

Form DPT-1 Circular or Circular in the Form of Advertisement Inviting Deposits [Pursuant to section 73(2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

Sl. No.	PARTICULARS	INFORMATION
1. GENERAL INFORMATION		
a.	Name, address, website and other contact details of the company:	Reliance Retail Limited, 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002. www.reliance-retail.com • Ph: 022 3555 3800
b.	Date of Incorporation of the Company:	29-06-1999
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any:	Reliance Retail Limited operates convenience stores, supermarkets, hypermarkets, wholesale cash & carry stores and specialty stores. The Company has over 8193 retail stores spread across all major cities and towns in India as on June 30, 2018. Business carried on by the Subsidiaries of the Company: Reliance Clothing India Private Limited: Retailing of foot wear products under 'Payless Shoes' brand Reliance-Grand Optical Private Limited: Presently no business carried-on. Reliance Petro Marketing Limited: Selling and distribution of petroleum and related products
d.	Brief particulars of the management of the company:	The Company is managed by the Whole-time Director and a team of professional managers, subject to the superintendence, control and direction of the Board of Directors.

e. Names, addresses, DIN and occupation of the directors:			
Name	Address	DIN	Occupation
Shri V Subramaniam (Whole-time Director)	Aabharan, Plot No. 95, Sector No. 21, Near Central Park, Kharghar, Raigarh - 410210	00009621	Company Executive
Shri Pankaj Pawar	302, Archana Saurabh, Plot No. 20, Sector-7, Koparkhaimbe, Navi Mumbai - 400709	00085077	Service
Shri Sanjay Jod	B-702, Rushi Towers, Lokhandwala Complex, Swami Samarth Nagar, Andheri (West), Mumbai - 400053	01727602	Service
Shri Ranjit V. Pandit	Darbhangha Mansion, Flat No. 1, 12, Carmichael Road, Mumbai - 400026	00782296	Management Consultant
Shri K Sudarshan	301, Plot No. 3, Green View CHS Ltd, Ghatla Road, CTS 1558, Near Green Field, Chembur (East), Mumbai - 400071	01029826	Management Consultant
Prof. Dipak C. Jain	915, Hamlin Street, Evanston, 60201, United States of America	00228513	Professor
Ms. Geeta Fulwadaya	E 51, Jharokha II, Kalpataru Vatika, Kurli Road, Opp. ESIS Hospital, Kandivli (East), Mumbai - 400101	03341926	Service

f.	Management's perception of risk factors: Reliance Retail Limited is the subsidiary of Reliance Retail Ventures Limited and Reliance Industries Limited. Reliance Retail Limited is engaged in organized retail business catering to consumers in India under various consumption baskets - Value Formats and others, Fashion and Lifestyle, Digital, Brands and Jewellery. The monies raised under the deposit schemes are essentially advances from its customers towards jewellery purchases and unlikely to pose any financial risk except price, market risk, competition, regulatory environment changes and other normal business risks generally associated with the business.
g.	Details of default, including the amount involved, duration of default and present status, in repayment of- i) Statutory dues: Nil ii) Debentures and interest thereon: Nil iii) Loan from any bank or financial institution and interest thereon: Nil

2. PARTICULARS OF THE DEPOSIT SCHEME	
a)	Date of passing of board resolution: July 25, 2018
b)	Date of passing of resolution in the general meeting authorizing the invitation of such deposits: May 20, 2015
c)	Type of deposits i.e., whether secured or Unsecured: Unsecured
d)	Details of deposit amounts: i) Amount which the company can raise by way of deposits as per the Act and the rules under the Act and the rules under the Act: Rs. 1497.38 crore ii) Aggregate of deposits actually held on the last day of the immediately preceding financial year (July 24, 2018): Rs. 35.76 crore iii) Amount of deposits proposed to be raised: Upto Rs. 200 crore iv) Amount of deposits repayable within the next twelve months: Rs. 31.05 crore

e) Terms of raising of deposits	
Particulars	Schemes
Period of Scheme	6 months Jewellery purchase scheme: The customer has to pay 6 monthly installments and receive benefits under the scheme in the form of discount of 20% of one month installment. 11 months Jewellery purchase scheme: The customer has to pay 11 monthly installments and receive benefits under the scheme in the form of discount upto 85% of one month installment. 18 months Jewellery purchase scheme: The customer has to pay 18 monthly installments and receive benefits under the scheme in the form of discount upto 210% of one month installment. 24 months Jewellery purchase scheme: The customer has to pay 24 monthly installments and receive benefits under the scheme in the form of discount upto 350% of one month installment.
General Conditions	To join the scheme, the customer has to fill-in the pre-printed Application Form and submit the documents stated therein Under each scheme, the customer to pay 6,11,18 and 24 fixed monthly installments of minimum of Rs.1,000/-or above(in multiples of Rs.500) respectively. First installment should be paid either by cash or Debit/Credit card or cheque at the Reliance Jewels showroom Subsequent installments to be paid through cash/credit card/debit card/post dated cheques/ECS In respect of cheques, only local cheques or cheques payable at par will be accepted and must be drawn in favour of Reliance Retail Limited A single payment instrument towards multiple scheme accounts will not be accepted Date of payment of first installment by the customer shall be considered as the scheme/account opening date Scheme closure date for Scheme of 6 months shall be the end of 6 months from scheme opening date Scheme closure date for Scheme of 11 months shall be the end of 13 months from scheme opening date Scheme closure date for Scheme of 18 months shall be the end of 20 months from scheme opening date Scheme closure date for the Scheme of 24 months shall be the end of 26 months from scheme opening date Customer has to pay monthly installments within due dates. For payments made by customer through cheque or ECS, the payment instrument must be realized before the due date. In case of 2 consecutive instances of instruments returned on account of insufficient funds etc, then the Company shall not deposit the balance instruments Customer under any of the schemes is eligible to avail any on-going common scheme/ product promotions/ gifts etc. depending upon festival season or other events, along with discount earned under the scheme Customer may nominate any person to whom his deposited amounts shall vest in the event of his death Discrepancies, if any, found by the customer in the payment receipts should be brought to the notice of the Company for rectification within 7 days from the date of issuance of receipt
Rate of Interest	Since it is a jewellery purchase scheme, return is offered in the form of discount at the time of purchase of jewellery by customer as below: [Upon completion of the scheme, discount as % of one month installment:] Scheme of 6 months: a) After 6 months - 20% b) After 12 months - 65% c) After 13 months - 85% Scheme of 18 months: a) After 18 months - 175% b) After 19 months - 190% c) After 20 months - 210% Scheme of 24 months : a) After 24 months - 300% b) After 25 months - 330% c) After 26 months - 350% If the customer wishes to purchase jewellery before completing the scheme (but not before 6 months of payment of first installment), the customer will still get benefit but the eligible discount shall stand reduced as per applicable rules Delay in payment of monthly installment will result in proportionate reduced benefits.
Mode of Payment	Cash/Credit Card/Debit Card/Cheque/DD/ECS, by way of monthly advances. Deposit of Rs.2 Lakhs and above shall be accepted by way of cheque, bankers cheque or by way of electric fund transfer to the designated account of the Company
Redemption / Repayment	Since it is a jewellery purchase scheme, redemption will be by way of purchase of jewellery and cash refund will generally not be available and in any event not before 6 months of payment of first installment. Customer may be allowed to purchase jewellery or coin from any of the Reliance Jewels show room for an amount equal to installments paid plus discount under the scheme (purchase eligibility amount). The final product invoice value should be equal to or in excess, of purchase eligibility amount. Partial redemption of scheme is not authorized Only the customer or his authorized nominee(as per the Application Form) shall be eligible to purchase jewellery under the scheme. For the purpose of redemption, customer is required to submit original installment receipts along with signed photo identity proof at the Showroom.

f)	Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid:	The Fixed Deposit Scheme (Jewellery Purchase Scheme) is in operation with effect from 26th June, 2015 and this circular/ advertisement issued shall be valid till 30th September, 2019 or the date of the Company's Annual General Meeting to be held in 2019, whichever ever is earlier.
g)	Reasons or objects of raising the deposits:	Reliance Retail Limited has been operating jewellery purchase schemes as part of customer acquisition programmes for its jewellery retail business and at the same time enables its customers to plan and purchase jewellery in easy and convenient monthly installments for festivals, special occasions or other purposes. As per the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, advances collected from customers under these schemes are treated as deposits.
h)	Credit rating obtained: i) Name of Credit Rating Agency ii) Rating obtained iii) Meaning of the rating obtained	Credit Analysts & Research Limited CARE AAA (Triple A) Highest degree of safety regarding timely servicing of financial obligations and carries lowest credit risk. CARE AAA is the highest credit rating assigned by CARE.
iv)	Date on which rating was obtained	December 15, 2017 and a fresh rating shall be obtained before the expiry of validity this rating
i)	Extent of deposit insurance a) Name of the Insurance company: b) Terms of the insurance coverage: c) Duration of coverage: d) Extent of coverage: e) Procedure for claim in case of default etc:	Vide proviso to sub-rule(1) rule 5 of Companies (Acceptance of Deposits) Rules, 2014, this was deferred till 31st March, 2018 or till the availability of a deposit insurance product, which ever is earlier. N.A. (Presently no insurance product is made available by Insurance Companies)
j)	Short particulars of the charge created or to be created for securing such deposits, if any	Unsecured and therefore not applicable if any
k)	Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons	Nil

3. DETAILS OF ANY OUTSTANDING DEPOSITS		
a.	Amount Outstanding *represents advances collected from customers under jewellery purchase schemes which are treated as deposits	Rs. 35.76 crore*
b.	Date of acceptance	Various dates
c.	Total amount accepted	Rs. 124.62 crore
d.	Rate of interest	No return as interest is offered since it is jewellery purchase scheme. But discount is offered on purchase of jewellery as per the terms and conditions of the scheme.
e.	Total number of depositors (outstanding as on July 24, 2018)	25919
f.	Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved	Nil
g.	Any waiver by the depositors, of interest accrued on deposits	Nil

4. FINANCIAL POSITION OF THE COMPANY		
a.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement	(Rs. Crore)
	Financial year	Profit before tax* Profit after tax*
	2017-18	1874.68 1243.14
	2016-17	752.82 442.60
	2015-16	489.14 305.59
Figures for FY 2015-16 have been restated as per Ind AS and therefore may not be comparable with financials for FY 2015-16 approved by Directors and disclosed in the financial statement of previous year.		
b.	Dividends declared by the company in respect of the said three financial years	NIL
	Interest coverage ratio for last three year (cash profit after tax plus interest paid)	
	Financial year	Interest Coverage Ratio
	2017-18	19.91
	2016-17	13.43
	2015-16	7.35
c.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement (figures of previous years were regrouped wherever necessary)	(Rs. Crore)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 31-03-2016
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3,100.61	2,245.88	2,026.87
Capital Work-in-Progress	2,007.78	434.18	483.90
Intangible Assets	58.34	10.05	2.62
Intangible Assets under Development	2,138.58	290.65	48.87
Financial Assets			
Investments	534.41	486.28	484.81
Loans	462.47	53.39	31.57
Deferred Tax Assets (net)	620.38	851.85	1,001.42
Other Non-Current Assets	209.39	146.30	236.60
Total Non-Current Assets	9,131.96	4,518.58	4,316.66
Current Assets			
Inventories	10,465.28	5,096.68	5,249.57
Financial Assets			
Investments	-	340.00	-
Trade Receivables	2,215.72	730.09	217.93
Cash and Cash Equivalents	156.12	252.31	47.60
Other Financial Assets	267.21	232.33	264.11
Other Current Assets	1,848.12	502.43	387.37
Total Current Assets	14,952.45	7,153.84	6,166.58
Total Assets	24,084.41	11,672.42	10,483.24
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4,989.54	4,989.54	4,989.54
Other Equity	4,076.92	1,830.03	1,134.51
Total Equity	9,066.46	6,819.57	6,124.05
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	-	0.22	1.03
Provisions	21.46	19.85	14.62
Total Non-Current Liabilities	21.46	20.07	15.65
Current Liabilities			
Financial Liabilities			
Borrowings	3,477.80	27.48	1,086.89
Trade Payables	8,231.87	3,926.68	2,711.25
Other Financial Liabilities	2,811.94	287.67	119.32
Other Current Liabilities	503.45	585.08	424.20
Provisions	1.43	5.87	1.88
Total Current Liabilities	14,996.49	4,832.78	4,343.54
Total Liabilities	15,017.95	4,852.85	4,359.19
Total Equity and Liabilities	24,084.41	11,672.42	10,483.24
d.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement (figures of previous years were regrouped wherever necessary)	(Rs. Crore)	

Particulars	2017-18	2016-17	2015-16
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/loss before tax as per Statement of Profit and Loss	1,874.68	752.82	489.14
Adjusted for:			
(Profit)/ loss on sale/ discard of Property, Plant and Equipment (net)	8.24	41.12	25.13
Provision for doubtful debts/ bad debts written off	-	(2.99)	0.26
Depreciation and amortisation expense	434.22	368.57	324.29
Effect of exchange rate change	94.88	21.18	2.70
Net Gain on of Financial Assets	(12.16)	(9.08)	(12.11)
Interest income	(25.84)	(26.37)	(7.03)
Finance costs	100.96	77.27	117.71
Operating profit before working capital changes	2,474.98	1,222.52	940.09
Adjusted for:			
Trade and other receivables	(2,861.97)	(593.01)	(43.17)
Inventories	(5,368.60)	152.89	(1,367.83)
Trade and other payables	6,713.32	1,493.42	1,653.92
Cash generated from operations	957.73	2,275.82	1,183.01
Taxes Paid (Net)	(459.61)	(64.85)	(128.57)
Net Cash Flow from Operating Activities	498.12	2,210.97	1,054.44
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment and Intangible Assets	(4,862.64)	(796.07)	(451.03)
Proceeds from disposal of Property, Plant and Equipment and Intangible Assets	(2.50)	2.07	1.21
Investment in Subsidiaries/Joint Ventures	31.49	(2.50)	(14.70)
Disposal of Investments in Subsidiaries	-	1.05	-
Purchase of Other Investments	(5,781.30)	(6,244.06)	(5,111.01)
Proceeds from Sale of Financial Assets	6,087.83	5,913.12	5,123.11
Net Cash Flow from Other Financial Assets	(409.08)	(21.82)	(8.80)
Interest income	23.66	25.39	7.72
Net Cash Flow used in Investing Activities	(4,912.54)	(1,122.82)	(453.50)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings - Non Current	(1.11)	(1.46)	(2.17)
Proceeds from issue of Preference Share	1,000.00	-	-
Borrowings - Current (Net)	3,420.32	(804.41)	(583.27)
Interest Paid	(100.98)	(77.57)	(118.42)
Net Cash Flow from / (Used in) Financing Activities	4,318.23	(883.44)	(703.86)
Net Increase/(Decrease) in Cash and Cash Equivalents	(96.19)	204.71	(102.92)
Opening Balance of Cash and Cash Equivalents	252.31	47.60	150.52
Closing Balance of Cash and Cash Equivalents	156.12	252.31	47.60
e.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company	The financial statements of the Company are prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013	

5. DECLARATION BY THE DIRECTORS-		
The Board of directors of the Company hereby declare that:		
a.	The Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on;	
b.	They have satisfied themselves fully with respect to the affairs and prospects of the Company and that they are of the opinion that having regard to the estimated future financial position of the Company, the Company will be able to meet its liabilities as and when they become due and that the Company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;	
c.	The Company has complied with the provisions of the Act and the rules made thereunder;	
d.	The compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;	
e.	The deposits accepted by the Company before the commencement of the Act have been repaid and unclaimed amounts will be returned to customers and balance unclaimed subscription amounts will be treated as unsecured and ranking pari passu with other unsecured liabilities;	
f.	In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty;	
g.	The deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;	
h.	The deposits accepted by the Company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank <i>pari passu</i> with other unsecured liabilities of the Company.	
This Circular is issued on the authority and in the name of the Board of Directors of the Company, the text thereof has been approved by the Board of Directors at their meeting held on July 25, 2018 and a copy thereof signed by a majority of the Directors of the Company, has been filed with the Registrar of Companies.		

V. Subramaniam	Pankaj Pawar	Sanjay Jod
Ranjit V. Pandit	K. Sudarshan	Geeta Fulwadaya

Certificate of the Statutory Auditor		
To, The Board of Directors, Reliance Retail Limited 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002		
Ref: Certificate annexed to Form DPT-1 pursuant to Rule 4 of the Companies (Acceptance of Deposits) Rules, 2014, as amended.		
1. This certificate is issued in accordance with the terms of our engagement with Reliance Retail Limited ("the Company") having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400002. The Company has requested us to issue this certificate in terms of Rule 4 of the Companies (Acceptance of Deposits) Rules, 2014, as amended ("the Rules"). Accordingly, the accompanying certificate is prepared pursuant to the said provisions of the Rules.		
Management's Responsibility		
2. The Management is also responsible for adherence with the relevant provisions of the Companies Act, 2013 ("the Act") read with the relevant rules relating to the acceptance of deposits by the Company and particularly with respect to ensuring that there are no defaults in repayment of deposits and payment of interest on such deposits accepted either before or after the commencement of the Act. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance of Rule 4 of the Rules.		
Auditor's Responsibility		
3. Pursuant to the requirements of Rule 4 of the Rules, our responsibility is to certify that the Company has not committed default in the repayment of deposits or in payment of interest on such deposits accepted either before or after the commencement of the Act. Further it is our responsibility to certify that in case a Company had committed default in the repayment of deposits accepted either before or after the commencement of the Act or in payment of interest on such deposits the Company had made good the default and a period of five years has lapsed since the date of making good the default as the case may be.		
4. The above assurance is based on our verification of unmodified Audit Reports issued by the erstwhile auditors of the Company from the financial years 2014-15 to 2016-17 which stated the compliance with the Act and related Rules, as applicable, with respect to acceptance of deposits. The said provisions of the Act and related Rules, as applicable, also give reference to the compliance certification provided by the Company that it had not defaulted in the repayment of deposits accepted whether before or after the commencement of the Act or payment of interest on such deposits.		
5. With respect to the financial year ended March 31, 2018 we have examined the books of account and other relevant records and documents maintained by the Company, the information and explanations provided to us by the management and the audited financial statements of the Company for the year ended March 31, 2018 on which we have issued unmodified opinion vide our report dated April 25, 2018. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.		
6. We conducted our examination of the particulars in Form DPT-1 which are in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Act. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.		
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.		
Opinion		
8. Based on our examination as above and according to the information, explanations and representations provided to us by the management of the Company, we hereby certify that the Company has not committed default in the repayment of deposits or in payment of interest on such deposits accepted either before or after the commencement of the Act.		
Restriction on Use		
9. The certificate has been issued at the request of the Company solely for the purpose of submission of our certificate along with Form DPT-1 pursuant to Rule 4 of the Rules, as amended and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.		
For DTS & Associates Chartered Accountants Firm Registration No. 142412W		
Ashish G. Mistry Partner Membership No.: 132639		
Place : Mumbai Date : September 21, 2018		