

Financial Statement

2014-15

Reliance Money Precious Metals Private
Limited

Independent Auditors' Report

To the Members of Reliance Money Precious Metals Private Limited

Report on the financial statements

We have audited the accompanying financial statements of Reliance Money Precious Metals Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for matters stated in Section 134(5) of the Companies Act 2013 ('the Act') with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of 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 of 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 the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 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 there under.

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.

Independent Auditors' Report(Continued)

Reliance Money Precious Metals Private Limited

Auditor's responsibility(Continued)

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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 2015, its loss and cash flows for the year ended on that date.

Report on other legal and regulators matters

As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;
- (b) in our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) the balance sheet, statement of profit and loss, and cash flow statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statement comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

Independent Auditors' Report(Continued)

Reliance Money Precious Metals Private Limited

- (e) on the basis of written representations received from the Directors as on 31 March 2015, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2015, from being appointed as a Director in terms of Section 164 (2) of the Act; and
- (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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
4 May 2015

Milind Ranade

Partner

Membership No: 100564

Reliance Money Precious Metals Private Limited

Annexure to the Independent Auditors' Report– 31 March 2015

(Referred to in our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. However, for the current year physical verification has not been conducted.
2. (a) The inventory has been physically verified by management during the year. In our opinion, the frequency of such verification is reasonable.

(b) The procedures for the physical verification of stock in trade followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. No discrepancies were noticed on verification between the physical stocks and the book records.
3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to sale of goods and services. We have not observed continuing failure on part the Company to correct major weakness in the internal control system in regard to above during the course of our audit.
5. According to the information and explanations given to us, the Company has not accepted any deposits and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income tax, Service tax, Value added tax, Provident Fund and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, Wealth tax, Excise duty and Customs duty. According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Service tax, Value added tax, Provident Fund and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Value added tax, Provident Fund and other material statutory dues which have not been deposited by the Company on account of disputes.

Reliance Money Precious Metals Private Limited

Annexure to the Independent Auditors' Report– 31 March 2015 (Continued)

- (c) According to the information and explanations given to us, there are no dues of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder which is required to be transferred.
8. *The accumulated losses of the Company at the end of the financial year are more than 50% of its net worth. The Company has incurred cash losses in the current financial year and in the immediately preceding financial year.*
9. In our opinion and according to the information and explanations given to us, the Company did not have any dues to any financial institution or bank. The Company did not have any outstanding debentures during the year. Thus, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Thus, paragraph 3(x) of the Order is not applicable.
11. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, the Company does not have any term loans during the year. Thus, paragraph 3(xi) of the Order is not applicable.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
4 May 2015

Milind Ranade

Partner

Membership No: 100564

Reliance Money Precious Metals Private Limited

FINANCIAL STATEMENTS

AS AT 31 March 2015

Reliance Money Precious Metals Private Limited

Balance sheet

as at 31 March 2015

Currency : Indian rupees

	Note	31 March 2015	31 March 2014
I. Equity and liabilities			
Shareholders' funds			
(a) Share capital	3	8,00,00,000	8,00,00,000
(b) Reserves and surplus	4	(19,97,36,184)	(15,76,53,107)
Non Current liabilities			
(a) Deferred tax liabilities	5	-	63,458
(b) Long term provision	6	80,189	21,949
Current liabilities			
(a) Short term borrowings	7	13,55,00,000	7,72,00,000
(b) Trade payables	8	81,12,350	1,54,03,819
(c) Other current liabilities	9	2,54,66,476	4,20,49,685
(d) Short term provision	10	52,887	53,16,063
TOTAL		4,94,75,718	6,24,01,866
II. Assets			
Non-current assets			
(a) Fixed assets			
Tangible fixed assets	11	3,38,965	5,89,064
(b) Long term loans and advances	12	9,05,333	6,22,021
Current assets			
(a) Inventories	13	28,62,990	29,10,031
(b) Trade receivable	14	1,13,68,554	92,89,865
(c) Cash and bank balances	15	2,41,76,517	4,05,04,210
(d) Short term loans and advances	16	95,95,962	80,95,237
(e) Other current assets	17	2,27,397	3,91,438
TOTAL		4,94,75,718	6,24,01,866

Significant accounting policies and notes to the financial statements

2 to 31

The notes referred above form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Reliance Money Precious Metals Private Limited

Milind Ranade

Partner

Membership No: 100564

Amit Bapna

Director

DIN: 00008443

Ashok Karnavat

Director

DIN: 07098455

Mumbai

4 May 2015

Mumbai

4 May 2015

Hetal Shah

Company Secretary

Membership No: A26479

Reliance Money Precious Metals Private Limited

Statement of profit and loss

for the year ended 31 March 2015

Currency : Indian rupees

	<i>Note</i>	31 March 2015	31 March 2014
I. Revenue from operations	18	73,23,51,950	1,59,48,59,847
II. Other income	19	16,34,241	24,99,319
III. Total Revenue (A)		73,39,86,191	1,59,73,59,166
IV Expenses:			
Cost of goods sold	20	68,15,25,325	1,50,77,66,622
Employee benefits expense	21	2,98,96,399	4,99,47,990
Finance cost	22	1,20,22,457	31,01,156
Depreciation and amortisation expenses	11	2,56,084	3,78,238
Other expenses	23	5,24,32,461	11,26,27,635
Total Expenses (B)		77,61,32,726	1,67,38,21,641
V Loss before exceptional items and tax (A-B)		(4,21,46,535)	(7,64,62,475)
VI Exceptional items		-	-
VII Loss before tax (V-VI)		(4,21,46,535)	(7,64,62,475)
VIII Tax expense:			
Current tax		-	-
Deferred tax		(63,458)	-
Total tax expenses		(63,458)	-
IX Loss for the year (VII-VIII)		(4,20,83,077)	(7,64,62,475)
Earning per Equity Shares of Rs. 10 each			
- Basic and diluted		(5.26)	(9.56)

Significant accounting policies and notes to the financial statements 2 to 31

The notes referred above form an integral part of the financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Reliance Money Precious Metals Private Limited

Milind Ranade

Partner

Membership No: 100564

Amit Bapna

Director

DIN: 00008443

Ashok Karnavat

Director

DIN: 07098455

Mumbai

4 May 2015

Mumbai

4 May 2015

Hetal Shah

Company Secretary

Membership No: A26479

Reliance Money Precious Metals Private Limited

Cash flow statement

for the year ended 31 March 2015

Currency : Indian rupees

	31 March 2015	31 March 2014
A. Cash flows from operating activities		
Loss before tax	(4,21,46,535)	(7,64,62,475)
Adjustments for:		
Depreciation	2,56,084	3,78,238
Interest income	(16,34,241)	(15,57,433)
Operating cash flow before working capital changes	(4,35,24,692)	(7,76,41,670)
Changes in assets and liabilities		
Decrease in Inventories	47,041	19,87,14,894
(Decrease)/Increase in Trade payables	(72,91,469)	83,49,374
(Increase) in Trade receivables	(20,78,689)	(88,81,653)
(Decrease)/Increase in Loans and advances	(15,00,725)	8,98,695
(Decrease) in Current liabilities	(1,65,83,209)	(21,33,25,180)
(Decrease)/Increase in Provisions	(52,04,936)	21,00,083
(Increase) in other current assets	(23,424)	-
Cash used in operations	(7,61,60,103)	(8,97,85,458)
Income taxes paid	(2,83,311)	-
Net cash used in operating activities	(7,64,43,414)	(8,97,85,458)
B. Cash flows from investing activities		
Purchase of fixed assets	(5,985)	(15,000)
Redemption of investments	-	1,40,75,290
Bank deposits (having original maturity more than 3 months)	-	(50,00,000)
Interest income	18,21,706	11,65,995
Net cash provided by investing activities	18,15,721	1,02,26,285
C. Cash flows from financing activities		
Short term borrowings	5,83,00,000	7,72,00,000
Net cash provided by financing activities	5,83,00,000	7,72,00,000
Net decrease in cash or cash equivalents (A+B+C)	(1,63,27,693)	(23,59,173)
Cash and cash equivalents at the beginning of the year	3,55,04,210	3,78,63,383
Cash and cash equivalents as at the end of the year	1,91,76,517	3,55,04,210

Note

Components of cash and cash equivalents

Cheques in hand	9,19,812	-
Cash on hand	-	1,794
Balances with banks		
- In current account	82,56,705	3,55,02,416
- On deposit accounts (with original maturity of 3 months or less)	1,00,00,000	-
	1,91,76,517	3,55,04,210

As per our report of even date attached.

For **BSR & Co. LLP**

Chartered accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Reliance Money Precious Metals Private Limited

Milind Ranade

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Mumbai

4 May 2015

Mumbai

4 May 2015

Hetal Shah

Company Secretary

Membership No: A26479

Reliance Money Precious Metals Private Limited

Notes to the financial statements

for the year ended 31 March 2015

Currency : Indian rupees

1 Background

Reliance Money Precious Metals Private Limited ("the Company") was incorporated on 5 October 2006. The Company is into the business of daily sale of gold to retail public and runs a scheme called "My Gold plan in India".

The Company has entered into an agreement with World Gold Council for its daily sale of gold and Computer Age Management Services Pvt Ltd for data processing services. The Company has appointed IDBI Trusteeship Services Limited as a Security Trustee for and on behalf of the customer. Lemiur Secure Logistics Private Limited is appointed as custodian and maintains physical stock of accumulated gold on behalf of trustees.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) rules 2014.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Companies Act, 2013. Based on the nature of services offered the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

The financial statements are presented in Indian rupees. The accounting policies set out below have been applied consistently to the periods prescribed in the financial statements except otherwise disclosed separately.

2.2 Going Concern Assumption:

The Company has accumulated losses of Rs. 199,736,184 as on March 31, 2015. However, the management believes that with continued financial support from Reliance Capital Limited ('holding company'), the Company will be in a position to settle its obligations as they fall due. Accordingly, the financial statements have been prepared assuming that the Company will continue as a going concern.

2.3 Use of estimates

The preparation of financial statement is in conformity with Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual result could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.4 Revenue recognition

Revenue (net of VAT, sales return and trade discount) from sale of goods is recognized on transfer of all significant risks and rewards of ownership as per terms of contracts with the customers.

Income on account of processing fees (net of service tax) and other income is accounted on accrual basis.

Income on safe keeping charges are accounted on receipt basis.

2.5 Investments

Purchase and sale of investments are recorded on trade date.

Investments are classified as long term or current based on intention of the management at the time of purchase. Investments that are intended to be held for not more than 1 year from the date on which such investments are made, are classified as current. All other investments are classified as long term investments.

Long-term investments are stated at cost of acquisition. Provision for diminution is made to recognise a decline, other than temporary, in the value of investments.

Current investments are valued at the lower of cost or net realisable value. The comparison of cost and net realisable value is done separately in respect of each individual investment.

Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed off.

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

2 Significant accounting policies (Continued)

2.6 Inventory

Inventory represents stock of gold which have been valued at lower of weighted average cost and net realisable value as at the period end.

Costs comprise of all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

2.7 Provision, contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the change occurs.

2.8 Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less accumulated depreciation cost includes all expenses incidental to the acquisition of the fixed assets.

The Company has revised its policy of providing depreciation on tangible fixed assets effective from 1 April 2014. Depreciation is now provided on a straight line basis for all assets as against the policy of providing on written down value basis. Further, the Company has provided for depreciation over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs.5,000 or less are fully depreciated in the year of purchase/ acquisition.

Assets	Useful life
Office Equipment	5 years
Computer	3 years

2.9 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount of the assets or of the cash generating unit to which the asset belongs is reduced to its estimated recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.10 Foreign currency transactions

a) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the date of transaction:

b) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

c) Monetary items denominated in foreign currencies at the year end are restated at the period end rates.

d) Non monetary items denominated in foreign currencies are carried at cost.

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

2 Significant accounting policies (Continued)

2.11 Employee benefits

i. Short-Term Employee Benefits:

The employees of the Company are entitled to leave encashment as per the policy of the Company. The liability in respect of leave encashment is provided based on the actuarial valuation carried out by an independent actuary as at the period end. The actuarial valuation method used by the independent Actuary for measuring the liability is the Projected Unit Credit Method.

ii. Long-Term Employee Benefits:

(a) Defined Contribution Plan:

The company contributes to a Government administered Provident Fund for the employees who have opted for this option. The company has no further obligation beyond making its contribution, which are expensed for the year to which it pertains.

(b) Defined Benefit Plan:

The employee gratuity fund scheme is managed by a trust, these are defined benefit plans. Liability for Defined Benefit Plan is provided on the basis of valuation as at the Balance Sheet date carried out by an independent Actuary. The actuarial valuation method used by independent Actuary for measuring the liability is the Project Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumption are recognised immediately in the statement of profit and loss as income or expenses.

2.12 Royalty expense

As per the framework agreement with World Gold Council (WGC), the Royalty fee accrues to WGC on sale of gold to customer.

2.13 Commission

Commission to distributors is recognised on accrual basis. Prepaid commission is amortised over the term as per the distribution agreement.

Commission recovered on claw back charges are accounted when more reasonable certainty of receiving the amount.

2.14 Taxation

a. Current Tax:

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Provision for income tax is recognised on an annual basis under the taxes payable method, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company. MAT Credit entitlement is recognised when there is convincing evidence that the same can be realised in future.

b. Deferred Tax:

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only to the extent there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

2.15 Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the period. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

as at 31 March 2015

Currency : Indian rupees

3 Share capital

	31 March 2015	31 March 2014
Authorised		
25,000,000 (Previous Year 25,000,000) equity shares of Rs.10 each	25,00,00,000	25,00,00,000
Total	25,00,00,000	25,00,00,000
Issued, subscribed and paid up		
8,000,000 equity shares (Previous year : 8,000,000) of Rs.10 each fully paid up.	8,00,00,000	8,00,00,000
Total	8,00,00,000	8,00,00,000

Note:

1 Terms and rights attached to equity shares

Equity share:

The Company has only one class of equity share having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after the distribution of preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

2 The details of shareholders holding more than 5% of a class of shares:

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	% held	No. of shares	% held
Equity shares				
Reliance Capital Limited (holding company) and nominee shareholders	80,00,000	100	80,00,000	100

3 Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Shares held by holding company:				
- Reliance Capital Limited and nominee shareholders	80,00,000	8,00,00,000	80,00,000	8,00,00,000

4 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

No shares have been bought back or issued as bonus shares during the five years period ended 31 March 2015 and 31 March 2014.

5 The reconciliation of the number of shares outstanding and the amount of share capital as at 31 March 2015 and 31 March 2014 is set out below:

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Number of shares at the beginning	80,00,000	8,00,00,000	80,00,000	8,00,00,000
Add: Shares issued during the year	-	-	-	-
Number of shares at the year end	80,00,000	8,00,00,000	80,00,000	8,00,00,000

4 Reserves and surplus

	31 March 2015	31 March 2014
Deficit (balance as per statement of profit and loss)		
Loss at the commencement of the year	(15,76,53,107)	(8,11,90,632)
Add: loss for the period	(4,20,83,077)	(7,64,62,475)
Total	(19,97,36,184)	(15,76,53,107)

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

as at 31 March 2015

Currency : Indian rupees

	31 March 2015	31 March 2014
5 Deferred tax asset / liability		
Deferred tax asset		
Loss	6,00,89,780	4,82,49,337
Unavailed leave	41,120	35,424
Gratuity	-	74,243
Depreciation	59,757	
	6,01,90,657	4,83,59,004
Deferred tax liability		
Depreciation	-	23,094
	-	23,094
Deferred tax asset/(liability) recognised in the financial statements	-	(63,458)
Net deferred tax asset for the year is not recognised since it is not virtually certain that the future taxable income will be available against which the deferred tax asset will be realised.		
6 Long term provision		
Provision for employee benefits		
- Leave Encashment	80,189	21,949
	80,189	21,949
7 Short term borrowings		
(Unsecured repayable on demand)		
Inter Corporate Deposit		
- From related parties	13,55,00,000	7,72,00,000
	13,55,00,000	7,72,00,000
8 Trade payables		
Trade payables* (Including provision for expenses)	81,12,350	1,54,03,819
(*) The Company did not have any outstanding dues to any micro, small or medium enterprises as defined under Micro, Small and Medium Enterprise Development Act, 2006 at any point during the period that were outstanding for a period of more than 45 days from the date of acceptance (as certified by the management).		
	81,12,350	1,54,03,819
9 Other current liabilities		
Advance received from customers for subscription (refer note 29)	2,30,94,845	3,87,59,987
Employee related payable	1,53,711	6,78,785
Statutory liabilities	22,17,920	26,10,913
	2,54,66,476	4,20,49,685
10 Short term provision		
Provision for employee benefits		
- Bonus	-	50,00,000
- Leave Encashment	52,887	87,233
- Gratuity	-	2,28,830
	52,887	53,16,063

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

as at 31 March 2015

Currency : Indian rupees

	31 March 2015	31 March 2014
12 Long term loans and advances <i>(Unsecured and considered good)</i>		
Deposits	5,00,000	5,00,000
Tax deducted at source	4,05,333	1,22,021
	9,05,333	6,22,021
13 Inventories <i>(Valued at lower of cost and realisable value)</i>		
Stock in trade	28,62,990	29,10,031
	28,62,990	29,10,031
14 Trade receivables <i>(Unsecured, considered good)</i>		
- Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
- Other receivables	1,13,68,554	92,89,865
	1,13,68,554	92,89,865
15 Cash and bank balances		
Cash and cash equivalents		
- Cheques in hand	9,19,812	-
- Cash on hand	-	1,794
- Balance with banks		
On current accounts	82,56,705	3,55,02,416
On deposit accounts (with original maturity of 3 months or less)	1,00,00,000	-
	1,91,76,517	3,55,04,210
Other bank balances		
- On deposit accounts (maturing within 12 months of the reporting date)	50,00,000	50,00,000
	50,00,000	50,00,000
	2,41,76,517	4,05,04,210
16 Short term loans and advances <i>(Unsecured and considered good unless otherwise stated)</i>		
To parties other than related parties		
Advance to vendors	5,48,376	8,09,440
Prepaid expenses	6,82,666	3,33,298
Service tax input	67,68,941	52,63,363
Prepaid commission	2,872	2,28,297
Corpus gratuity fund	9,10,169	-
To related parties		
Advance to vendors	3,14,931	2,82,160
Prepaid commission	3,68,007	11,78,679
	95,95,962	80,95,237
17 Other current assets		
Interest accrued but not due	2,03,973	3,91,438
Others	23,424	-
	2,27,397	3,91,438

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

as at 31 March 2015

Currency : Indian rupees

11 Fixed assets

Particulars	Original cost			Depreciation and amortization					Net book value		
	As at 1 April 2014	Additions	Deletions	As at 31 March 2015	Upto 1 April 2014	For the year	Adjustments during the year	Deletions	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Tangible Assets											
Office equipments	30,000	5,985	-	35,985	4,558	7,881	(2,903)	-	9,536	26,449	25,442
Computers	11,42,190	-	-	11,42,190	5,78,568	5,62,336	(3,11,230)	-	8,29,674	3,12,516	5,63,622
Total Tangible Assets	11,72,190	5,985	-	11,78,175	5,83,126	5,70,217	(3,14,133)	-	8,39,210	3,38,965	5,89,064
Total	11,72,190	5,985	-	11,78,175	5,83,126	5,70,217	(3,14,133)	-	8,39,210	3,38,965	5,89,064

Particulars	Original cost			Depreciation and amortization					Net book value		
	As at 1 April 2013	Additions	Deletions	As at 31 March 2014	Upto 1 April 2013	For the year	Adjustments during the year	Deletions	As at 31 March 2014	As at 31 March 2014	As at 31 March 2013
Tangible Assets											
Office equipments	15,000	15,000	-	30,000	2,081	2,477	-	-	4,558	25,442	12,919
Computers	11,42,190	-	-	11,42,190	1,02,807	3,75,761	-	-	5,78,568	5,63,622	9,39,383
Total Tangible Assets	11,57,190	15,000	-	11,72,190	2,04,888	3,78,238	-	-	5,83,126	5,89,064	9,52,302
Total	11,57,190	15,000	-	11,72,190	2,04,888	3,78,238	-	-	5,83,126	5,89,064	9,52,302

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

	31 March 2015	31 March 2014
18 Revenue from operations		
Sale of gold	71,33,39,455	1,57,71,38,528
Processing fees (net of service tax)	95,69,233	1,26,56,720
Making and delivery charges	88,90,393	42,96,828
Other operating income	5,52,869	7,67,771
	73,23,51,950	1,59,48,59,847
19 Other income		
Profit on sale of current investments	-	9,41,886
Interest received on fixed deposits	16,34,241	15,57,433
	16,34,241	24,99,319
20 Cost of goods sold		
Opening stock	29,10,031	20,16,24,925
Add: Purchases during the period	68,00,70,653	1,30,74,85,927
Add: Making charges	14,07,631	14,77,066
Add: Packing cost	-	88,735
Less: Closing stock	(28,62,990)	(29,10,031)
	68,15,25,325	1,50,77,66,622
21 Employee benefits		
Salaries, bonus and allowances	2,87,59,704	4,70,71,531
Contribution to provident fund and other funds	5,50,668	25,13,861
Staff welfare expenses	5,86,027	3,62,598
	2,98,96,399	4,99,47,990
22 Finance cost		
Interest on Inter Corporate Deposit	1,20,22,457	31,01,156
	1,20,22,457	31,01,156

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

	31 March 2015	31 March 2014
23 Other expenses		
Referral commission	65,98,597	1,82,15,895
Insurance	19,37,572	11,80,708
Communication	13,42,684	12,15,517
Marketing and advertisement	23,96,032	4,93,29,191
Recruitment charges	-	2,14,125
Printing and stationery	7,94,126	8,09,022
Legal and professional charges	1,67,39,176	2,35,64,951
Travelling, conveyance and motor car expenses	16,30,171	29,26,236
Delivery charges	97,02,115	39,14,023
Repair & Maintenance	-	66,292
Rent	6,00,000	-
Office couriers	8,09,635	15,56,800
Service tax expenses	15,39,482	-
Bank charges	1,42,394	3,98,297
Payment to auditors		
- as Statutory audit	3,18,500	2,00,000
- Out of pocket expenses	-	23,137
Filing fees and registration fees	2,12,999	5,19,160
IT/Software expenses	25,44,116	6,92,244
Membership and subscription	-	45,118
Royalty	43,45,208	70,50,480
Miscellaneous expenses	7,79,654	7,06,439
	5,24,32,461	11,26,27,635

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

24 Contingent liabilities and commitments

(to the extent not provided for)

There are no contingent liabilities and commitments as at 31 March, 2015 (Previous year: Nil).

25 Segment information

The company is engaged in the business of daily sale of gold. Pursuant to Accounting Standard (AS) 17 Segment Reporting, no segment disclosure has been made in these financial statements, as the Company has only one geographical segment and no other separate reportable business segment.

26 Earnings per shares (EPS):

	31 March 2015	31 March 2014
Loss as per statement of profit and loss	-4,20,83,077	-7,64,62,475
Weighted average number of equity shares outstanding during the year:	80,00,000	80,00,000
Basic earnings per share of Rs.10	(5.26)	-9.56
Diluted earnings per share of Rs.10	(5.26)	-9.56

27 Employee benefits

A. Defined Contribution Plans:

The Company makes contributions, determined as a specified percentage of employees salaries towards provided fund, which is a defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue. The amount recognised as an expense towards contributions to provident fund for the year aggregated to Rs.16,89,664 (Previous year Rs 16,76,264).

B. Defined Benefit Plans:

The company operates two post employment defined benefit plans that provide gratuity and leave encashment benefits. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one half months salary for each year of completed service at the time of retirement / exit. The leave encashment plan entitle to encase their leaves for the employees joined before 2009.

The following table summarizes the position of assets and obligations relating to plans.

For the current year, the company has started funding to the gratuity trust of the company, against gratuity liability. Leave encashment plan is unfunded plan.

	Gratuity Benefit		Leave Encashment	
	March-15	March-14	March-15	March-14
I. Table Showing Change in Benefit Obligation :				
Liability at the beginning of the year	20,63,556	18,37,106	1,09,182	98,893
Interest cost	1,93,562	1,46,968	10,241	7,911
Current service cost	2,53,719	3,28,324	28,232	16,149
Benefit paid	(4,93,399)	(4,75,335)	(2,77,999)	(1,40,548)
Actuarial loss on obligations	(13,19,995)	2,26,493	2,63,420	1,26,777
Liability at the end of the year	6,97,443	20,63,556	1,33,076	1,09,182
II. Tables of Fair value of Plan Assets :				
Fair value of plan assets at the beginning of the year	18,34,728	-	-	-
Expected return on plan assets	1,72,097	-	-	-
Contributions	-	22,29,180	-	-
Benefit paid	(4,93,399)	(4,75,335)	-	-
Actuarial gain on plan assets	94,185	80,883	-	-
Fair value of plan assets at the end of the year	16,07,611	18,34,728	-	-
III. Actual Return on Plan Assets :				
Expected return on plan assets	1,72,097	-	-	-
Actuarial gain/(loss) on plan assets	94,185	80,883	-	-
Actual return on plan assets	2,66,282	-	-	-

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

27 Employee benefits (Continued)

	Gratuity Benefit		Leave Encashment	
	March-15	March-14	March-15	March-14
IV. Amount Recognised in the Balance Sheet :				
Liability at the end of the year	(6,97,443)	(20,63,556)	(1,33,076)	(1,09,182)
Fair value of plan assets at the end of the year	16,07,611	18,34,728	-	-
Difference	-	-	-	-
Amount recognised in the balance sheet	9,10,168	(2,28,828)	(1,33,076)	(1,09,182)
V. Expenses recognised in the statement of profit and loss :				
Current service cost	2,53,719	3,28,324	28,232	16,149
Interest cost	21,465	1,46,968	10,241	7,911
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/loss to be recognised	(14,14,180)	1,45,610	2,63,420	1,26,777
Expense recognised in statement of profit and loss	(11,38,996)	6,20,902	3,01,893	1,50,837
VI. Assumptions :				
Discount Rate Current period	7.96%	9.38%	7.96%	9.39%
Rate of Return on Plan Assets Current period	7.96%	9.38%	-	-
Salary Escalation Current period	6.00%	5.50%	6.00%	5.50%
VII. Experience Adjustments :				
Experience adjustments on plan Liabilities (Gain)/Loss	-	-	-	-
Experience adjustments on plan Assets (Gain)/Loss	-	-	-	-
VIII. Experience Adjustments for current and previous years	2015	2014	2013	2012
Defined Benefit Obligation At The End of the Year	6,97,443	20,63,556	-	-
Fair Value Plan Asset At The End of the Year	16,07,411	18,34,728	-	-
Excess of Obligation Over Plan Asset	(9,10,168)	2,28,828	-	-
Experience Adjustment on Plan Liability (Gain)/Loss	(13,19,995)	2,26,493	-	-
Actuarial Gain /(Loss) due to Plan Asset	94,185	80,883	-	-

28 Related party transactions

(A) Parties by whom control exists during the year

Reliance Innoventures Private Limited*
Reliance Capital Limited

Ultimate Holding Company (Up to arch 26, 2015)
Holding Company

(B) Fellow subsidiaries with whom transactions have taken place

Reliance Securities Limited
Reliance Wealth Management Limited
Reliance Money Express Limited
Reliance Money Solutions Private Limited
Reliance General Insurance Co Ltd
Reliance Financial Limited

Fellow subsidiary
Fellow subsidiary
Fellow subsidiary
Fellow subsidiary
Fellow subsidiary
Fellow subsidiary

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

28 Related party transactions (Continued)

(C) Key management personnel

Directors of the Company*

Amit Bapna
Mr. Vikrant Gugnani (Upto May 31, 2014)
Mr. Sanjay Wadhwa (Upto February 2, 2015)
Mr. Ashish Turakhia (May 31, 2014 to March 25, 2015)
Ms. Smitha Sudheendra (w.e.f February 2, 2015)
Mr. Ganesh Pai (Up to July 31, 2014)
Ms. Hetal Shah

Manager*

Company Secretary*

Note : * No transaction had taken place during the year ended 31 March 2015

(D) The nature and volume of material transaction for the period with above related parties are as follows

Particulars	2014 - 2015	2013 - 2014
	Holding company	Holding company
Reliance Capital Limited		
Issue of Equity shares	-	-
Commission	-	8,172
Reimbursement of expenses -Rent	6,00,000	8,000
	Fellow Subsidiaries	Fellow Subsidiaries
Reliance Securities Limited		
Commission	7,55,135	29,24,406
Marketing support activities	20,400	
Reimbursement of expenses	-	5,91,260
Reliance Money Express Limited		
Commission	64,741	24,65,510
Reliance Money Solutions Private Limited		
Commission	5,50,292	5,22,750
Reimbursement of expenses	-	5,84,239
Reliance General Insurance Co Ltd		
Staff Medclaim Insurance-Payment	4,58,938	2,82,160
Reliance Financial Limited		
Interest paid on Inter Corporate Deposit	1,20,22,457	31,01,156
Unsecured Loan taken	5,83,00,000	8,42,00,000
Loan Repaid	-	70,00,000
Balance Payable	13,55,00,000	7,72,00,000

Reliance Money Precious Metals Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

Currency : Indian rupees

29 Advance from customers

Advance from customers represents the money received from customers and gold grams yet to be credited to the customers' account.

30 Change in Depreciation Policy

The company has revised its accounting policy of providing for depreciation from written down value method to the straight line method. The change in the above accounting policy has resulted in a surplus of Rs. 314,132. Consequently, the net profit for the current year is higher by Rs.314,132. Had the Company followed the written down value basis of depreciation accounting, the charge for the year ended March 31, 2015 would have been higher by Rs. 14,903.

31 For employees from holding company or group company working on deputation for the company, no charge/cost has been levied.

As per our report of even date attached.

For **BSR & Co. LLP**

Chartered accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Reliance Money Precious Metals Private Limited

Milind Ranade

Partner

Membership No: 100564

Amit Bapna

Director

DIN: 00008443

Ashok Karnavat

Director

DIN: 07098455

Mumbai

4 May 2015

Mumbai

4 May 2015

Hetal Shah

Company Secretary

Membership No: A26479