

Reliance Retail Limited

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RELIANCE RETAIL LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

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 judgments 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 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 and the Order under section 143 (11) of the Act.

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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 30 (b) (iii) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
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 Chaturvedi & Shah

Chartered Accountants

Firm Registration No. -101720W

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration No. - 117366W/W-100018

Amit Chaturvedi

Partner

M. No 103141

Place: Mumbai

Date: 19th April, 2016**Ketan Vora**

Partner

M. No. 100459

Place: Mumbai

Date: 19th April, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF RELIANCE RETAIL 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 controls over financial reporting of RELIANCE RETAIL LIMITED (“the Company”) as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

Inherent Limitations of Internal Financial Controls 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Chaturvedi & Shah

Chartered Accountants

Firm Registration No. -101720W

Amit Chaturvedi

Partner

M. No. 103141

Place: Mumbai

Date: 19th April 2016**For Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration No. - 117366W/W-100018

Ketan Vora

Partner

M. No. 100459

Place: Mumbai

Date: 19th April 2016

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

ANNEXURE B TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDLONE FINANCIAL STATEMENTS OF RELIANCE RETAIL LIMITED

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section 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.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds, comprising all the immovable properties of lands which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements for the said lands and building thereof are in the name of the Company.
- ii. In our opinion the inventories were physically verified during the year by the Management at reasonable intervals and as explained to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Act and are of the opinion that, prima facie, the prescribed - cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 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, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the 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, 2016 for a period of more than six months from the date of becoming payable.
 - b) Details of dues of Sales Tax, Value Added Tax and Entry Tax which have not been deposited as on 31st March, 2016 on account of disputes are given below:

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs. in crore)	Period to which the amount relates	Forum where dispute is pending
1.	Central Sales Tax Act, 1956 and Sales Tax Act of various states	Sales Tax / Value Added Tax and Entry Tax	0.51	Various Years from 2009-10 to 2013-14	Sales Tax Appellate Tribunal
			0.50	2009-10 to 2011-12	Joint / Deputy / Additional Commissioner
	TOTAL		1.01		

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- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks and dues to debenture holders. The Company has not borrowed any funds from financial institutions.
- ix. In our opinion and according to the information and explanations given to us, term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer during the year.
- x. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company has been noticed or reported during the year except there have been instances of defalcation/frauds by employees on the company which individually and in aggregate are not material.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under 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, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected and covered under section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi & Shah

Chartered Accountants
Firm Registration No. -101720W

Amit Chaturvedi

Partner
M. No 103141
Place: Mumbai
Date: 19th April, 2016

For Deloitte Haskins & Sells LLP

Chartered Accountants
Firm Registration No. - 117366W/W-100018

Ketan Vora

Partner
M. No. 100459
Place: Mumbai
Date: 19th April, 2016

Balance Sheet as at 31st March, 2016

	Note	As at		₹ crore
		31st March, 2016		As at
				31st March, 2015
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	1	4,989.54	4,989.54	
Reserves and surplus	2	505.36	198.82	
			5,494.90	5,188.36
Non-current liabilities				
Long-term borrowings	3	76.03	3.37	
Other long-term liabilities	4	-	75.00	
Long-term provisions	5	14.62	11.95	
			90.65	90.32
Current liabilities				
Short-term borrowings	6	1,086.89	1,670.16	
Trade payables	7			
Micro and Small Enterprises		7.32	4.51	
Others		2,761.08	1,194.91	
Other current liabilities	8	484.68	416.22	
Short-term provisions	9	1.88	1.09	
			4,341.85	3,286.89
Total			9,927.40	8,565.57
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	10	2,026.87	2,053.83	
Intangible assets	10	2.62	0.36	
Capital work-in-progress	10	483.90	423.16	
Intangible Assets under Development	10	48.87	-	
		2,562.26	2,477.35	
Non-current investments	11	484.81	470.10	
Deferred tax assets (net)	12	445.58	563.33	
Long-term loans and advances	13	491.83	448.62	
			3,984.48	3,959.40
Current assets				
Inventories	14	5,251.22	3,881.73	
Trade receivables	15	217.93	210.81	
Cash and bank balances	16	47.60	150.52	
Short-term loans and advances	17	426.09	363.03	
Other current assets	18	0.08	0.08	
			5,942.92	4,606.17
Total			9,927.40	8,565.57

Significant accounting policies

Notes on financial statements

1 to 38

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants
For **Deloitte Haskins & Sells LLP** Chartered Accountants

Amit Chaturvedi
Partner

Ketan Vora
Partner

Mumbai
Dated: 19th April, 2016

For and on behalf of the Board

Pankaj Pawar
Whole Time Director

Sanjay Jog
Director

Ashwin Khasgiwala
Director

Geeta Fulwadaya
Director

Pradipta K. Mohapatra
Director

V. Subramaniam
Chief Financial Officer

Pooja Hazari
Company Secretary

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

	Note	2015-16	₹ crore 2014-15
INCOME			
Revenue from operations	19	18,399.22	16,111.61
Other income	20	19.14	57.39
Total revenue		18,418.36	16,169.00
EXPENDITURE			
Cost of materials consumed		360.10	528.65
Purchases of stock-in-trade		15,816.47	12,857.17
Changes in inventories of Finished goods, stock-in-trade	21	(1,357.71)	(481.36)
Employee benefits expense	22	526.12	434.74
Finance costs	23	117.71	150.00
Depreciation and amortisation expense		324.29	303.10
Other expenses	24	2,141.41	1,977.40
Total expenses		17,928.39	15,769.70
Profit before tax		489.97	399.30
Tax expenses:			
Current tax		65.68	-
Deferred tax		117.75	126.82
		183.43	126.82
Profit for the year		306.54	272.48
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted	28	0.61	0.55
Significant accounting policies			
Notes on financial statements	1 to 38		

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants
For **Deloitte Haskins & Sells LLP** Chartered Accountants

Amit Chaturvedi
Partner

Ketan Vora
Partner

Mumbai
Dated: 19th April, 2016

For and on behalf of the Board

Pankaj Pawar
Whole Time Director

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Director

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Director

Pooja Hazari
Company Secretary

Sanjay Jog
Director

Geeta Fulwadaya
Director

V. Subramaniam
Chief Financial Officer

Cash Flow Statement for the year 2015-16

	2015-16	2014-15	₹ crore
A: CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax as per Statement of Profit and Loss	489.97		399.30
Adjusted for:			
(Profit)/ loss on sale/ discarding of assets (net)	25.13	35.01	
Provision for doubtful debts/ bad debts written off	0.26	0.70	
Depreciation and amortisation expense	324.29	303.10	
Effect of exchange rate change	1.00	0.74	
(Profit)/ loss on sale of investments (net)	(12.11)	(46.83)	
Dividend income	-	(1.62)	
Interest income	(7.03)	(8.94)	
Finance costs	117.71	150.00	
	<u>449.25</u>		<u>432.16</u>
Operating profit before working capital changes	939.22		831.46
Adjusted for:			
Trade and other receivables	(42.22)	17.09	
Inventories	(1,369.49)	(479.73)	
Trade and other payables	1,655.51	55.01	
	<u>243.80</u>		<u>(407.63)</u>
Cash generated from operations	1,183.02		423.83
Taxes paid (net)	(128.57)		(50.75)
Net cash from operating activities	1,054.45		373.08
B: CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(451.03)		(388.22)
Sale of fixed assets	1.20		3.10
Purchase of investments	(5,125.71)		(4,234.51)
Sale of investments	5,123.11		4,343.33
Loans given to subsidiaries	(8.80)		(22.76)
Net Withdrawal of/ (Investment in) fixed deposits	66.44		149.72
Interest income	7.72		8.57
Dividend income	-		1.62
Net cash used in investing activities	(387.07)		(139.15)
C: CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long term borrowings	-		852.05
Repayment of long term borrowings	(2.17)		(2,589.08)
Debentures application money received	-		75.00
Short term borrowings (net)	(583.27)		1,493.75
Interest paid	(118.42)		(158.02)
Net cash used in financing activities	(703.86)		(326.30)
Net decrease in cash and cash equivalents	(36.48)		(92.37)
Opening balance of cash and cash equivalents	79.99	165.39	
Add: On Amalgamation (Refer Note "26")	-	6.97	
	<u>79.99</u>		<u>172.36</u>
Closing balance of cash and cash equivalents (Refer Note "16")	43.51		79.99

As per our Report of even date

For **Chaturvedi & Shah** For **Deloitte Haskins & Sells LLP**
Chartered Accountants Chartered Accountants

Amit Chaturvedi **Ketan Vora**
Partner Partner

Mumbai
Dated: 19th April, 2016

For and on behalf of the Board

Pankaj Pawar **Sanjay Jog**
Whole Time Director Director
Ashwin Khasgiwala **Geeta Fulwadaya**
Director Director
Pradipta K. Mohapatra **V. Subramaniam**
Director Chief Financial Officer
Pooja Hazari
Company Secretary

Significant accounting policies

A Basis of preparation of financial statements

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in crore.

B Use of estimates

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

C Own fixed assets

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

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

D Leased assets

- (i) Operating lease rentals are expensed with reference to lease terms and other considerations.
- (ii) Finance lease: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Statement of Profit and Loss.

E Intangible assets

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

F Depreciation and amortisation

Depreciation on fixed assets is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, leasehold improvements are amortized over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term and on intangible assets - software are amortised over the period of five years.

G Impairment of assets

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

H Foreign currency transactions

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are

Significant accounting policies

covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I Investments

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

J Inventories

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

K Revenue recognition

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

Dividend income is recognised when right to receive is established.

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

L Excise Duty

Excise duty is accounted on the basis of both, payment made in respect of goods cleared as also provision made for goods lying in bonded warehouse.

M Employee benefits

(i) Short term employee benefits:

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

(ii) Post employment benefits:

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, Superannuation 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 liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from

Significant accounting policies

employees services. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

- (iii) In respect of employees stock options, the excess of fair price on the date of grant over the exercise price is recognised as deferred compensation cost amortised over the vesting period.

N Borrowing Costs

Borrowing costs that are 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. All other borrowing costs are charged to Statement of Profit and Loss.

O Financial derivatives and commodity hedging transactions

In respect of derivative contracts, premium paid, gains/ losses on settlement and provision for losses on restatement are recognised along with the underlying transactions and charged to Statement of Profit and Loss, except in case where the related underlying physical transactions is held as inventory, in which case, they are adjusted to the carrying cost of inventory.

P Provision for current and deferred tax

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

Q Provisions, contingent liabilities and contingent assets

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

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

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

Notes on financial statements for the year ended 31st March, 2016

1. Share capital			₹ crore	
			As at 31st March, 2016	As at 31st March, 2015
Authorised:				
1500,00,00,000 Equity shares of ₹ 10 each (1500,00,00,000)			15,000.00	15,000.00
Total			15,000.00	15,000.00
Issued, Subscribed and Paid-up				
498,95,41,650 Equity shares of ₹ 10 each (498,95,41,650)			4,989.54	4,989.54
Total			4,989.54	4,989.54
(i) Out of above, 498,70,23,360 (Previous year 498,70,23,360) equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Ventures Limited, the holding company along with its nominees.				
(ii) 498,95,41,650 (Previous year 498,95,41,650) equity shares of ₹ 10 each fully paid-up were allotted pursuant to the Scheme of Arrangement and Amalgamation without payment being received in cash.				
(iii) The details of Shareholders holding more than 5% shares:				
Name of the Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% held	No. of Shares	% held
Reliance Retail Ventures Limited	498,70,23,360	99.95	498,70,23,360	99.95
(iv) Reconciliation of opening and closing number of shares				
Particulars			As at 31st March, 2016	As at 31st March, 2015
			No. of shares	No. of shares
Equity shares outstanding at the beginning of the year			498,95,41,650	498,95,41,650
Add: Equity shares issued during the year			-	-
Equity shares outstanding at the end of the year			498,95,41,650	498,95,41,650
(v) The Company is authorised to issue up to forty nine crore Restricted Stock Units (RSUs) to eligible employees under Reliance Retail Restricted Stock Unit Plan 2007. The RSUs vest on different dates over a period of sixteen years from the date of grant of RSUs as per the scheme and upon vesting, the employees are entitled to three equity shares of ₹ 10 each for every five RSUs. As on March 31, 2016, RSUs in force total to seventeen lakh sixty nine thousand eight hundred ninety four (Previous year seventeen lakh sixty nine thousand eight hundred ninety four).				
(vi) Refer Note 3 in respect of option on unissued share capital.				
(vii) 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.				

Notes on financial statements for the year ended 31st March, 2016

2. Reserves and surplus	As at		₹ crore
	31st March, 2016	31st March, 2015	As at 31st March, 2015
Reserves			
Capital Reserve			
As per last Balance Sheet	55.11	-	
Add: On Amalgamation (Refer Note "26")	-	55.11	
	<u>55.11</u>	<u>55.11</u>	55.11
Debenture Redemption Reserve			
As per last Balance Sheet	-	-	
Add: Transferred from Profit and Loss Account	1.81	-	
	<u>1.81</u>	<u>-</u>	-
Surplus			
Profit and Loss Account			
As per last Balance Sheet	143.71	263.79	
Add: On Amalgamation (Refer Note "26")	-	(344.37)	
Less: Adjustment on account of Amalgamation	-	(40.15)	
Less: Adjustment relating to fixed assets	-	(8.04)	
Add: Profit for the year	306.54	272.48	
Less: Transferred to Debenture Redemption Reserve	(1.81)	-	
	<u>448.44</u>	<u>143.71</u>	143.71
Total	<u><u>505.36</u></u>	<u><u>198.82</u></u>	198.82
3. Long-term borrowings			
		As at	₹ crore
		31st March, 2016	As at 31st March, 2015
Secured			
Term loans from banks ⁽ⁱ⁾	1.03	2.50	
Long term maturities of finance lease obligations ⁽ⁱⁱ⁾	-	0.87	
	<u>1.03</u>	<u>3.37</u>	3.37
Unsecured			
Zero Coupon Optionally Fully Convertible Debenture ⁽ⁱⁱⁱ⁾	75.00	-	
Total	<u><u>76.03</u></u>	<u><u>3.37</u></u>	3.37

⁽ⁱ⁾ Term loans are secured by hypothecation of vehicles and are repayable over a period of 4 years by way of equated monthly instalments.

⁽ⁱⁱ⁾ Secured against leased assets.

⁽ⁱⁱⁱ⁾ The Company has an option for conversion of Zero Coupon Optionally Fully Convertible Debenture (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 10 years from the date of allotment i.e. 14th April 2015.

Notes on financial statements for the year ended 31st March, 2016

		As at 31st March, 2016	₹ crore As at 31st March, 2015
4	Other long-term liabilities		
	Application money pending allotment - Debentures ⁽ⁱ⁾	-	75.00
	Total	-	75.00
	⁽ⁱ⁾ Represents from Holding company.		
5.	Long-term provisions		
	Provision for employee benefits	14.62	11.95
	Total	14.62	11.95
6.	Short-term borrowings		
	Secured		
	Working Capital Loan		
	From banks ⁽ⁱ⁾	727.87	1,670.16
	Unsecured		
	Other Loans and Advances		
	Loans and advances from related parties ⁽ⁱⁱ⁾	359.02	-
	Total	1,086.89	1,670.16
	⁽ⁱ⁾ Working Capital Loans from Banks referred above to the extent of:		
	- ₹ nil (Previous year ₹ 23.38 crore) are secured by Standby Letter of Credit.		
	- ₹ 727.87 crore (Previous year ₹ 1,646.78 crore) are secured by way of first charge on all the current assets of the company.		
	⁽ⁱⁱ⁾ Represents from Holding company.		
7.	Trade payables		
	Dues to micro and small enterprises		
	The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:		
Sr. No.	Particulars	As at 31st March, 2016	₹ crore As at 31st March 2015
1	Principal amount due and remaining unpaid	-	-
2	Interest due on above and the unpaid interest	-	-
3	Interest paid	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

Notes on financial statements for the year ended 31st March, 2016

8. Other current liabilities	₹ crore	
	As at 31st March, 2016	As at 31st March, 2015
Current maturities of long term debt	1.32	2.02
Current maturities of finance lease obligations	0.87	1.08
Interest accrued but not due on borrowings	0.34	1.05
Income received in advance	127.11	94.64
Creditors for capital expenditure	56.90	71.97
Others ⁽ⁱ⁾	298.14	245.46
	484.68	416.22

(i) Includes advances/ deposits received and statutory liabilities.

9. Short-term provisions	₹ crore	
	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits	1.26	1.06
Provision for wealth tax	-	0.03
Other Provisions ⁽ⁱ⁾	0.62	-
Total	1.88	1.09

⁽ⁱ⁾ Represents Provision for excise duty

10. Fixed assets	₹ crore									
	Gross Block				Depreciation/Amortisation				Net Block	
Description	As at 1st April, 2015	Additions	Deductions/ Adjustments	As at 31st March, 2016	As at 1st April, 2015	For the year	Deductions/ Adjustments	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
(i) Tangible assets										
Own assets:										
Freehold land	14.21	-	-	14.21	-	-	-	-	14.21	14.21
Buildings	17.22	-	-	17.22	0.33	0.29	-	0.62	16.60	16.89
Plant and machinery	461.98	76.13	78.10	460.01	287.61	55.42	72.35	270.68	189.33	174.37
Electrical installations	627.10	70.79	39.29	658.60	192.49	79.96	30.27	242.18	416.42	434.61
Equipment	1,283.56	113.24	59.40	1,337.40	409.71	86.49	34.59	461.61	875.79	873.85
Furniture and fixtures	342.32	31.85	16.09	358.08	115.67	37.03	13.13	139.57	218.51	226.65
Vehicles	12.52	-	0.66	11.86	4.33	1.63	0.45	5.51	6.35	8.19
Leasehold improvements	545.34	55.84	30.10	571.08	276.10	61.65	22.02	315.73	255.35	269.24
Sub-Total	3,304.25	347.85	223.64	3,428.46	1,286.24	322.47	172.81	1,435.90	1,992.56	2,018.01
Leased assets:										
Leasehold land	37.72	-	-	37.72	3.68	0.68	-	4.36	33.36	34.04
Leasehold plant and machinery	4.15	-	-	4.15	2.37	0.83	-	3.20	0.95	1.78
Sub-Total	41.87	-	-	41.87	6.05	1.51	-	7.56	34.31	35.82
Total (i)	3,346.12	347.85	223.64	3,470.33	1,292.29	323.98	172.81	1,443.46	2,026.87	2,053.83
(ii) Intangible assets										
Software	1.25	2.57	-	3.82	0.89	0.31	-	1.20	2.62	0.36
Total (ii)	1.25	2.57	-	3.82	0.89	0.31	-	1.20	2.62	0.36
Total (i + ii)	3,347.37	350.42	223.64	3,474.15	1,293.18	324.29	172.81	1,444.66	2,029.49	2,054.19
Previous year	2,950.13	429.92	142.08	3,347.37	1,041.06	303.10	50.97	1,293.18	2,054.19	
Capital work-in-progress									483.90	423.16
Intangible Assets under Development									48.87	-

10.1 Capital work-in-progress Includes ₹ 344.34 crore (Previous year ₹ 329.02 crore) on account of capital goods inventory.

Notes on financial statements for the year ended 31st March, 2016

	2015-16	₹ crore 2014-15
10.2 Project development expenditure (Included under Intangible Assets under Development)		
Opening balance	-	-
Add: Incurred during the year	48.87	-
Less: Capitalised during the year	-	-
Closing balance	<u>48.87</u>	<u>-</u>

10.3 Finance lease

- (i) In respect of fixed assets acquired on finance lease, the minimum lease rentals outstanding as on 31st March, 2016 are as follows:

	Total minimum lease payments outstanding As at 31st March		Future interest on outstanding lease payments As at 31st March		Present value of minimum lease payments As at 31st March	
	2016	2015	2016	2015	2016	2015
Within one year	0.91	1.23	0.04	0.15	0.87	1.08
Later than one year and not later than five years	-	0.91	-	0.04	-	0.87
Total	<u>0.91</u>	<u>2.14</u>	<u>0.04</u>	<u>0.19</u>	<u>0.87</u>	<u>1.95</u>

- (ii) **General Description of Lease terms:**

Assets are taken on lease for period of 5 years.

	As at 31st March, 2016	₹ crore As at 31st March, 2015
11. Non-current investments (Long-term investments) (valued at cost less other than temporary diminution in value, if any)		

Trade investments

In equity shares - unquoted, fully paid up

25 (25)	The Colaba Central Co-operative Consumer's Wholesale and Retail Stores Limited (Sahakari Bhandar) of ₹ 200 each - ₹ 5 000 (Previous year ₹ 5 000)	0.00	0.00
5,000 (5,000)	Retailers Association's Skill Council of India of ₹ 10 each	0.01	0.01
	Sub-total (a)	<u>0.01</u>	<u>0.01</u>

Other investments

In equity shares - unquoted, fully paid up

1,500 (1,500)	Reliance Research and Development Services Private Limited of ₹ 10 each - ₹ 15 000 (Previous year ₹ 15 000)	0.00	0.00
	Sub-total (b)	<u>0.00</u>	<u>0.00</u>

Notes on financial statements for the year ended 31st March, 2016

11. Non-current investments(Continued) (Long-term investments) (valued at cost less other than temporary diminution in value, if any)	As at 31st March, 2016	As at 31st March, 2015		
In equity shares of subsidiary companies - unquoted, fully paid up				
50,000 Reliance Petro Marketing Limited of ₹ 10 each (50,000)	0.05	0.05		
10,50,000 Reliance Trading Limited of ₹ 10 each (10,50,000)	1.05	1.05		
50,000 Reliance-GrandOptical Private Limited of ₹ 10 each (50,000)	0.05	0.05		
50,000 Reliance Clothing India Private Limited of ₹ 10 each (50,000)	0.05	0.05		
Sub-total (c)	1.20	1.20		
In equity shares of joint venture companies - unquoted, fully paid up				
84,50,000 Reliance-Vision Express Private Limited of ₹ 10 each (84,50,000)	84.50	84.50		
81,42,722 Marks and Spencer Reliance India Private Limited (80,52,317) (Class A Shares of ₹ 10 each)	55.87	55.14		
9,51,16,546 Marks and Spencer Reliance India Private Limited (9,16,81,156) (Class C Shares of ₹ 5 each)	225.66	211.69		
1,35,00,000 Reliance-GrandVision India Supply Private Limited of ₹ 10 each (1,35,00,000)	13.50	13.50		
Sub-total (d)	379.53	364.83		
In preference shares of subsidiary companies - unquoted, fully paid up				
39,95,800 Reliance Petro Marketing Limited of ₹ 10 each (39,95,800)	103.89	103.89		
Sub-total (e)	103.89	103.89		
Government and other securities - unquoted				
National Savings Certificates - 6 yrs Issue VII (Includes deposited with government authorities)	0.18	0.17		
Sub-total (f)	0.18	0.17		
Total (a + b + c + d + e + f)	484.81	470.10		
Aggregate value of	Book value	Market Value	Book value	Market Value
Unquoted investments	484.81		470.10	

Notes on financial statements for the year ended 31st March, 2016

12. Deferred tax assets (net)	As at		₹ crore
	31st March, 2016	31st March, 2015	As at
Deferred tax assets			
Disallowance under the Income Tax Act, 1961	9.37	10.46	
Carried forward loss	<u>868.64</u>	<u>977.33</u>	
	878.01		987.79
Less: Deferred tax liability			
Related to fixed assets	<u>432.43</u>	<u>424.46</u>	
	432.43		424.46
Total	<u>445.58</u>	<u>563.33</u>	

The virtual certainty is based on agreements.

13 Long-term loans and advances (unsecured and considered good)	As at		₹ crore
	31st March, 2016	31st March, 2015	As at
Capital advances	12.62	12.19	
Security deposits	229.34	258.45	
Loans and advances to related parties	31.57	22.77	
Advance income tax (net of provision)	217.88	154.99	
Other loans and advances ⁽ⁱ⁾	<u>0.42</u>	<u>0.22</u>	
Total	<u>491.83</u>	<u>448.62</u>	

⁽ⁱ⁾ Represents loan to employees.

13.1 Loans and advances in the nature of loans given to subsidiaries			₹ crore	
Sr. No.	Name of the company	As at 31st March, 2016	As at 31st March, 2015	Maximum balances during the year
1	Reliance Clothing India Private Limited	<u>31.57</u>	<u>22.77</u>	<u>31.88</u>
	Total	<u>31.57</u>	<u>22.77</u>	<u>31.88</u>

(i) Loans and advances shown above, to subsidiaries fall under the category of 'loans and advances' in nature of loans.

(ii) All the above loans and advances are given for business purposes.

14. Inventories (valued at lower of cost or net realisable value)	As at		₹ crore
	31st March, 2016	31st March, 2015	As at
Raw materials	5.36	7.21	
Finished goods	84.09	179.52	
Stock-in-trade	5,107.27	3,654.13	
Stores and spares	<u>54.50</u>	<u>40.87</u>	
Total	<u>5,251.22</u>	<u>3,881.73</u>	

Notes on financial statements for the year ended 31st March, 2016

	As at 31st March, 2016	₹ crore As at 31st March, 2015
15. Trade receivables (unsecured)		
Outstanding for a period exceeding six months		
Considered good	18.84	9.98
Considered doubtful	3.01	3.23
	<u>21.85</u>	<u>13.21</u>
Less:- Provision for doubtful debts	<u>3.01</u>	<u>3.23</u>
	18.84	9.98
Others		
Considered good	<u>199.09</u>	200.83
Total	<u><u>217.93</u></u>	<u><u>210.81</u></u>
16. Cash and bank balances		
Cash and cash equivalents		
Cash on hand	24.51	30.63
Bank Balances		
In current accounts	<u>19.00</u>	49.36
Subtotal	<u>43.51</u>	<u>79.99</u>
Other bank balances		
In deposit ^{(i) and (ii)}	<u>4.09</u>	70.53
Subtotal	<u>4.09</u>	<u>70.53</u>
Total	<u><u>47.60</u></u>	<u><u>150.52</u></u>
⁽ⁱ⁾ Includes ₹ 0.22 crore (Previous year ₹ 0.30 crore) with maturity period of more than 12 months.		
⁽ⁱⁱ⁾ Represents ₹ 4.09 crore (Previous year ₹ 70.53 crore) held by tax authority as security and by bank as margin money for bank guarantees, forward contracts and working capital loan.		
17. Short-term loans and advances (unsecured and considered good)		
Balance with service tax/ sales tax authorities, etc.	133.57	151.83
Others ⁽ⁱ⁾	<u>292.52</u>	211.20
Total	<u><u>426.09</u></u>	<u><u>363.03</u></u>
⁽ⁱ⁾ Includes advances to employees and vendors.		
18. Other current assets		
Interest accrued on investments	<u>0.08</u>	0.08
Total	<u><u>0.08</u></u>	<u><u>0.08</u></u>

Notes on financial statements for the year ended 31st March, 2016

		₹ crore
19. Revenue from operations	2015-16	2014-15
Sale of products	17,392.61	15,335.04
Sale of services	1,144.50	859.93
Other operating revenues	6.45	6.70
	<u>18,543.56</u>	<u>16,201.67</u>
Less: Excise duty/ service tax recovered	144.34	90.06
Total	<u><u>18,399.22</u></u>	<u><u>16,111.61</u></u>
20. Other income	2015-16	₹ crore 2014-15
Interest income		
From others	7.03	8.94
Dividend income		
From long-term investments	-	1.62
From current investments (Previous year ₹ 273)	-	0.00
	<u>-</u>	<u>1.62</u>
Net gain on sale of		
Long-term investments	-	40.20
Current investments	12.11	6.63
	<u>12.11</u>	<u>46.83</u>
Total	<u><u>19.14</u></u>	<u><u>57.39</u></u>
21. Changes in inventories of Finished goods, stock-in-trade	2015-16	₹ crore 2014-15
Inventories (at close)		
Finished goods	84.09	179.52
Stock-in-trade	5,107.27	3,654.13
	<u>5,191.36</u>	<u>3,833.65</u>
Inventories (at commencement)		
Finished goods	179.52	-
Add: On Amalgamation (Refer Note "26")	-	115.32
Stock-in-trade	3,654.13	3,229.20
Add: On Amalgamation (Refer Note "26")	-	7.77
	<u>3,833.65</u>	<u>3,352.29</u>
Total	<u><u>(1,357.71)</u></u>	<u><u>(481.36)</u></u>

Notes on financial statements for the year ended 31st March, 2016

22. Employee benefits expense*	₹ crore	
	2015-16	2014-15
Salaries and wages	462.31	386.55
Contribution to provident and other funds	27.45	18.41
Staff welfare expenses	36.36	29.78
Total	526.12	434.74

* Employee benefits expenses are net of amount capitalised of ₹ 36.01 crore.(previous year Nil) (Refer Note “10.2”)

22.1 As per Accounting Standard 15 “Employee Benefits”, the disclosures of employee benefits as defined in the Accounting Standard are given below:

Defined contribution plan

Contribution to defined contribution plan, recognised are charged off for the year are as under:	₹ crore	
	2015-16	2014-15
Employer’s contribution to Provident Fund	11.77	10.03
Employer’s contribution to Superannuation Fund	0.12	0.13
Employer’s contribution to Pension Scheme	8.18	5.98

The Company’s Provident Fund is exempted under section 17 of Employee’s Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, in the interest rate declared by the trust vis-à-vis statutory rate.

Defined benefit plan

The employees’ gratuity fund scheme managed by Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in the same manner as gratuity.

The Company operates post retirement benefit plans as follows:

I. Reconciliation of opening and closing balances of defined benefit obligation	₹ crore			
	Gratuity (funded)		Compensated Absences (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Defined benefit obligation at beginning of the year	20.40	16.23	13.01	10.67
Add: On Amalgamation (Refer Note “26”)	-	0.71	-	0.50
Current service cost	4.70	4.17	3.38	3.03
Interest cost	1.63	1.36	1.04	0.89
Actuarial (gain)/ loss	1.18	(0.82)	(0.85)	(1.32)
Benefits paid	(1.81)	(1.25)	(0.71)	(0.76)
Defined benefit obligation at year end	26.10	20.40	15.87	13.01

Notes on financial statements for the year ended 31st March, 2016

II. Reconciliation of opening and closing balances of fair value of plan assets

	Gratuity (funded)		Compensated Absences (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Fair value of plan assets at beginning of the year	20.40	16.26	-	-
Expected return on plan assets	1.63	1.30	-	-
Actuarial gain/ (loss)	0.32	0.30	-	-
Employer contribution	5.56	3.64	-	-
Benefits paid	(1.81)	(1.10)	-	-
Fair value of plan assets at year end	26.10	20.40	15.87	13.01
Actual return on Plan Asset	1.95	1.60	15.87	13.01

III. Reconciliation of fair value of assets and obligations

	Gratuity (funded)		Compensated Absences (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Fair value of plan assets	26.10	20.4	-	-
Present value of obligation	26.10	20.4	15.87	13.01
Amount recognised in Balance Sheet	-	-	15.87	13.01

IV. Expenses recognised during the year

	Gratuity (funded)		Compensated Absences (unfunded)	
	2015-16	2014-15	2015-16	2014-15
Current service cost	4.70	4.17	3.38	3.03
Interest cost on benefit obligation	1.63	1.36	1.04	0.89
Actuarial (gain)/ loss recognised in the year	0.86	(1.12)	(0.85)	(1.32)
Expected return on plan assets	(1.63)	(1.30)	-	-
Net benefit expense/ (income)	5.56	3.11	3.57	2.60

V. Investment Details

	As at 31st March, 2016		As at 31st March, 2015	
	₹ crore	% Invested	₹ crore	% Invested
Insurance Policies	25.10	96.17	20.37	99.85
Others	1.00	3.83	0.03	0.15
Total	26.10	1 00.00	20.40	1 00.00

Notes on financial statements for the year ended 31st March, 2016

VI. Actuarial assumptions

	Gratuity (funded)		Compensated Absences (unfunded)	
	2015-16 2006-08 (Ultimate)	2014-15 2006-08 (Ultimate)	2015-16 2006-08 (Ultimate)	2014-15 2006-08 (Ultimate)
Mortality Table				
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on assets (per annum)	8%	8%	-	-
Rate of escalation in salary (per annum)	6%	6%	6%	6%

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

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

VII. Amount recognised in current year and previous four years

₹ crore

Particular	2016	As at 31st March			
		2015	2014	2013	2012
Gratuity					
Defined benefit obligation	26.10	20.4	16.23	13.95	6.73
Fair value of planned assets	26.10	20.4	16.26	3.55	-
(surplus)/ Deficit in the plan	-	-	(0.03)	10.40	6.73
Actuarial (gain)/ loss on plan liabilities	1.18	(0.82)	(0.30)	(0.83)	0.14
Actuarial gain/ (loss) on plan assets	0.32	0.30	0.21	0.02	-

VIII. The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2015-16.

₹ crore

23. Finance costs	2015-16	2014-15
Interest cost	117.56	149.75
Other borrowing costs	0.15	0.25
Total	117.71	150.00

Notes on financial statements for the year ended 31st March, 2016

	₹ crore	
	2015-16	2014-15
24. Other expenses*		
Sales and distribution expenses		
Sales promotion and advertisement expenses	276.21	231.37
Store running expenses	368.04	305.17
Royalty	0.42	0.22
Commission	5.76	5.43
Warehousing and distribution expenses	242.83	208.18
	<u>893.26</u>	<u>750.37</u>
Establishment expenses		
Stores and packing materials	72.33	82.72
Processing charges	26.77	44.56
Machinery repairs	1.17	1.70
Building repairs and maintenance	67.75	55.14
Other repairs	4.09	15.74
Rent including lease rentals	613.16	616.79
Insurance	20.85	14.81
Rates and taxes	13.17	11.09
Travelling and conveyance expenses	48.89	39.05
Professional fees	24.57	10.34
Loss on sale/ discarding of assets (net)	25.13	35.01
Exchange differences (net)	24.71	15.87
Bad debts written off	0.48	0.15
Provision for doubtful debts	(0.22)	0.54
	<u>0.26</u>	<u>0.69</u>
Electricity expenses	136.70	130.73
Excise Duty ⁽ⁱ⁾	0.96	0.14
Hire charges	50.73	46.05
Charity and donation	3.25	-
General expenses	111.08	104.43
Wealth tax	-	0.03
	<u>1,245.57</u>	<u>1,224.89</u>
Payments to auditor		
Audit fees	1.65	1.48
Tax audit fees	0.43	0.28
Certification and consultation fees	0.49	0.37
Cost audit fees	0.01	0.01
	<u>2.58</u>	<u>2.14</u>
Total	<u><u>2,141.41</u></u>	<u><u>1,977.40</u></u>

* Other expenses are net of amount capitalised of ₹ 12.86 crore (Previous year Nil) (Refer Note "10.2")

⁽ⁱ⁾ Excise duty shown under expenditure represents the aggregate of excise duty borne by the company and difference between excise duty on opening and closing stock of finished goods/Jewellery items.

Notes on financial statements for the year ended 31st March, 2016

24.1 Value of stores and packing materials consumed:	2015-16		2014-15	
	₹ crore	% of Consumption	₹ crore	% of Consumption
(i) Indigenous	70.69	97.73	79.79	96.46
(ii) Imported	1.64	2.27	2.93	3.54
Total	72.33	100.00	82.72	100.00

24.2 Expenditure in foreign currency:	2015-16		2014-15	
	₹ crore		₹ crore	
(i) Travelling and conveyance expenses	1.51		1.01	
(ii) Professional fees	6.20		0.02	
(iii) Royalty	0.21		-	
(iv) Employee benefits expense	2.87		0.94	
(v) Other matters	2.91		2.83	
Total	13.70		4.80	

24.3 Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 3.25 crore. (Previous year Nil) Gross amount required to be spent as per the aforesaid provisions is ₹ 3.25 crore. Amount Spent towards Rural transformation is ₹ 3.25 crore. (Previous year Nil)

25 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

26 The figures of previous year include figures of Reliance Financial Distribution and Advisory Services Limited (RFDASL), Reliance Review Cinema Limited (RRCL), Reliance Food Processing Solutions Limited (RFPSL), Reliance F&B Services Limited (RFBSL), Reliance Dairy Foods Limited (RDFL), Achman Commercial Private Limited (ACPL), Delight Proteins Limited (DPL), Reliance Agri Ventures Private Limited (RAVPL) and Reliance Nutritious Food Products Limited (RNFPL) the wholly owned subsidiaries of the Company, engaged in providing various support services and/ or in specialised trading activities in connection with organised retail, were amalgamated with the Company with effect from 1st April, 2013 as per the Scheme of Amalgamation ('the Scheme') sanctioned by the Hon'ble High Court of Judicature at Bombay.

The Scheme became effective on 26th December, 2014, the Appointed Date being 1st April, 2013.

In accordance with the scheme and as per approval of High Court:

- The assets, liabilities, reserves, rights and obligations of RFDASL, RRCL, RFPSL, RFBSL, RDFL, ACPL, DPL, RAVPL and RNFPL has been vested with the Company with effect from 1st April, 2013 and have been recorded at their respective book value, under the pooling of interest method of accounting of amalgamation.
- No shares have been issued to the shareholders of RFDASL, RRCL, RFPSL, RFBSL, RDFL, ACPL, DPL, RAVPL and RNFPL, the Company's wholly owned subsidiaries.
- Excess of book value of equity share capital of the amalgamating companies over the investments made by the Company, amount to ₹ 6.07 crore and the same has been credited to capital reserve.
- Adjustment on Amalgamation is on account of Deferred Tax pertaining to Amalgamating Company in accordance with paragraphs 11.2 and 11.3 of the Scheme.
- Amount added on amalgamation to profit and loss account is inclusive of loss ₹ 60.83 crore for the period 1st April 2013 to 31st March 2014.

27 The Company is mainly engaged in 'Organised Retail' primarily catering to consumers in India under various consumption baskets. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Accounting Standard 17 "Segment Reporting".

Notes on financial statements for the year ended 31st March, 2016

28 Earnings per share (EPS)	2015-16	2014-15
(i) Net profit/ (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ crore)	306.54	272.48
(ii) Weighted average number of equity shares used as denominator for calculating Basic EPS	498,95,41,650	498,95,41,650
(iii) Effect of dilutive issue of stock options & OFCDs	7,22,23,993	40,694
(iv) Weighted average number of equity shares used as denominator for calculating Diluted EPS (ii + iii)	506,17,65,643	498,95,82,344
(v) Basic/ Diluted Earnings per share of face value of ₹ 10 each (Amount in ₹)	0.61	0.55

29 Financial and derivative instruments

a) i) For hedging currency related risks:

Nominal amounts of forward contracts entered into by the company and outstanding as at 31st March, 2016 amount to ₹ 6,474.54 crore (Previous year ₹ 380.39 crore).

ii) For hedging commodity related risks:

Forward contract for hedging the price risk of gold and silver entered into by the company and outstanding as below:

	As at 31st March, 2016		As at 31st March, 2015	
	Quantity (in Kgs)	Amount (₹ crore)	Quantity (in Kgs)	Amount (₹ crore)
(i) Gold	3,108	822.07	2,664	659.11
(ii) Silver	2,460	9.04	1,560	5.80
Total	5,568	831.11	4,224	664.91

b) Foreign currency exposures for Trade and other payables that are not hedged by derivative instruments as on 31st March 2016 amount to ₹ 28.61 crore (Previous year ₹ 25.45 crore).

30 Commitments and contingent liabilities	As at 31st March, 2016	₹ crore As at 31st March, 2015
a Capital commitments:		
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for		
(a) In respect of joint ventures	-	2.04
(b) In respect of others	45.92	62.47
b Contingent liabilities:		
(i) Outstanding guarantees furnished to banks including in respect of letters of credit		
(a) In respect of joint ventures	-	0.09
(b) In respect of others	5,173.98	231.24
(ii) Guarantees to banks against credit facilities extended to third parties		
(a) In respect of joint ventures	-	-
(b) In respect of others	16.48	14.61
(iii) Claims against the Company/ disputed liabilities not acknowledged as debts *		
(a) In respect of joint ventures	-	-
(b) In respect of others	30.20	32.29

* The above disputed liabilities are not expected to have any material effect on the financial position of the Company.

Notes on financial statements for the year ended 31st March, 2016

		₹ crore
31 Value of imports on CIF basis in respect of:	2015-16	2014-15
(i) Traded goods	1,618.16	227.50
(ii) Capital goods	19.22	0.40
(iii) Stores & Spares	1.06	1.41
Total	1,638.44	229.31
32 General description of lease terms:		
(i) Lease rentals are charged on the basis of agreed terms.		
(ii) Assets are taken on lease over a period of 1 to 33 years.		
33 Broad heads of raw materials consumed and purchase of traded goods		
a) Raw material consumed		₹ crore
	2015-16	2014-15
(i) FAT	175.03	260.18
(ii) SNF	175.92	256.39
(iii) Bakery Ingredients	9.02	11.27
(iv) Others	0.13	0.81
Total	360.10	528.65
b) Purchase of traded goods		₹ crore
	2015-16	2014-15
(i) Food products	4,262.88	4,605.50
(ii) Apparel	1,602.52	1,255.53
(iii) Consumer durables	6,515.78	3,728.43
(iv) Other products	3,435.29	3,267.71
Total	15,816.47	12,857.17
34 Broad heads of goods sold and services rendered		
a) Sale of products		₹ crore
	2015-16	2014-15
(i) Food products	5,412.88	5,698.35
(ii) Apparel	2,223.63	1,778.86
(iii) Consumer durables	5,826.30	4,028.73
(iv) Other products	3,929.80	3,829.10
Total	17,392.61	15,335.04
b) Services rendered		₹ crore
	2015-16	2014-15
Support Services	1,144.50	859.93
Total	1,144.50	859.93

Notes on financial statements for the year ended 31st March, 2016

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

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

Sr. No.	Name of the related party	Relationship
1	Reliance Industries Limited	Ultimate holding company
2	Reliance Retail Ventures Limited	Holding company
3	Reliance Petro Marketing Limited	Subsidiary companies
4	Reliance Trading Limited	
5	Reliance-GrandOptical Private Limited	
6	Reliance Clothing India Private Limited	
7	Indiawin Sports Private Limited	Fellow Subsidiaries
8	Reliance Brands Limited	
9	Reliance Lifestyle Holdings Limited	
10	Reliance Corporate IT Park Limited	
11	Reliance Retail Insurance Broking Limited	
12	Reliance Petroinvestments Limited	
13	Strategic Manpower Solutions Limited	
14	Big Tree Entertainment Private Limited (from 07-07-2014)	
15	Digital18 Media Limited (from 07-07-2014)	
16	Reliance Jio Infocomm Limited	
17	Network18 Media & Investments Limited (from 07-07-2014)	
18	Reliance Gas Pipelines Limited	
19	Reliance Jio Digital Services Private Limited (from 22-09-2014)	
20	Reliance Progressive Traders Private Limited	
21	Reliance Prolific Traders Private Limited	
22	Reliance Prolific Commercial Private Limited	
23	Reliance Payment Solutions Limited	
24	Tv18 Home Shopping Network Limited (from 07-07-2014)	
25	Reliance Sibur Elastomers Private Limited	
26	Tv18 Broadcast Limited (from 07-07-2014)	
27	Reliance Commercial Trading Private Limited	
28	Reliance Jio Messaging Services Private Limited	
29	Reliance Eminent Trading & Commercial Private Limited	
30	Reliance Innovative Building Solutions Private Limited	
31	Reliance-GrandVision India Supply Private Limited	Joint venture companies
32	Reliance-Vision Express Private Limited	
33	Marks and Spencer Reliance India Private Limited	
34	Supreme Tradelinks Private Limited (wholly owned subsidiary of Marks and Spencer Reliance India Private Limited)	
35	Shri Pankaj Pawar	Key Managerial Personnel

Notes on financial statements for the year ended 31st March, 2016

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

₹ crore

Sr. No.	Nature of transactions	Ultimate holding company	Holding company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Managerial Personnel	Total
1	Net unsecured loans taken/ (repaid)	- (1,736.50)	359.02 -	- -	- -	- -	- -	359.02 (1,736.50)
2	Net deposits taken/ (repaid)	- -	- -	- -	- -	0.09 (0.02)	- -	0.09 (0.02)
3	Purchase/ subscription of investments	- -	- -	- -	- -	14.70 50.49	- -	14.70 50.49
4	Application money pending allotment - Debentures	- -	(75.00) 75.00	- -	- -	- -	- -	(75.00) 75.00
5	Issue of Debentures	- -	75.00 -	- -	- -	- -	- -	75.00 -
6	Net loans and advances given/ (returned)	- -	- -	8.81 22.76	- -	- -	- -	8.81 22.76
7	Purchase of fixed assets/ Project materials	4.31 11.77	- -	50.17 55.46	0.03 2.48	- -	- -	54.51 69.71
8	Sale of Project materials	0.62 0.28	- -	- 0.11	0.40 0.62	- -	- -	1.02 1.01
9	Revenue from operations	48.54 59.00	- -	0.02 0.09	798.04 618.79	1.76 2.25	- -	848.36 680.13
10	Other Income	- -	- -	2.56 0.96	- -	- -	- -	2.56 0.96
11	Purchases	179.93 199.44	- -	0.41 0.10	0.10 -	- 0.01	- -	180.44 199.55
12	Purchase of Stores & Spares	- -	- -	0.11 0.21	- -	- -	- -	0.11 0.21
13	Expenditure							
a	Interest cost	- 60.94	0.38 -	- -	- -	- -	- -	0.38 60.94
b	Store running expenses	- -	0.06 -	- -	211.36 184.01	- -	- -	211.42 184.01
c	Building repairs and maintenance	- -	- -	- -	56.31 47.22	- -	- -	56.31 47.22
d	Electricity expenses	- -	- -	- -	130.55 124.02	- -	- -	130.55 124.02
e	Rent	- -	- -	- -	146.50 97.03	- -	- -	146.50 97.03
f	Hire Charges	- -	- -	- -	2.53 4.02	- -	- -	2.53 4.02
g	Sales promotion and advertisement expenses	- -	- -	- -	0.07 -	- -	- -	.07 -

Notes on financial statements for the year ended 31st March, 2016

(ii) Transactions during the year with related parties (excluding reimbursements): (Continued)								₹ crore
Sr. No.	Nature of transactions	Ultimate holding company	Holding company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Managerial Personnel	Total
	h. General expenses	-	-	-	54.44	-	-	54.44
		-	-	-	<i>52.01</i>	-	-	<i>52.01</i>
	i. Payment to key Managerial personnel	-	-	-	-	-	2.88	2.88
		-	-	-	-	-	<i>2.16</i>	<i>2.16</i>
Balance as at 31st March, 2016								
14	Share capital	-	4,987.02	-	-	-	-	4,987.02
		-	<i>4,987.02</i>	-	-	-	-	<i>4,987.02</i>
15	Other long-term liabilities	-	-	-	-	-	-	-
		-	<i>75.00</i>	-	-	-	-	<i>75.00</i>
16	Long-term borrowings	-	75.00	-	-	-	-	75.00
		-	-	-	-	-	-	-
17	Short-term borrowings	-	359.02	-	-	-	-	359.02
		-	-	-	-	-	-	-
18	Investments	-	-	105.09	-	379.53	-	484.62
		-	-	<i>105.09</i>	-	<i>364.83</i>	-	<i>469.92</i>
19	Deposits taken	-	-	-	-	0.19	-	0.19
		-	-	-	-	<i>0.28</i>	-	<i>0.28</i>
20	Long-term loans and advances	-	-	31.57	-	-	-	31.57
		-	-	<i>22.77</i>	-	-	-	<i>22.77</i>
21	Trade and other receivables	7.85	-	0.47	22.44	0.01	-	30.77
		<i>9.57</i>	-	<i>0.03</i>	<i>11.08</i>	<i>0.01</i>	-	<i>20.69</i>
22	Short-term loans and advances	-	-	0.24	-	-	-	0.24
		-	-	<i>0.29</i>	-	-	-	<i>0.29</i>
23	Trade payables	6.26	-	3.51	2.63	-	-	12.40
		<i>12.15</i>	-	<i>3.73</i>	<i>4.13</i>	-	-	<i>20.01</i>
24	Other Current Liability	-	0.34	-	-	-	-	0.34
		-	-	-	-	-	-	-
25	Financial guarantees	-	-	4.73	11.75	-	-	16.48
		-	-	<i>6.20</i>	<i>8.41</i>	-	-	<i>14.61</i>

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

Notes on financial statements for the year ended 31st March, 2016

(iii) Disclosure in respect of material related party transactions during the year:			₹ crore	
Particulars	Relationship	2015-16	2014-15	
1 Net unsecured loans taken/ (repaid)				
Reliance Industries Limited	Ultimate Holding Company	-	(1,736.50)	
Reliance Retail Ventures Limited	Holding Company	359.02	-	
2 Net deposits taken/ (repaid)				
Reliance-Vision Express Private Limited	Joint Venture	0.09	(0.02)	
3 Purchase/ subscription of investments				
Reliance-Vision Express Private Limited	Joint Venture	-	6.50	
Marks and Spencer Reliance India Private Limited	Joint Venture	14.70	43.99	
4 Application money pending allotment - Debentures				
Reliance Retail Ventures Limited	Holding Company	(75.00)	75.00	
5 Issue of Debentures				
Reliance Retail Ventures Limited	Holding Company	75.00	-	
6 Net loans and advances given/ (returned)				
Reliance Clothing India Private Limited	Subsidiary	8.81	22.77	
Reliance-GrandOptical Private Limited	Subsidiary	-	(0.01)	
7 Purchase of fixed assets/ Project materials				
Reliance Industries Limited	Ultimate Holding Company	4.31	11.77	
Reliance Trading Limited	Subsidiary	50.17	55.46	
Reliance Corporate IT Park Limited (₹ 12 170)	Fellow Subsidiary	0.00	0.05	
Reliance Jio Infocomm Limited	Fellow Subsidiary	-	1.75	
Reliance Progressive Traders Private Limited	Fellow Subsidiary	-	0.07	
Reliance Prolific Commercial Private Limited	Fellow Subsidiary	0.03	0.18	
Tv18 Home Shopping Network Limited	Fellow Subsidiary	-	0.43	
8 Sale of Project materials				
Reliance Industries Limited	Ultimate Holding Company	0.62	0.28	
Reliance Clothing India Private Limited	Subsidiary	-	0.11	
Reliance Brands Limited	Fellow Subsidiary	0.16	0.02	
Reliance Lifestyle Holdings Limited	Fellow Subsidiary	0.05	0.21	
Reliance Corporate IT Park Limited	Fellow Subsidiary	0.05	0.27	
Reliance Progressive Traders Private Limited	Fellow Subsidiary	0.06	-	
Reliance Petroinvestments Limited	Fellow Subsidiary	0.04	-	
Reliance Eminent Trading & Commercial Private Limited (₹ 12 444)	Fellow Subsidiary	0.00	-	
Reliance Jio Infocomm Limited	Fellow Subsidiary	0.03	0.12	

Notes on financial statements for the year ended 31st March, 2016

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

Particulars	Relationship	2015-16	2014-15
9 Revenue from operations			
Reliance Industries Limited	Ultimate Holding Company	48.54	59.00
Reliance Clothing India Private Limited	Subsidiary	0.01	0.01
Reliance Petro Marketing Limited	Subsidiary	0.01	0.08
Reliance Retail Insurance Broking Limited	Fellow Subsidiary	7.54	6.64
Reliance Brands Limited	Fellow Subsidiary	0.45	0.08
Reliance Lifestyle Holdings Limited	Fellow Subsidiary	0.06	0.09
Reliance Jio Infocomm Limited	Fellow Subsidiary	96.14	30.45
Indiawin Sports Private Limited	Fellow Subsidiary	1.09	0.50
Reliance Corporate IT Park Limited	Fellow Subsidiary	690.69	580.22
Reliance Gas Pipelines Limited	Fellow Subsidiary	0.38	0.10
Reliance Jio Digital Services Private Limited	Fellow Subsidiary	0.23	0.21
Reliance Progressive Traders Private Limited (₹ 15 990)	Fellow Subsidiary	0.00	0.01
Reliance Sibur Elastomers Private Limited	Fellow Subsidiary	-	0.17
Tv18 Broadcast Limited	Fellow Subsidiary	0.28	0.19
Network 18 Media & Investments Limited	Fellow Subsidiary	-	0.05
Big Tree Entertainment Private Limited	Fellow Subsidiary	0.30	0.01
Digital18 Media Limited (Previous year ₹ 37 454)	Fellow Subsidiary	-	0.00
Reliance Prolific Traders Private Limited (Previous year ₹ 26 016)	Fellow Subsidiary	-	0.00
Reliance Payment Solutions Limited	Fellow Subsidiary	0.86	0.07
Reliance Jio Messaging Ser. Private Limited	Fellow Subsidiary	0.01	-
Reliance Eminent Trading & Commercial Private Limited (₹ 15 990)	Fellow Subsidiary	0.00	-
Reliance Petroinvestments Limited (₹ 15 990)	Fellow Subsidiary	0.00	
Reliance-Vision Express Private Limited	Joint Venture	1.76	2.13
Marks and Spencer Reliance India Private Limited	Joint Venture	-	0.12
10 Other Income			
Reliance Clothing India Private Limited	Subsidiary	2.56	0.96
11 Purchases			
Reliance Industries Limited	Ultimate Holding Company	179.93	199.44
Reliance Petro Marketing Limited	Subsidiary	0.07	0.10
Reliance Clothing India Private Limited	Subsidiary	0.34	-
Reliance Brands Limited	Fellow Subsidiary	0.10	-
Reliance-GrandVision India Supply Private Limited	Joint Venture	-	0.01

Notes on financial statements for the year ended 31st March, 2016

(iii) Disclosure in respect of material related party transactions during the year: (Continued)			₹ crore	
Particulars	Relationship	2015-16	2014-15	
12 Purchase of Stores & Spares				
Reliance Petro Marketing Limited	Subsidiary	0.11	0.21	
13 Expenditure				
a. Interest cost				
Reliance Retail Ventures Limited	Ultimate Holding Company	0.38	-	
Reliance Industries Limited	Ultimate Holding Company	-	60.94	
b. Store running expenses				
Reliance Corporate IT Park Limited	Fellow Subsidiary	183.19	160.67	
Reliance Retail Ventures Limited	Holding Company	0.06		
Strategic Manpower Solutions Limited	Fellow Subsidiary	28.17	23.34	
c. Building repairs and maintenance				
Reliance Corporate IT Park Limited	Fellow Subsidiary	56.31	47.22	
d. Electricity expenses				
Reliance Corporate IT Park Limited	Fellow Subsidiary	130.55	124.02	
e. Rent				
Reliance Corporate IT Park Limited	Fellow Subsidiary	143.49	97.03	
Tv18 Home Shopping Network Limited	Fellow Subsidiary	1.66	-	
Reliance Innovative Building Solutions Private Limited	Fellow Subsidiary	1.35	-	
f. Hire Charges				
Strategic Manpower Solutions Limited	Fellow Subsidiary	2.53	4.02	
g. Sales promotion and advertisement expenses				
Big Tree Entertainment Private Limited	Fellow Subsidiary	0.07	-	
h. General expenses				
Reliance Corporate IT Park Limited	Fellow Subsidiary	54.44	52.01	
i. Payment to Key Managerial Personnel				
Shri Pankaj Pawar	Key Managerial Personnel	2.88	2.16	

Notes on financial statements for the year ended 31st March, 2016

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

- a) Loans given by the company to body corporate as at 31st March 2016 (Refer Note “13.1”).
b) Investment made by the company as at 31st March 2016.(Refer Note “11”)

37 The details of joint ventures are as follows:

Name of the joint ventures	Country of incorporation	Proportion of ownership interest
Marks and Spencer Reliance India Private Limited	India	49%
Reliance-Grand Vision India Supply Private Limited	India	50%
Reliance-Vision Express Private Limited	India	50%
Supreme Tradelinks Private Limited (<i>wholly owned subsidiary of Marks and Spencer Reliance India Private Limited</i>)	India	49%

38 In respect of jointly controlled entities, the Company's share of assets, liabilities, income and expenditure of the joint venture companies are as follows:

Particulars	₹ crore	
	As at 31st March, 2016	As at 31st March, 2015
(i) Assets		
Fixed Assets & CWIP	76.66	97.81
Non Current Investments	25.29	25.29
Current Assets	1 19.56	1 01.26
Non Current Assets	42.48	34.58
(ii) Liabilities		
Long Term Borrowings	5.88	-
Current Liabilities and Provisions	58.08	44.73
Non-Current Liabilities and Provisions	33.99	31.52
(iii) Income	4 04.47	3 51.60
(iv) Expenses	4 36.14	3 98.64

As per our Report of even date

For **Chaturvedi & Shah** For **Deloitte Haskins & Sells LLP**
Chartered Accountants Chartered Accountants

Amit Chaturvedi **Ketan Vora**
Partner Partner

Mumbai
Dated: 19th April, 2016

For and on behalf of the Board

Pankaj Pawar **Sanjay Jog**
Whole Time Director Director
Ashwin Khasgiwala **Geeta Fulwadaya**
Director Director
Pradipta K. Mohapatra **V. Subramaniam**
Director Chief Financial Officer
Pooja Hazari
Company Secretary