	4 22.00	1 44.46
Creditors for Capital Expenditure*	39 84.32	52 53.75
Fair Valuation of Derivatives	53 33.49	182 62.38
Others	2 15.66	1 82.12
<b>Total</b>	<b><u>99 55.47</u></b>	<b><u>238 42.71</u></b>

\* Includes for Micro and Small Enterprise ₹ 6 39.60 Lakhs (Previous year ₹ 9 91.17 Lakhs)

17.1 There are no overdue amounts to Micro and Small Enterprises as at March 31, 2023 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

**18 OTHER CURRENT LIABILITIES**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Contract Liabilities	5 26.64	16 72.90
Other Payables ^	29 81.46	28 30.38
<b>Total</b>	<b><u>35 08.10</u></b>	<b><u>45 03.28</u></b>

^ Includes statutory dues ₹ 29 79.21 Lakhs (Previous year ₹ 28 26.68 Lakhs)

**19 PROVISIONS - CURRENT**

(₹ in Lakh)

	As at <u>31st March, 2023</u>	As at <u>31st March, 2022</u>
Provision for Employee Benefits (Refer Note 32)	1 08.45	57.80
<b>Total</b>	<b><u>1 08.45</u></b>	<b><u>57.80</u></b>

20 Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts, hedge etc.

**21 OTHER INCOME**

(₹ in Lakh)

	<u>2022-23</u>	<u>2021-22</u>
<b>Interest Income</b>		
Interest from Deposits	26.46	-
Interest from Others	10.67	-
<b>Gain on Financial Assets measured at FVTPL</b>		
Realised Gain	115.09	-
Unrealised (loss)/gain	( 2.70)	-
<b>Other Non Operating Income</b>	16 97.71	-
<b>Total</b>	<b><u>18 47.23</u></b>	<b><u>-</u></b>

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023**

<b>22 Other Comprehensive Income</b>		(₹ in Lakh)
	<b>2022-23</b>	2021-22
<b>Items that will be reclassified to Profit and Loss</b>		
Cash Flow Hedge	(130 89.58)	-
<b>Items that will not be reclassified to Profit and Loss</b>		
Remeasurements of Defined Benefit Plan	( 25.96)	-
	<u>(131 15.54)</u>	<u>-</u>
<b>23 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>		(₹ in Lakh)
	<b>2022-23</b>	2021-22
<b>Inventories (at close)</b>		
Finished Goods / Stock-in-Trade	81 59.48	-
<b>Inventories (at commencement)</b>		
Finished Goods / Stock-in-Trade	-	-
<b>Total</b>	<u>(81 59.48)</u>	<u>-</u>
<b>24 EMPLOYEE BENEFITS EXPENSE</b>		(₹ in Lakh)
	<b>2022-23</b>	2021-22
Salaries and Wages	15 35.93	-
Contribution to Provident Fund and Other Funds	67.37	-
Staff Welfare Expenses	1 01.78	-
<b>Total</b>	<u>17 05.08</u>	<u>-</u>

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023**

(₹ in Lakh)

<b>25 FINANCE COSTS</b>	<u><b>2022-23</b></u>	<u><b>2021-22</b></u>
Interest Expenses*	57 48.27	-
Applicable loss on foreign currency transactions and translation	24 79.75	-
	<u>82 28.02</u>	<u>-</u>
*Net of interest capitalized Rs 15 19.75 Lakhs		
<b>26 OTHER EXPENSES</b>	<u><b>2022-23</b></u>	<u><b>2021-22</b></u>
(₹ in Lakh)		
<b>Manufacturing Expenses</b>		
Stores, Chemicals and Packing Materials	78 65.99	-
Electric Power, Fuel and Water	90 82.91	-
Labour Processing, Production Royalty and Machinery Hire Charges	4 27.56	-
Repairs to Building	35.95	-
Repairs to Machinery	13 70.68	-
Exchange difference (Net)	94.09	-
	<u>188 77.18</u>	<u>-</u>
<b>Selling and Distribution Expenses</b>		
Warehousing and Distribution Expenses	35 97.89	-
Other Selling and Distribution Expenses	10 10.83	-
	<u>46 08.72</u>	<u>-</u>
<b>Establishment Expense</b>		
Professional Fees	1 15.52	10.95
Rates & Taxes	3.61	-
Other Repairs	72.48	-
Rent Charges	38.01	-
General Expenses	3 53.42	-
Insurance	2 94.84	-
Travelling Expenses	1 61.34	-
Payment to Auditors (Refer Note 26.1)	5.58	7.35
Charity and Donation (Refer Note 26.2)	0.30	0.30
	<u>10 45.10</u>	<u>18.60</u>
<b>Total</b>	<u><u>245 31.00</u></u>	<u><u>18.60</u></u>

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023**

(₹ in Lakh)

**26.1 Payment to Auditors as:**

	<u>2022-23</u>	<u>2021-22</u>
(a) Fees as Auditors	3.09	5.40
(b) Tax Audit Fees	1.00	0.80
(c) Certification and Consultation Fees	1.30	1.15
(d) Out of Pocket Expense	0.19	-
<b>Total</b>	<u><u>5.58</u></u>	<u><u>7.35</u></u>

**26.2 Corporate Social Responsibility (CSR)**

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 is ₹ NIL (Previous Year ₹ 0.30 lakh ).

b) Expenditure related to Corporate Social Responsibility is ₹ 0.30 lakh (Previous Year ₹ 0.30 lakh).

**c) Details of amount spent towards CSR given below:**

	<u>2022-23</u>	<u>2021-22</u>
<b>Particulars</b>		
Rural Transformation	0.30	-
Healthcare	-	0.30
<b>Total</b>	<u><u>0.30</u></u>	<u><u>0.30</u></u>

d) Total ₹ 0.30 lakh for financial year 2022-23 (Previous Year ₹ 0.30 lakh) is spent through Reliance Foundation.

**Reliance Sibur Elastomers Private Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2023**

**27 TAXATION**

	Year ended <u>31st March, 2023</u>	(₹ in Lakh) Year ended <u>31st March, 2022</u>
<b>a) Tax Expense recognised in Statement of Profit and Loss</b>		
Current Tax	-	-
Deferred Tax	<u>(16 51.81)</u>	<u>( 4.68)</u>
<b>Total Income Tax expenses recognised in the current year</b>	<b><u>(16 51.81)</u></b>	<b><u>( 4.68)</u></b>

The Income Tax expenses for the year can be reconciled to the accounting profit / (loss) as follows

	Year ended <u>31st March, 2023</u>	(₹ in Lakh) Year ended <u>31st March, 2022</u>
Profit / (Loss) before tax	<b>(148 23.55)</b>	( 18.60)
Applicable Tax Rate	<b>25.168%</b>	25.168%
Computed Tax Expense	<b>(37 30.79)</b>	(4.68)
<b>Tax Effect of :</b>		
Others	<b>37 30.79</b>	4.68
<b>Current Tax Provision (A)</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Provision (B)</b>		
Incremental Deferred Tax Asset on account of Property, Plant and Equipment	<b>(4 84.08)</b>	(4.68)
Incremental Deferred Tax Asset on account of Financial Assets and Other items	<b>(11 67.73)</b>	-
<b>Tax expenses recognised in Statement of Profit and Loss (A+B)</b>	<b><u>(16 51.81)</u></b>	<b><u>( 4.68)</u></b>

**28 EARNINGS PER SHARE (EPS)**

	<u>2022-23</u>	<u>2021-22</u>
i) Face Value per Equity Share (₹)	<b>10.00</b>	10.00
ii) Basic and Diluted Earnings/ (Loss) per Share (₹)	<b>(0.56)</b>	(0.00)
iii) Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in lakh)	<b>(131 71.74)</b>	( 13.92)
iv) Weighted Average number of Equity Shares used as denominator for calculating EPS	<b>2,35,45,30,198</b>	2,35,45,30,198

**29 RELATED PARTIES DISCLOSURE**

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

i) List of Related Parties where control exists and also 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	Sibur Investments AG	Investing Entity
3	Shri Kanchan Chakrabarti (upto 21-07-2021)	Key Managerial Personnel
4	Shri Vaibhav Jha (from 22-07-2021)	Key Managerial Personnel
5	Shri Pankaj Dadhich	Key Managerial Personnel
6	Smt. Renuka Upadhyay (from 22-07-2021 to 19-01-2023)	Key Managerial Personnel
7	Smt. Janani Ashish (from 20-01-2023)	Key Managerial Personnel
8	Shri Dmitry Khrichenko (upto 27-04-2021 & from 01-08-2022)	Key Managerial Personnel
9	Reliance Retail Limited	Fellow Subsidiary
10	Reliance Petro Marketing Limited	Fellow Subsidiary
11	Sikka Ports & Terminals Limited	Holding's Associates
12	Jamnagar Utilities & Power Private Limited (Formerly known as Reliance Utilities and Power Private Limited)	Holding's Associates
13	Reliance Industrial Infrastructure Limited	Holding's Associates
14	Sibur International GmbH	Investing Entity's Subsidiary
15	Public Joint Stock Company Sibur	Investing Entity's Holding Company
16	Reliance Projects & Property Management Services Limited	Fellow Subsidiary
17	Reliance BP Mobility Limited	Fellow Subsidiary
18	Reliance Syngas Limited	Fellow Subsidiary
19	Reliance New Solar Energy Limited	Fellow Subsidiary
20	Reliance Jio Infocomm Limited	Fellow Subsidiary

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

ii) Transactions during the year with related parties									(₹ in Lakh)
Sr. No.	Nature of Transactions (Excluding Reimbursements)	Holding Company	Investing Entity	Key Managerial Personnel	Fellow Subsidiary	Holding's Associates	Investing Entity's Subsidiary	Investing Entity's Holding Company	Total
1	Short Term Unsecured Term Loan Received	<b>595 00.00</b>	-	-	-	-	-	-	<b>595 00.00</b>
		-	-	-	-	-	-	-	-
2	Purchase of Property, Plant and Equipment, Raw material & other expenses	<b>1127 53.77</b>	-	-	<b>1 98.38</b>	<b>100 39.61</b>	-	<b>2 25.07</b>	<b>1232 16.83</b>
		<i>779 75.06</i>	-	-	<i>5 77.88</i>	<i>80 21.94</i>	-	-	<i>865 74.88</i>
3	Guarantee Commission Expense	<b>2 29.91</b>	-	-	-	-	-	-	<b>2 29.91</b>
		<i>2 38.33</i>	-	-	-	-	-	-	<i>2 38.33</i>
4	Sale of Traded Goods, Project Materials & By-Products	<b>159 41.04</b>	-	-	<b>83.68</b>	<b>0.30</b>	-	-	<b>160 25.02</b>
		<i>35 08.33</i>	-	-	<i>6.70</i>	<i>14.15</i>	-	-	<i>35 29.18</i>
5	Sale of Products	-	-	-	-	-	<b>4 08.44</b>	-	<b>4 08.44</b>
		-	-	-	-	-	<i>2 00.61</i>	<i>2 02.97</i>	<i>4 03.58</i>
6	Purchase of Traded Goods	-	-	-	-	-	<b>62 40.30</b>	-	<b>62 40.30</b>
		-	-	-	-	-	-	-	-
7	Interest Expense	<b>19 26.78</b>	-	-	-	-	-	-	<b>19 26.78</b>
		-	-	-	-	-	-	-	-
8	Agency Commission Expense	<b>8 30.98</b>	-	-	-	-	-	<b>2 57.19</b>	<b>10 88.17</b>
		<i>11 76.70</i>	-	-	-	-	-	<i>5 05.89</i>	<i>16 82.59</i>
9	Payment to Key Managerial Personnel	-	-	<b>2 45.73</b>	-	-	-	-	<b>2 45.73</b>
		-	-	<i>1 59.41</i>	-	-	-	-	<i>1 59.41</i>

iii) Balances as at 31st March, 2023									(₹ in Lakh)
	Holding Company	Investing Entity	Key Managerial Personnel	Fellow Subsidiary	Holding's Associates	Investing Entity's Subsidiary	Investing Entity's Holding Company	Total	
1	Equity Share Capital	<b>1763 54.32</b>	<b>590 98.70</b>	-	-	-	-	<b>2354 53.02</b>	
	<i>1763 54.32</i>	<i>590 98.70</i>	-	-	-	-	-	<i>2354 53.02</i>	
2	Short Term Unsecured Term Loan	<b>595 00.00</b>	-	-	-	-	-	<b>59,500.00</b>	
	-	-	-	-	-	-	-	-	
3	Trade Payables & Other Liabilities	<b>403 13.99</b>	-	-	<b>5.51</b>	<b>886.31</b>	-	<b>412 39.38</b>	
	<i>351 45.50</i>	-	-	<i>13.42</i>	<i>736.53</i>	-	-	<i>358 95.45</i>	
4	Trade & Other Receivables	<b>7 47.59</b>	-	-	<b>6.29</b>	-	-	<b>7 53.88</b>	
	<i>10 02.12</i>	-	-	<i>7.91</i>	<i>2.17</i>	<i>98.78</i>	<i>29.78</i>	<i>11 40.76</i>	
5	Agency Commission Payable	-	-	-	-	-	-	-	
	<i>6 09.44</i>	-	-	-	-	-	-	<i>6 09.44</i>	
6	Performance Guarantee	<b>85 13.12</b>	<b>20 72.82</b>	-	-	-	-	<b>105 85.94</b>	
	<i>84 64.12</i>	<i>20 72.82</i>	-	-	-	-	-	<i>105 36.94</i>	
7	Corporate Guarantee	<b>2155 56.93</b>	-	-	-	-	-	<b>2155 56.93</b>	
	<i>2307 90.77</i>	-	-	-	-	-	-	<i>2307 90.77</i>	

Note: Figures in italic represents Previous Year's amounts.

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

## iv) Disclosure in Respect of Major Related Party Transactions during the year :

			(₹ in Lakh)	
Particulars	Relationship	2022-23	2021-22	
<b>1 Purchase of Property, Plant and Equipment, Raw material &amp; other expenses</b>				
Reliance Industries Limited	Holding Company	1127 53.77	779	75.06
Reliance Retail Limited	Fellow Subsidiary	5.48		2.83
Reliance Petro Marketing Limited	Fellow Subsidiary	-		.36
Reliance Projects & Property Management Services Limited	Fellow Subsidiary	1 09.24		475.74
Reliance BP Mobility Limited	Fellow Subsidiary	61.49		89.21
Reliance Syngas Limited	Fellow Subsidiary	11.17		-
Reliance Jio Infocomm Limited	Fellow Subsidiary	11.00		9.74
Sikka Ports & Terminals Limited	Holding's Associates	41.68		1 01.53
Jamnagar Utilities & Power Private Limited	Holding's Associates	99 87.90		78 98.28
Reliance Industrial Infrastructure Limited	Holding's Associates	10.03		22.13
Public Joint Stock Company Sibur	Investing Entity's Holding Company	2 25.07		-
<b>2 Sale of Project Materials &amp; By-products</b>				
Reliance Industries Limited	Holding Company	159 41.04	35	08.33
Sikka Ports & Terminals Limited	Holding's Associates	.30		14.15
Reliance Syngas Limited	Fellow Subsidiary	60.24		-
Reliance New Solar Energy Limited	Fellow Subsidiary	23.44		-
Reliance Petro Marketing Limited	Fellow Subsidiary	-		6.70
<b>3 Sale of Products</b>				
Sibur International GmbH	Investing Entity's Subsidiary	4 08.44		2 00.61
Public Joint Stock Company Sibur	Investing Entity's Holding Company	-		2 02.97
<b>4 Purchase of Traded Goods</b>				
Sibur International GmbH	Investing Entity's Subsidiary	62 40.30		-
<b>5 Payment to Key Managerial Personnel</b>				
Shri Kanchan Chakrabarti #	Key Managerial Personnel	-		44.83
Shri Vaibhav Jha #	Key Managerial Personnel	76.44		49.44
Shri Pankaj Dadhich#	Key Managerial Personnel	59.08		50.46
Smt. Janani Ashish#	Key Managerial Personnel	3.62		-
Smt. Renuka Upadhyay#	Key Managerial Personnel	22.18		14.69
Shri Dmitry Khrichenko	Key Managerial Personnel	84.41		-
<b>6 Interest Expense</b>				
Reliance Industries Limited	Holding Company	19 26.78		-
<b>7 Guarantee Commission Expense</b>				
Reliance Industries Limited	Holding Company	2 29.91		2 38.33
<b>8 Agency Commission Expense</b>				
Public Joint Stock Company Sibur	Investing Entity's Holding Company	2 57.19		5 05.89
Reliance Industries Limited	Holding Company	8 30.98		11 76.70
<b>9 Corporate Guarantee</b>				
Reliance Industries Limited	Holding Company	2155 56.93		2307 90.77

# Reimbursement to Holding Company towards Remuneration.

Transactions with related parties entities were made on prevailing arm's length price.

## 29.1 Compensation of Key Managerial Personnel

The remuneration of Director and other member of Key Managerial Personnel during the year was as follows :

			(₹ in Lakh)	
			2022-23	2021-22
i)	Short-term benefits		2 37.13	1 56.09
ii)	Post employment benefits		8.60	3.32
	<b>Total</b>		<b>2 45.73</b>	<b>1 59.41</b>

## 30 Contingent Liabilities and Commitments

(₹ in Lakh)

			As at	As at
			31st March, 2023	31st March, 2022
<b>A) Capital Commitments:</b>				
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for		55 15.38		78 19.07
<b>B) Contingent Liabilities</b>				
Gujarat Green Cess & Bond with Customs Authorities		95.18		60.97

31 Income Tax assessments of the Company have been completed up to Assessment Year 2020-21. There is no disputed demand outstanding up to the said Assessment Year.



**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023**

As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :

**32 Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

Particulars	(₹ in Lakh)	
	2022-23	2021-22
Employer’s Contribution to Provident Fund	44.48	33.94
Employer’s Contribution to Superannuation Fund	-	-
Employer’s Contribution to Pension Scheme	21.32	17.90

The Company’s Provident Fund is exempted under Section 17 of Employee’s Provident Fund and Miscellaneous Provisions Act, 1952.

**32.1 Defined Benefit Plan****I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation**

	(₹ in Lakh)	
	Gratuity (Un-Funded)	
	2022-23	2021-22
Defined Benefit Obligation at beginning of the year	119.35	113.11
Add: On Acquisition / Transfer	-	-
Current Service Cost	12.87	12.78
Interest Cost	8.46	7.86
Actuarial (Gain)/ Loss	25.96	( 12.72)
Benefits Paid	( 4.88)	( 1.68)
Defined Benefit Obligation at year end	1 61.76	1 19.35

**II. Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets**

	(₹ in Lakh)	
	Gratuity (Un-Funded)	
	2022-23	2021-22
Fair Value of Plan Assets at beginning of the year	-	-
Add: On Acquisition / Transfer	-	-
Return on Plan Assets	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at year end	-	-

**III. Reconciliation of Fair Value of Assets and Obligations**

	(₹ in Lakh)	
	Gratuity (Un-Funded)	
	2022-23	2021-22
Fair Value of Plan Assets	-	-
Present Value of Obligation	(1 61.76)	(1 19.35)
<b>Amount recognised in Balance Sheet [Surplus/(Deficit)]</b>	<b>(1 61.76)</b>	<b>(1 19.35)</b>

**IV. Expenses recognised / capitalised during the year**

	(₹ in Lakh)	
	Gratuity (Un-Funded)	
	2022-23	2021-22
<b>In Income Statement</b>		
Current Service Cost	12.87	12.78
Past Service Cost	-	-
Interest Cost	8.46	7.86
Return on Plan Assets	-	-
<b>Net Cost for the period</b>	<b>21.33</b>	<b>20.64</b>
<b>In Other Comprehensive Income</b>		
Actuarial (Gain)/ Loss	25.96	( 12.72)
Return on Plan Assets	-	-
<b>Net (Income)/ Expense for the period</b>	<b>25.96</b>	<b>( 12.72)</b>

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****V. Investment Details**

	31st March, 2023		31st March, 2022	
	₹ in Lakh	% Invested	₹ in Lakh	% Invested
Insurance Policies	-	-	-	-
GOI Securities	-	-	-	-
Public Securities	-	-	-	-

**VI. Actuarial Assumptions**

Mortality Table (IALM)	Gratuity (Un-Funded)	
	2022-23 2012-14 (Ultimate)	2021-22 2012-14 (Ultimate)
Discount Rate (per annum)	7.60%	7.09%
Rate of Escalation in Salary (per annum)	6.00%	6.00%
Rate of employee turnover (per annum)	3.00%	2.00%

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.

VII. The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2022-23.

**VIII. Sensitivity Analysis**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and (₹ in Lakh)

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Change in rate of discounting (Delta Effect of +/- 0.5%)	7.55	(6.88)	6.58	(5.96)
Change in rate of salary increase (Delta Effect of +/- 0.5%)	(7.01)	7.63	(6.05)	6.61
Change in rate of employee turnover (Delta Effect of +/- 0.5%)	(1.28)	1.18	(0.70)	0.64

These plans typically expose the Group to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

**Interest risk :** A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the

**Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of

**Salary risk:** The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

## 33 CAPITAL MANAGEMENT

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- Proactively manage exposure in forex and interest to mitigate risk to earnings.
- Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The capital structure of the company consists of net debt (borrowings as detailed in note 13 & note 15 offset by cash and cash equivalent) and total equity of the company.

**Net Gearing Ratio**

The Net Gearing ratio at end of the reporting year was as follows:-

	As at 31st March, 2023	As at 31st March, 2022
Gross Debt (A)	2738 68.26	2362 56.94
Cash and Marketable Securities (B)	15 87.67	24 18.76
Net Debt (C=A-B)	2722 80.59	2338 38.18
Total Equity [As per Balance Sheet] (D)	2125 79.50	2355 65.86
Net Gearing Ratio (C/D)	1.28	0.99

## 34 FINANCIAL INSTRUMENTS

## A. Fair Valuation Measurement Hierarchy

(₹ in Lakh)

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	Carrying amount	Level of Input used in			Carrying amount	Level of Input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
Trade Receivables	135 35.39	-	-	-	64 33.23	-	-	-
Cash and Cash Equivalents	3 15.11	-	-	-	1 13.25	-	-	-
Other Financial Assets	1 44.63	-	-	-	7 17.35	-	-	-
<b>At FVTPL</b>								
Investments	12 72.56	12 72.56	-	-	23 05.51	23 05.51	-	-
Other Financial Assets	-	-	-	-	5 94.72	-	5 94.72	-
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Borrowings	2738 68.26	-	-	-	2362 56.94	-	-	-
Trade Payables	456 68.16	-	-	-	411 93.84	-	-	-
Other Financial Liabilities	46 21.98	-	-	-	55 80.33	-	-	-
<b>At FVTPL</b>								
Other Financial Liabilities	53 33.49	-	53 33.49	-	182 62.38	-	182 62.38	-

The financial instruments are categorized into three 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.

**Level 3:** Inputs based on unobservable market data.

**Valuation Methodology**

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

- The fair value of investment in Mutual Funds is measured at NAV.
- The fair value of Interest Rate Swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of Forward Foreign Exchange contracts are determined using forward exchange rates at the balance sheet date.
- The carrying value of the remaining financial instruments is equivalent to fair value.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

**B. Financial Risk management**

The Company's activities expose it to Foreign currency risk, Interest rate risk, credit risk and liquidity risk. The Company uses derivatives financial instruments such as forward and swap contracts to minimise any adverse effect on its financial performance.

**Foreign Currency Risk**

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

The following table shows foreign currency exposures in USD, EUR and JPY on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

(₹ in Lakh)						
Foreign Currency Exposure						
	As at 31st March, 2023			As at 31st March, 2022		
	USD	Euro	JPY	USD	Euro	JPY
Borrowings*	967 86.24	-	1187 70.69	985 30.25	-	1322 60.51
Other Payables / Creditors	8 30.07	3 94.46	83.55	9 98.34	4 35.48	95.21
Trade and Other Receivables	(11 58.04)	-	-	(3 04.71)	-	-
<b>Derivatives</b>						
Forwards	1187 70.69	-	(1187 70.69)	1322 60.52	-	(1322 60.52)
Exposure	2152 28.96	3 94.46	83.55	2314 84.40	4 35.48	95.20

\* Includes ₹ 11 88.67 lakh (Previous Year ₹ 15 33.82 lakh) as prepaid finance charges.

Sensitivity analysis of 1% change in exchange rate at the end of reporting period

(₹ in Lakh)						
Foreign Currency Sensitivity						
	As at 31st March, 2023			As at 31st March, 2022		
	USD	Euro	JPY	USD	Euro	JPY
<b>1% Depreciation in INR</b>						
Impact on Equity	(21 52.29)	( 3.94)	(0.84)	(23 14.84)	( 4.35)	(0.95)
Impact on P&L	-	-	-	-	-	-
<b>1% Appreciation in INR</b>						
Impact on Equity	21 52.29	3.94	0.84	23 14.84	4.35	0.95
Impact on P&L	-	-	-	-	-	-

**Interest Rate Risk**

The exposure of the Company's borrowing and derivatives to interest rate changes at the end of the reporting period are as follows

(₹ in Lakh)						
Interest Rate Exposure						
	As at 31st March, 2023			As at 31st March, 2022		
	<b>Borrowings</b>					
Non-Current - Floating (Includes Current Maturities)*		2155 56.93			2307 90.76	
Current		595 00.00			70 00.00	
<b>Total</b>		2750 56.93			2377 90.76	
Derivatives - Interest Rate Swaps		-			549 49.56	

\* Includes ₹ 11 88.67 lakh (Previous Year ₹ 15 33.82 lakh) as prepaid finance charges.

Sensitivity analysis for 1% change in interest rate is given below :

(₹ in Lakh)						
Interest Rate Sensitivity						
	As at 31st March, 2023			As at 31st March, 2022		
	Up Move	Down Move		Up Move	Down Move	
Floating Rate Loans	(21 55.57)	21 55.57		(23 07.91)	23 07.91	
Interest Rate Swaps	-	-		8 42.88	(8 42.88)	
Impact on Equity	(21 55.57)	21 55.57		(14 65.03)	14 65.03	

**Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from its investment activities, derivative instruments and other financial assets. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through Letters of Credit, Bank Guarantees, Parent Company Guarantees and advance payments. The company restricts its fixed income investments in liquid securities carrying high credit rating.

**Liquidity Risk**

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments on due date. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Company accesses global financial markets to meet its liquidity requirements. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools.

Treasury monitors rolling forecasts of the company's cash flow position and ensures that the Company is able to meet its financial obligations at all times including contingencies.

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

(₹ in Lakh)

	Maturity Profile as at 31st March, 2023						Total
	Below 3 months	3-6 months	6-12 months	1-3 years	3-5 years	Above 5 years	
<b>Borrowings</b>							
Non-Current*	-	223 48.87	223 48.87	1038 12.58	670 46.61	-	2155 56.93
Current	70 00.00	300 00.00	225 00.00	-	-	-	595 00.00
<b>Total</b>	<b>70 00.00</b>	<b>523 48.87</b>	<b>448 48.87</b>	<b>1038 12.58</b>	<b>670 46.61</b>	<b>-</b>	<b>2750 56.93</b>
<b>Derivative Liabilities</b>							
Forwards	-	1187 70.69	-	-	-	-	1187 70.69
Interest Rate Swaps	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1187 70.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1187 70.69</b>

\* Includes ₹ 11 88.67 lakhs as prepaid finance charges

(₹ in Lakh)

	Maturity Profile as at 31st March, 2022						Total
	Below 3 months	3-6 months	6-12 months	1-3 years	3-5 years	Above 5 years	
<b>Borrowings</b>							
Non-Current*	-	-	216 80.48	867 21.94	1223 88.34	-	2307 90.76
Current	70 00.00	-	-	-	-	-	70 00.00
<b>Total</b>	<b>70 00.00</b>	<b>-</b>	<b>216 80.48</b>	<b>867 21.94</b>	<b>1223 88.34</b>	<b>-</b>	<b>2377 90.76</b>
<b>Derivative Liabilities</b>							
Forwards	-	1029 79.70	-	292 80.82	-	-	1322 60.52
Interest Rate Swaps	-	-	-	549 49.56	-	-	549 49.56
<b>Total</b>	<b>-</b>	<b>1029 79.70</b>	<b>-</b>	<b>842 30.38</b>	<b>-</b>	<b>-</b>	<b>1872 10.08</b>

\* Includes ₹ 15 33.82 lakhs as prepaid finance charges

## Cash Flow Hedge

## Hedging Instruments

(₹ in Lakh)

Particulars	Nominal Value	Carrying Assets	Amount Liabilities	Changes in Fair Value	Hedge Maturity	Line Item in Balance Sheet
<b>As at 31st March, 2023</b>						
<b>Foreign Currency Risk</b>						
Foreign Currency Risk Components - Borrowings	1648 33.53		1787 03.32	(138 69.64)	30th June, 2023 to 30th September, 2027	Non-Current Liabilities-Financial Liabilities-Borrowings
	Nominal Value	Carrying Assets	Amount Liabilities	Changes in Fair Value	Hedge Maturity	Line Item in Balance Sheet
<b>As at 31st March, 2022</b>						
<b>Foreign Currency Risk</b>						
Foreign Currency Risk Components - Borrowings						

## Hedged Items

(₹ in Lakh)

Particulars	Nominal Value	Changes in Fair Value	Hedge Reserve	Line Item in Balance Sheet
<b>As at 31st March, 2023</b>				
<b>Foreign Currency Risk</b>				
Highly Probable Forecasted Exports	1648 33.53	138 69.64	(130 89.58)	Other Equity
Particulars	Nominal Value	Changes in Fair Value	Hedge Reserve	Line Item in Balance Sheet
<b>As at 31st March, 2022</b>				
<b>Foreign Currency Risk</b>				
Highly Probable Forecasted Exports				

## Reliance Sibur Elastomers Private Limited

## Notes to the Financial Statements for the year ended 31st March, 2023

## Movement in Cash Flow Hedge

(₹ in Lakh)

Particulars	2022-23	2021-22	Line Item in Balance Sheet / Statement of Profit and Loss
At the beginning of the year	-	-	
Gain/ (loss) recognised in Other Comprehensive Income during the year	(138 69.64)	-	Items that will be reclassified to Profit & Loss
Amount reclassified to Profit and Loss during the year	7 80.06	-	Value of Sale
At the end of the year	<b>(130 89.58)</b>	-	Other Comprehensive Income

## 35 Ratio Analysis:

Sr	Particulars	2022-23	2021-22	% Change	Comment
1	Current Ratio	0.42	0.62	-32.46	Ratio has decreased due increase in current liabilities mainly due to reclassification of Current Maturities of Long Term Borrowing, Short Term Loan and Trade payable.
2	Debt-Equity Ratio	1.29	1.00	28.45	Ratio has increased due to increase in debt
3	Debt Service Coverage Ratio	-0.22	-	NA*	
4	Return on Equity Ratio	-5.88%	-	NA*	
5	Inventory Turnover Ratio	11.17	-	NA*	
6	Trade Receivables Turnover Ratio	12.64	-	NA*	
7	Trade Payables Turnover Ratio	2.42	-	NA*	
8	Net Capital Turnover Ratio	-1.33	-	NA*	
9	Net Profit Ratio	-10.44%	-	NA*	
10	Return on Capital Employed	-2.06%	-	NA*	
11	Return on Investment	7.46%	-	NA*	

\* Ratio was not applicable last year since the Company has started commercial production from Financial Year 2022-23.

## 35.1 Formulae for computation of ratios are as follows:

Sr	Particulars	Formula
1	Current Ratio	Current Assets / Current Liabilities
2	Debt-Equity Ratio	Total Debt / Total Equity
3	Debt Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items / (Interest Expense + Principal Repayments made during the period for long term loans)
4	Return on Equity Ratio	Profit After Tax / Average Net Worth
5	Inventory Turnover Ratio	Cost of Goods Sold (Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses) / (Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade )
6	Trade Receivables Turnover Ratio	Value of Sales & Services / Average Trade Receivables
7	Trade Payables Turnover Ratio	Cost of Materials Consumed (after adjustment of Inventory other than Finished Goods) + Purchases of Stock-in-Trade + Other Expenses / Average Trade Payables
8	Net Capital Turnover Ratio	Value of Sales & Services / Working Capital (Current Assets - Current Liabilities)
9	Net Profit Ratio	Profit After Tax (after exceptional items) / Value of Sales & Services
10	Return on Capital Employed	Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income / Average Capital Employed**
11	Return on Investment	Other Income (Excluding Dividend & Non-Operating Income) / Average Cash, Cash Equivalents & Other Marketable Securities

\*\* Capital employed includes Equity, Borrowings, Creditor for Capital Expenditure and reduced by Deferred Tax Assets, Investments, Cash and Cash Equivalents and Capital Work-in-Progress

36 The Company's activities during the financial year revolve around the Butyl Rubber and setting-up of Halo Butyl Rubber Plant ('Project'). The Chief Operating Decision Maker (being the Board and executive officers of the Company), who is responsible for allocating resources and assessing performance obtains and reviews financial information, considering the Project as a single operation. Accordingly, the Company has single reportable segment under Indian Accounting Standard 108 "Operating Segments".

**Reliance Sibur Elastomers Private Limited****Notes to the Financial Statements for the year ended 31st March, 2023****37 Other Statutory Information**

- (i) There were no balances outstanding with struck off companies as per section 248 of the Companies Act, 2013.
- (ii) The Company does not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

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

**39 APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved for issue by the Board of Directors at its meeting held on 19th April, 2023.

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For D T S & Associates LLP  
Chartered Accountants  
(Registration No. 142412W/W100595)

Parimal Kumar Jha  
Partner  
Membership No. 124262

**Dated : 19th April, 2023**

**For and on behalf of the Board**

Pawan Kumar Kapil  
DIN: 02460200

Sudhakar Saraswatula  
DIN: 00001330

Ajay Shah  
DIN: 03613030

Virendra Rathod  
DIN: 05357880

Vadim Lishchinskiy  
DIN: 06402449

Mohana V  
DIN: 08333092

Puneet Madan  
DIN: 08792455

Dhiren Dalal  
DIN: 01218886

Shiv Kumar Bhardwaj  
DIN: 00001584

Director

Independent Director

Dmitry Khrichenko - Whole Time Director  
DIN: 07438565

Pankaj Dadhich - Chief Financial Officer

Vaibhav Jha - Chief Executive Officer

Janani Ashish - Company Secretary