

**RELIANCE CHEMICALS AND MATERIALS LIMITED**

**FINANCIAL STATEMENTS**

**2023-2024**

# Independent Auditor's Report

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **RELIANCE CHEMICALS AND MATERIALS LIMITED**

### Report on Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Reliance Chemicals and Materials Limited ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the Material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the period ended on that date.

#### Basis for Opinion

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

#### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the Financial Statements and our auditors' 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.

## Independent Auditor's Report

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.

### **Management Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and 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 implementation and maintenance of 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, the 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 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

## Independent Auditor's Report

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced.

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.



## Independent Auditor's Report

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) Order, 2020, issued by the Central Government in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as "the Order"), we give in "**Annexure B**" 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 the Statement of 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 prescribed 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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 Financial Statements of the Company of the Company with reference to these financial statements and the operating effectiveness of such controls, refer our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls with reference to Financial Statements of the Company with reference to these financial statements;
  - g) In our opinion and to the best of our information and according to the

## Independent Auditor's Report

explanations given to us, the remuneration paid/provided by the Company to its Key Managerial Person during the year is in accordance with the provisions of Section 197 of the Act 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 and as represented by the management:
- i. The Company does not have any pending litigations which would have an impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note no. 27 of notes to account, 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 persons or entities, 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) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note No. 27 of notes to account, 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;
    - c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2)(h)(iv)(a) & (b) contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the period.

## Independent Auditor's Report

- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

### **For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

### **Sandesh Ladha**

Partner

Membership No.: 047841

UDIN: 24047841BKCAIL2023

Place: Mumbai

Date: April 17, 2024

# Independent Auditor's Report

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF REIANCE CHEMICALS AND MATERIALS LIMITED**

(Referred to in paragraph 2(f), under the heading 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

### **Report on the Internal Financial Controls with reference to Financial Statements of the Company 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 the Company of **Reliance Chemicals and Materials Limited ("the Company")** as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Financial Statements of the Company was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls with reference to Financial

## Independent Auditor's Report

Statements of the Company included obtaining an understanding of Internal Financial Controls with reference to Financial Statements of the Company, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to Financial Statements of the Company**

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements of the Company**

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements of the Company, 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 of the Company to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such Internal Financial Controls with reference to

## Independent Auditor's Report

Financial Statements of the Company were operating effectively as at 31st March, 2024, 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 Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

### **Sandesh Ladha**

Partner

Membership No.: 047841

UDIN: 24047841BKCAIL2023

Place: Mumbai

Date: April 17, 2024

## Independent Auditor's Report

### **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE CHEMICALS AND MATERIALS LIMITED**

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

- i. In respect of its fixed assets:
  - a.
    - A. Based on the audit procedures performed and as per the information and explanations provided to us, we report that the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - B. As per the information and explanations provided to us, the Company does not have any intangible asset as at end of the reporting period. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the Order is not applicable to the Company.
  - b. Property, Plant and Equipment were physically verified by the management in accordance with a programme of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. As per the information and explanations provided to us, there are no immovable properties in the name of the Company. Therefore, reporting under Clause (i)(c) of Paragraph 3 of the order is not applicable to the Company.
  - d. As per the information and explanations provided to us, and the books of account and records examined by us, the Company has not revalued its Property, Plant and Equipment during the year.
  - e. As per the information and explanations available with us, no proceedings have been 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) According to the information and explanations given to us, in our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.
  - b) As per the information and explanations given to us and books of account and records examined by us, no working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets has been sanctioned. Therefore, clause (ii) (b) of Paragraph 3 of the Order is not applicable to the Company.

## Independent Auditor's Report

- iii. With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties:
  - a) As per the information and explanations given to us and books of account and records examined by us, during the year the Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties.
  - b) In our opinion and according to information and explanations given to us and on the basis of our audit procedures, the investments made by the Company are not prejudicial to Company's interest. The Company has not provided any guarantees or given security and has not granted any loans or advances in the nature of loans during the year.
  - c) In our opinion and according to information and explanation given and records examined by us, the Company has not granted any loans during the year and therefore the provisions of sub-clause (c), (d) ,(e) and (f) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. The Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, during the period to parties covered under Section 185 and 186 of the Companies Act, 2013 ("the Act"). Therefore, the provisions of Clause (iv) of Paragraph 3 of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. To our opinion and according to the information and explanations given to us, the requirements for maintenance of cost records by the Company pursuant to Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government under Section 148 of the Act is not applicable to the Company for the year under audit.
- vii. In respect of statutory dues:
  - a) According to the records of the Company examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, whichever is applicable, have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in



## Independent Auditor's Report

respect of the aforesaid dues were outstanding as at March 31, 2024 for a period of more than six months from the date of becoming payable.

- b) According to the information and explanation given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited as on 31<sup>st</sup> March, 2024, on account of disputes.
- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the period.
- ix.
- a. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company does not have any loans or other borrowings and therefore the provisions of Clause (ix)(a) of Paragraph 3 of the Order are not applicable to the Company.
  - b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
  - c. According to the information and explanations provided to us, the Company has not raised any term loans, therefore the provisions of Clause (ix)(c) of Paragraph 3 of the Order are not applicable to the Company.
  - 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. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, associates or joint ventures, therefore the provisions of Clause (ix)(e) of Paragraph 3 of the Order are not applicable to the Company.
  - f. According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries, associates or joint ventures, therefore the provisions of Clause (ix)(f) of Paragraph 3 of the Order are not applicable to the Company.
- x.
- a. In our opinion and according to the information and explanations given to us, the company has utilized the money raised by way of rights issue for the purposes for which they were raised.
  - b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year under review. Consequently, the clause 3(x)(b) of the order is not applicable.

## Independent Auditor's Report

- xi.
  - a. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period.
  - b. According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by us or by any other auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - c. The Company is not required to have Whistle Blower Mechanism under applicable rules and regulation. Further, as represented to us by the management, there are no whistle blower complaints received by the Company during the period.
- xii. In our opinion, the Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, to the extent applicable and details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.
- xv. According to the information and explanations given to us, during the period, the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence the provisions of Section 192 of the Act are not applicable to the Company.
- xvi.
  - a. To the best of our knowledge and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - b. In our opinion and according to information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934.
  - c. In our opinion and according to information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - d. The Group does not have any Core Investment Company (CIC) as per the definition of Group contained in the Core Investment Companies (Reserve Bank)

## Independent Auditor's Report

Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.

- xvii. In our opinion and according to the information and explanations given to us, the Company has incurred cash losses amounting to Rs. 74.34 lakhs (Previous Year – Rs. 299.92 lakhs) during the period under audit.
- xviii. There has been no resignation of the statutory auditors during the period. Therefore, the reporting under Clause (xviii) of Paragraph 3 of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note 24 of notes to account, 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. According to the information and explanations provided to us and as per Section 135 of the Act, the Company is not required to comply with the CSR requirements. Accordingly, reporting under Clause (xx) of Paragraph 3 of the Order is not applicable.

### **For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/W100355

### **Sandesh Ladha**

Partner

Membership No.: 047841

UDIN:24047841BKCAIL2023

Place: Mumbai

Date: April 17, 2024

**Reliance Chemicals and Materials Limited**  
**Balance Sheet as at 31st March, 2024**

	Note	(Rs in lakh)	
		As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	1	11,375.23	-
Capital Work-in-Progress	1	16,707.51	5,217.98
Financial Assets			
Other Financial Assets	2	146.54	0.10
Deferred Tax Assets (Net)	3	17.27	-
Other Non- Current Assets	4	1,455.62	1,920.65
<b>Total Non Current Assets</b>		<b><u>29,702.17</u></b>	<b><u>7,138.73</u></b>
<b>CURRENT ASSETS</b>			
Inventories	5	234.87	-
Financial Assets			
Trade Receivables	6	75.87	-
Cash and Cash Equivalents	7	310.23	17.22
Other Current Assets	8	3,277.04	332.29
<b>Total Current Assets</b>		<b><u>3,898.01</u></b>	<b><u>349.51</u></b>
<b>Total Assets</b>		<b><u><u>33,600.18</u></u></b>	<b><u><u>7,488.24</u></u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	9	28,703.00	4,801.00
Other Equity	10	(387.87)	(299.92)
<b>Total Equity</b>		<b><u>28,315.13</u></b>	<b><u>4,501.08</u></b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables Due to:	11		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		2.28	0.54
Other Financial Liabilities	12	5,154.41	2,687.39
Other Current Liabilities	13	123.76	299.23
Provisions	14	4.60	-
<b>Total Current Liabilities</b>		<b><u>5,285.05</u></b>	<b><u>2,987.16</u></b>
<b>Total Liabilities</b>		<b><u><u>5,285.05</u></u></b>	<b><u><u>2,987.16</u></u></b>
<b>Total Equity and Liabilities</b>		<b><u><u>33,600.18</u></u></b>	<b><u><u>7,488.24</u></u></b>

Material Accounting Policies **A-C**  
See accompanying Notes to the Financial **1 to 30**  
Statements

**Reliance Chemicals and Materials Limited**

As per our Report of even date

For and on behalf of the board

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

**Sandesh Ladha**

Membership No: 047841

Date : 17th April, 2024

**Rajkumar Mullick**

Director

DIN:06530175

**Sanjiv Singh**

Director

DIN:05280701

**Pravin Kumar Jain**

Chief Financial Officer

**Jigar Sunilbhai Desai**

Manager

**Nikhil Sudhir Pale**

Company Secretary

**Reliance Chemicals and Materials Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2024**

	Note	(Rs in lakh)	
		2023-24	2nd November'2022 to 31st March'2023
<b>INCOME</b>			
Value of Sales		62.60	-
Income from Services		-	-
<b>Value Of Sales &amp; Services (Revenue)</b>		<b>62.60</b>	<b>-</b>
Less: GST Recovered		7.19	-
<b>Revenue From Operations</b>	<b>15</b>	<b>55.41</b>	<b>-</b>
Other Income	<b>16</b>	-	0.04
<b>Total Income</b>		<b>55.41</b>	<b>0.04</b>
<b>EXPENSES</b>			
Cost of Material Consumed		80.69	
Purchase of Stock-in-trade		-	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade		(15.75)	
Employee Benefits Expense		-	
Finance Costs	<b>17</b>	0.00	-
Depreciation Expense		30.88	-
Other Expenses	<b>18</b>	64.81	299.96
<b>Total Expenses</b>		<b>160.63</b>	<b>299.96</b>
<b>Profit/(Loss) Before Exceptional items &amp; Tax</b>		<b>(105.22)</b>	<b>(299.92)</b>
Exceptional item (Net of tax)		-	-
<b>Profit/(Loss) Before Tax</b>		<b>(105.22)</b>	<b>(299.92)</b>
<b>Tax Expenses:</b>			
Current Tax	<b>3</b>	-	-
Deferred Tax	<b>3</b>	(17.27)	-
Excess current tax provision for earlier year reversed		-	-
<b>Profit/(Loss) for the period</b>		<b>(87.95)</b>	<b>(299.92)</b>
<b>Other Comprehensive Income</b>			
a) Items that will not be reclassified to Profit or Loss		-	-
b) Items that will be reclassified to Profit or Loss		-	-
Sub Total		-	-
<b>Total Comprehensive Income</b>		<b>(87.95)</b>	<b>(299.92)</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>	<b>19</b>		
<b>Basic &amp; Diluted EPS(in Rs.)</b>		<b>(0.05)</b>	<b>(0.62)</b>
Material Accounting Policies	<b>A-C</b>		
See accompanying Notes to the Financial Statements	<b>1 to 30</b>		

**Reliance Chemicals and Materials Limited**

As per our Report of even date

For and on behalf of the board

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

**Sandesh Ladha**

Membership No: 047841

Date : 17th April, 2024

**Rajkumar Mullick**

Director

DIN:06530175

**Sanjiv Singh**

Director

DIN:05280701

**Pravin Kumar Jain**

Chief Financial Officer

**Jigar Sunilbhai Desai**

Manager

**Nikhil Sudhir Pale**

Company Secretary

Reliance Chemicals and Materials Limited  
Statement of Changes in Equity for the year ended 31st March, 2024

A Equity Share Capital

(Rs in lakh)				
Equity Shares outstanding as at 2nd November,2022	Changes during the period	Balance as at 31st March,2023	Changes during the year 23-24	Balance as at 31st March, 2024
1.00	4,800.00	4,801.00	23,902.00	28,703.00

B Other Equity

Reserves and Surplus

(Rs in lakh)		
Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April,2023	(299.92)	-
Add: Share Capital Money received during the period	-	-
Less: Share capital Alloted during the period	-	-
Total Comprehensive Income for the period	(87.95)	(87.95)
Transferred to/(from) Retained Earnings	-	-
<b>Balance as at 31st March, 2024</b>	<b>(387.87)</b>	<b>(387.87)</b>

Reserves and Surplus

(Rs in lakh)			
Application Money pending Allotment	Retained Earnings	Other Comprehensive Income	Total
Balance as at 2nd November,2022	-	-	-
Add: Share Capital Money received during the period	4801	-	4,801.00
Less: Share capital Alloted during the period	(4,801)	-	(4,801.00)
Total Comprehensive Income for the period	-	(299.92)	(299.92)
Transferred to/(from) Retained Earnings	-	-	-
<b>Balance as at 31st March 2023</b>	<b>-</b>	<b>(299.92)</b>	<b>(299.92)</b>



**Reliance Chemicals and Materials Limited**

As per our Report of even date

For and on behalf of the board

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720WW/100355

**Sandesh Ladha**

Membership No: 047841

Date : 17th April, 2024

**Rajkumar Mullick**

Director

DIN:06530175

**Sanjiv Singh**

Director

DIN:05280701

**Pravin Kumar Jain**

Chief Financial Officer

**Jigar Sunilbhai Desai**

Manager

**Nikhil Sudhir Pale**

Company Secretary

**Reliance Chemicals and Materials Limited**  
**Cash Flow Statement for the year ended 31st March, 2024**

	(Rs in lakh)	
	2023-24	2nd November'2022 to 31st March'2023
<b>A: Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) before tax as per Statement of Profit &amp; Loss</b>	(105.22)	(299.92)
<b>Adjusted for :</b>		
Depreciation Expense	30.88	
Finance Costs	0.00	
	<b>30.88</b>	-
	<u>(74.34)</u>	<u>(299.92)</u>
<b>Operating Profit/(Loss) before Working Capital Changes</b>		
<b>Adjusted for:</b>		
Trade and Other Receivables	(2,700.35)	(2,253.04)
Inventories	(234.87)	-
Trade and Other Payables	2,297.89	2,987.16
	<b>(637.33)</b>	<b>734.12</b>
<b>Cash Generated from Operations</b>	<b>(711.67)</b>	<b>434.20</b>
Net Taxes (Paid) / Refunds	<b>(1.68)</b>	-
<b>Net Cash from/ (used in) Operating Activities</b>	<b>(713.35)</b>	<b>434.20</b>
<b>B: Cash Flow from Investing Activities</b>		
Purchase of tangible and intangible assets	(22,895.64)	(5,217.98)
<b>Net Cash from/ (used in) Investing Activities</b>	<b>(22,895.64)</b>	<b>(5,217.98)</b>
<b>C: Cash Flow From Financing Activities</b>		
Proceeds from Issue of Equity Share Capital	23,902.00	4,801.00
<b>Net Cash from/ (used in) Financing Activities</b>	<b>23,902.00</b>	<b>4,801.00</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>293.01</b>	<b>17.22</b>
<b>Opening balance of Cash and Cash equivalents</b>	<b>17.22</b>	-
<b>Closing balance of Cash and Cash equivalents (Refer Note 7)</b>	<b>310.23</b>	<b>17.22</b>

The Company has recognized Negative Figures in bracket which represent Cash Outflow.

**Reliance Chemicals and Materials Limited**

As per our Report of even date

For and on behalf of the board

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

**Sandesh Ladha**

Membership No: 047841

Date : 17th April, 2024

**Rajkumar Mullick**

Director

DIN:06530175

**Sanjiv Singh**

Director

DIN:05280701

**Pravin Kumar Jain**

Chief Financial Officer

**Jigar Sunilbhai Desai**

Manager

**Nikhil Sudhir Pale**

Company Secretary

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

**A. CORPORATE INFORMATION**

Reliance Chemicals and Materials Limited (“the Company”) is an unlisted entity Incorporated in India having CIN U24304MH2022PLC392999. The company is an executing entity of the Oil to Chemical growth project of its Ultimate Holding Company .

The registered office of the Company is located at 9th Floor, Maker chambers IV, 222, Nariman point Mumbai, Mumbai City, MH-400021, India.

The objects of the company are to carry on the business of manufacturing of all types of petro-chemicals, Vinyls, Hydrogen & its derivatives, Rare & Industrial gases, Bio energy products & carbon fibre.

**B. Material Accounting Policies**

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

The Financial Statements have been prepared on the historical cost basis.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013,(as amended from time to time) and Presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Company’s financial statements are presented in Indian Rupees (Rs.), which is also its functional currency and all values are rounded to the nearest lakh ( ` ,00,000), except when otherwise indicated.

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

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

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification considering an operating cycle of 12 months being the time elapsed between deployment of resources and the realisation in cash and cash equivalents there-against.

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

Property, 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. In case of land the Company has availed fair value as deemed cost on the date of transition to Ind AS.

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 based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013.

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.

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

**(c) Leases**

For Low-Value and Short Term leases, the Company recognise the lease payments as an operating expenses on a straight line basis over the lease term.

**(d) Cash and Cash Equivalents**

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

**(e) 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 Reliasable Cost.

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

**(f) 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.

**(g) 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.

**(h) Tax Expenses**

The tax expenses for the period comprises of current tax and deferred income tax. The Company exercises judgement in computation of current tax considering the relevant rulings and reassesses the carrying amount of deferred tax assets at the end of each reporting period.

**(i) 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 capitalised as cost of assets.

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

**(j) 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 or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

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 recognised when it becomes unconditional.

**(k) Financial Instruments**

**i. Financial Assets**

All financial assets and liabilities are initially recognised and measured at fair value and in case of borrowings, net of directly attributable cost

Purchase and Sale of Financial Assets and Financial Liabilities are recognised using trade date accounting.

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

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

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

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit or 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.

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

**ii. Financial Liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method other than those measured at Fair Value through Profit or Loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are determined to approximate fair value due to the short maturity of these instruments.

**iii. Off setting**

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.

**C. Critical accounting judgements and key sources of estimation uncertainty:**

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

**a) Property Plant and Equipment (Including Capital work in progress)**

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 are depreciated over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

**b) Provisions:**

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 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) Fair Value Measurement**

For estimates relating to fair value of financial instruments refer note 23 of financial statements.

Reliance Chemicals and Materials Limited  
Notes to the Financial Statements for the year ended 31st March, 2024

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

(Rs in lakh)

Description	Gross block				Depreciation			Net block		
	As at 1st April, 2023	Additions / Adjustments	Deductions	As at 31st March, 2024	As at 1st April, 2023	For the year*	Deletion	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
<b>(i) Property, Plant &amp; Equipment</b>										
<b>Own Assets:</b>										
Buildings#	-	1,751.81	-	<b>1,751.81</b>	-	<b>11.01</b>	-	<b>11.01</b>	<b>1,740.80</b>	-
Plant and Machinery#	-	8,618.66	-	<b>8,618.66</b>	-	<b>16.62</b>	-	<b>16.62</b>	<b>8,602.04</b>	-
Equipment	-	79.98	-	<b>79.98</b>	-	<b>0.41</b>	-	<b>0.41</b>	<b>79.57</b>	-
Electrical Installations	-	844.76	-	<b>844.76</b>	-	<b>4.28</b>	-	<b>4.28</b>	<b>840.48</b>	-
Furniture and Fixtures	-	1.83	-	<b>1.83</b>	-	<b>0.01</b>	-	<b>0.01</b>	<b>1.82</b>	-
Vehicles	-	116.25	-	<b>116.25</b>	-	<b>5.73</b>	-	<b>5.73</b>	<b>110.52</b>	-
<b>Total (i)</b>	-	<b>11,413.29</b>	-	<b>11,413.29</b>	-	<b>38.06</b>	-	<b>38.06</b>	<b>11,375.23</b>	-
Previous period	-	-	-	-	-	-	-	-	-	-
<b>Capital Work-in-Progress</b>									<b>16,707.51</b>	<b>5,217.98</b>

\*Depreciation/ Amortisation and Depletion Expense for the year includes depreciation of 7.18 lakhs (Previous period Nil) capitalised during the year. Thus, the net amount considered in Statement of Profit and Loss related to continuing operations is Rs. 30.88 Lakhs (Previous period Nil).

#Buildings and Plant & Machineries, which are constructed on lands taken on lease by the Company having a cancellable clause.

1.1 Capital Work-in-Progress includes Rs.2988.22 lakhs (previous period Rs.17.15 lakhs) on account of Capital Goods Inventory at site.

1.2 Capital Work-in-Progress includes Project Development Expenditure Rs.366.37 lakhs (Previous period Nil)

**1.3 Capital Work-in-Progress (CWIP)**

**(a) Aging schedule as at 31st March, 2024:**

(Rs in lakh)

CWIP	Amount in CWIP for period of				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
Projects in Progress	11,544.70	5,162.81	-	-	16,707.51
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>11,544.70</b>	<b>5,162.81</b>	-	-	<b>16,707.51</b>

**(b) Aging schedule as at 31st March,2023:**

(Rs in lakh)

CWIP	Amount in CWIP for period of				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
Projects in Progress	5,217.98	-	-	-	5,217.98
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>5,217.98</b>	-	-	-	<b>5,217.98</b>

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.



Reliance Chemicals and Materials Limited  
Notes to the Financial Statements for the year ended 31st March, 2024

		(Rs in lakh)	
		As at	As at
		31st March, 2024	31st March, 2023
2. Other Financial Assets - Non-Current			
Security Deposits		146.54	0.10
	<b>Total</b>	<b>146.54</b>	<b>0.10</b>

		(Rs in lakh)	
		As at	As at
		31st March, 2024	31st March, 2023
3. Deferred Tax Asset (Net)			
At the start of the year		-	-
(Charge)/credit to profit or loss		17.27	-
<b>At the end of year</b>		<b>17.27</b>	<b>-</b>

Components of Deferred tax (Liabilities)/Assets

				(Rs in lakh)
	At the start of the year	(Charge)/credit to profit or loss	Charge to other comprehensive income	At the end of year
<b>Deferred tax (liabilities) / Asset in relation to:</b>				
Property, plant and equipment	-	(141.34)	-	(141.34)
Carried forward loss/Adjustment	-	158.61	-	158.61
	-	<b>17.27</b>	-	<b>17.27</b>

		(Rs in lakh)	
		As at	As at
		31st March, 2024	31st March, 2023
4. Other Non Current Assets			
Advance of Income tax(Net of Provisions)		1.68	-
Capital Advances		1,453.94	1,920.65
	<b>Total</b>	<b>1,455.62</b>	<b>1,920.65</b>

		(Rs in lakh)	
		As at	As at
		31st March, 2024	31st March, 2023
5. Inventories			
Raw Materials		160.08	-
Finished Goods		20.57	-
Stores & Spares		54.22	-
	<b>Total</b>	<b>234.87</b>	<b>-</b>

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

		(Rs in lakh)	
		<b>As at</b>	<b>As at</b>
		<b>31st March, 2024</b>	<b>31st March, 2023</b>
<hr/>			
Trade Receivables		75.87	-
	<b>Total</b>	<b>75.87</b>	<b>-</b>
		<hr/> <hr/>	

**6.1 Trade Receivables Ageing**  
**As at 31st March, 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1- 2 year	2-3 year	More than 3 year	
Undisputed Trade receivables – considered good	63.64	12.23	-	-	-	-	75.87
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>63.64</b>	<b>12.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75.87</b>

**6.2 Trade Receivables Ageing**  
**As at 31st March, 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1- 2 year	2-3 year	More than 3 year	
Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**7. Cash and Cash Equivalents**

		(Rs in lakh)	
		<b>As at</b>	<b>As at</b>
		<b>31st March, 2024</b>	<b>31st March, 2023</b>
<hr/>			
<b>Balances with Banks :</b>			
In Current Accounts		310.23	17.22
<b>Cash and cash equivalents as per Balance Sheet</b>		<b>310.23</b>	<b>17.22</b>
<b>Cash and cash equivalents as per Cash Flow Statement</b>		<b>310.23</b>	<b>17.22</b>
		<hr/> <hr/>	

**8. Other Current Assets**

		(Rs in lakh)	
		<b>As at</b>	<b>As at</b>
		<b>31st March, 2024</b>	<b>31st March, 2023</b>
<hr/>			
Balance with Customs, Central Excise, GST and State Authorities		3,276.49	332.29
Advance to Vendors		0.03	-
Others*		0.52	-
	<b>Total</b>	<b>3,277.04</b>	<b>332.29</b>
		<hr/> <hr/>	

\*Others includes advance to employees

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

(Rs in lakh)

**9. Share Capital**

		<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
<b>Authorised Share Capital:</b>			
<b>1,00,00,00,000</b>	Equity Shares of Rs.10 each	100,000.00	100,000.00
<i>(1,00,00,00,000)</i>			
<b>Total</b>		<b>100,000.00</b>	<b>100,000.00</b>
<b>Issued, Subscribed and Paid-Up Share Capital:</b>			
<b>Fully paid-up</b>			
<b>28,70,30,000</b>	Equity Shares of Rs.10 each	28,703.00	4,801.00
<i>(4,80,10,000)</i>			
<b>Total</b>		<b>28,703.00</b>	<b>4,801.00</b>

Note : Figures in Italic represents Previous period's amount.

9.1 Reliance Projects & Property Management Services Limited, the Holding Company, along with its nominees holds 28,70,30,000 fully paid up Equity Shares.

**9.2 The details of Shareholders holding more than 5% shares :**

<b>Name of the Shareholders</b>	<b>As at 31st March, 2024</b>		<b>As at 31st March, 2023</b>	
	<b>No. of Shares</b>	<b>% held</b>	<b>No. of Shares</b>	<b>% held</b>
Reliance Projects & Property Management Services Limited	28,70,30,000	100	4,80,10,000	100

**9.3 Reconciliation of opening and closing number of shares**

<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
	No. of shares	No. of shares
Equity Shares outstanding at the beginning of the year	4,80,10,000	10,000
Add: Equity Shares issued during the year	23,90,20,000	4,80,00,000
Less: Reduction during the year	-	-
Equity Shares outstanding at the end of the year	28,70,30,000	4,80,10,000

9.4 Rights, Preferences and Restrictions attached to Equity Shares: The Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the number of equity shares held.

**9.5 Shareholding of Promoter**  
As at 31st March, 2024

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 Rs. 10 each	Reliance Projects & Property Management Services Limited	4,80,10,000	23,90,20,000	28,70,30,000	100	497.85

## As at 31st March, 2023

Sr. no.	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the period	change during the period	No. of shares at the end of the period	% of total shares	% change during the period
1	Equity Shares of Rs. 10 each	Reliance Projects & Property Management Services Limited	10,000	4,80,00,000	4,80,10,000	100	480,000.00

Reliance Chemicals and Materials Limited  
Notes to the Financial Statements for the year ended 31st March, 2024

(Rs in lakh)

## 10 Other Equity

	As at 31st March, 2024	As at 31st March, 2023
<b>Application Money Pending Allotment</b>		
As per last Balance Sheet	-	-
Add: For the year	-	4801
Less: Allotted during the year	-	(4,801)
	-	-
<b>Reserves and Surplus</b>		
<b>Retained Earnings</b>		
As per last Balance Sheet	(299.92)	-
Add: Profit/(Loss) for the year	(87.95)	(299.92)
	<b>(387.87)</b>	<b>(299.92)</b>
<b>Other Comprehensive Income</b>		
As per last Balance Sheet	-	-
Add: For the year	-	-
	-	-
<b>Total</b>	<b><u>(387.87)</u></b>	<b><u>(299.92)</u></b>

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

	(Rs in lakh)	
11. Trade Payables due to	As at 31st March, 2024	As at 31st March, 2023
Micro and Small Enterprises <sup>(i)</sup>		
Other than Micro and Small Enterprises	2.28	0.54
<b>Total</b>	<b>2.28</b>	<b>0.54</b>

(i) There are no overdues to Micro, Small and Medium Enterprises as at March 31, 2024 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

**11.1 Trade Payables Ageing**  
**As at 31st March, 2024**

	(Rs in lakh)					
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 Year	2-3 Year	More than 3 Years	
MSME	-	-		-	-	-
Others	2.28			-	-	2.28
Disputed-MSME	-	-		-	-	-
Disputed-Others	-	-		-	-	-
<b>Subtotal</b>	<b>2.28</b>	-		-	-	<b>2.28</b>

**11.2 Trade Payables Ageing**  
**As at 31st March, 2023**

	(Rs in lakh)					
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 Year	2-3 Year	More than 3 Years	
MSME	-	-		-	-	-
Others	-	0.54		-	-	0.54
Disputed-MSME	-	-		-	-	-
Disputed-Others	-	-		-	-	-
<b>Subtotal</b>	-	<b>0.54</b>		-	-	<b>0.54</b>

	(Rs in lakh)	
12. Other Financial Liabilities - Current	As at 31st March, 2024	As at 31st March, 2023
Creditors for Capital Expenditure	5,154.41	2,687.39
<b>Total</b>	<b>5,154.41</b>	<b>2,687.39</b>

	(Rs in lakh)	
13. Other Current Liabilities	As at 31st March, 2024	As at 31st March, 2023
Advance from Customers	0.12	-
Other Payables*	123.64	299.23
<b>Total</b>	<b>123.76</b>	<b>299.23</b>

\*Includes Statutory Dues

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

14. Provisions - Current	(Rs in lakh)	
	As at 31st March, 2024	As at 31st March, 2023
Provision for Employee Benefits	4.60	-
<b>Total</b>	<b>4.60</b>	<b>-</b>

14.1. Employee Benefits Expense (Gratuity)	(Rs in lakh)	
	2023-24	2nd November'2022 to 31st March'2023
Salaries and Wages	-	-
Contribution to Provident Fund and Other Funds	-	-
Staff Welfare Expenses	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

As per Indian Accounting Standard 19 "Employee benefits", the disclosures are given below:

**Defined Contribution Plan**

Contribution to Defined Contribution Plans, recognised under Capital WIP for the year is as under	(Rs in lakh)	
	2023-24	2nd November'2022 to 31st March'2023
Employers Contribution to Provident Fund	-	-
Employers Contribution to Superannuation Scheme	-	-
Employers Contribution to Pension Scheme	-	-

**I Reconciliation of Opening and closing balances of Defined Benefit obligation**

	(Rs in lakh)	
	2023-24	2nd November'2022 to 31st March'2023
Defined Benefit obligation at beginning of the year	-	-
Current Service Cost	1.94	-
Interest cost	-	-
Add: On Acquisition/Transfer	-	-
Actuarial (gain) / loss on obligations due to experience variance	-	-
Actuarial (gain) / loss on obligations due to change in demographic assumption	-	-
Actuarial (gain) / loss on obligations due to change in financial assumption	-	-
Benefits paid	-	-
Defined Benefit obligation at end of the year	1.94	-

**II Reconciliation of Opening and closing balances of fair value of plan assets**

	(Rs in lakh)	
	2023-24	2nd November'2022 to 31st March'2023
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Expected return on plan assets	-	-
Actuarial Gain / (Loss)	-	-
Employer Contribution	-	-
Add: On Acquisition/Transfer	-	-
Benefits Paid	-	-
Fair value of plan assets at the end of the year	-	-
Actual Return on Plan Assets	-	-

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

	(Rs in lakh)	
	2023-24	2nd November'2022 to 31st March'2023
Fair Value of Plan Assets	-	-
Present Value of Obligation	1.94	-
Amount recognised in Balance Sheet	(1.94)	-

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**  
**IV. Expenses recognised during the year in the Capital WIP**

(Rs in lakh)

	2023-24	2nd November'2022 to 31st March'2023
Current Service Cost	1.94	-
Interest Cost on Benefit Obligation	-	-
Actuarial (Gain)/ Loss recognised in the year	-	-
Expected Return on Plan Assets	-	-
Net Benefit Expense/ (Income)	-	-

**V. Expenses recognised in the Other Comprehensive Income (OCI) for Current year**

(Rs in lakh)

	2023-24	2nd November'2022 to 31st March'2023
Actuarial (gain) / loss on obligations due to experience variance	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) / Expense for the year Recognised in OCI	-	-

**VI. Investment Details**

	2023-24	2nd November'2022 to 31st March'2023
Insurance Policies	-	-
% Invested	-	-

**VII. Actuarial Assumptions**

	2023-24	2nd November'2022 to 31st March'2023
Mortality Table		
	(Ultimate)	(Ultimate)
Discount Rate (per annum)	7.23%	0.00%
Expected Rate of Return on Assets (per annum)	NA	0.00%
Rate of Escalation in Salary (per annum)	6.00%	0.00%
Rate of Employee turnover (per annum)	7.00%	0.00%

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

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

**VIII The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2023-24.**

**IX. Sensitivity Analysis**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Decrease	Increase	Decrease	Increase
Change in rate of discounting ( delta effect of +/- 0.5%)	0.14	(0.12)	-	-
Change in rate of salary increase( delta effect of +/- 0.5%)	0.14	-0.13	-	-
Change in rate of employee turnover ( delta effect of +/- 25%)	0.03	-0.03	-	-

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

**Investment risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**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 return on the plan debt investments.

**Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**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 Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March,**

		(Rs in lakh)	
<b>15. Revenue from Operations</b>		<b>2023-24</b>	<b>2nd November'2022 to 31st March'2023</b>
Sale of Products		62.60	-
		<b>62.60</b>	-
Less: GST Recovered		7.19	-
	<b>Total</b>	<b>55.41</b>	-

		(Rs in lakh)	
<b>16. Other Income</b>		<b>2023-24</b>	<b>2nd November'2022 to 31st March'2023</b>
Other Non Operating Income		-	0.04
	<b>Total</b>	-	<b>0.04</b>

		(Rs in lakh)	
<b>17. Finance Costs</b>		<b>2023-24</b>	<b>2nd November'2022 to 31st March'2023</b>
<b>At amortised cost</b>			
Interest Expenses*		0.00	-
	<b>Total</b>	<b>0.00</b>	-

\*Rs.160



**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

(Rs in lakh)

**18. Other Expenses**

	<b>2023-24</b>	<b>2nd November'2022 to 31st March'2023</b>
Store, Chemicals and Packing Materials	0.03	-
Labour processing & Machinery hire charges	14.66	-
Repairs to Machinery	8.50	-
Lease Rental	18.97	-
Rent	0.04	-
Professional Fees	13.23	-
Rates and Taxes	1.56	299.46
Payment to Auditors	2.90	0.50
General Expenses	4.92	0.00
<b>Total</b>	<b>64.81</b>	<b>299.96</b>

**18.1 Payment to Auditor as :**

	<b>2023-24</b>	<b>2nd November'2022 to 31st March'2023</b>
Fees as Auditors	1.60	0.50
Fees for Other Services	1.30	-
	<b>2.90</b>	<b>0.50</b>

**19 Earning Per Share (EPS) :**

(Rs in lakh)

	<b>2023-24</b>	<b>2nd November'2022 to 31st March'2023</b>
<b>Face Value Per Equity Share (in Rs.)</b>	<b>10.00</b>	<b>10.00</b>
<b>Basic &amp; Diluted Earnings per share (in Rs.)</b>	<b>(0.05)</b>	<b>(0.62)</b>
Net Profit/(Loss) after tax as per statement of profit and loss attributable to Equity Shareholders (Rs. In Lakh)	<b>(87.95)</b>	<b>(299.92)</b>
Weighted Average number of equity shares used as denominator for calculating Basic & Diluted EPS:	166,790,765	48,010,000

**Reliance Chemicals and Materials Limited****Notes to the Financial Statements for the year ended 31st March, 2024****20 Related Party Disclosures**

As per Indian Accounting Standard 24 , the disclosures of transactions with the related parties are given below:

- (i) List of Related Parties where control exists and Related Parties with whom transactions have taken place and the

SNo.	Name of the Related Party	Relationship
1	Reliance Projects & Property Management Services Limited	Holding Company
2	Reliance Industries Limited	Ultimate Holding Company
3	Reliance Corporate IT Park Limited	Fellow Subsidiary
4	Reliance BP Mobility Limited	Fellow Subsidiary
5	Reliance Sibur Elastomers Private Limited	Fellow Subsidiary
6	Pravin Kumar Jain	Key Managerial Personnel (KMP)
7	Jigar Sunilbhai Desai	
8	Nikhil Sudhir Pale	

- (ii) Transactions during the year ending on 31st March'2024 with related parties:

(Rs in lakh)

SNo.	Nature of Transactions	Holding Company	Ultimate Holding Company	Fellow Subsidiary	Key Managerial Personnel	Total
	<b>(Excluding reimbursements)</b>					
1	<b>Equity Share Capital Issued</b>	23,902.00 <i>4,801.00</i>	-	-	-	<b>23,902.00</b> <i>4,801.00</i>
2	Revenue from Operations	-	19.52	1.91	-	<b>21.43</b>
3	Rent Including Lease rentals	-	19.01	-	-	<b>19.01</b>
4	Professional Fees	- <i>10.00</i>	4.09 <i>50.00</i>	-	-	<b>4.09</b> <i>60.00</i>
5	Labour processing & Machinery hire charges	-	12.00	-	-	<b>12.00</b>
6	Project Contract Expenses (Capitalised)	71.22 -	692.05 <i>21.88</i>	3.50 <i>0.17</i>	-	<b>766.77</b> <i>22.05</i>
7	Remuneration to Key Managerial Personnel	-	-	-	45.56	<b>45.56</b>
	<b>(iii) Balance as at 31st March, 2024</b>					
1	Equity Share Capital	28,703.00 <i>4,801.00</i>	-	-	-	<b>28,703.00</b> <i>4,801.00</i>
2	Sundry Creditors for Capital Expenditure	48.94	10.79 <i>13.12</i>	- <i>0.17</i>	-	<b>59.73</b> <i>13.29</i>
3	Deposits	-	58.67	-	-	<b>58.67</b>
4	Trade Receivables	-	21.08	2.01	-	<b>23.09</b>
5	Trade Payables	-	12.96	-	-	<b>12.96</b>

Note : Figures in Italic represents Previous period's amount.

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

(iv) Disclosure in respect of Material Related Party Transaction during the year:

	Particular	Relationship	2023-24	2nd November'2022 to 31st March'2023
1)	Equity Share Capital issued Reliance Projects & Property Management Services Limited	Holding Company	23,902.00	4,801.00
2)	Project Contract Expenses (Capitalised) Reliance Projects & Property Management Services Limited	Holding Company	71.22	-
	Reliance Industries Limited	Ultimate Holding Company	692.05	21.88
	Reliance Sibur Elastomers Private Limited	Fellow Subsidiary	3.50	-
	Reliance Corporate IT Park Limited	Fellow Subsidiary	-	0.17
3)	Rent Including Lease rentals Reliance Industries Limited	Ultimate Holding Company	19.01	-
4)	Professional Fees Reliance Industries Limited	Ultimate Holding Company	4.09	50.00
	Reliance Projects & Property Management Services Limited	Holding Company	-	10.00
5)	Labour processing & Machinery hire charges Reliance Industries Limited	Ultimate Holding Company	12.00	-
6)	Revenue from Operations Reliance Industries Limited	Ultimate Holding Company	19.52	-
	Reliance BP Mobility Limited	Fellow Subsidiary	1.91	-
7)	Remuneration to Key Managerial Personnel Shri Pravin Kumar Jain	Key Managerial Personnel Chief Financial Officer	38.16	-
	Shri Nikhil Sudhir Pale	Company Secretary	4.57	-
	Shri Jigar Sunilbhai Desai	Manager	2.83	-

(v) Balances as at 31st March,2024

	Particular	Relationship	As at 31st March,2024	As at 31st March, 2023
1)	Equity Share Capital Reliance Projects & Property Management Services Limited	Holding Company	28,703.00	4,801.00
2)	Trade Payables Reliance Industries Limited	Ultimate Holding Company	12.96	-
3)	Other Financial Liabilities Reliance Projects & Property Management Services Limited	Holding Company	48.94	-
	Reliance Industries Limited	Ultimate Holding Company	10.79	13.12
	Reliance Corporate IT Park Limited	Fellow Subsidiary	-	0.17
4)	Trade Receivables Reliance Industries Limited	Ultimate Holding Company	21.08	-
	Reliance BP Mobility Limited	Fellow Subsidiary	2.01	-
5)	Deposits Reliance Industries Limited	Ultimate Holding Company	58.67	-

21 Contingent Liabilities & Commitments

(Rs in lakh)

As at 31st March, 2024      As at 31st March, 2023

I) Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for

(a)	In respect of Joint Ventures		
(b)	In respect of Others	13131.47	31766.38

**Reliance Chemicals and Materials Limited****Notes to the Financial Statements for the year ended 31st March, 2024****22 Capital management**

The capital structure of the company consists of equity of the company.

**22.1 Gearing ratio**

The net gearing ratio at end of the reporting year was as follows.

(Rs in lakh)

<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
Gross Debt	0.00	0.00
Cash and Marketable Securities	310.23	17.22
Net Debt (A)	(310.23)	(17.22)
Total Equity (as per Balance Sheet) (B)	28315.13	0.00
<b>Net Gearing ratio (A/B)</b>	-	-

Cash and Marketable Securities include Cash and equivalents of Rs.310.23 lakhs.

**23 FINANCIAL INSTRUMENTS****A.Fair valuation measurement hierarchy :**

(Rs in lakh)

<b>Particulars</b>	<b>As at 31st March, 2024</b>				<b>As at 31st March, 2023</b>			
	<b>Carrying amount</b>	<b>Level of Input used in</b>			<b>Carrying amount</b>	<b>Level of Input used in</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
Trade Receivables	75.87	-	-	-	-	-	-	-
Cash and Cash Equivalents	310.23	-	-	-	17.22	-	-	-
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Trade Payables	2.28	-	-	-	0.54	-	-	-
Other Financial Liabilities	5,154.41	-	-	-	2,687.39	-	-	-

**Reliance Chemicals and Materials Limited****Notes to the Financial Statements for the year ended 31st March, 2024****Valuation Methodology**

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

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

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

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

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

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

**B. Financial Risk Management**

The different types of risk the company is exposed to are liquidity risk, credit risk and market risk.

**(i) Liquidity Risk**

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates.

**Maturity Profile of Borrowings is as set out below:**

Particulars	Current	1 to 2 Years	2 to 5 Years	More than 5 Years
Borrowings	-	-	-	-

**(ii) 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 cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principally from credit exposures to customers relating to outstanding receivables.

**(iii) Market Risk****(a) Foreign Currency Risk**

The company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD, EUR and GBP.

Foreign currency risk arises from recognised assets and liabilities and future commercial transactions that are in foreign currency.

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

Foreign currency exposure profile is given below:

(Rs in lakh)

	As at 31st March, 2024		
	USD	EUR	GBP
Trade and Other Payables	(55.03)	(3.16)	-
Trade and Other Receivables	81.28	-	-
<b>Net Exposure</b>	<b>26.25</b>	<b>(3.16)</b>	<b>0.00</b>

Foreign Currency Sensitivity

(Rs in lakh)

	As at 31st March, 2024		
	USD	EUR	GBP
1 % Depreciation in INR			
Impact on P&L	(0.26)	0.03	-
<b>Total</b>	<b>(0.26)</b>	<b>0.03</b>	<b>-</b>
1 % Appreciation in INR			
Impact on P&L	0.26	(0.03)	-
<b>Total</b>	<b>0.26</b>	<b>(0.03)</b>	<b>-</b>

**(b)Interest Rate Risk**

Fluctuation in future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

Interest rate exposure profile is given below:

(Rs in lakh)

Particulars	As at 31st March, 2024
<b>Borrowings</b>	
Non-Current-Fixed	0.00
<b>Total</b>	<b>0.00</b>

**Reliance Chemicals and Materials Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2024**

**24 Ratio Analysis :-**

Sr. no.	Particulars	2023-24	2nd November'22 to 31st March,2023	% change
1	Current Ratio*	0.74	0.12	530%
2	Debt-Equity Ratio	-	-	NA
3	Debt Service Coverage Ratio	-	NA	NA
4	Return on Equity Ratio^	(0.01)	(0.13)	96%
5	Inventory Turnover Ratio	0.55	NA	NA
6	Trade Receivables Turnover Ratio	1.46	NA	NA
7	Trade Payables Turnover Ratio\$	103.29	1,110.97	91%
8	Net Capital Turnover Ratio	(0.03)	NA	NA
9	Net Profit Ratio	(1.59)	NA	NA
10	Return on Capital Employed (Excluding Working Capital Financing)@	(0.01)	(0.31)	96%
11	Return on Investment#	-	0.00	100%

\* Current Ratio increased: Due to Commercial sale started during the year

^Return on Equity ratio Decreased: Due to equity issued during the year to meet the project requirement.

\$ Trade payables turnover ratio decreased: Due to expense reduced as compared to last year.

@ Return on Capital Employed decreased:Due to equity issued during the year to meet the project requirement.

# Return on investment Decreased: No other income during the year.

**24.1 Formula for computation of ratios are as follows:**

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold (Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses)}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Working Capital (Current Assets-Current Liabilities)}}$
9	Net Profit Ratio	$\frac{\text{Profit After Tax (after exceptional items)}}{\text{Value of Sales \& Services}}$
10	Return on Capital Employed (Excluding Working Capital financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash,Cash Equivalants \& other marketable Securities}}$

**Reliance Chemicals and Materials Limited****Notes to the Financial Statements for the year ended 31st March, 2024**

**25** The company is an executing entity of the Oil to Chemical growth project of its Ultimate Holding Company. All the activities of the Company revolve around its main business. Accordingly the company has only one identifiable segment reportable under Ind AS 108 "Operating Segments". The Board of Directors (the chief Operational Decision Maker as defined in Ind AS 108-Operating Segments) monitors the operating results on the entity's business for the purpose of making decisions about resources allocation and performance assessment. Three customers represents more than 10% of the company's total revenue during the year.

**26** Details of loans given, investments made, guarantee given and securities provided u/s 186 (4) of the Companies Act, 2013.

i) Loan given as on 31st March, 2024 ₹ Nil.

ii) Investment made by the Company as at 31st March, 2024 ₹ Nil.

iii) Guarantees given and securities provided by the Company in respect of loan as on 31st March, 2024 ₹ Nil.

**27 Other Statutory Information**

(i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

(ii) 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.

(iii) The Company has 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.

(iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income-tax Act, 1961.

**28** The Figures for the year ended 31st March, 2024 are not comparable with previous period which was from 2nd November,2022 to 31st March,2023, since the Company has incorporated on 2nd November,2022.

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

**30** The Financial statements were approved for issue by the Board of Directors on 17th April,2024.



**Reliance Chemicals and Materials Limited**

As per our Report of even date

For and on behalf of the board

**For Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

**Sandesh Ladha**

Membership No: 047841

Date : 17th April, 2024

**Rajkumar Mullick**

Director

DIN:06530175

**Sanjiv Singh**

Director

DIN:05280701

**Pravin Kumar Jain**

Chief Financial Officer

**Jigar Sunilbhai Desai**

Manager

**Nikhil Sudhir Pale**

Company Secretary