

RELIANCE PAYMENT SOLUTIONS LIMITED

# **Reliance Payment Solutions Limited**

# Independent Auditor's Report

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RELIANCE PAYMENT SOLUTIONS LIMITED

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **RELIANCE PAYMENT SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, 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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the 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

3. 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.
4. 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements.
6. 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

7. 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 31<sup>st</sup> March, 2015, and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

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

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
  - iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.

For **CHATURVEDI & SHAH**  
Chartered Accountants  
(Firm's Registration No. 101720W)

**R. KORIA**  
Partner  
Membership No. 35629

Mumbai, April 14, 2015

**Balance Sheet as at 31st March, 2015**

	Note	As at 31st March, 2015	(Rs. in lakhs) As at 31st March, 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	2	10,000.00	889.20
(b) Reserves and surplus	3	<u>(350.98)</u>	<u>(139.16)</u>
		9,649.02	750.04
<b>2. Non-current liabilities</b>			
(a) Long Term Borrowings	4	<u>4,100.00</u>	<u>450.00</u>
		4,100.00	450.00
<b>3. Current liabilities</b>			
(a) Other Current Liabilities	5	<u>3,584.83</u>	<u>118.07</u>
		3,584.83	118.07
<b>Total</b>		<u><u>17,333.85</u></u>	<u><u>1,318.11</u></u>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	6	448.43	528.56
(ii) Intangible assets	6	581.24	-
(iii) Capital work-in-progress	7	3,868.90	-
(iv) Intangible Assets under Development	7	8,693.78	589.86
(b) Long Term Loans and Advances	8	<u>1,546.80</u>	<u>37.96</u>
		15,139.15	1,156.38
<b>2. Current assets</b>			
(a) Current Investments	9	416.81	51.11
(b) Cash and Bank Balances	10	29.99	14.19
(c) Short Term Loans and Advances	11	<u>1,747.90</u>	<u>96.43</u>
		2,194.70	161.73
<b>Total</b>		<u><u>17,333.85</u></u>	<u><u>1,318.11</u></u>
<b>Significant Accounting Policies</b>	1		
<b>Notes to the Financial statements</b>	2 - 22		

As per our Report of even date

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

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date : April 14, 2015

For and on behalf of the Board

**Murlidhara Kadaba**  
Director  
DIN: 01435701  
Place: Bangalore

**Raj Ahuja**  
Chief Financial Officer  
PAN: AAEP6335N  
Place: Bangalore

Date : April 14, 2015

**Bharat Goenka**  
Director  
DIN: 00030498  
Place: Bangalore

**Mandar Vasmatkar**  
Company Secretary  
Membership No: A23953  
Place: Mumbai

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

	Note	2014-15	(Rs. in lakhs) 2013-14
<b>I Income</b>			
Other income	12	2.63	6.13
<b>Total revenue</b>		<b>2.63</b>	<b>6.13</b>
<b>II Expenditure</b>			
Depreciation and Amortisation Expense		107.31	-
Other expenses	13	107.14	11.83
<b>Total expenses</b>		<b>214.45</b>	<b>11.83</b>
<b>III Loss before tax</b>		<b>(211.82)</b>	<b>(5.70)</b>
<b>IV Tax expenses</b>			
Current tax for earlier years		-	0.04
<b>V Loss for the year</b>		<b>(211.82)</b>	<b>(5.74)</b>
<b>VI Earnings per equity share of face value of Rs. 10 each</b>			
Basic (in Rupees)	18	(0.58)	(0.12)
Diluted (in Rupees)	18	(0.58)	(0.12)
<b>Significant Accounting Policies</b>	1		
<b>Notes to the Financial statements</b>	2-22		

As per our Report of even date

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

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date : April 14, 2015

For and on behalf of the Board

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Director  
DIN: 01435701  
Place: Bangalore

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**Mandar Vasmatkar**  
Company Secretary  
Membership No: A23953  
Place: Mumbai

## Cash Flow Statement for the year 2014-15

	2014-15	(Rs. in lakhs) 2013-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before tax as per Statement of Profit and Loss	(211.82)	(5.70)
Adjusted for:		
Fees for increase in Authorised Share Capital	85.50	5.60
Depreciation	107.31	-
Effect of exchange rate change	-	(0.17)
Profit on sale of investments (net)	(2.52)	(6.13)
Interest income (Previous year Rs 222)	(0.11)	(0.00)
	<u>190.18</u>	<u>(0.70)</u>
<b>Operating loss before working capital changes</b>	<u>(21.64)</u>	<u>(6.40)</u>
Adjusted for:		
Trade and other receivables	(1,651.48)	(95.91)
Trade and other payables	649.90	8.94
	<u>(1,001.58)</u>	<u>(86.97)</u>
Cash generated from operations	<u>(1,023.22)</u>	<u>(93.37)</u>
(Taxes paid)/Refund (Previous Year Rs. 434)	-	(0.00)
Net Cash used in Operating Activities (A)	<u>(1,023.22)</u>	<u>(93.37)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (Including movement in Capital Work in Progress and Intangible Assets Under Development)	(11,273.11)	(1,046.07)
Purchase of investments	(4,925.00)	(957.00)
Sale of investments	4,561.83	917.61
Fixed Deposit / Margin money with Banks	(10.00)	-
Net Cash used in Investing Activities (B)	<u>(11,646.28)</u>	<u>(1,085.46)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity shares	9,110.80	689.20
Fees for increase in Authorised Share Capital	(85.50)	(5.60)
Proceeds from long term borrowings	3,650.00	850.00
Repayment of long term borrowings	-	(439.20)
Net Cash from Financing Activities (C)	<u>12,675.30</u>	<u>1,094.40</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>5.80</u>	<u>(84.43)</u>
Opening balance of cash and cash equivalents	14.19	98.62
Closing balance of cash and cash equivalents	<u>19.99</u>	<u>14.19</u>

As per our Report of even date

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

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date : April 14, 2015

For and on behalf of the Board

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**Bharat Goenka**  
Director  
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Place: Bangalore

**Mandar Vasmatkar**  
Company Secretary  
Membership No: A23953  
Place: Mumbai

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

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### Note 1

#### Significant Accounting Policies

##### 1. 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 lakhs.

##### 2. 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.

##### 3. Fixed Assets

###### (i) Tangible assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

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

###### (ii) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

##### 4. Depreciation and Amortisation

###### (i) Tangible Assets

Depreciation on fixed assets is provided on straight line method over their useful life and in the manner prescribed in Schedule II to the Companies Act, 2013.

###### (ii) Intangible Assets

Softwares are amortised over a period of 5 years.

##### 5. Impairment

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.

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

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### 6. Foreign Currency Transactions

- (i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transaction or that approximates the actual rate at the date of the transaction.
- (ii) Monetary items denominated in foreign currency at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized 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 recognized in the Statement of Profit and Loss Account 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.

### 7. Investments

Current investments are carried at 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.

### 8. Revenue recognition

- (i) Revenue from services is recognized only when risks and rewards are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection as and when services are provided. The revenue is recognised net of discounts and recoverable taxes.
- (ii) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- (iii) Dividend income is recognized when right to receive payment is established.

### 9. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized 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 the Statement of Profit and Loss in the period in which they are incurred.

### 10. Income taxes

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

### 11. Provision, contingent liabilities and contingent assets

Provision 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 a 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, 2015

Note 2	As at 31st March, 2015	(Rs. in lakhs) As at 31st March, 2014
<b>Share capital</b>		
<b>Authorised:</b>		
10 00 00 000 Equity shares of Rs.10 each (1 00 00 000)	10,000.00	1,000.00
<b>Total</b>	<u>10,000.00</u>	<u>1,000.00</u>
<b>Issued, subscribed and paid-up:</b>		
10 00 00 000 Equity shares of Rs.10 each fully paid up (88 92 000)	10,000.00	889.20
<b>Total</b>	<u>10,000.00</u>	<u>889.20</u>

**Note:**

- 2.1 All the above 10 00 00 000 (Previous Year 88 92 000) equity shares of Rs.10 each fully paid up are held by Reliance Industrial Investments and Holdings Limited, the holding company including those held with its nominees.
- 2.2 The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

**2.3 Reconciliation of number of shares outstanding at the beginning and at the end of the year :**

	2014-15		2013-14	
	No. of Shares	Rs. in lakhs	No. of Shares	Rs. in lakhs
Equity shares outstanding at the beginning of the year	88 92 000	889.20	20 00 000	200.00
Add: Equity shares issued during the year	9 11 08 000	9,110.80	68 92 000	689.20
Equity shares outstanding at the end of the year	<u>10 00 00 000</u>	<u>10,000.00</u>	<u>88 92 000</u>	<u>889.20</u>

**2.4 Details of Shareholders holding more than 5% shares in the company including those held by holding company:**

Name of the Shareholder	Equity Shares			
	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% holding	No. of Shares	% holding
Reliance Industrial Investments and Holdings Limited including those held with its nominees	10 00 00 000	100%	88 92 000	100%
	<u>10 00 00 000</u>	<u>100%</u>	<u>88 92 000</u>	<u>100%</u>

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

Note 3	As at 31st March, 2015	(Rs. in lakhs) As at 31st March, 2014
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### Reserves and surplus

#### Surplus in the Statement of Profit and Loss

As per last Balance Sheet	(139.16)	(133.42)
Add: Loss for the year	<u>(211.82)</u>	<u>(5.74)</u>
<b>Total</b>	<u><b>(350.98)</b></u>	<u><b>(139.16)</b></u>

- 3.1 In view of loss for the year, the Company has not created Debenture Redemption Reserve for cumulative amount of Rs. 1.20 Lakhs (Previous Year Nil) in terms of Section 71 of the Companies Act, 2013. The Company shall create Debenture Redemption Reserve out of profits, if any, in future years.

Note 4	As at 31st March, 2015	(Rs. in lakhs) As at 31st March, 2014
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### Long Term Borrowings

<b>Unsecured</b>		
0% Optionally Fully Convertible Debentures	3,500.00	-
Loans from related parties	<u>600.00</u>	<u>450.00</u>
<b>Total</b>	<u><b>4,100.00</b></u>	<u><b>450.00</b></u>

- 4.1 The above debentures have been issued to Holding Company, Reliance Industrial Investments & Holdings Limited. The tenure of the said debentures is 10 years from the date of allotment which is maturing on 26th March, 2025. The company will redeem the outstanding debentures on expiry of 10 years. The company and debenture holder may mutually agree for early redemption of the outstanding debentures on any date after expiry of 30 days from the date of allotment.

The debenture holder and the company shall have an option for early conversion at "fair value" as may be determined by the valuer appointed by the company, at any time after allotment of the debentures by giving one month notice to the other party.

- 4.2 Above unsecured loan of Rs 600 lakhs from Reliance Industrial Investments and Holdings Limited are repayable within 2 to 4 years. Out of this Loan of Rs 450 lakhs is interest free and balance Rs 150 lakhs bears interest @ 11.50% p.a.

Note 5	As at 31st March, 2015	(Rs. in lakhs) As at 31st March, 2014
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### Other Current Liabilities <sup>(1)</sup>

Interest accrued but not due on borrowings	13.12	-
Creditors for capital expenditure	2,908.55	106.29
Others*	<u>663.16</u>	<u>11.78</u>
<b>Total</b>	<u><b>3,584.83</b></u>	<u><b>118.07</b></u>

\* Includes Statutory and other dues

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

- (1) Disclosures relating to amount unpaid as at year end together with interest paid/ payable to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been determined based on the available information with the company and are as under:

	As at 31st March, 2015	As at 31st March, 2014
1. Principal amount due and remaining unpaid	-	-
2. Interest due thereon	-	-
3. Interest paid by the Company on all delayed payments under the MSMED Act.	-	-
4. Payment made beyond the appointed day during the year	-	-
5. Interest due and payable for the period of delay other than (3) above	-	-
6. Interest accrued and remaining unpaid	-	-
7. Further Interest remaining due and payable in succeeding years	-	-

### Note 6

#### (I) Tangible assets

(Rs. in lakhs)

Description	Gross block				Depreciation			Net block	
	As at 01-04-2014	Additions	Deductions/ Adjustments	As at 31-03-2015	As at 01-04-2014	For the year	Up to 31-03-2015	As at 31-03-2015	As at 31-03-2014
<b>Own Assets:</b>									
Plant & Equipments	542.06	5.44	-	547.50	13.50	85.96	99.46	448.04	528.56
Furniture and fixtures (Depreciation Rs 10)	-	0.39	-	0.39	-	0.00	0.00	0.39	-
<b>Total</b>	<b>542.06</b>	<b>5.83</b>	<b>-</b>	<b>547.89</b>	<b>13.50</b>	<b>85.96</b>	<b>99.46</b>	<b>448.43</b>	<b>528.56</b>
<b>Previous Year Figures</b>	-	542.06	-	542.06	-	13.50	13.50	528.56	-

#### (II) Intangible assets

(Rs. in lakhs)

Description	Gross block				Amortisation			Net block	
	As at 01-04-2014	Additions	Deductions/ Adjustments	As at 31-03-2015	As at 01-04-2014	For the year	Up to 31-03-2015	As at 31-03-2015	As at 31-03-2014
Software*	-	645.62	-	645.62	-	64.38	64.38	581.24	-
<b>Total</b>	<b>-</b>	<b>645.62</b>	<b>-</b>	<b>645.62</b>	<b>-</b>	<b>64.38</b>	<b>64.38</b>	<b>581.24</b>	<b>-</b>
<b>Previous year Figures</b>	-	-	-	-	-	-	-	-	-

\* Other than internally generated

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

### Note 7

#### Capital Work in Progress and Intangible Assets under Development:

The Company is involved in activities relating to the development of the business of issue, servicing and dealing in all kinds of payment products. The expenditure incurred for the said activities are classified as Project Development Expenditure pending capitalisation forming part of Intangible Assets under Development. In view of this, the Company continued to capitalise the expenses comprising of Capital Work in Progress amounting to Rs. 3868.90 lakhs (Previous year Nil) and Intangible Assets under Development amounting to Rs. 8693.78 lakhs (Previous year Rs. 589.86 lakhs).

#### Capital Work in Progress includes :

- (a) Rs.3868.90 Lakhs (Previous year Nil) on account of capital goods inventory.

#### Intangible Assets under Development includes:

- (a) Rs. 2452.04 Lakhs (Previous Year Rs. 589.86 Lakhs) on account of Project Development Expenditure.

#### Project Development Expenditure as detailed below:

	2014-15	2013-14
Opening Balance	589.86	66.61
Add :		
Professional Fees	2,412.63	458.24
Commission Expense	-	0.58
Software License Fees	-	50.96
Interest expense	13.25	-
Depreciation	43.03	13.50
Rent	6.81	-
Repairs and Maintenance	16.14	-
Exchange fluctuation	15.94	-
Miscellaneous Expenses	-	0.02
Less :		
Income from test transactions		0.06
Service Tax on above	-	(0.01)
<b>Less : Transfer to Intangible Assets</b>	<b>(645.62)</b>	<b>-</b>
<b>Closing Balance</b>	<b>2,452.04</b>	<b>589.86</b>

(Rs. in lakhs)

### Note 8

As at  
31st March, 2015      As at  
31st March, 2014

#### Long Term Loans and Advances

(unsecured and considered good)

Capital advances	1,542.96	34.12
Security deposits	0.50	0.50
Advance Income Tax (net of provision)	3.34	3.34
<b>Total</b>	<b>1,546.80</b>	<b>37.96</b>

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

	(Rs. in lakhs)	
Note 9	As at 31st March, 2015	As at 31st March, 2014
<b>Current Investments</b>		
(Carried at lower of cost and quoted / fair value)		
<b>Other Investment (at cost)</b>		
<b>Investments in Mutual Funds - Unquoted - fully paid up</b>	<b>416.81</b>	51.11
19055 (Previous year 2558) units of SBI-Premier Liquid Fund Regular Plan - Growth Option (Face value of Rs. 1000 each)		
<b>Total</b>	<b>416.81</b>	51.11
	As at 31st March, 2015	As at 31st March, 2014
Aggregate amount of Unquoted Investments	416.81	51.11
		(Rs. in lakhs)
<b>Note 10</b>	As at 31st March, 2015	As at 31st March, 2014
<b>Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Balance with banks in current accounts	19.99	14.19
<b>Other bank balances</b>		
Margin money deposit	10.00	-
<b>Total</b>	<b>29.99</b>	14.19
10.1 Margin money deposit held with bank against bank guarantee issued with maturity of more than 12 months and maturing on 20.02.2020		
		(Rs. in lakhs)
<b>Note 11</b>	As at 31st March, 2015	As at 31st March, 2014
<b>Short Term Loans and Advances</b>		
(unsecured and considered good)		
Others <sup>(1)</sup>	1,747.90	96.43
<b>Total</b>	<b>1,747.90</b>	96.43

(1) Includes CENVAT credit pending for credit availment.

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

Note 12	(Rs. in lakhs)	
	2014-15	2013-14
<b>Other income</b>		
Interest Income (Previous Year Rs. 222)	0.11	0.00
Profit on sale of Current Investments (net)	2.52	6.13
<b>Total</b>	<u>2.63</u>	<u>6.13</u>
<b>Note 13</b>	(Rs. in lakhs)	
	2014-15	2013-14
<b>Other expenses</b>		
Rates and taxes	85.98	5.61
Professional fees	16.24	3.81
Exchange differences (net)	-	(0.17)
Subscription Fees	2.46	-
Telephone expenses	0.20	0.98
Printing and stationery	0.15	-
General expenses	0.41	0.40
	<u>105.44</u>	10.63
Payments to auditor		
Audit fees	1.20	0.75
Certification fees	0.50	0.40
Expenses reimbursed	-	0.05
	<u>1.70</u>	1.20
<b>Total</b>	<u>107.14</u>	<u>11.83</u>

14. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary, to make them comparable with those of current year.

15. The Company has been granted Certificate of Authorisation by the Reserve Bank of India to set-up and operate payment system for mobile based semi-closed prepaid payment instruments (m-wallets) services in India known as Jio Money w.e.f. September 18, 2013. The company is involved in activities relating to the development of the business of issue, servicing and dealing in all kinds of payment products. All the activities of the Company revolve around the development of payment products and systems and accordingly, the Company has only one identifiable segment as per the requirements of Accounting Standard 17 "Segment Reporting", notified in the Companies (Accounting Standards) Rules 2006.

16. Deferred tax assets consist mainly of carried forward loss. As a matter of prudence, the Company has not recognised deferred tax asset in accounts.

17. Contingent Liabilities and Commitments	(Rs. in lakhs)	
(To the extent not provided for)	As at	As at
	31st March, 2015	31st March, 2014
<b>(a) Contingent Liabilities</b>		
(i) Bank Guarantees	10.00	-
<b>(b) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on Capital account not provided for	1,122.94	179.39

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

<b>18. Earnings per share (EPS)</b>	<b>2014-15</b>	2013-14
(i) Net Profit after tax as per Statement of Profit and Loss (Rs. in lakhs)	<b>(211.82)</b>	(5.74)
(ii) Weighted average number of equity shares used as denominator for calculating EPS	<b>3 63 31 890</b>	46 99 989
(iii) Basic earnings per share of face value of Rs.10 each (Rs.)	<b>(0.58)</b>	(0.12)
(iv) Diluted earnings per share of face value of Rs.10 each (Rs.)	<b>(0.58)</b>	(0.12)

18.1 Shares to be issued against Optionally Fully Convertible Debentures can not be ascertained as of today. Hence they have not been considered for calculation of Diluted earnings per share.

<b>19. Value of imports calculated on CIF basis during the Financial Year in respect of :</b>	(Rs. in lakhs)	
	<b>2014-15</b>	2013-14
Capital goods	<b>3,650.85</b>	425.26

<b>20. Expenditure in foreign currency</b>	(Rs. in lakhs)	
	<b>2014-15</b>	2013-14
(i) Professional fees	<b>6.93</b>	-
(ii) Software license fees	<b>5,790.81</b>	-
	<b>5,797.74</b>	-

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

- (i) The company has not given any loans.
- (ii) Investments made by the company as at 31st March, 2015 (Refer note no. 9)
- (iii) The company has not given any Corporate Guarantees.

22. As per Accounting Standard 18 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules 2006, 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 Industrial Investments and Holdings Limited	Holding company
3.	Reliance Corporate IT Park Limited	Fellow subsidiary
4.	Reliance Retail Limited	
5.	Shri Siddharth P Das (From 27th March, 2015)	Key Managerial Personnel
6.	Shri Anirban S Mukherjee (From 27th March, 2015)	

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

(ii) Transactions during the year with related parties (excluding reimbursement): (Rs. in lakhs)

Sr No	Nature of transactions	Holding company	Fellow subsidiary	Key Managerial Personnel	Total
1.	Unsecured loans taken	<b>150.00</b> (850.00)	-	-	<b>150.00</b> (850.00)
2.	Issue of 0% Optionally Convertible Debentures	<b>3,500.00</b>	-	-	<b>3,500.00</b>
3.	Issue of Equity Shares	<b>9,110.80</b> (689.20)	-	-	<b>9,110.80</b> (689.20)
4.	Unsecured loans repaid	- (439.20)	-	-	- (439.20)
5.	Professional fees	-	<b>2,329.93</b>	-	<b>2,329.93</b>
6.	Purchase of fixed assets	-	<b>4.83</b>	-	<b>4.83</b>
7.	Capital Advance paid	-	<b>1,042.43</b>	-	<b>1,042.43</b>
8.	Interest expense	<b>13.25</b>	-	-	<b>13.25</b>
9.	Payment to Key Managerial Personnel	-	-	<b>4.77</b>	<b>4.77</b>
	<b>Balance as at 31st March, 2015</b>				
10.	Share capital	<b>10,000.00</b> (889.20)	-	-	<b>10,000.00</b> (889.20)
11.	Unsecured loan	<b>600.00</b> (450.00)	-	-	<b>600.00</b> (450.00)
12.	0% Optionally Convertible Debentures	<b>3,500.00</b>	-	-	<b>3,500.00</b>
13.	Sundry Creditors/ Other Payables	-	<b>4.83</b>	-	<b>4.83</b>
14.	Capital Advance	-	<b>1,042.43</b>	-	<b>1,042.43</b>
15.	Interest accrued but not due	<b>13.12</b>	-	-	<b>13.12</b>
		-	-	-	-

Note: Figures in brackets represents previous year's figures.

(iii) Disclosure in Respect of Material Related Party Transactions during the year : (Rs. in lakhs)

Sr	Particulars	Relationship	2014-15	2013-14
1.	<b>Unsecured loans taken</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	<b>150.00</b>	850.00
	Sub total		<b>150.00</b>	850.00
2.	<b>Issue of 0% Optionally Convertible Debentures</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	<b>3,500.00</b>	-
	Sub total		<b>3,500.00</b>	-
3.	<b>Issue of Equity Shares</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	<b>9,110.80</b>	689.20
	Sub total		<b>9,110.80</b>	689.20
4.	<b>Unsecured loans repaid</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	-	439.20
	Sub total		-	439.20



**Notes on financial statements for the year ended 31st March, 2015**(iii) **Disclosure in Respect of Material Related Party Transactions during the year :** (Rs. in lakhs)

Sr	Particulars	Relationship	2014-15	2013-14
5.	<b>Professional Fees</b>			
	Reliance Corporate IT Park Limited	Fellow subsidiary	2,329.93	-
	Sub total		2,329.93	-
6.	<b>Purchase of fixed assets</b>			
	Reliance Retail Limited	Fellow subsidiary	4.83	-
	Sub total		4.83	-
7.	<b>Capital Advance paid</b>			
	Reliance Corporate IT Park Limited	Fellow subsidiary	1,042.43	-
	Sub total		1,042.43	-
8.	<b>Interest expense</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	13.25	-
	Sub total		13.25	-
9.	<b>Payment to Key Managerial Personnel</b>			
	Shri Siddharth P Das	Key	2.25	-
	Shri Anirban S Mukherjee	Managerial Personnel	2.52	-
	Sub total		4.77	-
	<b>Balance as at 31st March, 2015</b>			
10.	<b>Share capital</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	10,000.00	889.20
	Sub total		10,000.00	889.20
11.	<b>Unsecured loan</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	600.00	450.00
	Sub total		600.00	450.00
12.	<b>0% Optionally Convertible Debentures</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	3,500.00	-
	Sub total		3,500.00	-
13.	<b>Sundry Creditors/Other Payables</b>			
	Reliance Retail Limited	Fellow subsidiary	4.83	-
	Sub total		4.83	-
14.	<b>Capital Advance</b>			
	Reliance Corporate IT Park Limited	Fellow subsidiary	1,042.43	-
	Sub total		1,042.43	-
15.	<b>Interest accrued but not due</b>			
	Reliance Industrial Investments and Holdings Limited	Holding company	13.12	-
	Sub total		13.12	-

As per our Report of even date

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

**R.Koria**  
Partner  
Membership No: 035629

Place: Mumbai  
Date : April 14, 2015

For and on behalf of the Board

**Murlidhara Kadaba**  
Director  
DIN: 01435701  
Place: Bangalore

**Raj Ahuja**  
Chief Financial Officer  
PAN: AAEP6335N  
Place: Bangalore

Date : April 14, 2015

**Bharat Goenka**  
Director  
DIN: 00030498  
Place: Bangalore

**Mandar Vasmatkar**  
Company Secretary  
Membership No: A23953  
Place: Mumbai