

**Reliance Vantage Retail Limited**

## Independent Auditor's Report

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### To the Members of Reliance Vantage Retail Limited

#### Report on the Financial Statements

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

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

#### Auditor's Responsibility

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

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

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

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

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

#### Opinion

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Jignesh Mehta**  
*Partner*  
Membership No. : 102749

Place : Mumbai  
Date : 19th April, 2016

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**“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 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) According to the information and explanations given to us and the title deeds and other records examined by us, we report that the title deeds in respect of all the immovable properties of lands which are freehold and disclosed as fixed assets in the financial statement and buildings are held in the name of entities that have been amalgamated with the Company as at the balance sheet date.
- ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons. Company has not made any investments or given any loan or any guarantee or security in connection with the loan to any person or body corporate covered under section 186 of the Act. Consequently, the requirement of clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii) In respect of Statutory dues :
  - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , cess on account of any dispute, which have not been deposited.
- viii) The Company has not raised loans from financial institutions or banks or government or by issue of debentures and 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) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.

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

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

**Jignesh Mehta**  
*Partner*  
Membership No. : 102749

Place : Mumbai  
Date : 19th April, 2016

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**“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.**

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

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

**Management Responsibility for the Internal Financial Controls**

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

**Auditor’s Responsibility**

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

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

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the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

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

For **Chaturvedi & Shah**

*Chartered Accountants*

(Firm Registration No : **101720W**)

**Jignesh Mehta**

*Partner*

Membership No. : 102749

Place : Mumbai

Date : 19th April, 2016

## Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	56 00 000	56 00 000
Reserves and Surplus	2	(48 49 98 806)	(45 97 29 468)
		(47 93 98 806)	(45 41 29 468)
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	126 51 00 000	126 49 00 000
<b>Current Liabilities</b>			
Other Current Liabilities	4	20 94 681	16 55 148
<b>TOTAL</b>		<b>78 77 95 875</b>	<b>81 24 25 680</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	5	78 14 41 157	80 55 19 217
Long-Term Loans and Advances	6	62 81 691	62 50 413
		78 77 22 848	81 17 69 630
<b>Current assets</b>			
Cash and Bank Balances	7	73 027	6 56 050
		73 027	6 56 050
<b>TOTAL</b>		<b>78 77 95 875</b>	<b>81 24 25 680</b>
Significant Accounting Policies Notes on Financial Statements	1 to 15		

As per our Report of even date

For and on behalf of the Board

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

**Sridhar Kothandaraman**  
Director  
(DIN : 00012765)

**Rajkumar Pugalia**  
Director  
(DIN : 00047360)

**Jignesh Mehta**  
Partner  
Membership No. 102749

**Ramesh kumar Damani**  
Director  
(DIN : 00049764)

**C.S. Gokhale**  
Director  
(DIN : 00012666)

**B. Chandrasekaran**  
Director  
(DIN : 00670563)

Mumbai  
Dated : 19th April, 2016



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

	Note	2015-16	Amount in ₹ 2014-15
<b>INCOMES</b>			
Other Income	8	2 60 193	2 55 340
<b>Total Revenue</b>		<b>2 60 193</b>	<b>2 55 340</b>
<b>EXPENSES</b>			
Finance Cost	9	8 12 158	4 03 322
Depreciation and Amortisation Expenses		2 40 78 060	2 40 78 060
Other Expenses	10	6 39 313	53 55 376
<b>Total Expenses</b>		<b>2 55 29 531</b>	<b>2 98 36 758</b>
<b>Profit/(Loss) Before Tax</b>		<b>(2 52 69 338)</b>	<b>(2 95 81 418)</b>
Tax Expenses:		-	-
<b>Profit/(Loss) After Tax</b>		<b>(2 52 69 338)</b>	<b>(2 95 81 418)</b>
Earnings per equity share of face value of ₹10/- each	11		
Basic		(8.51)	(52.82)
Diluted		(8.51)	(52.82)
Significant Accounting Policies	1 to 15		
Notes on Financial Statements			

As per our Report of even date

For and on behalf of the Board

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

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Director  
(DIN : 00670563)

Mumbai  
Dated : 19th April, 2016

## Cash Flow Statement for the year 2015-2016

	2015-16	Amount in ₹ 2014-15
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) before tax as per Statement of Profit and Loss</b>	<b>(2 52 69 338)</b>	<b>(2 95 81 418)</b>
Adjusted for:		
Interest Received	<b>(2 60 193)</b>	(2 55 340)
Depreciation and Amortisation Expenses	<b>2 40 78 060</b>	2 40 78 060
Finance Cost	<b>8 12 158</b>	4 03 322
	<b>2 46 30 025</b>	2 42 26 042
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>(6 39 313)</b>	<b>(53 55 376)</b>
Adjusted for:		
Trade and Other Payables	<b>1 11 873</b>	4 495
Security Deposits	<b>(31 278)</b>	(94 778)
	<b>80 595</b>	(90 283)
<b>Cash Generated from / (used in) Operations</b>	<b>(5 58 718)</b>	<b>(54 45 659)</b>
Taxes (Paid) / Refund	-	25 203
<b>Net Cash from/(used in) Operating Activities</b>	<b>(5 58 718)</b>	<b>(54 20 456)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	<b>2 60 193</b>	2 50 558
<b>Net Cash from / (used in) Investing Activities</b>	<b>2 60 193</b>	2 50 558
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	<b>49 00 000</b>	51 00 000
Repayment of Long Term Borrowings	<b>(47 00 000)</b>	-
Interest Paid	<b>(4 84 498)</b>	(40)
<b>Net Cash Generated from / (used in) Financing Activities</b>	<b>(2 84 498)</b>	<b>50 99 960</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(5 83 023)</b>	<b>(69 898)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>6 56 050</b>	7 25 948
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>73 027</b>	6 56 050
<b>(Refer Note No.7)</b>		

As per our Report of even date

For and on behalf of the Board

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

**Sridhar Kothandaraman**  
Director  
(DIN : 00012765)

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(DIN : 00670563)

Mumbai  
Dated : 19th April, 2016

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## **1. 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.

### **B Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires judgement, estimates and assumptions to be made that affect the reported amount of assets and liabilities and the 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 Fixed assets**

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

### **D Depreciation and Amortisation**

Depreciation on fixed assets is provided on straight line method at the rates derived in the manner prescribed in Schedule II to the Companies Act, 2013 over their useful life except for premium paid on Leasehold Land which is amortised over the period of the lease.

### **E Impairment of assets**

The Company assess at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An asset is treated as impaired, when the carrying cost of the asset exceeds its recoverable value. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

### **F Revenue recognition**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

### **G Provision for current and deferred tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. 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 reasonable or virtual certainty that the asset will be realised in future.

### **H Provision, contingent liabilities and contingent assets**

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

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

		Amount in ₹	
		As at	As at
		31st March, 2016	31st March, 2015
<b>1. Share Capital</b>			
<b>Authorised:</b>			
5,60,000 Equity shares of ₹ 10 each (5,60,000)		56 00 000	56 00 000
<b>Total</b>		<u>56 00 000</u>	<u>56 00 000</u>
<b>Issued, Subscribed and Paid-up:</b>			
5,60,000 Equity shares of ₹ 10 each fully paid up (5,60,000)		56 00 000	56 00 000
<b>Total</b>		<u>56 00 000</u>	<u>56 00 000</u>
<b>1.1</b>	The details of shareholder holding more than 5% shares :		
		As at 31st March, 2016	As at 31st March, 2015
		No. of Shares      % held	No. of Shares      % held
	<b>Name of Shareholders</b>		
	Equity Shares		
	Reliance Commercial Land & Infrastructure Limited	5 60 000      100	5 60 000      100
<b>1.2</b>	Reconciliation of number of shares outstanding is set out below :		Amount in ₹
		As at	As at
		31st March, 2016	31st March, 2015
	Equity shares at the beginning of the year	5 60 000	5 60 000
	Add: Shares issued during the year	-	-
	Equity shares at the end of the year	<u>5 60 000</u>	<u>5 60 000</u>
<b>1.3</b>	Of the above equity shares 5 60 000 (Previous year 5 60 000) are held by Reliance Commercial Land & Infrastructure Limited, the Parent Holding Company. 5 50 000 (Previous Year 5 50 000) equity shares of ₹ 10 each fully paid up are allotted for consideration other than cash pursuant to the scheme of arrangement.		
<b>1.4</b>	Refer Note No.3 on option of unissued share capital.		
<b>2. Reserves and Surplus</b>			Amount in ₹
		As at	As at
		31st March, 2016	31st March, 2015
	<b>Capital Reserve</b>	1 80 15 530	1 80 15 530
	<b>Surplus</b>		
	<b>Profit and Loss Account</b>		
	As per last Balance Sheet	(47 77 44 998)	(44 81 63 580)
	Add: Transferred from Statement of Profit and Loss	(2 52 69 338)	(2 95 81 418)
	<b>Total</b>	<u>(50 30 14 336)</u>	<u>(47 77 44 998)</u>
		<u>(48 49 98 806)</u>	<u>(45 97 29 468)</u>
<b>2.1</b>	In view of the loss for the year, the company has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 4 02 382 in terms of section 71(4) of the Companies Act, 2013 and Rule 18(7) of the Companies (Share Capital and Debenture) Rules, 2014. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years.		

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

3. Long-Term Borrowings	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Unsecured Loans and Advances from Holding Company #	53 00 000	126 49 00 000
Zero Coupon Unsecured Optionally Fully Convertible Debentures of ₹ 10/- each.##	125 98 00 000	-
<b>Total</b>	<b>126 51 00 000</b>	<b>126 49 00 000</b>

# Represents Loan from Reliance Commercial Land & Infrastructure Limited, the Holding Company repayable in 2 years.

## The Company (issuer) & Debenture-holder will have an option for early conversion at any time after allotment of the OFCDs by giving one month notice to the Company. The conversion will be based on higher of book value or face value as at March 31, 2015. The equity shares arising out of conversion of the OFCDs will rank pari passu in all respects with the then outstanding equity shares of the Company on the date of such conversion, except for dividend, which if declared, shall be paid on pro-rata basis from the date of allotment of such Equity Shares. The Company will settle the outstanding OFCDs on expiry of 15 years.

4. Other Current Liabilities	Amount in ₹	
	As at 31st March, 2016	As at 31st March, 2015
Creditors for Capital Expenditure	12 29 353	12 29 353
Interest accrued but not due	7 30 942	4 03 282
Others #	1 34 386	22 513
<b>Total</b>	<b>20 94 681</b>	<b>16 55 148</b>

# Represents statutory liabilities

### 5. Fixed Assets

Amount in ₹

Description	Gross block			Depreciation				Net block		
	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	As at 01.04.2015	For the year	Deductions	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
<b>Tangible Assets</b>										
<b>Own Assets:</b>										
Freehold land	14 02 90 162	-	-	14 02 90 162	-	-	-	-	14 02 90 162	14 02 90 162
Buildings	60 21 52 323	-	-	60 21 52 323	9 38 05 413	92 42 672	-	10 30 48 085	49 91 04 238	50 83 46 910
Plant and machinery	1 40 91 185	-	-	1 40 91 185	1 40 91 185	-	-	1 40 91 185	-	-
Electrical installations	5 28 97 553	-	-	5 28 97 553	2 64 64 476	52 86 615	-	3 17 51 091	2 11 46 462	2 64 33 077
Equipment	4 79 85 310	-	-	4 79 85 310	2 39 63 988	24 02 133	-	2 63 66 121	2 16 19 189	2 40 21 322
Furniture and fixtures	7 13 76 510	-	-	7 13 76 510	4 66 85 146	49 38 273	-	5 16 23 419	1 97 53 091	2 46 91 364
Vehicles	18 95 828	-	-	18 95 828	16 69 697	75 377	-	17 45 074	1 50 754	2 26 131
Leasehold improvements	7 10 71 433	-	-	7 10 71 433	1 13 48 461	14 26 648	-	1 27 75 109	5 82 96 324	5 97 22 972
<b>Sub-Total</b>	<b>100 17 60 304</b>	<b>-</b>	<b>-</b>	<b>100 17 60 304</b>	<b>21 80 28 366</b>	<b>2 33 71 718</b>	<b>-</b>	<b>24 14 00 084</b>	<b>76 03 60 220</b>	<b>78 37 31 938</b>
<b>Leased Assets:</b>										
Leasehold land	2 53 18 991	-	-	2 53 18 991	35 31 712	7 06 342	-	42 38 054	2 10 80 937	2 17 87 279
<b>Sub-Total</b>	<b>2 53 18 991</b>	<b>-</b>	<b>-</b>	<b>2 53 18 991</b>	<b>35 31 712</b>	<b>7 06 342</b>	<b>-</b>	<b>42 38 054</b>	<b>2 10 80 937</b>	<b>2 17 87 279</b>
<b>Total</b>	<b>102 70 79 295</b>	<b>-</b>	<b>-</b>	<b>102 70 79 295</b>	<b>22 15 60 078</b>	<b>2 40 78 060</b>	<b>-</b>	<b>24 56 38 138</b>	<b>78 14 41 157</b>	<b>80 55 19 217</b>
Previous Year	102 70 79 295	-	-	102 70 79 295	19 74 82 018	2 40 78 060	-	22 15 60 078	80 55 19 217	

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

		As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
<b>6.</b>	<b>Long-Term Loans and Advances</b> (unsecured and considered good)		
	Security Deposits	<u>62 81 691</u>	<u>62 50 413</u>
	<b>Total</b>	<u><u>62 81 691</u></u>	<u><u>62 50 413</u></u>
<b>7.</b>	<b>Cash and Bank Balances</b>		
	<b>Cash and cash equivalents:</b>	As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
	<b>Bank Balances:</b>		
	In current accounts	<u>73 027</u>	<u>6 56 050</u>
	<b>Total</b>	<u><u>73 027</u></u>	<u><u>6 56 050</u></u>
<b>8.</b>	<b>Other Income</b>	2015-16	Amount in ₹ 2014-15
	Interest on Others	<u>2 60 193</u>	<u>2 55 340</u>
	<b>Total</b>	<u><u>2 60 193</u></u>	<u><u>2 55 340</u></u>
<b>9.</b>	<b>Finance Cost</b>	2015-16	Amount in ₹ 2014-15
	Interest Expenses	<u>8 12 158</u>	<u>4 03 322</u>
	<b>Total</b>	<u><u>8 12 158</u></u>	<u><u>4 03 322</u></u>
<b>10.</b>	<b>Other Expenses</b>	2015-16	Amount in ₹ 2014-15
	<b>Establishment Expenses</b>		
	Insurance	23 514	32 389
	Rates and Taxes	10 900	48 87 846
	Director Sitting Fees	5 46 485	-
	Professional Fees	28 625	15 500
	General Expenses	<u>19</u>	<u>3 91 551</u>
		<u>6 09 543</u>	<u>53 27 286</u>
	<b>Payments to Auditor</b>		
	Audit Fees	24 045	22 472
	Certification and Consultation Fees	<u>5 725</u>	<u>5 618</u>
		<u>29 770</u>	<u>28 090</u>
	<b>Total</b>	<u><u>6 39 313</u></u>	<u><u>53 55 376</u></u>

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

11. Earnings per share	2015-16	2014-15
Basic and Diluted earnings per equity share (₹)	(8.51)	(52.82)
Numerator - Profit after tax (₹)	(2 52 69 338)	(2 95 81 418)
Denominator - Weighted average number of equity shares for Diluted	29 69 454	5 60 000
Nominal value per equity share (₹)	10	10
Diluted EPS is same as Basic EPS, being antidilutive		

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

### 13. Segment Reporting

The Company is primarily engaged in the business of real estate and development of commercial properties in India. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Accounting Standard 17 "Segment Reporting".

### 14. Related Party

As per Accounting Standard 18, 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 relationship:

Name of the Related Party	Relationship
Reliance Industries Limited	Ultimate Holding Company
Reliance Industrial Investments and Holdings Limited	Holding Company
Reliance Commercial Land & Infrastructure Limited	Parent Holding Company

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

Nature of Transaction	Amount in ₹
	Parent Holding Company
Loans Taken/(Repaid)	2 00 000 <i>51 00 000</i>
Conversion of Loan to Zero Coupon Unsecured Optionally Fully Convertible Debentures	125 98 00 000 -
Interest Expenses	8 12 158 <i>4 03 322</i>
<b>Balance as at 31st March, 2016</b>	
<b>Equity Share Capital</b>	<b>56 00 000</b> <i>56 00 000</i>
<b>Loans Taken</b>	<b>53 00 000</b> <i>126 49 00 000</i>
<b>Zero Coupon Unsecured Optionally Fully Convertible Debentures</b>	<b>125 98 00 000</b> -
<b>Interest Payable</b>	<b>7 30 942</b> <i>4 03 282</i>

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

## iii) Disclosure in Respect of Material Related Party Transactions during the year:

	2015-16	Amount in ₹ 2014-15
<b>Loans Taken / (Repaid)</b>		
Reliance Commercial Land & Infrastructure Limited	49 00 000	51 00 000
Reliance Commercial Land & Infrastructure Limited	(47 00 000)	-
<b>Conversion of Loan to Zero Coupon Unsecured Optionally Fully Convertible Debentures</b>		
Reliance Commercial Land & Infrastructure Limited	1 25 98 00 000	-
<b>Interest Expenses</b>		
Reliance Commercial Land & Infrastructure Limited	8 12 158	4 03 322

## 15. The Company has not recognised deferred tax assets or liabilities in accordance with Note G of Significant Accounting Policies

Deferred Tax (assets)/ liabilities	As at 31st march 2016	Amount in ₹ As at 31st march 2015
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation and Business Loss under Income Tax Act, 1961	10 78 27 169	11 98 76 930
Related to fixed assets	7 06 45 117	7 15 27 782
<b>Net Deferred Tax Asset</b>	<u>17 84 72 286</u>	<u>19 14 04 712</u>

As per our Report of even date

For and on behalf of the Board

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

**Sridhar Kothandaraman**  
Director  
(DIN : 00012765)

**Rajkumar Pugalia**  
Director  
(DIN : 00047360)

**Jignesh Mehta**  
Partner  
Membership No. 102749

**Ramesh kumar Damani**  
Director  
(DIN : 00049764)

**C.S. Gokhale**  
Director  
(DIN : 00012666)

**B. Chandrasekaran**  
Director  
(DIN : 00670563)

Mumbai  
Dated : 19th April, 2016