

Reliance Retail Ventures Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of Reliance Retail Venture Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on its financial position.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards 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.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act , we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Rajesh D. Chaturvedi
Partner
Membership No.: 45882
Mumbai
Date: April 21st, 2016

“Annexure A” to Independent Auditors’ Report

“Annexure A” to the Independent Auditors’ Report on the Standalone Financial Statements of Reliance Retail Ventures Limited

(Referred to in paragraph 1(f) under the heading “Report on other legal and regulatory requirements” of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control over financial reporting of Reliance Retail Ventures Limited (“the company”) as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Rajesh D. Chaturvedi
Partner
Membership No.: 45882

Mumbai
Date: April 21st, 2016

“Annexure B” to Independent Auditors’ Report

“Annexure B” to the Independent Auditors’ Report on the Standalone Financial Statements of Reliance Retail Ventures Limited

(Referred to in Paragraph 2 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

- i) As the Company had no Fixed Assets during the year, clause (i) of paragraph of 3 of the Order is not applicable to the Company.
- ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii) In respect of Statutory dues :
 - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , cess on account of any dispute, which have not been deposited.
- viii) The Company has not raised loans from financial institutions or banks or by issue of debentures and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii) In respect to transaction with Related Parties :
 - a) In our opinion and according to the information and explanations given to us, section 177 of the Act is not applicable to the Company.

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

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

Rajesh D. Chaturvedi
Partner
Membership No.: 45882

Mumbai
Date: April 21st, 2016

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016	in ₹ As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	6000 00 00 000	6000 00 00 000
Reserves and Surplus	2	(3 23 79 587)	(3 24 66 692)
		5996 76 20 413	5996 75 33 308
Current Liabilities			
Trade Payables	3		
Micro and Small Enterprises		-	-
Others		4 99 370	1 75 284
Other Current Liabilities	4	17 67 704	8 63 307
		22 67 074	10 38 591
Total		5996 98 87 487	5996 85 71 899
ASSETS			
Non-Current Assets			
Non-Current Investments	5	5634 04 78 400	5074 04 78 400
Long-Term Loans and Advances	6	-	922 67 00 000
		5634 04 78 400	5996 71 78 400
Current Assets			
Cash and Bank Balances	7	6 70 197	13 93 499
Short-term Loans and Advances	8	362 87 38 890	-
Total		5996 98 87 487	5996 85 71 899
Significant Accounting Policies			
Notes on Financial Statements	1 to 16		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh D. Chaturvedi
Partner

Mumbai
Dated: 21st April, 2016

For and on behalf of the Board

Mukesh Ambani
Chairman

Isha M. Ambani
Director

Ranjit V. Pandit
Director

Manoj H. Modi
Director

Adil Zainulbhai
Director

Pankaj Pawar
Manager

Akash M. Ambani
Director

Prof. Dipak C. Jain
Director

V. Subramaniam
Chief Financial Officer

Radhika Thorat
Company Secretary

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

	Note	2015-16	in ₹ 2014-15
INCOME			
Revenue from Operations	9	2 08 92 185	-
Other Income	10	1 50 79 461	-
Total Revenue		3 59 71 646	-
EXPENDITURE			
Purchases of Stock-in-Trade		-	-
Other Expenses	11	3 58 84 541	98 41 857
Total Expenses		3 58 84 541	98 41 857
Profit/ (Loss) Before Tax		87 105	(98 41 857)
Tax Expenses		-	-
Profit/ (Loss) for the year		87 105	(98 41 857)
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted	12	0.00	(0.00)
Significant Accounting Policies			
Notes on Financial Statements	1 to 16		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh D. Chaturvedi
Partner

Mumbai
Dated: 21st April, 2016

For and on behalf of the Board

Mukesh Ambani
Chairman

Isha M. Ambani
Director

Ranjit V. Pandit
Director

Manoj H. Modi
Director

Adil Zainulbhai
Director

Pankaj Pawar
Manager

Akash M. Ambani
Director

Prof. Dipak C. Jain
Director

V. Subramaniam
Chief Financial Officer

Radhika Thorat
Company Secretary

Cash Flow Statement for the year 2015-16

	2015-16	in ₹ 2014-15
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax as per Statement of Profit and Loss	87 105	(98 41 857)
Interest Income	(1 50 79 461)	-
	<u>(1 50 79 461)</u>	<u>-</u>
Operating Profit/ (Loss) before Working Capital Changes	(1 49 92 356)	(98 41 857)
Adjusted for:		
Trade and Other Receivables	(2 54 62 475)	-
Trade and Other Payables	12 28 483	8 98 141
	<u>(2 42 33 992)</u>	<u>8 98 141</u>
Cash used in Operations	(3 92 26 348)	(89 43 716)
Taxes (Paid)/ Refund	-	-
Net Cash used in Operating Activities	(3 92 26 348)	(89 43 716)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(116 83 00 000)	(15 68 000)
Debenture Application Money paid	-	(75 00 00 000)
Movement in Loans and Advances	120 48 00 000	76 15 00 000
Interest Income	20 03 046	-
Net Cash from Investing Activities	3 85 03 046	99 32 000
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	-	-
Net Cash used in Financing Activities	-	-
Net (Decrease)/ Increase in Cash and Cash Equivalents	(7 23 302)	9 88 284
Opening Balance of Cash and Cash Equivalents	13 93 499	4 05 215
Closing Balance of Cash and Cash Equivalents (Refer note "7")	6 70 197	13 93 499

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh D. Chaturvedi
Partner

Mumbai
Dated: 21st April, 2016

For and on behalf of the Board

Mukesh Ambani
Chairman

Isha M. Ambani
Director

Ranjit V. Pandit
Director

Manoj H. Modi
Director

Adil Zainulbhai
Director

Pankaj Pawar
Manager

Akash M. Ambani
Director

Prof. Dipak C. Jain
Director

V. Subramaniam
Chief Financial Officer

Radhika Thorat
Company Secretary

Significant Accounting Policies

A Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

B Use of Estimates

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

C Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

D Investments

Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments. Current investments are carried at the lower of cost and quoted/ fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

E Inventories

Items of inventories are measured at lower of cost and net realisable value, after providing for obsolescence, if any. Cost of inventory comprises of all cost of purchase and other cost incurred in bringing them to the respective present location and condition. Costs are determined on weighted average basis.

F Revenue Recognition

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, adjusted for discounts (net), service tax, excise duty and value added tax.

Dividend income is recognised when right to receive is established.

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

G Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961 using the applicable tax rate. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual/ reasonable certainty that the asset will be realised in future.

H Provision, Contingent Liabilities and Contingent Assets

Provisions is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets are neither recognised nor disclosed in the financial statements.

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

1. Share Capital	As at 31st March, 2016	in ₹ As at 31st March, 2015
Authorised:		
750,00,00,000 Equity shares of ₹ 10 each (750,00,00,000)	7500 00 00 000	7500 00 00 000
250,00,00,000 Preference shares of ₹ 10 each (250,00,00,000)	2500 00 00 000	2500 00 00 000
Total	<u>10000 00 00 000</u>	<u>10000 00 00 000</u>
Issued, Subscribed and Paid-Up:		
600,00,00,000 Equity shares of ₹ 10 each (600,00,00,000)	6000 00 00 000	6000 00 00 000
Total	<u>6000 00 00 000</u>	<u>6000 00 00 000</u>

(i) Out of above, 566,70,00,000 (previous year 566,70,00,000) equity shares of ₹ 10 each fully paid-up are held by Reliance Industries Limited, the holding company along with its nominees.

(ii) **The details of Shareholders holding more than 5% shares:**

Name of the Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Reliance Industries Limited	566,70,00,000	94.45	566,70,00,000	94.45

(iii) **Reconciliation of opening and closing number of shares**

Particulars	As at 31st March, 2016 No. of shares	As at 31st March, 2015 No. of shares
Equity shares outstanding at the beginning of the year	600,00,00,000	600,00,00,000
Add: Equity shares issued during the year	-	-
Equity shares outstanding at the end of the year	600,00,00,000	600,00,00,000

(iv) The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

2. Reserves and Surplus	As at 31st March, 2016	in ₹ As at 31st March, 2015
Surplus		
Profit and Loss Account		
As per last Balance Sheet	(3 24 66 692)	(2 26 24 835)
Add: Profit/ (Loss) for the year	87 105	(98 41 857)
Total	<u>(3 23 79 587)</u>	<u>(3 24 66 692)</u>

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

3. Trade Payables

Dues to Micro and Small Enterprises

The details of amounts outstanding to Micro and Small Enterprises bases on available information with the Company is as under:

Sr. No.	Particulars	in ₹	
		As at 31st March, 2016	As at 31st March, 2015
1	Principal amount due and remaining unpaid	-	-
2	Interest due on above and the unpaid interest	-	-
3	Interest paid	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

4. Other Current Liabilities

	in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Others ⁽ⁱ⁾	17 67 704	8 63 307
Total	17 67 704	8 63 307

⁽ⁱ⁾ Represents statutory liabilities.

5. Non-Current Investments

(Long Term Investments)

(valued at cost less other than temporary diminution in value, if any)

In Equity Shares of Subsidiary Companies - Unquoted, Fully Paid Up

	in ₹	
	As at 31st March, 2016	As at 31st March, 2015
498,70,23,360 Reliance Retail Limited of ₹ 10 each (498,70,23,360)	4993 18 78 400	4993 18 78 400

8,08,60,000 Reliance Brands Limited of ₹ 10 each (8,08,60,000)	80 86 00 000	80 86 00 000
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In Debentures of Subsidiary Companies - Unquoted, Fully Paid Up

7,50,00,000 Reliance Retail Limited of ₹ 10 each (-)	75 00 00 000	-
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48,50,00,000 Reliance Brands Limited of ₹ 10 each (-)	485 00 00 000	-
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Total	5634 04 78 400	5074 04 78 400
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Aggregate value of	Book value	Book value
Unquoted investments	5634 04 78 400	5074 04 78 400

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

	As at 31st March, 2016	in ₹ As at 31st March, 2015
6. Long-term Loans and Advances (unsecured and considered good)		
Loans and Advances to Related Parties	-	847 67 00 000
Debenture Application Money Paid	-	75 00 00 000
Total	-	922 67 00 000

6.1 Loans and Advances are in the nature of loans given to:

Sr.	Name of the Company	Relationship	As at 31st March, 2016	As at 31st March, 2015	Maximum balances during the year
1	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	-	528 00 00 000	528 00 00 000
2	Reliance Brands Limited	Subsidiary	-	319 67 00 000	362 17 00 000
			-	847 67 00 000	

- (i) Loans and Advances shown above, fall under the category of 'Loans and Advances' in nature of loans.
(ii) All the above loans and advances are given for business purposes.
(iii) The above loans and advances are interest free.

	As at 31st March, 2016	in ₹ As at 31st March, 2015
7. Cash and Bank Balances		
Cash and Cash Equivalents		
Bank Balances:		
In Current Accounts	6 70 197	13 93 499
Total	6 70 197	13 93 499

	As at 31st March, 2016	in ₹ As at 31st March, 2015
8. Short-term Loans and Advances (unsecured and considered good)		
Balance with Service Tax/ Sales Tax Authorities, etc.	46 53 741	-
Loans and Advances to Related Parties ⁽ⁱ⁾	359 02 00 000	-
Others	3 38 85 149	-
Total	362 87 38 890	-

⁽ⁱ⁾ Represents Loan given to Reliance Retail Limited

	2015-16	in ₹ 2014-15
9. Revenue from Operations		
Sale of Services	2 39 21 552	-
	2 39 21 552	-
Less: Excise Duty/ Service Tax Recovered	30 29 367	-
Total	2 08 92 185	-

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

	in ₹	
	2015-16	2014-15
10. Other Income		
Interest Income		
From others	1 50 79 461	-
Total	1 50 79 461	-
11. Other Expenses		
Establishment Expenses		
Rates and Taxes	12 700	28 500
Professional Fees	1 51 90 283	96 50 801
Hire Charges	1 77 15 000	-
General Expenses	27 62 192	4 128
	3 56 80 175	96 83 429
Payments to Auditor		
Audit Fees	1 31 675	1 23 596
Certification and Consultation Fees	72 691	34 832
	2 04 366	1 58 428
Total	3 58 84 541	98 41 857
12.	The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.	
13.	The Company is mainly engaged in 'Organised Retail' primarily catering to consumers in India under various consumption baskets. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Accounting Standard 17 "Segment Reporting".	
14. Earnings Per Share (EPS)		
	2015-16	2014-15
(i) Net Profit/ (Loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	87 105	(98 41 857)
(ii) Weighted average number of equity shares used as denominator for calculating EPS	600,00,00,000	600,00,00,000
(iii) Basic and Diluted Earnings/ (Loss) per share of face value of ₹ 10 each (₹)	0.00	(0.00)

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

15. As per Accounting Standard 18 'Related Party Disclosures', the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) **List of related parties with whom transactions have taken place and relationships:**

Sr. No.	Name of the related party	Relationship
1	Reliance Industries Limited	Holding company
2	Reliance Retail Limited	Subsidiary
3	Reliance Trading Limited	
4	Reliance Clothing India Private Limited	
5	Reliance-GrandOptical Private Limited	
6	Reliance Petro Marketing Limited	
7	Reliance Brands Limited	
8	Reliance Lifestyle Holdings Limited	
9	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary
10	Reliance Corporate IT Park Limited	
11	Shri Ramesh Kumar Damani (upto 13-10-2015)	Key Managerial Personnel
12	Shri Pankaj Pawar (from 18-01-2016)	

(ii) **Transactions during the year with Related Parties** (excluding reimbursements): (in ₹)

Sr. No.	Nature of Transactions	Holding Company	Subsidiaries	Fellow Subsidiaries	Key Managerial Personnel	Total
1	Net Loans and Advances Given/ (Returned)	-	39 35 00 000	(528 00 00 000)	-	(488 65 00 000)
		-	<i>(75 00 00 000)</i>	<i>(1 15 00 00 000)</i>	-	<i>(76 15 00 00 000)</i>
2	Debenture Application Money Paid	-	-	-	-	-
		-	<i>75 00 00 000</i>	-	-	<i>75 00 00 00 000</i>
3	Subscription to Debentures	-	560 00 00 000	-	-	560 00 00 000
		-	-	-	-	-
4	Hire Charges-Contracted Services	-	5 15 971	-	-	5 15 971
		-	-	-	-	-
5	Revenue from Operations	-	6 08 510	-	-	6 08 510
		-	-	-	-	-
6	Other Income	-	1 50 79 461	-	-	1 50 79 461
		-	-	-	-	-
7	Payment to Key Managerial Personnel	-	-	-	-	-
		-	-	-	<i>68 44 472</i>	<i>68 44 472</i>
Balance as at 31st March, 2016						
8	Share Capital	5667 00 00 000	-	-	-	5667 00 00 000
		<i>5667 00 00 000</i>	-	-	-	<i>5667 00 00 00 000</i>
9	Long-term Loans and Advances Given	-	359 02 00 000	-	-	359 02 00 000
		-	<i>394 67 00 000</i>	<i>528 00 00 000</i>	-	<i>922 67 00 00 000</i>
10	Other Short Term Loans and Advances	-	1 30 76 415	-	-	1 30 76 415
		-	-	-	-	-
11	Investments	-	5634 04 78 400	-	-	5634 04 78 400
		-	<i>5074 04 78 400</i>	-	-	<i>5074 04 78 400</i>

Note: Figures in italics represents previous year's amount.

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

(iii) Disclosure in respect of material related party transactions during the year:		₹		
Sr. No.	Particulars	Relationship	2015-16	2014-15
1	Net Loans and Advances Given/ (Returned)			
	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	(528 00 00 000)	(1 15 00 000)
	Reliance Brands Limited	Subsidiary	(319 67 00 000)	(75 00 00 000)
	Reliance Retail Limited	Subsidiary	359 02 00 000	-
2	Debenture Application Money Paid			
	Reliance Retail Limited	Subsidiary	-	75 00 00 000
3	Subscription to Debentures			
	Reliance Brands Limited	Subsidiary	485 00 00 000	-
	Reliance Retail Limited	Subsidiary	75 00 00 000	-
4	Hire Charges-Contracted Services			
	Reliance Corporate IT Park Limited	Subsidiary	5 15 971	-
5	Revenue from Operations			
	Reliance Retail Limited	Subsidiary	6 08 510	-
6	Other Income			
	Reliance Brands Limited	Subsidiary	1 12 52 000	-
	Reliance Retail Limited	Subsidiary	38 27 461	-
7	Payment to Key Managerial Personnel			
	Shri Ramesh Kumar Damani	Key Managerial Personnel	-	68 44 472

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

- Loans given by the company to bodies corporate as at 31st March 2016 (Refer Note "6 and 8").
- Investments made by the company as at 31st March 2016 (Refer Note "5").
- No Guarantees were given by the company.

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Rajesh D. Chaturvedi
Partner

Mumbai
Dated: 21st April, 2016

For and on behalf of the Board

Mukesh Ambani
Chairman

Isha M. Ambani
Director

Ranjit V. Pandit
Director

Manoj H. Modi
Director

Adil Zainulbhai
Director

Pankaj Pawar
Manager

Akash M. Ambani
Director

Prof. Dipak C. Jain
Director

V. Subramaniam
Chief Financial Officer

Radhika Thorat
Company Secretary