Reliance Trading Limited
Financial Statements
2016-17

Independent Auditor's Report

To the Board of Directors of Reliance Trading Limited

1. We have audited the accompanying 'Statement of Financial Results' for the year ended March 31, 2017 of **RELIANCE TRADING LIMITED** ("the Company") (hereinafter referred to as the 'Statement') attached herewith, being submitted by the Company to its ultimate Holding Company Reliance Industries Limited.

2. This Statement , which is the responsibility of the Company's Management and approved by the Board of Directors , has been prepared on the basis of related Standalone Financial Statements which are in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:

   (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July, 2016 in this regard; and

   (ii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net loss (financial performance including other comprehensive income) and other financial information for the year ended 31st March, 2017.

5. The Statement includes the results for the Quarter ended 31st March, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

6. This report is provided to you solely for use in the preparation and submission of financial information in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges by RIL, the ultimate Holding Company, for the Quarter and year ended 31st March, 2017. It should not be distributed to any other person other than the authorised management personnel and the auditors of RIL and/or used for any other purposes.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration no**. 101720W)**

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 20th April, 2017

Balance Sheet as at 31st March 2017

₹ lakhs

	Note		As at 31st March 2017		As at 31st March, 2016		As at 1st April 2015
ASSETS							
Current assets							
Financial Assets							
Trade Receivables	**1**	**65.60**		3 39.23		3 70.69	
Cash and Cash Equivalents	**2**	**71.33**		8.33		27.77	
Other Financial Assets	**3**	**-**		0.53		0.53	
Other Current Assets	**4**	**53.20**		3 35.18		5 91.34	
Total Current assets			**1 90.13**		6 83.27		9 90.33
Total Assets			**1 90.13**		6 83.27		9 90.33
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital	**5**	**1 05.00**		1 05.00		1 05.00	
Other Equity	**6**	**83.23**		1 04.50		1 19.04	
Total Equity			**1 88.23**		2 09.50		2 24.04
Liabilities							
Non-current liabilities							
Provisions	**7**		**-**		-		12.43
Current liabilities							
Financial Liabilities							
Trade Payables	**8**	**1.87**		4 38.89		7 36.98	
Other Financial Liabilities	**9**	**-**		15.92		-	
Other Current Liabilities	**10**	**0.03**		18.96		14.21	
Provisions	**11**	**-**		-		2.67	
Total Current liabilities			**1.90**		4 73.77		7 53.86
Total Liabilites			**1.90**		4 73.77		7 66.29
Total Equity and Liability			**1 90.13**		6 83.27		9 90.33
Significant accounting policies							
Notes on financial statements	**1 to 26**						

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Jignesh Mehta
Partner

Mumbai
Dated : 20th April, 2017

For and on behalf of the Board

Pankaj Pawar
Director

Raman Seshadri
Director

Statement of Profit and Loss for the year ended 31st March 2017

	Note	2016-17	₹ lakh 2015-16
INCOME			
Revenue from Operations	**12**	**19 79.01**	46 65.47
Other Income [₹ 88 (previous year ₹ 88)]	**13**	**0.00**	0.00
Total Income		**19 79.01**	46 65.47
EXPENDITURE			
Purchases of Stock-in-Trade		**19 55.04**	46 17.50
Employee Benefits Expense	**14**	**-**	(7.41)
Other Expenses	**15**	**45.24**	69.92
Total Expenses		**20 00.28**	46 80.01
Profit before Tax		**(21.27)**	(14.54)
Tax expenses		-	-
Profit for the year		**(21.27)**	(14.54)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Total Comprehensive Income for the year		**(21.27)**	(14.54)
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted	**17**	**(2.03)**	(1.38)
Significant accounting policies			
Notes on financial statements	**1 to 26**		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Jignesh Mehta
Partner

Mumbai
Dated : 20th April, 2017

For and on behalf of the Board

Pankaj Pawar
Director

Raman Seshadri
Director

Statement of Changes in Equity for the year ended 31st March, 2017

A. Equity Share Capital

₹ lakh

Balance at the beginning of the reporting period i.e. 1st April, 2015	Changes in equity share capital during the year 2015-16	Balance at the end of the reporting period i.e. 31st March, 2016	Changes in equity share capital during the year 2016-17	**Balance at the end of the reporting period i.e. 31st March, 2017**
1 05.00	-	1 05.00	-	**1 05.00**

B. Other Equity

₹ lakh

	Reserves & Surplus		
	Capital Reserve	**Retained Earnings**	**Total Reserves**
As on 1st April, 2015	1 31.24	(12.20)	1 19.04
Total Comprehensive income for the year	-	(14.54)	(14.54)
Balance at the end of reporting period 31st March, 2016	**1 31.24**	**(26.74)**	**1 04.50**
Balance at the beginning of reporting period 01st April, 2016	1 31.24	(26.74)	1 04.50
Total Comprehensive income for the year	-	(21.27)	(21.27)
Balance at the end of reporting period 31st March, 2017	**1 31.24**	**(48.01)**	**83.23**

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Jignesh Mehta
Partner

Mumbai
Dated : 20th April, 2017

For and on behalf of the Board

Pankaj Pawar
Director

Raman Seshadri
Director

Cash Flow Statement for the year ended 31st March, 2017

				₹ lakh
		2016-17		2015-16
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax as per Statement of Profit and Loss		**(21.27)**		(14.54)
Adjusted for:				
Interest income [₹ 88 (previous year ₹ 88)]	**(0.00)**		(0.00)	
Effect of exchange rate change	**(11.29)**		(2.32)	
		(11.29)		(2.32)
Operating profit before working capital changes		**(32.56)**		(16.86)
Adjusted for:				
Trade and other receivables	**5 56.14**		2 87.62	
Trade and other payables	**(4 60.58)**		(2 87.90)	
		95.56		(0.28)
Cash generated from operations		**63.00**		(17.14)
Taxes paid (net)		**-**		(2.30)
Net cash from/ (used in) operating activities		**63.00**		(19.44)
Net increase/(decrease) in cash and cash equivalents		**63.00**		(19.44)
Opening balance of cash and cash equivalents		**8.33**		27.77
Closing balance of cash and cash equivalents (Refer Note "2")		**71.33**		8.33

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Jignesh Mehta
Partner

Mumbai
Dated : 20th April, 2017

For and on behalf of the Board

Pankaj Pawar
Director

Raman Seshadri
Director

Notes on financial statements for the year ended 31st March 2017

A. CORPORATE INFORMATION

Reliance Trading Limited ("the Company") is a limited company incorporated in India having its registered office and principal place of business at 3rd floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002.

B. ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis, except for following assets and liabilities which have been measured at fair value amount:

i) Certain financial assets and liabilities.

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

Upto the year ended March 31, 2016, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS standalone financial statements. Company's financial statements are presented in Indian Rupees (₹), which is its functional currency.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase and other costs net of recoverable taxes incurred in bringing them to their respective present location and condition. Costs are determined on weighted average basis.

(b) Impairment of non-financial assets - property plant and equipment and intangible assets

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

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

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

(c) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(d) Employee Benefits

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme.

Notes on financial statements for the year ended 31st March 2017 (Contd.)

The Company's contribution is recognised as an expense in the Profit and Loss Statement 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 employees' services.

Re-measurment of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(e) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

- **Current tax**

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

- **Deferred tax**

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

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

(f) Foreign currencies transactions and translation

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

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction.

(g) Revenue recognition

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

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

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

Revenue from operations includes sale of goods, services, service tax, adjusted for discounts(net) and value added tax.

Interest income

Interest income from a financial asset is recognised using effective interest rate method.

Dividends

Revenue is recognised when the Company's right to receive the payment has been established.

(h) Financial instruments

i) **Financial Assets**

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Notes on financial statements for the year ended 31st March 2017 (Contd.)

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flow sand the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual term soft he financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured through FVTPL.

C. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

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

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

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

ii) **Financial liabilities**

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Cost of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) **Derivative financial instruments**

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

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

iv) **Derecognition of financial instruments**

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

Notes on financial statements for the year ended 31st March 2017 (Contd.)

liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Recoverability of trade receivable

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

b) Provisions

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

c) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

D. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

Notes on financial statements for the year ended 31st March 2017

₹ Lakh

1.	**Trade Receivables** *(unsecured and considered good)*	**As at 31st March 2017**	As at 31st March, 2016	As at 1st April 2015
	Trade Receivables	**65.60**	3 39.23	3 70.69
	Total	**65.60**	3 39.23	3 70.69

₹ Lakh

2.	**Cash and Cash Equivalents**	**As at 31st March 2017**	As at 31st March, 2016	As at 1st April 2015
	Bank Balances			
	In current accounts	**71.32**	8.32	27.76
	In deposit (i) and (ii)	**0.01**	0.01	0.01
	Closing balance of cash and cash equivalents	**71.33**	8.33	27.77

(i) Includes deposits ₹ 0.01 lakhs (Previous year ₹ 0.01 lakhs & ₹ 0.01 lakhs) with maturity period of more than 12 months.

(ii) Includes deposits ₹ 0.01 lakhs (Previous year ₹ 0.01 lakhs & ₹ 0.01 lakhs) held by tax authority as security and by bank as margin money for bank guarantees, forward contracts and working capital loan.

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

2.2 Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is as under:-
The Company does not receive or, does not make any payment in Cash. Accordingly Cash balance as on 8th Nov' 2016 and as on 30th Dec' 2016 was NIL.

₹ Lakh

3.	**Other Financial Assets**	**As at 31st March 2017**	As at 31st March, 2016	As at 1st April 2015
	Others (i)	**-**	0.53	0.53
	Total	**-**	0.53	0.53

(i) Includes treasury receivable

₹ Lakh

4.	**Other Current Assets** *(unsecured and considered good)*	**As at 31st March 2017**	As at 31st March, 2016	As at 1st April 2015
	Balance with service tax/ sales tax authorities, etc.	**52.07**	2 93.72	2 37.76
	Others (i)	**1.13**	41.46	3 53.58
	Total	**53.20**	3 35.18	5 91.34

(i) Includes advances to vendors.

Notes on financial statements for the year ended 31st March 2017

₹ Lakh

5. Share capital		As at 31st March 2017	As at 31st March, 2016	As at 1st April 2015
Authorised:				
52,10,000	Equity shares of ₹ 10 each	**5 21.00**	5 21.00	5 21.00
(52,10,000)				
(52,10,000)				
Total		**5 21.00**	5 21.00	5 21.00
Issued, subscribed and paid-up:				
Fully paid-up				
10,50,000	Equity shares of ₹ 10 each	**1 05.00**	1 05.00	1 05.00
(10,50,000)				
(10,50,000)				
Total		**1 05.00**	1 05.00	1 05.00

(i) All the above 10,50,000 equity shares of ₹ 10 each fully paid-up are held by Reliance Industrial Investments and Holdings Limited, the holding company along with its nominees.(previous year and previous to previous year, All the above 10,50,000 equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Limited, the holding company along with its nominees.)

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

Name of the Shareholders	As at 31st March 2017 No. of Shares	As at 31st March 2017 % held	As at 31st March, 2016 No. of Shares	As at 31st March, 2016 % held	As at 1st April 2015 No. of Shares	As at 1st April 2015 % held
Reliance Industrial Investments and Holdings Limited	**10,50,000**	**100.00**	-	-	-	-
Reliance Retail Limited	-	-	10,50,000	100.00	10,50,000	100.00

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

Particulars	As at 31st March 2017 No. of shares	As at 31st March, 2016 No. of shares
Equity shares outstanding at the beginning of the year	**10,50,000**	10,50,000
Add: Equity shares issued during the year	-	-
Equity shares outstanding at the end of the year	**10,50,000**	10,50,000

(iv) 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 2017

₹ lakh

6. Other Equity	As at 31st March 2017	As at 31st March, 2016	As at 1st April 2015
Reserves			
Capital Reserve			
As per last Balance Sheet	**1 31.24**	1 31.24	
Retained Earnings			
Profit and Loss Account			
As per last Balance Sheet	**(26.74)**	(12.20)	
Add: Profit/ (loss) for the year	**(21.27)**	(14.54)	
Total	**83.23**	1 04.50	1 19.04

₹ Lakh

7. Provisions - Non Current	As at 31st March 2017	As at 31st March, 2016	As at 1st April 2015
Provision for employee benefits	-	-	12.43
Total	**-**	-	12.43

₹ Lakh

8. Trade Payables	As at 31st March 2017	As at 31st March, 2016	As at 1st April 2015
Micro and Small Enterprises	**-**	-	-
Others (i)	**1.87**	4 38.89	7 36.98
Total	**1.87**	4 38.89	7 36.98

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

8.1 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:

₹ Lakh

Sr. No.	Particulars	As at 31st March 2017	As at 31st March, 2016	As at 1st April, 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 2017

				₹ Lakh
		As at	As at	As at
9.	**Other Financial liabilities**	**31st March 2017**	31st March, 2016	1st April 2015
	Others [(i)]	**-**	15.92	-
	Total	**-**	15.92	-

(i) Includes liabilities on derivative and forword Contract

				₹ Lakh
		As at	As at	As at
10.	**Other Current liabilities**	**31st March 2017**	31st March, 2016	1st April 2015
	Others [(i)]	**0.03**	18.96	14.21
	Total	**0.03**	18.96	14.21

(i) Includes statutory liabilities.

				₹ Lakh
11.	**Provisions - Current**	**As at**	As at	As at
		31st March 2017	31st March, 2016	1st April 2015
	Provision for employee benefits	**-**	-	0.37
	Provision for income tax	**-**	-	2.30
	Total	**-**	-	2.67

			₹ Lakh
12.	**Revenue from Operations**	**2016-17**	2015-16
	Sale of products	**19 79.01**	46 65.47
	Total	**19 79.01**	46 65.47

			₹ Lakh
13.	**Other Income**	**2016-17**	2015-16
	Interest income		
	From Bank Deposits [₹ 88 (previous year ₹ 88)]	**0.00**	0.00
	Total	**0.00**	0.00

			₹ Lakh
14.	**Employee Benefits Expense**	**2016-17**	2015-16
	Salaries and wages	**-**	(3.20)
	Contribution to provident and other funds	**-**	(4.26)
	Staff welfare expenses	**-**	0.05
	Total	**-**	(7.41)

Notes on financial statements for the year ended 31st March 2017

15. Other Expenses		2016-17		₹ Lakh 2015-16
Establishment expenses				
Rates and taxes	**0.59**		0.42	
Travelling and conveyance expenses	**-**		0.66	
Professional fees	**2.35**		1.46	
Exchange differences (net)	**14.23**		37.89	
Hire charges	**16.96**		21.09	
General expenses	**10.09**		7.16	
		44.22		68.68
Payments to auditor				
Audit fees	**0.75**		0.65	
Tax audit fees	**0.27**		0.23	
Certification and consultation fees	**-**		0.36	
		1.02		1.24
Total		**45.24**		69.92

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

17 Earnings per share (EPS)	2016-17	2015-16
(i) Net profit/ (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakh)	**(21.27)**	(14.54)
(ii) Weighted average number of equity shares used as denominator for calculating Basic EPS	**10,50,000**	10,50,000
(iii) Basic and Diluted Earnings per share of face value of ₹ 10 each (Amount in ₹)	**(2.03)**	(1.38)

18 Commitments and contingent liabilities ₹ Lakh

	As at 31st March 2017	As at 31st March, 2016	As at 1st April 2015
Contingent liabilities:			
Outstanding guarantees furnished to banks including in respect of letters of credit	**10.66**	15.17	12.16

19 Deferred tax assets (net) as on 31st March, 2017 consists mainly of carried forward losses ₹ 32.61 lakh (previous year ₹ 21.56 lakh) and income tax disallowances ₹ 0.39 lakh (previous year ₹ 0.32 lakh). As a matter of prudence, the Company has not recognised deferred tax assets in the books of accounts.

20 Financial Instuments

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

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

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

Notes on financial statements for the year ended 31st March 2017

Fair value measurement hierarchy: ₹ Lakh

Particulars	As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015		
	Carrying Amount	Level of input used in Level 1	Level 2	Carrying Amount	Level of input used in Level 1	Level 2	Carrying Amount	Level of input used in Level 1	Level 2
Financial Liabilities									
<u>At Amortised Cost</u>									
Trade receivables	65.60	-	-	3 39.23	-	-	3 70.69	-	-
Cash and cash equivalents	71.33	-	-	8.33	-	-	27.77	-	-
Other financial assets	-	-	-	0.53	-	-	0.53	-	-
Financial Liabilities									
<u>At Amortised Cost</u>									
Trade Payables	1.87	-	-	4 38.89	-	-	7 36.98	-	-
<u>At FVTPL</u>									
Financial Derivatives	-	-	-	15.92	-	15.92	-	-	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Foreign Currency Risk

The following table shows foreign currency exposures in USD on financial instruments at the end of the reporting period.

Foreign Currency Exposure ₹ lakh

1% Depreciation in INR	**As at 31st March, 2017 USD**	As at 31st March, 2016 USD	As at 1st April, 2015 USD
Foreign currency Creditors	-	3 21.22	4 50.53
Derivatives			
Forwards & Futures	-	(4 15.06)	-
Net Exposure	-	(93.84)	4 50.53

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

Foreign Currency Sensitivity ₹ lakh

1% Depreciation to INR	**As at 31st March, 2017 USD**	As at 31st March, 2016 USD	As at 1st April, 2015 USD
Transfer to P & L	-	0.94	(4.51)
Total	-	0.94	(4.51)

1% Appreciation to INR	**As at 31st March, 2017 USD**	As at 31st March, 2016 USD	As at 1st April, 2015 USD
Transfer to P & L	-	(0.94)	4.51
Total	-	(0.94)	4.51

Notes on financial statements for the year ended 31st March 2017

Credit risk

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

Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

There is neither Loan nor Derivative financial liability as on 31st March, 2017.

Maturity Profile of Derivative Financial Liabilities as on 31st March, 2016

₹ lakh

Liquidity Risks	Less than equal to 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Derivative Liabilities							
Forwards & Futures	15.92	-	-	-	-	-	15.92
Total Liability	15.92	-	-	-	-	-	15.92

22 As per Ind AS 24, the disclosures of transactions with the related parties are given below :

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

Sr. No.	Name of the related party	Relationship
1	Reliance Industries Limited	Ultimate Holding company
2	Reliance Industrial Investments and Holdings Limited (from 25-08-2016)	Holding company
3	Reliance Retail Limited (up to 24-08-2016)	
4	Reliance SMSL Limited *(formerly Strategic Manpower Solutions Limited)*	Fellow Subsidiary
5	Reliance Retail Limited (from 25-08-2016)	

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

Sr. No.	Nature of transactions	Holding Company	Fellow subsidiary	Total
1	Revenue from operations	**13 88.28**	**7 77.04**	**21 65.32**
		-	*50 16.85*	*50 16.85*
2	Hire Charges	**-**	**17.83**	**17.83**
		-	*21.09*	*21.09*
	Balance as at 31st March 2017			
3	Share capital	**1 05.00**	**-**	**1 05.00**
		-	*1 05.00*	*1 05.00*
4	Trade and other receivables	-	**65.60**	**65.60**
		3 39.23	-	*3 39.23*
5	Trade payables	**-**	**0.87**	**0.87**
		45.71	*1.35*	*47.06*
6	Financial guarantees	**-**	**-**	**-**
		15.17	-	*15.17*

Figures in italics represents previous year's amount.

Notes on financial statements for the year ended 31st March 2017

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

Sr. No.	Particulars	Relationship	2016-17	2015-16
1	**Revenue from operations**			
	Reliance Retail Limited	Holding Company	**13 88.28**	-
	Reliance Retail Limited	Fellow Subsidiary	**7 77.04**	50 16.85
2	**Hire Charges**			
	Reliance SMSL Limited	Fellow Subsidiary	**17.83**	21.09

All related party contracts / arrangements have been entered on arm's length basis.

23 The Financial statements were approved for issue by the board of directors on 20th April,2017.

24 The Company has adopted to Ind AS with effect from 1st April, 2016 with comparatives being restated. There has been no impact of transition in the opening reserve as at 1st April, 2015, as at 31st March, 2016 and Previous year ended 31st March, 2016.

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

Jignesh Mehta
Partner

Mumbai
Dated : 20th April, 2017

For and on behalf of the Board

Pankaj Pawar
Director

Raman Seshadri
Director