

RELIANCE BRANDS LIMITED

Reliance Brands Limited

Independent Auditor's Report

To the Members of Reliance Brands Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Brands Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2015, 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.
 - 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 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 March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact on its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

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

Place : Mumbai
Date : April 11, 2015

Jignesh Mehta
Partner
Membership No. : 102749

Balance Sheet as at 31st March, 2015

	Note		As at 31st March, 2015	₹ lakh As at 31st March, 2014
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	1	89 86.00	80 86.00	
Reserves and surplus	2	(92 38.18)	(71 93.15)	
			(2 52.18)	8 92.85
Non-current liabilities				
Long-term borrowings	3	395 03.30	395 35.85	
Other long-term liabilities	4	12 94.67	12 95.65	
Long-term provisions	5	1 99.79	1 63.72	
			409 97.76	409 95.22
Current liabilities				
Trade payables	6	28 70.43	13 50.80	
Other current liabilities	6	9 31.46	12 91.78	
Short-term provisions	7	23.06	6.71	
			38 24.95	26 49.29
Total			445 70.53	445 37.36
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	8	60 68.88	57 36.23	
Intangible assets	8	76.19	95.54	
Capital work-in-progress	8	4 01.70	3 32.02	
		65 46.77	61 63.79	
Non-current investments	9	120 34.48	111 44.48	
Deferred tax assets (net)	10	45 30.48	37 15.22	
Long-term loans and advances	11	116 43.51	129 74.95	
			347 55.24	339 98.44
Current assets				
Current investments	12	14 93.69	52 77.56	
Inventories	13	58 47.21	38 99.79	
Trade receivables	14	17 83.72	6 49.79	
Cash and bank balances	15	61.40	4 12.05	
Short-term loans and advances	16	6 29.27	2 99.73	
			98 15.29	105 38.92
Total			445 70.53	445 37.36
Significant accounting policies				
Notes on financial statements 1 to 42				

As per our Report of even date
For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.101720W

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : 11th April, 2015

For and on behalf of the Board

Pankaj Pawar
Director
DIN - 00085077

Ramesh Kumar Damani
Director
DIN - 00049764

Dhirendra Nanda
Company Secretary
Membership No. FCS 4821

Timothy Wheeler
Director
DIN - 00863237

Mayank Shah
Director
DIN - 00076380

Samirbhai Sheth
Director
DIN - 01285752

Pranav Lodhavia
Chief Financial Officer
PAN - AAAPL6202F

Statement of Profit and Loss for the year ended 31st March, 2015

	Note	2014-15	₹ lakh 2013-14
INCOME			
Revenue from operations	17	182 88.42	101 59.73
Other income	18	2 39.52	88.79
Total revenue		185 27.94	102 48.52
EXPENDITURE			
Purchases of stock-in-trade		93 45.18	60 49.05
Changes in inventories of stock-in-trade	19	(14 76.17)	(19 76.83)
Employee benefits expense	20	31 27.73	27 83.35
Finance costs	21	9.68	38.61
Depreciation and amortisation expense		9 68.42	6 88.74
Other expenses	22	83 00.67	62 69.44
Total expenses		202 75.51	138 52.36
Profit/ (loss) before tax		(17 47.57)	(36 03.84)
Tax expenses:			
Deferred tax		(8 13.74)	(12 48.63)
Profit/ (loss) for the year		(9 33.83)	(23 55.21)
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted	27	(1.15)	(2.91)
Significant accounting policies Notes on financial statements	1 to 42		

As per our Report of even date
For **Chaturvedi & Shah**
Chartered Accountants
Firm Registration No.101720W

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : 11th April, 2015

For and on behalf of the Board

Pankaj Pawar
Director
DIN - 00085077

Ramesh Kumar Damani
Director
DIN - 00049764

Dhirendra Nanda
Company Secretary
Membership No. FCS 4821

Timothy Wheeler
Director
DIN - 00863237

Mayank Shah
Director
DIN - 00076380

Samirbhai Sheth
Director
DIN - 01285752

Pranav Lodhavia
Chief Financial Officer
PAN - AAAPL6202F

Cash Flow Statement for the year 2014-15

	2014-15	₹ lakh 2013-14
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) before tax as per Statement of Profit and Loss	(17 47.57)	(36 03.84)
Adjusted for:		
Loss on sale/ discarding of assets	1 65.58	1 93.82
Depreciation and amortisation expense	9 68.42	6 88.74
Effect of exchange rate change	8.15	(8.28)
Dividend income	(1.90)	(83.51)
(Profit)/ loss on sale of investments (net)	(2 08.00)	-
Interest income	(29.62)	(5.28)
Finance costs	9.68	38.61
	9 12.31	8 24.10
Operating profit/ (loss) before working capital changes	(8 35.26)	(27 79.74)
Adjusted for:		
Trade and other receivables	(14 13.17)	(6 54.19)
Inventories	(15 83.08)	(20 23.76)
Trade and other payables	9 36.35	7 38.61
	(20 59.90)	(19 39.34)
Cash used in operations	(28 95.16)	(47 19.08)
Taxes (paid)/ refund	(38.06)	74.32
Net cash used in operating activities	(29 33.22)	(46 44.76)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(7 97.44)	(21 80.16)
Sale of fixed assets	6.90	-
Purchase of investments	(184 06.00)	(248 39.00)
Sale of investments	214 03.77	183 22.45
Loans refunded by/ (given to) subsidiaries	(5 24.18)	(38 55.30)
Net Investment in fixed deposits	(0.32)	(1.25)
Interest income	24.62	5.19
Net cash from / (used) in investing activities	17 07.35	(125 48.07)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	9 00.00	-
Proceeds from long term borrowings	75 06.50	513 79.50
Repayment of long term borrowings	(75 43.09)	(341 47.88)
Interest paid	(9.68)	(42.10)
Net cash generated from financing activities	8 53.73	171 89.52
Net decrease in cash and cash equivalents	(3 72.14)	(3.31)
Opening balance of cash and cash equivalents	4 10.80	4 14.11
Add: On Amalgamation (Refer note 25)	21.17	4 31.97
Closing balance of cash and cash equivalents (Refer Note 15)	59.83	4 10.80

As per our Report of even date

For **Chaturvedi & Shah**

Chartered Accountants

Firm Registration No.101720W

Jignesh Mehta

Partner

Membership No. 102749

Mumbai

Dated : 11th April, 2015

For and on behalf of the Board

Pankaj Pawar

Director

DIN - 00085077

Ramesh Kumar Damani

Director

DIN - 00049764

Dhirendra Nanda

Company Secretary

Membership No. FCS 4821

Timothy Wheeler

Director

DIN - 00863237

Mayank Shah

Director

DIN - 00076380

Samirbhai Sheth

Director

DIN - 01285752

Pranav Lodhavia

Chief Financial Officer

PAN - AAAPL6202F

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. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakh.

B Use of estimates

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

C Own fixed assets

Fixed assets are stated at cost net of recoverable taxes less accumulated depreciation and impairment loss, if any. All costs attributable to fixed assets are capitalised. Improvement cost on lease premises up to the date of commercial operation is capitalised as "leasehold improvements".

D Lease rentals

Operating lease rentals are expensed with reference to lease terms and other considerations.

E Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation.

F Depreciation and amortisation

Depreciation on fixed assets is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, leasehold improvements are amortized over the lower of estimated useful life or lease period. Software are amortised over a period of five years and franchisee rights are amortised over the period of agreement for right to use.

G 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.

H Foreign currency transactions

- i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I 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.

Significant Accounting Policies (Contd.)

J 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.

K Revenue recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods and services, adjusted for discounts (net), service tax 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.

L Employee benefits

i) Short term employee benefits

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

ii) Post employment benefits:

a) Defined Contribution Plans:

Defined Contribution Plans: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b) Defined Benefit Plans:

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees services. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

M 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. 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 or reasonable certainty that the asset will be realised in future.

N Provisions, contingent liabilities and contingent assets

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

O Financial derivative transactions

In respect of derivative contracts, premium paid, gains/ losses on settlement and provision for losses on restatement are recognised along with the underlying transactions and charged to Statement of Profit and Loss.

Notes on financial statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ lakh As at 31st March, 2014
1. Share capital		
Authorised:		
10,10,60,000 Equity shares of ₹ 10 each (10,00,00,000)	10,106.00	10,000.00
Total	10,106.00	10,000.00
Issued, subscribed and paid-up:		
Fully paid-up		
8,98,60,000 Equity shares of ₹ 10 each (8,08,60,000)	8,986.00	8,086.00
Total	8,986.00	8,086.00

(i) Out of the above 8,08,60,000 (previous year 8,08,60,000) equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Ventures Limited (*formerly* Reliance Commercial Associates 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, 2015		As at 31st March, 2014	
	No. of Shares	% held	No. of Shares	% held
Reliance Retail Ventures Limited (<i>formerly</i> Reliance Commercial Associates Limited)	8,08,60,000	89.98	8,08,60,000	100.00
L V Merchant jointly with K R Raja (As trustees of Reliance Brands Stock Option Trust)	90,00,000	10.02	-	-

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

Particulars	As at 31st March, 2015	As at 31st March, 2014
	No. of shares	No. of shares
Equity shares outstanding at the beginning of the year	8,08,60,000	8,08,60,000
Add: Equity shares issued during the year	90,00,000	-
Equity shares outstanding at the end of the year	8,98,60,000	8,08,60,000

(iv) The Company is authorized to issue up to seven crore ninety two lakh Restricted Stock units (RSUs) to eligible employees under the Company's restricted stock unit plans. The RSUs vest on different dates over a period of five years from the date of grant of RSUs as per the respective schemes and upon vesting, the employees are entitled to one equity share of the Company at par for every RSU. As on March 31, 2015 RSUs in force total to six crore fifty seven lakh (previous year seven crore sixty two lakh).

	As at 31st March, 2015	₹ lakh As at 31st March, 2014
2. Reserves and surplus		
Surplus		
Profit and Loss Account		
As per last Balance Sheet	(7,193.15)	(4,837.94)
Add: On Amalgamation (Refer note 25)	(1,108.33)	-
Less: Adjustment relating to fixed assets (Refer note 8.2)	(2.87)	-
Add: Profit/ (loss) for the year	(933.83)	(2,355.21)
Total	(9,238.18)	(7,193.15)

2.1 In view of the loss for the year, the company has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 1.03 lakh in terms of section 71(4) of the Companies Act, 2013. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years.

Notes on financial statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ lakh As at 31st March, 2014
3. Long-term borrowings		
Secured		
Term loans from banks ⁽ⁱ⁾	36.30	68.85
Unsecured		
Zero Coupon Optionally Fully Convertible Debenture ⁽ⁱⁱ⁾	75 00.00	-
Loans and advances from related parties ⁽ⁱⁱⁱ⁾	319 67.00	394 67.00
	<u>394 67.00</u>	<u>394 67.00</u>
Total	<u>395 03.30</u>	<u>395 35.85</u>
<p>⁽ⁱ⁾ Term loans are secured by hypothecation of vehicles and are repayable over a period of 4 years by way of equated monthly instalments.</p> <p>⁽ⁱⁱ⁾ Debenture holder have an option for conversion at fair value at any time after allotment by giving one month notice to the Company. The Company will redeem the outstanding OFCDs on expiry of 10 years from the date of allotment.</p> <p>⁽ⁱⁱⁱ⁾ Represents amount borrowed from the holding company for the period of 5 years.</p>		
4. Other long-term liabilities		
	As at 31st March, 2015	₹ lakh As at 31st March, 2014
Other long-term liabilities	12 94.67	12 95.65
Total	<u>12 94.67</u>	<u>12 95.65</u>
5. Long-term provisions		
	As at 31st March, 2015	₹ lakh As at 31st March, 2014
Provision for employee benefits	1 99.79	1 63.72
Total	<u>1 99.79</u>	<u>1 63.72</u>
6. Trade payables and other current liabilities		
	As at 31st March, 2015	₹ lakh As at 31st March, 2014
Trade payables		
Micro and Small Enterprises ⁽ⁱ⁾	19.58	-
Others	28 50.85	13 50.80
	<u>28 70.43</u>	<u>13 50.80</u>
Other current liabilities		
Current maturities of long term debt	31.01	35.04
Creditors for capital expenditure	3 18.42	3 12.62
Others ⁽ⁱⁱ⁾	5 82.03	9 44.12
	<u>9 31.46</u>	<u>12 91.78</u>
Total	<u>38 01.89</u>	<u>26 42.58</u>
<p>⁽ⁱ⁾ Refer note 37</p> <p>⁽ⁱⁱ⁾ Includes statutory liabilities, advances received and current maturities of other long-term liabilities.</p>		
7. Short-term provisions		
	As at 31st March, 2015	₹ lakh As at 31st March, 2014
Provision for employee benefits	22.73	6.57
Provision for wealth tax	0.33	0.14
Total	<u>23.06</u>	<u>6.71</u>

Notes on financial statements for the year ended 31st March, 2015

8. Fixed assets	₹ lakh										
	Gross block			Depreciation/ amortisation				Net block			
Description	As at 1st April, 2014	Addition on merger	Additions	Deductions/ Adjustments	As at 31st March 2015	As at 1st April, 2014	For the year	Deductions/ Adjustments	As at 31st March 2015	As at 31st March 2015	As at 31st March 2014
(i) Tangible assets											
Own assets:											
Plant and machinery	6 51.24	67.18	80.04	43.44	7 55.02	1 74.54	-	23.37	3 08.35	4 46.67	4 76.70
Electrical installations	8 29.54	1 64.80	81.66	59.22	10 16.78	70.42	-	9.92	1 89.94	8 26.84	7 59.12
Equipment	10 53.17	92.06	1 23.36	1 23.58	11 45.01	1 07.34	4.36	17.25	1 87.85	9 57.16	9 45.83
Furniture and fixtures	17 54.75	3 88.41	2 43.50	70.55	23 16.11	2 65.40	0.03	15.80	5 43.98	17 72.13	14 89.35
Vehicles	2 19.61	-	6.50	10.90	2 15.21	58.65	-	2.08	92.33	1 22.88	1 60.96
Leasehold improvements	25 36.20	1 29.51	3 02.53	29.85	29 38.39	6 31.93	-	15.76	9 95.19	19 43.20	19 04.27
Total (i)	70 44.51	8 41.96	8 37.59	3 37.54	83 86.52	13 08.28	4.39	84.18	23 17.64	60 68.88	57 36.23
(ii) Intangible assets											
Franchisee rights	47.44	-	-	-	47.44	12.64	-	-	22.13	25.31	34.80
Software	84.10	11.78	-	1.91	93.97	23.36	-	1.04	43.09	50.88	60.74
Total (ii)	1 31.54	11.78	-	1.91	1 41.41	36.00	-	1.04	65.22	76.19	95.54
Total (i+ii)	71 76.05	8 53.74	8 37.59	3 39.45	85 27.93	13 44.28	4.39	85.22	23 82.86	61 45.07	58 31.77
Previous year	48 86.18	-	26 67.33	3 77.46	71 76.05	7 31.39	-	75.85	13 44.28	58 31.77	
Capital work-in-progress ^(8.1)										4 01.70	3 32.02

^{8.1} Includes ₹ 2 37.63 lakh (previous year ₹ 1 73.20 lakh) on account of capital goods inventory

^{8.2} Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II except as discussed in note F of significant accounting policies. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of fixed Assets whose lives have expired as at 1st April 2014 ₹ 4.39 lakh have been adjusted net of tax for ₹ 2.87 lakh, in the Profit and Loss Account.

Notes on financial statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ lakh As at 31st March, 2014
9. Non-current investments (Long Term Investments)		
(Valued at cost less other than temporary diminution in value, if any)		
Other investment		
In equity shares of subsidiary companies - unquoted, fully paid up		
- Reliance Style Fashion India Private Limited of ₹ 10 each ⁽ⁱ⁾ (10,10,000)	-	1 01.00
- Reliance Styles India Limited of ₹ 10 each ⁽ⁱ⁾ (50,000)	-	5.00
50,000 Reliance Lifestyle Holdings Limited of ₹ 10 each (50,000)	5.00	5.00
Sub-total (a)	5.00	1 11.00
In equity shares of joint venture companies - unquoted, fully paid up		
3,57,70,000 Diesel Fashion India Reliance Private Limited of ₹ 10 each (3,57,70,000)	35 76.91	35 76.91
87,00,000 Reliance Paul & Shark Fashions Private Limited of ₹ 10 each (80,50,000)	8 70.00	8 05.00
2,32,29,272 Zegna South Asia Private Limited of ₹ 10 each (1,83,29,272)	23 73.17	18 83.17
1,98,94,000 Brooks Brothers India Private Limited of ₹ 10 each (1,54,84,000)	19 89.40	15 48.40
25,05,000 Iconix Lifestyle India Private Limited of ₹ 10 each (25,05,000)	32 20.00	32 20.00
Sub-total (b)	120 29.48	110 33.48
Total (a+b)	120 34.48	111 44.48
Aggregate value of	Book value	Book value
Unquoted investments	120 34.48	111 44.48
(i) Refer note 25		
10. Deferred tax assets (net)	As at 31st March, 2015	₹ lakh As at 31st March, 2014
Deferred tax assets		
Disallowance under the Income Tax Act, 1961	68.65	50.53
Carried forward loss	45 41.85	38 11.35
	46 10.50	38 61.88
Less :Deferred tax liability		
Related to fixed assets	80.02	1 46.66
Total	45 30.48	37 15.22

The virtual certainty is based on agreements.

Notes on financial statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ lakh As at 31st March, 2014
11. Long-term loans and advances		
(Unsecured and considered good)		
Capital advances	1 13.60	1 29.42
Security deposits	21 25.20	17 81.17
Loans and advances to related parties ⁽ⁱ⁾	91 71.88	108 73.15
Advance income tax (net of provision)	2 14.27	1 76.21
Other loans and advances ⁽ⁱⁱ⁾	18.56	15.00
Total	116 43.51	129 74.95
⁽ⁱ⁾ Refer note 40.		
⁽ⁱⁱ⁾ Represents loan to employees.		
12. Current investments		
(Valued at lower of cost and quoted/ fair value)		
Investment in mutual funds		
In units - unquoted		
- ICICI prudential Liquid plan - Regular Daily Dividend of ₹ 100 each. (52,74,069)	-	52 77.56
597,174 ICICI prudential Liquid - Regular Plan - Growth of ₹ 100 each. (-)	14 03.69	-
34,207 ICICI prudential flexible income - Regular Plan - Growth of ₹ 100 each. (-)	90.00	-
	14 93.69	52 77.56
Aggregate value of	Book value	Book value
Unquoted investments	14 93.69	52 77.56
13. Inventories		
(Valued at lower of cost and net realisable value)		
Stock-in-trade	56 09.75	37 92.24
Stores and spares	2 37.46	1 07.55
Total	58 47.21	38 99.79
14. Trade receivables		
(Unsecured and considered good)		
Outstanding for a period exceeding six months	1 09.88	1 97.31
Others	16 73.84	4 52.48
Total	17 83.72	6 49.79

Notes on financial statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ lakh As at 31st March, 2014
15. Cash and bank balances		
Cash and cash equivalents		
Cash on hand	39.96	29.08
Bank Balance		
In current accounts	19.87	3 80.56
In deposit ⁽ⁱⁱⁱ⁾	-	1.16
Sub Total	<u>59.83</u>	<u>4 10.80</u>
Other bank balance		
In deposit ^{(i) and (ii)}	1.57	1.25
Sub Total	<u>1.57</u>	<u>1.25</u>
Total	<u><u>61.40</u></u>	<u><u>4 12.05</u></u>
⁽ⁱ⁾ Includes ₹ 1.57 lakh (previous year ₹ 0.25 lakh) with maturity period of more than 12 months.		
⁽ⁱⁱ⁾ Includes ₹ 1.57 lakh (previous year ₹ 1.25 lakh) held by tax authority as security and by bank as margin money for bank guarantees.		
⁽ⁱⁱⁱ⁾ Cash and cash equivalents includes deposits maintained by the company with banks, which can be withdrawn by the company at any point of time without prior notice or penalty on the principal.		
16. Short-term loans and advances (Unsecured and considered good)	As at 31st March, 2015	₹ lakh As at 31st March, 2014
Balance with customs/ sales tax authorities, etc.	1 09.74	38.58
Others ⁽ⁱ⁾	5 19.53	2 61.15
Total	<u><u>6 29.27</u></u>	<u><u>2 99.73</u></u>
⁽ⁱ⁾ Includes advances to vendors and employees.		
17. Revenue from operations	2014-15	₹ lakh 2013-14
Sale of products	180 91.78	99 78.77
Sale of services	2 19.10	2 01.77
Other operating revenues	1.64	1.39
	<u>183 12.52</u>	<u>101 81.93</u>
Less: Service tax recovered	24.10	22.20
Total	<u><u>182 88.42</u></u>	<u><u>101 59.73</u></u>
18. Other income	2014-15	₹ lakh 2013-14
Interest income		
From others	29.62	5.28
Dividend income		
From current investments	1.90	83.51
Net gain on sale of		
Current investments	2 08.00	-
Total	<u><u>2 39.52</u></u>	<u><u>88.79</u></u>

Notes on financial statements for the year ended 31st March, 2015

	2014-15		2013-14
			₹ lakh
19. Changes in inventories of stock-in-trade			2013-14
Inventories (at close)			
Stock-in-trade	56 09.75		37 92.24
Inventories (at commencement)			
Stock-in-trade	37 92.24	18 15.41	
Add: On amalgamation (Refer Note 25)	3 41.34	-	18 15.41
Total	(14 76.17)		(19 76.83)
20. Employee benefits expense	2014-15		2013-14
Salaries and wages	28 47.20		25 85.13
Contribution to provident and other funds	81.34		60.84
Staff welfare expenses	1 99.19		1 37.38
Total	31 27.73		27 83.35
21. Finance costs	2014-15		2013-14
Interest cost	9.68		38.61
Total	9.68		38.61
22. Other expenses	2014-15		2013-14
Sales and distribution expenses			
Sales promotion and advertisement expenses	4 78.70	4 26.79	
Store running expenses	3 73.97	2 61.74	
Royalty	5 00.06	2 19.10	
Commission	25.70	9.68	
Warehousing and distribution expenses	3 49.19	2 65.32	
	17 27.62		11 82.63
Establishment expenses			
Stores and packing materials	1 54.74	65.92	
Building repairs and maintenance	1 18.08	58.98	
Other repairs	33.52	41.14	
Rent including lease rentals	43 56.87	33 96.71	
Insurance	36.96	41.32	
Rates and taxes	21.78	35.40	
Travelling and conveyance expenses	3 47.01	2 75.48	
Professional fees	3 04.58	1 01.23	
Loss on sale/ discarding of assets	1 65.58	1 93.82	
Exchange differences (net)	20.85	85.37	
Security expenses	2 28.27	1 65.78	
Electricity expenses	4 10.27	2 56.14	
Hire charges	1 11.81	86.34	
General expenses	2 54.53	2 75.86	
Wealth tax	0.33	0.14	
	65 65.18		50 79.63

Notes on financial statements for the year ended 31st March, 2015

	2014-15		₹ lakh 2013-14
22. Other expenses (Continued)			
Payments to auditor			
Audit fees	5.17	4.72	
Tax audit fees	1.01	0.94	
Certification and consultation fees	1.69	1.52	
	<u>7.87</u>	<u>7.18</u>	
Total	<u>83 00.67</u>	<u>62 69.44</u>	

23. 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.

24. The Company is mainly engaged in 'organised retail' in India. 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".

25. Under a Scheme of Amalgamation ('the Scheme') under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated 8th August, 2014 inter alia,

(a) Reliance Style Fashion India Private Limited (RSFIPL) and Reliance Styles India Limited (RSIL) the wholly owned subsidiaries of the Company, engaged in the business of organised retail, has been amalgamated with the Company. Pursuant to the Scheme:

(i) The assets, liabilities, reserves, rights and obligations of RSFIPL and RSIL has been vested with the Company with effect from 1st April, 2013 and have been recorded at their respective book value, under the pooling of interest method of accounting of amalgamation.

(ii) No shares have been issued to the shareholders of RSFIPL and RSIL, the Company's wholly owned subsidiaries.

(b) The Scheme became effective on 1st October, 2014, the Appointed Date being 1st April, 2013. The effect of the Scheme has been considered in these financial statements for the year ended 31st March, 2014 and therefore to that extent, the figures of the current year are not comparable with those of the previous year.

(c) From the effective date the authorised share capital of the Company has increased to ₹ 1 01.06 lakh consisting of 10,10,60,000 Equity Shares of ₹ 10 each.

(d) Amount added on amalgamation to profit and loss account is inclusive of loss of ₹ 2 69.20 lakh for the period 1st April 2013 to 31st March 2014.

26. As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

Defined contribution plan

Contribution to defined contribution plan, recognised are charged off for the year are as under:

	2014-15	₹ lakh 2013-14
Employer's contribution to provident fund	16.38	9.05
Employer's contribution to pension scheme	37.15	20.23

Defined benefit plan

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

The Company operates post retirement benefit plans as follows:

Notes on financial statements for the year ended 31st March, 2015

I. Reconciliation of opening and closing balances of defined benefit obligation	₹ lakh			
	Gratuity (unfunded)		Compensated Absences (unfunded)	
	2014-15	2013-14	2014-15	2013-14
Defined benefit obligation at beginning of the year	1 16.77	96.82	53.52	40.27
Add: on Amalgamation	2.17	-	1.49	-
Current service cost	45.08	37.94	33.26	12.31
Interest cost	9.51	7.44	4.40	2.71
Actuarial (gain)/ loss	(33.62)	(17.87)	14.55	11.11
Benefits paid	-	(7.57)	(24.61)	(12.87)
Defined benefit obligation at year end	1 39.91	1 16.76	82.61	53.53
II. Reconciliation of fair value of assets and obligations	₹ lakh			
	Gratuity (unfunded)		Compensated Absences (unfunded)	
	2014-15	2013-14	2014-15	2013-14
Fair value of plan assets	-	-	-	-
Present value of obligation	1 39.91	1 16.76	82.61	53.53
Amount recognised in Balance Sheet	1 39.91	1 16.76	82.61	53.53
III. Expenses recognised during the year	₹ lakh			
	Gratuity (unfunded)		Compensated Absences (unfunded)	
	2014-15	2013-14	2014-15	2013-14
Current service cost	45.08	37.94	33.26	12.31
Interest cost on benefit obligation	9.51	7.44	4.40	2.71
Actuarial (gain)/ loss recognised in the year	(33.62)	(17.87)	14.55	11.11
Net benefit expense/ (income)	20.97	27.51	52.21	26.13
IV. Actuarial assumptions				
	Gratuity (unfunded)		Compensated Absences (unfunded)	
	2014-15	2013-14	2014-15	2013-14
Mortality Table	2006-08	2006-08	2006-08	2006-08
	(Ultimate)	(Ultimate)	(Ultimate)	(Ultimate)
Discount rate (per annum)	8%	8%	8%	8%
Rate of escalation in salary (per annum)	6%	6%	6%	6%

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

Notes on financial statements for the year ended 31st March, 2015

V. Particular	Amount recognised in current year and previous four year					₹ lakh
	2015	2014	As at 31st March		2011	
Grauity			2013	2012		
Defined benefit obligation	1 39.91	1 16.76	96.82	92.24	30.73	
Fair value of planned assets	-	-	-	-	-	
(surplus)/ Deficit in the plan	1 39.91	1 16.76	96.82	92.24	30.73	
Actuarial (gain)/ loss on plan liabilities	(33.62)	(17.87)	(40.97)	16.27	(3.75)	
Actuarial gain/ (loss) on plan assets	-	-	-	-	-	

27. Earnings per share (EPS)

	2014-15	2013-14
(i) Net profit/ (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakh)	(933.83)	(2,355.21)
(ii) Weighted average number of equity shares used as denominator for calculating basic and diluted EPS	8,09,09,315	8,08,60,000
(iii) Basic and diluted earnings/ (loss) per share of face value of ₹ 10 each (Amount in ₹)	(1.15)	(2.91)

The company has dilutive capital in the form of Zero Coupon Unsecured Optionally Fully Convertible Debentures. Since the Debenture holder has the option to convert the Debentures into equity shares at fair value, which is not ascertainable at present, diluted potential equity shares for the said convertible Debentures are not quantified /considered for calculating diluted earnings per share.

28. Financial and derivative instruments

Derivative contracts entered into by the Company and outstanding as on 31st March, 2015

i) For hedging currency related risks:

Nominal amounts of forward contracts entered into by the Company and outstanding as at 31st March, 2015 amount to ₹ nil (previous year ₹ 96.13 lakh).

ii) Foreign currency exposures for Trade and other payables that are not hedged by derivative instruments as on 31st March, 2015 amount to ₹ 6 57.24 lakh (previous year ₹ 2 69.47 lakh).

29. General description of lease terms:

- Lease rentals are charged on the basis of agreed terms.
- Assets are taken on lease over a period of 4 to 15 years.

30. Value of imports on CIF basis in respect of:

	2014-15	2013-14
(i) Traded goods	4,959.63	3,714.33
(ii) Capital goods	45.48	248.55
(iii) Consumables	102.87	44.84
	<u>5,107.98</u>	<u>4,007.72</u>

Notes on financial statements for the year ended 31st March, 2015

31. Value of exports on FOB basis in respect of				
		2014-15		₹ lakh 2013-14
Traded goods		54.66		-
32. Commitments and contingent liabilities				₹ lakh
		As at		As at
		31st March, 2015		31st March, 2014
a) Capital commitments:				
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for				
(i) In respect of Joint ventures		21.13		80.05
(ii) In respect of Others		1 70.30		2 01.46
b) Contingent liabilities:				
Outstanding guarantees furnished to banks and financial institutions including in respect of letters of credit				
In respect of Others		8 37.32		10 22.91
33. Expenditure in foreign currency:				₹ lakh
		2014-15		2013-14
(i) Sales promotion and advertisement expenses		15.31		44.73
(ii) Royalty		4 68.58		2 01.69
(iii) Travelling and conveyance expenses		29.06		27.40
(iv) Professional fees		13.08		61.10
(v) Other matters		3.74		-
Total		5 29.77		3 34.92
34. Value of stores and packing materials consumed:				
		2014-15		2013-14
	₹ lakh	% of Consumption	₹ lakh	% of Consumption
(i) Indigenous	85.22	55	40.12	61
(ii) Imported	69.52	45	25.80	39
Total	1 54.74		65.92	
35. Broad heads of purchase of traded goods :				
Purchase of traded goods				₹ lakh
		2014-15		2013-14
(i) Footwear		39 07.17		27 43.91
(ii) Apparel		44 55.33		25 34.33
(iii) Accessories		9 82.68		7 70.81
Total		93 45.18		60 49.05

Notes on financial statements for the year ended 31st March, 2015

36. Broad heads of goods sold and services rendered :

	2014-15	₹ lakh 2013-14
a) Sale of products		
(i) Footwear	63 47.68	45 64.31
(ii) Apparel	96 04.32	41 69.58
(iii) Accessories	21 39.78	12 44.88
Total	180 91.78	99 78.77
b) Services rendered		
Support services	2 19.10	2 01.77
Total	2 19.10	2 01.77

37. 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

	2014-15	₹ lakh 2013-14 *
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	-	-

* The Company has not received the required information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosure relating to amounts unpaid as at the year end together with interest paid/ payable if any, as required under the said Act could not be made.

38. Details of loan given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013

- i) Loan given by the company to body corporate as at 31st March 2015 (Refer Note 40)
- ii) Investments made by the company as at 31st March 2015 (Refer Note 9)

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

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

Sr. No.	Name of the related party	Relationship
1.	Reliance Industries Limited	} Ultimate holding company
2.	Reliance Retail Ventures Limited	}
	(formerly Reliance Commercial Associates Limited)	} Holding companies
3.	Reliance Universal Ventures Limited (from 30-11-2012 to 24-09-2013)	}
4.	Reliance Style Fashion India Private Limited ⁽ⁱ⁾	} Subsidiary Companies
5.	Reliance Lifestyle Holdings Limited	}
6.	Diesel Fashion India Reliance Private Limited	}
7.	Reliance Paul & Shark Fashions Private Limited	}
8.	Zegna South Asia Private Limited	} Joint Venture
9.	Iconix Lifestyle India Private Limited	}
10.	Brooks Brothers India Private Limited	}
11.	Reliance Fresh Private Limited (upto 20-09-2013)	} Associate
	(formerly Reliance Apparel India Private Limited)	}

Notes on financial statements for the year ended 31st March, 2015

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

Sr. No.	Name of the related party	Relationship
12.	Reliance Retail Limited (<i>formerly</i> Reliance Fresh Limited)	} Fellow subsidiaries
13.	Strategic Manpower Solutions Limited	
14.	Digital18 Media Limited (from 07.07.2014)	
15.	Reliance Petro Marketing Limited	
16.	Reliance Trading Limited (<i>formerly</i> Reliance Trends Limited)	

⁽ⁱ⁾ Amalgamated with Reliance Retail Limited (*formerly* Reliance Fresh Limited) as per The Scheme of Arrangement and Amalgamation, effective 1st October, 2014 with Appointed Date being 1st April, 2013.

(ii) Transactions during the year with related parties (excluding reimbursements):

Sr.	Nature of transactions	Ultimate holding company	Holding company	Subsidiaries	Joint Venture	Fellow subsidiaries	Total
1.	Net unsecured loans taken/ (repaid)	-	(75 00.00)	-	-	-	(75 00.00)
		(11 00.00)	182 98.89	-	-	-	171 98.89
2.	Net Loans and advances given/ (returned)	-	-	5 24.18	-	-	5 24.18
		-	-	38 55.30	-	-	38 55.30
3.	Subscription to investments	-	-	-	9 96.00	-	9 96.00
		-	-	-	13 23.00	-	13 23.00
4.	Issue of Debentures	-	-	-	-	75 00.00	75 00.00
		-	-	-	-	-	-
5.	Purchase of fixed assets/ project materials	-	-	-	-	9.44	9.44
		-	-	-	-	15.50	15.50
6.	Revenue from operations	-	-	-	0.28	-	0.28
		-	-	0.28	0.10	4.69	5.07
7.	Other Income	-	-	29.37	-	-	29.37
		-	-	-	-	-	-
8.	Purchases	-	-	-	55.84	-	55.84
		-	-	3.17	57.63	-	60.80
9.	Purchase of consumables	-	-	-	0.15	-	0.15
		-	-	-	-	0.39	0.39
10.	Finance costs	-	-	-	-	-	-
		28.48	-	-	-	-	28.48
11.	Sales promotion and advertisement expenses	-	-	-	0.06	1.14	1.20
		-	-	0.20	-	-	0.20
12.	Store running expenses	-	-	-	-	2 44.76	2 44.76
		-	-	-	-	1 76.89	1 76.89
	Balance as at 31st March, 2015						
13.	Share capital	-	80 86.00	-	-	-	80 86.00
		-	80 86.00	-	-	-	80 86.00
14.	Unsecured loan	-	319 67.00	-	-	-	319 67.00
		-	394 67.00	-	-	-	394 67.00
15.	Zero Coupon Optionally Fully Convertible Debenture	-	-	-	-	75 00.00	75 00.00
		-	-	-	-	-	-
16.	Investments	-	-	5.00	120 29.48	-	120 34.48
		-	-	1 11.00	110 33.48	-	111 44.48
17.	Loans and advances	-	-	91 71.88	-	-	91 71.88
		-	-	108 73.15	-	-	108 73.15
18.	Trade and other receivables	-	-	-	-	-	-
		-	-	-	-	0.10	0.10
19.	Short term loans and advances	-	-	5.24	-	-	5.24
		-	-	-	-	-	-
20.	Trade and other payables	1 00.47	-	-	49.41	20.69	1 70.57
		-	-	1.80	41.92	17.54	61.26
21.	Financial guarantees taken	-	-	-	-	8 37.32	8 37.32
		-	-	-	-	10 22.91	10 22.91

Figures in *italic* represents previous year's amount.

Notes on financial statements for the year ended 31st March, 2015

(iii) Disclosure in respect of material related party transactions during the year:

Particulars	Relationship	2014-15	2013-14
1. Net unsecured loans taken/ (repaid)			
Reliance Industries Limited	Ultimate holding company	-	(11 00.00)
Reliance Universal Ventures Limited	Holding company	-	(211 68.11)
Reliance Retail Ventures Limited	Holding company	(75 00.00)	394 67.00
2. Net Loans and advances given/ (returned)			
Reliance Style Fashion India Private Limited	Subsidiary	-	4 02.34
Reliance Lifestyle Holdings Limited	Subsidiary	5 24.18	34 52.96
3. Subscription to investments			
Brook Brothers India Private Limited	Joint Venture	4 41.00	4 90.00
Zegna South Asia Private Limited	Joint Venture	4 90.00	8 33.00
Reliance Paul & Shark Fashions Private Limited	Joint Venture	65.00	-
4. Issue of Debentures			
Reliance Petro Marketing Limited	Fellow Subsidiary	75 00.00	-
5. Purchase of fixed assets/ project materials			
Reliance Retail Limited	Fellow Subsidiary	9.44	15.50
6. Revenue from operations			
Reliance Style Fashion India Private Limited	Subsidiary	-	0.28
Diesel Fashion India Reliance Private Limited	Joint Venture	-	0.10
Reliance Retail Limited	Fellow Subsidiary	-	4.69
Brook Brothers India Private Limited	Joint Venture	0.28	-
7. Other Income			
Reliance Lifestyle Holdings Limited	Subsidiary	29.37	-
8. Purchases			
Reliance Style Fashion India Private Limited	Subsidiary	-	3.17
Diesel Fashion India Reliance Private Limited	Joint Venture	31.50	13.68
Brook Brothers India Private Limited	Joint Venture	10.77	7.32
Reliance Paul & Shark Fashions Private Limited	Joint Venture	9.41	5.46
Zegna South Asia Private Limited	Joint Venture	4.16	31.17
9. Purchase of consumables			
Reliance Retail Limited	Fellow Subsidiary	-	0.39
Diesel Fashion India Reliance Private Limited	Joint Venture	0.15	-
10. Finance costs			
Reliance Industries Limited	Ultimate holding company	-	28.48
11. Sales promotion and advertisement expenses			
Reliance Style Fashion India Private Limited	Subsidiary	-	0.20
Digital18 Media Limited	Fellow Subsidiary	1.14	-
Diesel Fashion India Reliance Private Limited	Joint Venture	0.06	-
12. Store running expenses			
Strategic Manpower Solutions Limited	Fellow Subsidiary	2 44.76	1 76.89

Notes on financial statements for the year ended 31st March, 2015

40. Loans and advances in the nature of loans given to subsidiaries :				₹ lakh
Sr. No.	Name of the company	As at 31st March, 2015	As at 31st March, 2014	Maximum balance during the year
1.	Reliance Style Fashion India Private Limited	-	22 25.45	22 25.45
2.	Reliance Lifestyle Holdings Limited	91 71.88	86 47.70	94 40.25
		<u>91 71.88</u>	<u>108 73.15</u>	<u>94 40.25</u>

- (i) All the loans and advances given to subsidiaries, fall under the category of '₹loans and advances' in nature of loans and are repayable within 5 years.
- (ii) Includes ₹ 5 92.39 lakh (previous year nil) loan and advance to Reliance Lifestyle Holdings Limited are interest bearing.
- (iii) All the above loan and advance are given for business purposes.
- (iv) Loans to employees as per Company's policy are not considered.

41. The details of joint ventures are as follows:

Name of the joint ventures	Country of incorporation	Proportion of ownership interest
Diesel Fashion India Reliance Private Limited	India	49%
Reliance Paul & Shark Fashions Private Limited	India	50%
Zegna South Asia Private Limited	India	49%
Iconix Lifestyle India Private Limited	India	50%
Brooks Brothers India Private Limited	India	49%

42. In respect of jointly controlled entities, the Company's share of assets, liabilities, income and expenditure are as follows:

Particulars	₹ lakh	
	As at 31st March, 2015	As at 31st March, 2014
(i) Assets		
Fixed assets and capital work-in-progress	19 26.12	20 91.08
Non-current assets	7 76.55	7 56.11
Current investments	7 01.36	5 77.15
Current assets	22 39.40	19 97.25
(ii) Liabilities		
Non-current liabilities and provisions	13.74	11.99
Short term borrowings	4 67.71	3 72.93
Current liabilities and provisions	14 48.31	16 71.34
(iii) Income	66 01.64	55 21.30
(iv) Expenses	72 39.72	67 46.19

As per our Report of even date

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

Jignesh Mehta
Partner
Membership No. 102749

Mumbai
Dated : 11th April, 2015

For and on behalf of the Board

Pankaj Pawar
Director
DIN - 00085077

Ramesh Kumar Damani
Director
DIN - 00049764

Dhirendra Nanda
Company Secretary
Membership No. FCS 4821

Timothy Wheeler
Director
DIN - 00863237

Mayank Shah
Director
DIN - 00076380

Samirbhai Sheth
Director
DIN - 01285752

Pranav Lodhavia
Chief Financial Officer
PAN - AAAPL6202F