Reliance Brands Limited
Financial Statements
2017-18

Independent Auditor's Report

TO THE MEMBERS OF RELIANCE BRANDS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Reliance Brands Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as "Standalone Financial Statements")

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 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) prescribed under section 133 of the Act and rules made there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of 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 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 of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. 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. 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 the 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 including the Ind AS, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity 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 it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereafter.

e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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"**.

g) 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 :

1. The Company does not have any pending litigations which would impact its Standalone Financial Statements
2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
3. 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 in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Kamlesh Desai
Partner
Membership No.: 100805

Place: Mumbai
Date: 24th April, 2018.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF RELIANCE BRANDS LIMITED

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

Report on the Internal Financial Controls over Financial Reporting 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 BRANDS LIMITED** ("the company") as of 31st March, 2018 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 (the "Guidance Note") 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 issued by ICAI 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 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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 Rajendra & Co.
Chartered Accountants
(Registration no. 108355W)

Kamlesh Desai
Partner
Membership No.: 100805

Place: Mumbai
Date: 24th April, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF RELIANCE BRANDS LIMITED

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

i. In respect of its fixed assets :

a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c. As the Company has no immovable assets during the year, clause (c) (i) of paragraph 3 of the Order is not applicable to the company.

ii. As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

iii. According to the information and explanations given to us, 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) of paragraph 3 of the Order is not applicable to the Company.

iv. In our opinion and according to information and explanation given to us, the company has complied with provision of section 185 and 186 of Companies Act, 2013 in respect of grant of loans ,making investments and providing guarantees and securities.

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 31st March, 2018 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.

viii. In our opinion and according to the information given to us, the Company has not raised loans from financial institutions or banks or government and no amounts were due for repayments to debenture holders; hence clause (viii) 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) and terms loans have been used for the purpose for which it has been raised.

x. In our opinion and according to information and explanation 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. The company has not paid managerial remuneration during the year and hence clause (xi) of paragraph 3 of the order is not applicable .

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 our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their 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 of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

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

Kamlesh Desai
Partner
Membership No.: 100805

Place: Mumbai
Date: 24th April, 2018

Balance Sheet as at 31st March, 2018

₹ lakh

	Notes	As at 31st March, 2018		As at 31st March, 2017	
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	**1**	**67 41.35**		65 53.62	
Capital Work-in-Progress	**1**	**13 32.50**		9 87.16	
Intangible Assets	**1**	**10.64**		33.40	
		80 84.49		75 74.18	
Financial Assets					
Investments	**2**	**563 19.69**		226 39.08	
Loans	**3**	**86 22.50**		42 63.64	
Deferred Tax Assets (net)	**4**	**71 84.42**		68 52.64	
Other Non Current Assets	**5**	**7 44.31**		5 88.03	
Total Non-Current Assets			**809 55.41**		419 17.57
Current Assets					
Inventories	**6**	**72 45.86**		88 90.93	
Financial Assets					
Investments	**7**	**-**		15 90.65	
Trade Receivables	**8**	**68 12.18**		24 36.10	
Cash and Cash Equivalents	**9**	**2 30.47**		4 56.53	
Other Financial Assets	**10**	**40 31.22**		40 51.54	
Other Current Assets	**11**	**23 12.32**		16 25.86	
Total Current Assets			**206 32.05**		190 51.61
Total Assets			**1 015 87.46**		609 69.18
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	**12**	**101 07.50**		101 07.50	
Other Equity	**13**	**444 38.74**		396 59.99	
Total Equity			**545 46.24**		497 67.49
Liabilities					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	**14**	**402 32.00**		45 00.33	
Provisions	**15**	**3 51.38**		3 42.11	
Total Non-Current Liabilities			**405 83.38**		48 42.44
Current Liabilities					
Financial Liabilities					
Trade Payables	**16**	**44 07.39**		51 84.43	
Other Financial Liabilities	**17**	**5 40.78**		3 98.74	
Other Current Liabilities	**18**	**15 00.54**		7 66.33	
Provisions	**19**	**9.13**		9.75	
Total Current Liabilities			**64 57.84**		63 59.25
Total Liabilities			**470 41.22**		112 01.69
Total Equity and Liabilities			**1 015 87.46**		609 69.18
Significant Accounting Policies					
See accompanying Notes to the Financial Statements	**1 to 34**				

As per our Report of even date
For **Rajendra & Co**
Chartered Accountants

Kamlesh Desai
Partner

Mumbai
Dated : 24th April, 2018

For and on behalf of the Board

V Subramaniam
Director

Samirbhai Sheth
Director

Hetal Rathod
Director

Ashwin Khasgiwala
Director

Mayank Shah
Director

Pranav Lodhavia
Chief Financial Officer

Ravindra Patel
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2018

	Notes	2017-18	₹ lakh 2016-17
INCOME			
Value of Sales		**331 94.41**	265 04.57
Income from Services		**24 94.04**	18 78.37
Value of Sales & Services (Revenue)		**356 88.45**	283 82.94
Less: GST / Service Tax recovered		**39 00.02**	2 44.06
Revenue from Operations		**317 88.43**	281 38.88
Other Income	**20**	**18 53.14**	4 07.53
Total Income		**336 41.57**	285 46.41
EXPENSES			
Purchases of Stock-in-Trade		**112 00.00**	143 15.03
Changes in Inventories of Stock-in-Trade	**21**	**16 84.74**	(23 11.42)
Employee Benefits Expense	**22**	**55 00.12**	56 27.13
Finance Costs	**23**	**17 02.24**	85.66
Depreciation and Amortisation Expense	**1**	**11 45.75**	11 66.82
Other Expenses	**24**	**132 26.17**	125 40.29
Total Expenses		**344 59.02**	314 23.51
Profit / (Loss) before Tax		**(8 17.45)**	(28 77.10)
Tax expenses:			
Deferred Tax	**4**	**(3 31.78)**	(10 70.26)
Profit / (Loss) for the Year		**(4 85.67)**	(18 06.84)
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss	**22.1**	64.42	7.01
Total Comprehensive Income for the Year		**(4 21.25)**	(17 99.83)
Earnings per Equity Share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	**27**	**(0.48)**	(2.01)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	**1 to 34**		

As per our Report of even date
For **Rajendra & Co**
Chartered Accountants

Kamlesh Desai
Partner

Mumbai
Dated : 24th April, 2018

For and on behalf of the Board

V Subramaniam
Director

Samirbhai Sheth
Director

Hetal Rathod
Director

Ashwin Khasgiwala
Director

Mayank Shah
Director

Pranav Lodhavia
Chief Financial Officer

Ravindra Patel
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital

₹ lakh

Balance at the beginning of the reporting period i.e. 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance at the end of the reporting period i.e. 31st March, 2017	Changes in equity share capital during the year 2017-18	**Balance at the end of the reporting period i.e. 31st March, 2018**
89 86.00	11 21.50	101 07.50	-	**101 07.50**

B. Other Equity

₹ lakh

	Instruments Classified as Equity	**Reserves & Surplus**	**Other Comprehensive Income**	**Total**
	Zero Coupon Optionally Fully Convertible Debentures of ₹ 10 each, fully paid up	**Retained Earnings**		
As on 31st March, 2017				
Balance at the beginning of the reporting period i.e. 1st April, 2016 (i)	485 00.00	(120 61.13)	20.95	364 59.82
Issue of Convertible Instruments (ii) and (iii)	50 00.00	-	-	50 00.00
Total Comprehensive income for the year	-	(18 06.84)	7.01	(17 99.83)
Balance at the end of reporting period 31st March, 2017	**535 00.00**	**(138 67.97)**	**27.96**	**396 59.99**
As on 31st March, 2018				
Balance at the beginning of the reporting period i.e. 1st April, 2017 (i), (ii) & (iii)	535 00.00	(138 67.97)	27.96	396 59.99
Issue of Convertible Instruments (iv) and (v)	52 00.00	-	-	52 00.00
Total Comprehensive income for the year	-	(4 85.67)	64.42	(4 21.25)
Balance at the end of reporting period 31st March, 2018	**587 00.00**	**(143 53.64)**	**92.38**	**444 38.74**

i) The Company has an option for conversion of 48,50,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) in to equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The conversion into equity shares shall be based on higher of face value or book value of the Company as at March 31, 2015. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 15 years from the date of allotment i.e. 31st March 2016.

ii) The Company has an option for conversion of 3,00,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) in to equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The conversion into equity shares shall be based on higher of face value or book value of the Company as at March 31, 2016. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 15 years from the date of allotment i.e. 10th October, 2016.

iii) The Company has an option for conversion of 2,00,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) in to equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The conversion into equity shares shall be based on higher of face value or book value of the Company as at March 31, 2016. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 15 years from the date of allotment i.e. 20th December, 2016.

iv) The Company has an option for conversion of 4,50,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) in to equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The conversion into equity shares shall be based on higher of face value or book value of the Company as at March 31, 2017. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 15 years from the date of allotment i.e. 20th June, 2017.

v) The Company has an option for conversion of 70,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) in to equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The conversion into equity shares shall be based on higher of face value or book value of the Company as at March 31, 2017. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 15 years from the date of allotment i.e. 26th March, 2018.

As per our Report of even date
For **Rajendra & Co**
Chartered Accountants

Kamlesh Desai
Partner

Mumbai
Dated : 24th April, 2018

For and on behalf of the Board

V Subramaniam
Director

Samirbhai Sheth
Director

Hetal Rathod
Director

Ashwin Khasgiwala
Director

Mayank Shah
Director

Pranav Lodhavia
Chief Financial Officer

Ravindra Patel
Company Secretary

Cash Flow Statement for the year ended 31st March, 2018

					₹ lakh
			2017-18		2016-17
A:	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) Before Tax as per Statement of Profit and Loss		**(8 17.45)**		(28 77.10)
	Adjusted for:				
	(Profit)/ loss on sale/ discarding of Property, Plant and Equipment (Net)	**5 25.61**		46.53	
	Depreciation and Amortisation Expense	**11 45.75**		11 66.82	
	Effect of Exchange Rate Change	**66.04**		(25.30)	
	Net Gain on Financials Assets	**(30.70)**		(79.29)	
	Interest Income	**(4 65.11)**		(2 46.33)	
	Finance Costs	**17 02.24**		85.66	
			29 43.83		9 48.09
	Operating Profit before Working Capital Changes		**21 26.38**		(19 29.01)
	Adjusted for:				
	Trade and Other Receivables	**(53 86.64)**		(18 53.18)	
	Inventories	**16 45.07**		(24 96.70)	
	Trade and Other Payables	**(44.60)**		(2 24.70)	
			(37 86.17)		(45 74.58)
	Cash Generated from Operations		**(16 59.79)**		(65 03.59)
	Taxes Paid (Net)		**(2 48.46)**		(29.29)
	Net Cash used in Operating Activities		**(19 08.25)**		(65 32.88)
B:	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment and Intangible Assets		**(28 67.81)**		(17 75.71)
	Proceeds from disposal of Property, Plant and Equipment and Intangible Assets		**7 02.98**		33.31
	Investments in Subsidiaries/Joint Ventures/Associates		**(336 80.61)**		(13 18.60)
	Purchase of Other Investments		**(238 14.00)**		(339 54.00)
	Proceeds from Sale of Financial Assets		**254 35.35**		364 52.64
	Share Application Money Paid		**3 69.00**		(3 69.00)
	Loans refunded by / (given to) Subsidiaries		**(43 58.86)**		(28 32.77)
	Interest Income		**4 39.89**		2 25.22
	Net Cash used in Investing Activities		**(377 74.06)**		(35 38.91)
C:	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Issue of Share Capital		**-**		11 21.50
	Proceeds from Borrowings - Non-Current		**480 39.00**		95 00.01
	Repayment of Borrowings - Non-Current		**(71 10.28)**		(15.26)
	Interest Paid		**(14 72.47)**		(1 62.53)
	Net Cash Flow from Financing Activities		**394 56.25**		104 43.72
	Net Increase / (Decrease) in Cash and Cash Equivalents		**(2 26.06)**		3 71.93
	Opening Balance of Cash and Cash Equivalents		**4 56.53**		84.60
	Closing Balance of Cash and Cash Equivalents (Refer Note "9")		**2 30.47**		4 56.53

As per our Report of even date
For **Rajendra & Co**
Chartered Accountants

Kamlesh Desai
Partner

Mumbai
Dated : 24th April, 2018

For and on behalf of the Board

V Subramaniam
Director

Samirbhai Sheth
Director

Hetal Rathod
Director

Ashwin Khasgiwala
Director

Mayank Shah
Director

Pranav Lodhavia
Chief Financial Officer

Ravindra Patel
Company Secretary

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

A. Corporate Information

Reliance Brands Limited ("the Company") is a limited company incorporated in India having its registered office at 5th floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai 400 002, India. The Company's immediate holding Company is Reliance Retail Ventures Limited and Ultimate holding company is Reliance Industries Limited. The Company is engaged in organised retail spanning across various consumption baskets primarily catering to Indian consumers.

B. Significant Accounting Policies

B.1 Basis of Preparation and Presentation

The Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities (including derivative instruments) which have been measured at fair value amount.

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

Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakh (₹ 00,000) except when otherwise stated.

B.2 Summary of Significant Accounting Policies

(a) 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, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

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

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

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

Depreciation on Property, Plant and Equipment is provided on straight line method and based on useful life of the assets in compliance with Schedule II to the Companies Act, 2013. Leasehold improvements are amortized over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term.

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.

(b) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leased Assets

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation / depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

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

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

Computer software is amortised over a period of 5 years on a straight line basis.

(d) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

(e) Finance Cost

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

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

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

(f) Inventories

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

Costs of inventories are determined on weighted average basis.

(g) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

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

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

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

(h) 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.

(i) Employee Benefits

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation. The gratuity is paid @15days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of Defined Benefit Plans in respect of post-employment are charged to the Other Comprehensive Income.

(j) Tax Expenses

The tax expense for the period comprises current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In this case, the tax is also recognised in Other Comprehensive Income and Equity.

i) Current Tax

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

ii) Deferred Tax

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(k) Share Based Payments

Equity- settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(l) Foreign Currencies Transactions and Translation

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

(m) Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed

Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest Income

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

Dividend Income

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

(n) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit and Loss, are added to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets Measured at Amortised Cost (AC)

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

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

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

C. Investment In Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E. Impairment of Financial Assets

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

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

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

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

ii) Financial Liabilities

A. Initial Recognition And Measurement

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

B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derivative Financial Instruments

The company uses various derivative financial instruments such as currency forwards and commodity contracts to mitigate the risk of changes in exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

iv) Derecognition of Financial Instruments

The company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

Liability (or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expired.

v) **Offsetting**

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

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 year.

a) Depreciation / Amortisation And Useful Lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment / intangible assets are depreciated / amortised 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 / amortisation 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 / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include assessing the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

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

d) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

D. Standards Issued but not Effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS.

These amendments shall be applicable to the Company from April 01, 2018.

(a) Issue of Ind AS 115 - Revenue from Contracts With Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 40 - Investment Property

iii. Ind AS 12 - Income Taxes

iv. Ind AS 28 - Investments in Associates and Joint Ventures and

v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company’s Financial Statements.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

1. Property, Plant and Equipment, Intangible Assets, Capital Work-in-Progress ₹ Lakh

Description	Gross Block				Depreciation/ Amortisation				Net Block	
	As at 1st April 2017	Additions	Deductions/ Adjustments	**As at 31st March 2018**	As at 1st April 2017	For the year	Deductions/ Adjustments	**As at 31st March 2018**	**As at 31st March 2018**	As at 31st March 2017
Property, Plant and Equipment										
Own assets:										
Plant and machinery	11 41.04	2 85.01	1 77.86	**12 48.19**	6 30.42	1 28.01	1 05.09	**6 53.34**	**5 94.85**	5 10.62
Electrical installations	11 98.88	1 79.55	2 72.84	**11 05.59**	3 80.01	1 29.78	1 09.13	**4 00.66**	**7 04.93**	8 18.87
Equipment	13 22.00	2 01.24	2 23.02	**13 00.22**	3 50.11	96.16	60.00	**3 86.27**	**9 13.95**	9 71.89
Furniture and fixtures	31 07.58	10 87.67	5 29.17	**36 66.08**	11 05.83	3 29.13	1 84.08	**12 50.88**	**24 15.20**	20 01.75
Vehicles	1 52.60	-	9.18	**1 43.42**	1 09.22	12.06	8.10	**1 13.18**	**30.24**	43.38
Leasehold improvements	38 57.56	7 85.84	8 33.38	**38 10.02**	16 50.45	4 27.88	3 50.49	**17 27.84**	**20 82.18**	22 07.11
Total (i)	**107 79.66**	**25 39.31**	**20 45.45**	**112 73.52**	**42 26.04**	**11 23.02**	**8 16.89**	**45 32.17**	**67 41.35**	**65 53.62**
Intangible assets										
Franchisee rights	47.44	-	-	**47.44**	41.11	6.33	-	**47.44**	**-**	6.33
Software	1 08.98	-	4.78	**1 04.20**	81.91	16.40	4.75	**93.56**	**10.64**	27.07
Total (ii)	**1 56.42**	**-**	**4.78**	**1 51.64**	**1 23.02**	**22.73**	**4.75**	**1 41.00**	**10.64**	**33.40**
Total (i+ii)	**109 36.08**	**25 39.31**	**20 50.23**	**114 25.16**	**43 49.06**	**11 45.75**	**8 21.64**	**46 73.17**	**67 51.99**	**65 87.02**
Previous year	93 42.77	17 50.54	1 57.23	109 36.08	32 59.63	11 66.82	77.39	43 49.06	65 87.02	
Capital work-in-progress									**13 32.50**	9 87.16

1.1 Capital work-in-progress includes ₹ 4 01.07 lakh (Previous year ₹ 6 50.62 lakh) on account of capital goods inventory.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

₹ lakh

2. Investments - Non-Current	**As at 31st March, 2018 Units**	**As at 31st March, 2018 Amount**	As at 31st March, 2017 Units	As at 31st March, 2017 Amount
Investments measured at Cost				
In Equity Shares of Subsidiary Companies - Unquoted, Fully Paid Up				
Reliance Lifestyle Holdings Limited of ₹ 10 each	**50,000**	**5.00**	50,000	5.00
Reliance GAS Lifestyle India Private Limited (formerly Reliance Brands Luxury Private Limited) of ₹ 10 each	**5,10,00,000**	**51 00.00**	-	-
Sub-total (a)		**51 05.00**		5.00
Investment measured at Cost				
In Debentures of Subsidiary Companies - Unquoted, Fully Paid Up				
Reliance Lifestyle Holdings Limited of ₹ 10 each	**8,60,00,000**	**86 00.00**	8,60,00,000	86 00.00
Sub-total (b)		**86 00.00**		86 00.00
Investment measured at Cost				
In Equity Shares of Joint Venture/ Associate Companies - Unquoted, Fully Paid Up				
Diesel Fashion India Reliance Private Limited of ₹ 10 each	**4,55,70,000**	**45 56.91**	4,06,70,000	40 66.91
Reliance Paul & Shark Fashions Private Limited of ₹ 10 each	**1,03,50,000**	**10 35.00**	87,00,000	8 70.00
Zegna South Asia Private Limited of ₹ 10 each	**2,71,49,272**	**27 65.17**	2,71,49,272	27 65.17
Brooks Brothers India Private Limited of ₹ 10 each	**2,45,00,000**	**24 50.00**	2,37,65,000	23 76.50
Iconix Lifestyle India Private Limited of ₹ 10 each	**25,05,000**	**32 20.00**	25,05,000	32 20.00
Ryohin-Keikaku Reliance India Private Limited of ₹ 10 each	**1,32,30,000**	**13 23.00**	73,50,000	7 35.00
Reliance Bally India Private Limited (formerly Reliance Luxury Fashion Private Limited) of ₹ 10 each	**36,00,000**	**3 60.00**	5,000	0.50
Genesis Luxury Fashion Private Limited of ₹ 319.60 each	**82,22,360**	**269 04.61**	-	-
Sub-total (c)		**426 14.69**		140 34.08
Total (a+b+c)		**563 19.69**		226 39.08
Aggregate amount of Unquoted investments		**563 19.69**		226 39.08

2.1 Category-wise Investment - Non-Current	**31st March, 2018**	31st March, 2017
Financial assets measured at Cost	**563 19.69**	226 39.08
Total Investment - Non-Current	**563 19.69**	226 39.08

₹ lakh

3. Loans - Non-Current *(Unsecured and Considered Good)*	**As at 31st March, 2018**	As at 31st March, 2017
Loans and advances to Related Parties [Refer Note 32 (ii)]	**86 22.50**	42 63.64
Total	**86 22.50**	42 63.64

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

3.1 Loans and Advances in the nature of Loans given to Subsidiaries and Associates

a) Loans and Advances in the nature of Loans to Subsidiaries

Sr. No.	**Name of the Company**	**As at 31st March, 2018**	**Maximum balance during the year**	As at 31st March, 2017	Maximum balance during the year
1	Reliance Lifestyle Holdings Limited	**86 22.50**	**86 22.50**	41 86.14	42 62.64
	Total	**86 22.50**	**86 22.50**	41 86.14	42 62.64

b) Loans and Advances in the Nature of Loans to Associates

Sr. No.	**Name of the Company**	**As at 31st March, 2018**	**Maximum balance during the year**	As at 31st March, 2017	Maximum balance during the year
1	Reliance Bally India Private Limited (formerly Reliance Luxury Fashion Private Limited)	**-**	**-**	77.50	77.50
	Total	**-**	**-**	77.50	77.50

(i) All the above loans are given for business purpose.

(ii) Loans and advances shown above, fall under the category of 'Loans - Non-Current' are repayable within 3 to 5 years.

₹ lakh

4. Deferred Tax Assets (Net)	**As at 31st March, 2018**	As at 31st March, 2017
The movement on the deferred tax account is as follows:		
At the start of the year	68 52.64	57 82.38
Credit to Profit or Loss (Note 25)	3 31.78	10 70.26
At the end of year	**71 84.42**	68 52.64

Components of Deferred tax and Assets / (liabilities)

	As at 31st March, 2017	Charge/(credit) to Statement of Profit and Loss	**As at 31st March, 2018**
Deferred Tax Asset/ (Liabilities) in relation to:			
Property, Plant and Equipment	1 44.74	(2 35.01)	3 79.75
Carried Forward Losses	65 94.47	(92.65)	66 87.12
Financial Assets	1 13.43	(4.12)	1 17.55
Total	68 52.64	(3 31.78)	71 84.42

₹ lakh

5. Other Non-Current Assets *(unsecured and considered good)*	**As at 31st March, 2018**	As at 31st March, 2017
Capital Advances	**79.05**	1 71.87
Deposits [(i)]	**4.15**	5.20
Advance Income Tax (Net of Provision) [(ii)]	**6 07.49**	3 59.03
Other Loans and Advances [(iii)]	**53.62**	51.93
Total	**7 44.31**	5 88.03

[(i)] Deposits given to statutory authorities.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

		31st March, 2018	31st March, 2017
(ii)	**Advance Income Tax (Net of Provision)**	**31st March, 2018**	31st March, 2017
	At start of year	**3 59.03**	3 29.74
	Charge for the year - Current-Tax	**-**	-
	Others	**-**	-
	Tax Paid (Net) during the year	**2 48.46**	29.29
	At end of year	**607.49**	359.03

(iii) Represents loan to employees.

₹ lakh

		As at 31st March, 2018	As at 31st March, 2017
6.	**Inventories** *(valued at lower of cost or net realisable value)*	**As at 31st March, 2018**	As at 31st March, 2017
	Stock-in-trade	**68 39.82**	85 24.56
	Stores and spares	**4 06.04**	3 66.37
	Total	**72 45.86**	88 90.93

₹ lakh

		As at 31st March, 2018	As at 31st March, 2017
7.	**Investments - Current**	**As at 31st March, 2018**	As at 31st March, 2017
	Investments Measured at Fair Value Through Profit and Loss		
	Investment in mutual funds - Unquoted	**-**	15 90.65
	Total	**-**	15 90.65
	Aggregate amount of Unquoted investments	**-**	15 90.65

₹ lakh

		As at 31st March, 2018	As at 31st March, 2017
8.	**Trade Receivables** *(unsecured and considered good)*	**As at 31st March, 2018**	As at 31st March, 2017
	Trade Receivables	**68 12.18**	24 36.10
	Total	**68 12.18**	24 36.10

₹ lakh

		As at 31st March, 2018	As at 31st March, 2017
9.	**Cash and Cash Equivalents**	**As at 31st March, 2018**	As at 31st March, 2017
	Cash on Hand	**97.81**	69.06
	Balances with Banks [(i) and (ii)]	**1 32.66**	3 87.47
	Cash and Cash Equivalents as per Balance Sheet/ Standalone Statement of Cash Flows	**2 30.47**	4 56.53

(i) Includes deposits ₹ 1.89 lakh (Previous year ₹ 0.30 lakh) with maturity period of more than 12 months.

(ii) Includes deposits ₹ 2.74 lakh (previous year ₹ 2.32 lakh) held by tax authority as security and by bank as margin money for bank guarantees.

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

10. Other Financial Assets - Current	As at 31st March, 2018	₹ lakh As at 31st March, 2017
Application Money pending allotment	-	3 69.00
Deposits	**39 74.65**	36 51.19
Others [(i)]	**56.57**	31.35
Total	**40 31.22**	40 51.54

(i) Includes treasury and interest receivable.

11. Other Current Assets	As at 31st March, 2018	₹ lakh As at 31st March, 2017
(Unsecured and Considered Good)		
Balance with Customs, GST and State authorities	**7 61.18**	2 14.55
Others [(i)]	**15 51.14**	14 11.31
Total	**23 12.32**	16 25.86

(i) Includes advances to employees and vendors.

12. Share Capital		As at 31st March, 2018	₹ lakh As at 31st March, 2017
Authorised Share Capital:			
10,11,00,000 (10,11,00,000)	Equity Shares of ₹ 10 each	**101 10.00**	101 10.00
Total		**101 10.00**	101 10.00
Issued, Subscribed and Paid up:			
10,10,75,000 (10,10,75,000)	Equity Shares of ₹ 10 each Fully Paid Up	**101 07.50**	101 07.50
Total		**101 07.50**	101 07.50

(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, the holding company, along with its nominees.

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

Name of the Shareholders	As at 31st March, 2018 No. of Shares	% held	As at 31st March, 2017 No. of Shares	% held
Reliance Retail Ventures Limited	**8,08,60,000**	**80.00**	8,08,60,000	80.00
L V Merchant jointly with K R Raja (As trustees of Reliance Brands Stock Option Trust)	**2,02,15,000**	**20.00**	2,02,15,000	20.00

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

Particulars	As at 31st March, 2018 No. of shares	As at 31st March, 2017 No. of shares
Equity shares at the beginning of the year	**10,10,75,000**	8,98,60,000
Add: Equity shares issued during the year	**-**	1,12,15,000
Equity shares at the end of the year	**10,10,75,000**	10,10,75,000

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

(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, 2018 RSUs in force total to five crore forty four lakh eighty five thousand (previous year five crore forty four lakh eighty five thousand).

(v) 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.

₹ lakh

13. Other Equity		**As at 31st March, 2018**		As at 31st March, 2017
Instruments Classified as Equity				
(Zero Coupon Optionally Fully Convertible Debentures of ₹ 10 each, fully paid up)				
As per last Balance Sheet	**535 00.00**		485 00.00	
Issue	**52 00.00**		50 00.00	
		587 00.00		535 00.00
Retained Earnings				
As per last Balance Sheet	**(138 67.97)**		(120 61.13)	
Add: Profit/ (loss) for the year	**(4 85.67)**		(18 06.84)	
		(143 53.64)		(138 67.97)
Other Comprehensive Income (OCI)				
As per last Balance Sheet	**27.96**		20.95	
Add: Movement in OCI (Net) during the year	**64.42**		7.01	
		92.38		27.96
Total		**444 38.74**		396 59.99

13.1 In view of the loss for the year, the company has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 17 95.43 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.

₹ lakh

14. Borrowings - Non-Current	**As at 31st March, 2018**	As at 31st March, 2017
Secured - At Amortised Cost		
Term loans from banks [(i)]	**-**	0.33
Unsecured - At Amortised Cost		
Loans and advances from related parties [(ii)] [Refer Note 32(ii)]	**402 32.00**	45 00.00
Total	**402 32.00**	45 00.33

(i) Term loans are secured by hypothecation of vehicles and are repayable over a period of 2 years by way of equated monthly installments.

(ii) Represents from Holding Company

₹ lakh

15. Provisions - Non-Current	**As at 31st March, 2018**	As at 31st March, 2017
Provision for employee benefits (Refer note 22.1) [(i)]	**3 51.38**	3 42.11
Total	**3 51.38**	3 42.11

(i) The provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

₹ lakh

16. Trade Payables		As at 31st March, 2018		As at 31st March, 2017
Micro and Small Enterprises (previous year ₹ 362)		**-**	0.00	
Others	**44 07.39**		51 84.43	
		44 07.39		51 84.43
Total		**44 07.39**		51 84.43

16.1 There are no amounts outstanding to Micro, Small and Medium Enterprises as at March 31, 2018 and no amount were overdue during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

₹ lakh

17. Other Financial liabilities	As at 31st March, 2018	As at 31st March, 2017
Current maturities of Borrowings - Non-Current	**0.33**	3.28
Interest Accrued but not due on Borrowings	**2 49.22**	19.45
Creditors for Capital Expenditure	**2 89.96**	3 65.94
Other Payables (i)	**1.27**	10.07
Total	**5 40.78**	3 98.74

(i) Includes security deposits received & financial liability at fair value.

₹ lakh

18. Other Current Liabilities	As at 31st March, 2018	As at 31st March, 2017
Other payables (i)	**15 00.54**	7 66.33
Total	**15 00.54**	7 66.33

(i) Includes statutory dues and advances from customers.

₹ lakh

19. Provisions - Current	As at 31st March, 2018	As at 31st March, 2017
Provision for employee benefits (Refer note 22.1) (i)	**9.13**	9.75
Total	**9.13**	9.75

(i) The provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

₹ lakh

20. Other Income		2017-18		2016-17
Interest				
Bank Deposits	**0.19**		0.20	
Debt Instruments	**4 64.92**		2 19.47	
Others	**-**		26.66	
		4 65.11		2 46.33
Gain on Financial Assets				
Realised Gain	**30.70**		78.95	
Unrealised Gain	**-**		0.34	
		30.70		79.29
Other non-operating income		**13 57.33**		81.91
Total		**18 53.14**		4 07.53

Above other income comprises of assets measured at amortised cost ₹ 4 65.11 lakh (previous year ₹ 2 19.67 lakh) and fair value through Profit and Loss ₹ 30.70 lakh (previous year ₹ 1 05.95 lakh).

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

			₹ lakh
21.	**Changes in Inventories of Stock-in-Trade**	**2017-18**	2016-17
	Inventories (at close)		
	Stock-in-trade	**68 39.82**	85 24.56
	Inventories (at commencement)		
	Stock-in-trade	**85 24.56**	62 13.14
	Total	**16 84.74**	(23 11.42)

			₹ lakh
22.	**Employee Benefits Expense**	**2017-18**	2016-17
	Salaries and wages	**49 88.05**	50 96.09
	Contribution to provident fund and other funds	**2 36.81**	2 18.62
	Staff welfare expenses	**2 75.26**	3 12.42
	Total	**55 00.12**	56 27.13

22.1 As per IND AS 19 “Employee benefits”, the disclosures as defined are given below :

		₹ lakh
Defined Contribution Plan	**2017-18**	2016-17
Contribution to defined contribution plan, recognised as expenses for the year is as under:		
Employer’s contribution to Provident Fund	**37.74**	38.27
Employer’s contribution to Pension Scheme	**85.52**	86.87

Defined Benefit Plan

I. Reconciliation of opening and closing balances of defined benefit obligation ₹ lakh

	Gratuity (unfunded)	
Particulars	**2017-18**	2016-17
Defined benefit obligation at beginning of the year	**2 31.57**	1 71.31
Current service cost	**58.54**	56.33
Interest cost	**17.28**	13.70
Actuarial (gain)/ loss	**(64.42)**	(7.01)
Benefits paid	**(1.87)**	(2.76)
Transfer in / (out)	**(2.46)**	-
Defined benefit obligation at year end	**2 38.64**	2 31.57

II. Reconciliation of fair value of assets and obligations ₹ lakh

	Gratuity (unfunded)	
	2017-18	2016-17
Fair value of plan assets	**-**	-
Present value of obligation	**2 38.64**	2 31.57
Amount recognised in Balance Sheet (Surplus / Deficit)	**2 38.64**	2 31.57

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

III. Expenses recognised during the year

	Gratuity (unfunded) ₹ lakh	
	2017-18	2016-17
Current service cost	**58.54**	56.33
Interest cost	**17.28**	13.70
Actuarial (gain)/ loss recognised in the year	**-**	-
Net benefit expense/ (income)	**75.82**	70.03
In Other Comprehensive Income		
Actuarial (gain / Loss)	**(64.42)**	(7.01)
Net (Income)/ Expense For the period Recognised in OCI	**(64.42)**	(7.01)

IV. Actuarial assumptions

	Gratuity (unfunded) ₹ lakh	
	2017-18	2016-17
Mortality Table (IALM)	**2006-08 (Ultimate)**	2006-08 (Ultimate)
Discount rate (per annum)	**8.00%**	7.46%
Rate of escalation in salary (per annum)	**6.00%**	6.00%
Rate of employee turnover (per annum)	**2.00%**	2.00%

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

V. The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2017-18.

VI. Sensitivity Analysis

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

₹ lakh

Particulars	**As at 31st March, 2018**		As at 31st March, 2017	
	Decrease	**Increase**	Decrease	Increase
Change in discounting rate (delta effect of +/- 0.5%)	**11.64**	**12.82**	12.45	13.74
Change in rate of salary increase (delta effect of +/- 0.5%)	**11.90**	**13.01**	12.67	13.87
Change in rate of employee turnover (delta effect of +/- 0.5%)	**1.69**	**1.53**	2.43	2.25

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

Interest risk	A decrease in the bond interest rate will increase the plan liability;
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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

₹ lakh

23. Finance Costs	2017-18	2016-17
Interest Expenses	**17 02.24**	85.66
Total	**17 02.24**	85.66

₹ lakh

24. Other Expenses		2017-18		2016-17
Selling and Distribution Expenses				
Sales promotion and advertisement expenses	**7 03.47**		7 80.73	
Store running expenses	**9 11.17**		6 32.37	
Royalty	**6 02.75**		5 78.25	
Commission	**71.70**		-	
Warehousing and distribution expenses	**4 70.68**		5 92.78	
		27 59.77		25 84.13
Establishment Expenses				
Stores and packing materials	**3 08.97**		1 92.13	
Building repairs and maintenance	**2 08.76**		3 09.13	
Other repairs	**6.60**		1.95	
Rent including lease rentals	**69 05.22**		67 21.59	
Insurance	**1 21.97**		91.19	
Rates and taxes	**60.16**		1 02.36	
Travelling and conveyance expenses	**5 55.47**		6 17.35	
Professional fees	**2 04.00**		2 73.32	
Loss on sale/ discard of Property, Plant and Equipment (net)	**5 25.61**		46.53	
Exchange differences (net)	**98.26**		(53.70)	
Security expenses	**3 14.44**		4 98.75	
Electricity expenses	**5 35.73**		5 16.69	
Hire charges	**3 03.84**		2 08.05	
General expenses	**3 09.62**		4 22.78	
		104 58.65		99 48.12
Payments to Auditor				
Statutory Audit Fees	**6.60**		5.38	
Tax Audit Fees	**1.15**		1.08	
Certification and Consultation Fees	**-**		1.58	
		7.75		8.04
Total		**132 26.17**		125 40.29

₹ lakh

25. Taxation	As at 31st March, 2018	As at 31st March, 2017
Income Tax Recognised in Statement of Profit and Loss	**(3 31.78)**	(10 70.26)
Current Tax	**-**	-
Deferred Tax	**(3 31.78)**	(10 70.26)
Total Income Tax expenses recognised in the Current Year	**(3 31.78)**	(10 70.26)
The Income Tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit / (Loss) before tax	**(8 17.45)**	(28 77.10)
Applicable tax rate	**34.608%**	34.608%

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

	As at 31st March, 2018	As at 31st March, 2017
Computed Tax Expenses	**(2 82.90)**	(9 95.71)
Tax Effect of:		
Carry forward losses	**50.64**	9 71.34
Expenses disallowed	**5 84.91**	4 52.54
Additional allowances	**(3 52.65)**	(4 28.17)
Current Tax Provision (A)	**-**	-
Incremental Deferred Tax Liability on account of Property, Plant and Equipment	**(2 35.00)**	(2 24.39)
Incremental Deferred Tax Liability on account of Financial Assets & Other items	**(96.78)**	(8 45.87)
Deferred Tax Provision (B)	**(3 31.78)**	(10 70.26)
Tax Expenses recognised in Statement of Profit and Loss (A+B)	**(3 31.78)**	(10 70.26)
Effective Tax Rate	**40.59%**	37.20%

26. The Company is mainly engaged in 'Organised Retail' primarily catering to Indian consumers in various consumptions baskets. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment". The chief operational decision maker monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

27. Earnings Per Share (EPS)

	2017-18	2016-17
Face Value per Equity Share (₹)	**10.00**	10.00
Basic / Diluted Earnings per Share (₹)*	**(0.48)**	(2.01)
Net profit/ (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakh)	**(4 85.67)**	(18 06.84)
Weighted average number of equity shares used as denominator for calculating Basic / Diluted EPS	**10,10,75,000**	8,98,90,726

*Diluted EPS is same as basic EPS, being antidilutive

28. Commitments and Contingent Liabilities

₹ lakh

	As at 31st March, 2018	As at 31st March, 2017
a Contingent Liabilities:		
Outstanding guarantees furnished to banks including in respect of letters of credit		
In respect of others	**12 92.92**	12 26.74
b Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
(i) In respect of joint ventures	**60.64**	94.69
(ii) In respect of others	**4 02.32**	502.74

29. Capital Management

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares.

The Company monitors capital using a net gearing ratio, which is net debt divided by equity.

The Company includes within net debt, interest bearing loans and borrowings, less cash & cash equivalents.

Net Gearing Ratio ₹ lakh

	As at 31st March, 2018	As at 31st March, 2017
The net gearing ratio at end of the reporting period was as follows.		
Gross Debt	**402 32.33**	45 03.61
Cash and Marketable Securities	**2 30.47**	20 47.18
Net Debt (A)	**400 01.86**	24 56.43
Total Equity (As per Balance Sheet) (B)	**545 46.24**	497 67.49
Net Gearing Ratio (A/B)	**0.73**	0.05

30. Financial Instruments

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 Mutual Funds is measured at quoted price or NAV.

b) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

c) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

d) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy: ₹ lakh

Particulars	**As at 31st March, 2018**			As at 31st March, 2017		
	Carrying	**Level of input used in**		Carrying	Level of input used in	
	Amount	**Level 1**	**Level 2**	Amount	Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	**68 12.18**	**-**	**-**	24 36.10	-	-
Cash and Cash Equivalents	**2 30.47**	**-**	**-**	4 56.53	-	-
Other Financial Assets	**40 31.22**	**-**	**-**	40 51.54	-	-
At FVTPL						
Investments	**-**	**-**	**-**	15 90.65	15 90.65	-
Financial Derivatives	**0.27**	**-**	**0.27**	-	-	-
Financial Liabilities						
At Amortised Cost						
Borrowings	**402 32.33**	**-**	**-**	45 03.61	-	-
Trade Payables	**44 07.39**	**-**	**-**	51 84.43	-	-
Other Financial Liabilities	**5 40.45**	**-**	**-**	3 86.31	-	-
At FVTPL						
Financial Derivatives	**-**	**-**	**-**	9.15	-	9.15

Excludes financial assets measured at cost (Refer Note 2.1)

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

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.

Foreign Currency Risk

The following table shows foreign currency exposures in EUR, GBP, AUD, HKD and USD on financial instruments at the end of the reporting period.

Foreign Currency Exposure ₹ lakh

	As at 31st March, 2018					As at 31st March, 2017			
	EUR	**GBP**	**AUD**	**HKD**	**USD**	EUR	GBP	AUD	USD
Trade and other Payables	1 58.69	4 08.93	0.82	10.43	4 77.06	1 92.96	4 88.17	0.81	4 91.54
Derivatives									
Forwards	-	(2 52.49)	-	-	(1 40.97)	(32.17)	(4 72.48)	-	(2 80.09)
Exposure	**1 58.69**	**1 56.44**	**0.82**	**10.43**	**3 36.09**	1 60.79	15.69	0.81	2 11.45

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

Foreign Currency Sensitivity ₹ lakh

	As at 31st March, 2018					As at 31st March, 2017			
1% Depreciation in INR	**EUR**	**GBP**	**AUD**	**HKD**	**USD**	EUR	GBP	AUD	USD
Impact on P&L	(1.59)	(1.56)	(0.01)	(0.10)	(3.36)	(1.61)	(0.16)	(0.01)	(2.11)
Total	**(1.59)**	**(1.56)**	**(0.01)**	**(0.10)**	**(3.36)**	(1.61)	(0.16)	(0.01)	(2.11)

₹ lakh

	As at 31st March, 2018					As at 31st March, 2017			
1% Appreciation in INR	**EUR**	**GBP**	**AUD**	**HKD**	**USD**	EUR	GBP	AUD	USD
Impact on P&L	1.59	1.56	0.01	0.10	3.36	1.61	0.16	0.01	2.11
Total	**1.59**	**1.56**	**0.01**	**0.10**	**3.36**	**1.61**	**0.16**	**0.01**	**2.11**

Interest Rate Risk

There is no Interest rate risk as all the borrowings are at fixed rate of interest.

Credit Risk

Credit risk is the risk that a customer will fail to pay amounts due causing financial loss to the company. It arises principally from credit exposures to customers relating to outstanding receivables.

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

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 and to close out market positions. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The company's liquidity is managed centrally with operating units forecasting their cash and currency requirements to the central treasury function. The operating units pool their cash surpluses to treasury, which will then either arrange to fund other units' requirements, or invest any net surplus in the market or arrange for necessary external borrowings, if need be, while managing the company's overall net currency positions.

Maturity Profile as at 31 March, 2018

₹ lakh

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current	-	-	-	-	**402 32.00**	-	**402 32.00**
Current	-	**0.33**	-	-	-	-	**0.33**
Total	-	**0.33**	-	-	**402 32.00**	-	**402 32.33**
Derivatives Liabilities							
Forwards	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Maturity Profile as at 31 March, 2017

₹ lakh

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current*	1.04	1.07	1.16	0.33	45 00.00	-	45 03.60
Total	1.04	1.07	1.16	0.33	45 00.00	-	45 03.60
Derivatives Liabilities							
Forwards	8.51	0.64	-	-	-	-	9.15
Total	8.51	0.64	-	-	-	-	9.15

* Includes Current maturities of Borrowings - Non-Current

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

31. 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 2018 (Refer Note 3)

ii) Investments made by the company as at 31st March 2018 (Refer Note 2)

32. Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the Related Parties are given below:

(i) List of Related Parties where control exists and also Related Parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Parties	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Retail Ventures Limited	Holding Company
3	Reliance Lifestyle Holdings Limited	Subsidiary Companies
4	Reliance GAS Lifestyle India Private Limited (formerly Reliance Brands Luxury Private Limited) (from 09.08.2017)	
5	Reliance Retail Limited	Fellow Subsidiaries
6	Reliance SMSL Limited	
7	Digital18 Media Limited	
8	Reliance Petro Marketing Limited	
9	Diesel Fashion India Reliance Private Limited	Joint Venture
10	Reliance Paul & Shark Fashions Private Limited	
11	Zegna South Asia Private Limited	
12	Iconix Lifestyle India Private Limited	
13	Brooks Brothers India Private Limited	
14	Ryohin-Keikaku Reliance India Private Limited (from 12.02.2016)	
15	Reliance Bally India Private Limited (formerly Reliance Luxury Fashion Private Limited) (from 10.10.2017)	
16	Reliance Bally India Private Limited (formerly Reliance Luxury Fashion Private Limited) (from 18.11.2016 to 09.10.2017)	Associate
17	Reliance GAS Lifestyle India Private Limited (formerly Reliance Brands Luxury Private Limited) (from 10.02.2017 to 08.08.2017)	
18	Genesis Luxury Fashion Private Limited	
19	Pranav Lodhavia	Key Managerial Personnel
20	Ravindra Patel (from 13.01.2017)	
21	Darshan Mehta	
22	Radhika Thorat (from 20.04.2016 to 13.10.2016)	
23	Dhirendra Nanda (upto 13.04.2016)	

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

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

₹ lakh

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company	Subsidiaries	Joint Venture	Fellow Subsidiaries	Associates	Key Managerial Personnel	Total
1	Share application money paid	-	-	-	-	-	-	-	-
		-	-	-	3 69.00	-	-	-	3 69.00
2	Net unsecured loans	-	(45 00.00)	-	-	402 32.00	-	-	357 32.00
	taken/ (repaid)	-	45 00.00	-	-	-	-	-	45 00.00
3	Net Loans and advances	-	-	42 86.36	(2 42.75)	-	3 15.25	-	43 58.86
	given/ (returned)	-	-	27 55.27	-	-	77.50	-	28 32.77
4	Subscription to investments	-	-	50 99.00	16 75.50	-	269 06.11	-	336 80.61
		-	-	-	13 18.10	-	0.50	-	13 18.60
5	Issue/(Redemption)	-	52 00.00	-	-	-	-	-	52 00.00
	of Debentures	-	50 00.00	-	-	-	-	-	50 00.00
6	Purchase of Property, Plant and	-	-	3.32	-	49.21	-	-	52.53
	Equipment/ project materials	-	-	-	-	68.77	-	-	68.77
7	Sale of Property, Plant and	-	-	0.91	-	-	3.35	-	4.26
	Equipment/ project materials	-	-	10.88	-	-	-	-	10.88
8	Revenue from operations	14.09	-	7 49.80	17 71.03	5 04.54	-	-	30 39.46
		-	-	-	13 72.21	2 16.81	-	-	15 89.02
9	Other Income	-	-	4 57.46	0.68	-	6.78	-	4 64.92
		-	-	2 17.73	-	-	1.74	-	2 19.47
10	Purchases	-	-	-	1 67.05	1 52.23	-	-	3 19.28
		-	-	-	1 25.82	-	-	-	1 25.82
11	Professional fees	-	-	35.20	-	-	-	-	35.20
		-	-	-	-	-	-	-	-
12	Store running expenses	-	-	-	-	7 47.41	-	-	7 47.41
		-	-	-	-	3 96.81	-	-	3 96.81
13	Other repairs	-	-	-	-	39.76	-	-	39.76
		-	-	-	-	17.12	-	-	17.12
14	Interest cost	-	63.92	-	-	16 37.75	-	-	17 01.67
		-	60.49	-	-	-	-	-	60.49
15	Assets and Liabilities (Net)	-	-	17 61.02	-	-	-	-	17 61.02
	transferred on slump sale	-	-	-	-	-	-	-	-
16	Payment to Key	-	-	-	-	-	-	5 99.50	5 99.50
	Managerial Personnel	-	-	-	-	-	-	4 33.72	4 33.72
Balance as at 31st March, 2018									
17	Share capital	-	80 86.00	-	-	-	-	-	80 86.00
		-	80 86.00	-	-	-	-	-	80 86.00
18	Borrowings - Non-Current	-	-	-	-	402 32.00	-	-	402 32.00
		-	45 00.00	-	-	-	-	-	45 00.00
19	Zero Coupon Optionally	-	587 00.00	-	-	-	-	-	587 00.00
	Fully Convertible Debenture	-	535 00.00	-	-	-	-	-	535 00.00
20	Investments - Non-Current	-	-	137 05.00	426 14.69	-	-	-	563 19.69
		-	-	86 05.00	140 34.08	-	-	-	226 39.08

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

₹ lakh

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company	Subsidiaries	Joint Venture	Fellow Subsidiaries	Associates	Key Managerial Personnel	Total
21	Loans - Non-Current	**-**	**-**	**86 22.50**	**-**	**-**	**-**	**-**	**86 22.50**
		-	-	41 86.14	-	-	77.50	-	*42 63.64*
22	Trade and other receivables	**14.09**	**-**	**6 38.21**	**6 92.91**	**4 45.36**	**-**	**-**	**17 90.57**
		-	-	-	1 03.50	1 44.34	-	-	*2 47.84*
23	Other Financial Assets	**-**	**-**	**56.55**	**-**	**-**	**-**	**-**	**56.55**
		-	-	29.45	-	-	1.57	-	*31.02*
24	Advance to Vendors	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	42.62	-	-	-	*42.62*
25	Application money pending allotment	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	3 69.00	-	-	-	*3 69.00*
26	Trade and other payables	**1 48.29**	**-**	**41.52**	**51.45**	**2 20.66**	**-**	**-**	**4 61.92**
		1 07.90	-	-	67.58	48.79	-	-	*2 24.27*
27	Other Current Liabilities	**-**	**-**	**-**	**-**	**2 49.22**	**-**	**-**	**2 49.22**
		-	19.45	-	-	-	-	-	*19.45*
28	Financial guarantees taken	**-**	**-**	**-**	**-**	**12 92.92**	**-**	**-**	**12 92.92**
		-	-	-	-	12 26.74	-	-	*12 26.74*

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

(iii) Disclosure in respect of major Related Party Transactions during the year: ₹ lakh

	Particulars	Relationship	2017-18	2016-17
1	**Share application money paid**			
	Ryohin-Keikaku Reliance India Private Limited	Joint Venture	**-**	2 94.00
	Reliance Paul & Shark Fashions Private Limited	Joint Venture	**-**	75.00
2	**Net unsecured loans taken/ (repaid)**			
	Reliance Retail Ventures Limited	Holding Company	**(45 00.00)**	45 00.00
	Reliance Retail Limited	Fellow Subsidiary	**402 32.00**	
3	**Net Loans and advances given/ (returned)**			
	Reliance Lifestyle Holdings Limited	Subsidiary	**44 36.36**	27 55.27
	Reliance GAS Lifestyle India Private Limited	Subsidiary	**(1 50.00)**	-
	Reliance Bally India Private Limited	Joint Venture	**(2 42.75)**	-
	Reliance GAS Lifestyle India Private Limited	Associate	**1 50.00**	-
	Reliance Bally India Private Limited	Associate	**1 65.25**	77.50
4	**Subscription to investments**			
	Reliance GAS Lifestyle India Private Limited	Subsidiary	**50 99.00**	-
	Ryohin-Keikaku Reliance India Private Limited	Joint Venture	**5 88.00**	7 35.00
	Brook Brothers India Private Limited	Joint Venture	**73.50**	1 91.10
	Diesel Fashion India Reliance Private Limited	Joint Venture	**4 90.00**	1 47.00
	Reliance Bally India Private Limited	Joint Venture	**3 59.00**	-
	Reliance Paul & Shark Fashions Private Limited	Joint Venture	**1 65.00**	-
	Zegna South Asia Private Limited	Joint Venture	**-**	2 45.00
	Reliance GAS Lifestyle India Private Limited	Associate	**1.00**	-
	Genesis Luxury Fashion Private Limited	Associate	**269 04.61**	-
	Reliance Bally India Private Limited	Associate	**0.50**	0.50

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

₹ lakh

	Particulars	Relationship	2017-18	2016-17
5	**Issue/(Redemption) of Debentures**			
	Reliance Retail Ventures Limited	Holding Company	**52 00.00**	50 00.00
6	**Purchase of Property, Plant and Equipment / project materials**			
	Reliance Lifestyle Holdings Limited	Subsidiary	**3.32**	-
	Reliance Retail Limited	Fellow Subsidiary	**49.21**	68.77
7	**Sale of Property, Plant and Equipment / project materials**			
	Reliance Lifestyle Holdings Limited	Subsidiary	**0.91**	10.88
	Reliance Bally India Private Limited	Associate	**3.35**	-
8	**Revenue from operations**			
	Reliance Industries Limited	Ultimate Holding Company	**14.09**	-
	Reliance GAS Lifestyle India Private Limited	Subsidiary	**7 49.80**	-
	Reliance Retail Limited	Fellow Subsidiary	**5 04.54**	2 16.81
	Zegna South Asia Private Limited	Joint Venture	**1 48.80**	1 10.32
	Diesel Fashion India Reliance Private Limited	Joint Venture	**5 84.57**	5 58.45
	Reliance Paul & Shark Fashions Private Limited	Joint Venture	**82.01**	96.39
	Brook Brothers India Private Limited	Joint Venture	**2 76.59**	1 91.31
	Iconix Lifestyle India Private Limited	Joint Venture	**3 25.36**	2 00.64
	Ryohin-Keikaku Reliance India Private Limited	Joint Venture	**2 34.64**	2 15.11
	Reliance Bally India Private Limited	Joint Venture	**1 19.06**	-
9	**Other Income**			
	Reliance Lifestyle Holdings Limited	Subsidiary	**4 55.28**	2 17.73
	Reliance GAS Lifestyle India Private Limited	Subsidiary	**2.18**	-
	Reliance Bally India Private Limited	Joint Venture	**0.68**	1.74
	Reliance Bally India Private Limited	Associate	**6.78**	-
10	**Purchases**			
	Reliance Retail Limited	Fellow Subsidiary	**1 52.23**	-
	Diesel Fashion India Reliance Private Limited	Joint Venture	**52.92**	80.98
	Brook Brothers India Private Limited	Joint Venture	**94.02**	20.06
	Reliance Paul & Shark Fashions Private Limited	Joint Venture	**7.67**	9.80
	Zegna South Asia Private Limited	Joint Venture	**12.44**	14.98
11	**Professional fees**			
	Reliance GAS Lifestyle India Private Limited	Subsidiary	**35.20**	-
12	**Store running expenses**			
	Reliance SMSL Limited	Fellow Subsidiary	**7 47.41**	3 96.81
13	**Other repairs**			
	Reliance Retail Limited	Fellow Subsidiary	**39.76**	17.12
14	**Interest cost**			
	Reliance Retail Ventures Limited	Holding Company	**63.92**	60.49
	Reliance Retail Limited	Fellow Subsidiary	**16 37.75**	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2018

₹ lakh

	Particulars	Relationship	2017-18	2016-17
15	**Assets and Liabilities (Net) transferred on slump sale**			
	Reliance GAS Lifestyle India Private Limited	Subsidiary	**17 61.02**	-
16	**Payment to Key Managerial Personnel**			
	Pranav Lodhavia	Key Managerial Personnnel	**64.94**	32.48
	Ravindra Patel	Key Managerial Personnnel	**25.52**	23.10
	Darshan Mehta	Key Managerial Personnnel	**5 09.04**	3 77.51
	Dhirendra Nanda	Key Managerial Personnnel	**-**	0.63

₹ lakh

32.1	**Compensation of Key Managerial Personnel**	**2017-18**	2016-17
i	Short-term benefits	**5 99.09**	4 33.29
ii	Post employment benefits	**0.41**	0.43
	Total	**5 99.50**	4 33.72

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

34. The Financial Statements were approved for issue by the Board of Directors on 24th April, 2018.

As per our Report of even date
For **Rajendra & Co**
Chartered Accountants

Kamlesh Desai
Partner

Mumbai
Dated : 24th April, 2018

For and on behalf of the Board

V Subramaniam
Director

Samirbhai Sheth
Director

Hetal Rathod
Director

Ashwin Khasgiwala
Director

Mayank Shah
Director

Pranav Lodhavia
Chief Financial Officer

Ravindra Patel
Company Secretary