

Financial Statement

2015-16

Reliance Money Solutions Private Limited

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Money Solutions Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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 the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to:

Note 24 of notes to accounts towards going concern, as the accumulated losses of the Company have exceeded its paid up capital resulting in an erosion of its Net Worth. The accounts have been prepared on 'Going Concern' basis on the understanding that finance will continue to be available to the company for Working Capital requirements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in note 20 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended March 31, 2016.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration no. 107783W

Mukesh Mehta
Partner
Membership No.: 043495

Mumbai
Date: April 14th, 2016.

Annexure to the Independent Auditors' Report

(Referred to our Report of even date)

- 1) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information except for in some assets where Company is in the process of tagging the assets.
 - b) As explained to us, all the fixed assets of the Company have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) The Company do not have any immovable properties and hence clause (i) (c) of paragraph 3 of the Order is not applicable to the company.
- 2) The Company did not have any inventory at anytime during the year. Hence, the requirements of clause (ii) of paragraph 3 of the said order are not applicable to the Company.
- 3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the provisions of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities. The Company has not granted any loans to any director or any person in whom director is interested as specified under Section 185 of the Companies Act, 2013 and hence clause (iv) of paragraph of the Order is not applicable to the Company to that extent.
- 5) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- 6) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act. Hence, the provisions of Clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- 7) In respect of Statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.
 - b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, on account of any dispute, which have not been deposited.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions. The Company does not have any borrowings from bank and the Company did not have any outstanding debentures during the year.
- 9) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- 10) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) In our opinion and according to the information and explanations given to us, the company has neither provided nor paid any managerial remuneration and hence clause (xi) of paragraph 3 of the Order is not applicable to the company.
- 12) In our opinion company is not a Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- 13) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- 14) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- 15) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company
- 16) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration no. 107783W

Mukesh Mehta
Partner
Membership No.: 043495

Mumbai
Date: April 14th, 2016.

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

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

We have audited the Internal Financial Control over financial reporting of **Reliance Money Solutions Private Limited** ("the company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Pathak H.D. & Associates
Chartered Accountants
Firm Registration no. 107783W

Mukesh Mehta
Partner
Membership No.: 043495

Mumbai
Date: April 14th, 2016.

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	250,515,000	515,000
(b) Reserves and surplus	3	(706,267,512)	(416,089,858)
2 Non current liabilities			
(a) Long term provisions	4	468,103	450,784
3 Current liabilities			
(a) Short term borrowing	5	580,200,000	483,100,000
(b) Trade payable	6	19,844,398	2,969
(c) Other current liabilities	7	71,068,081	36,070,283
(d) Short term provisions	8	82,785	1,316,033
TOTAL		215,910,855	105,365,211
II. ASSETS			
1 Non current assets			
(a) Fixed assets	9		
(i) Tangible assets		122,820,963	23,634,577
(ii) Intangible assets		9,298,351	8,398,839
(b) Long-term loans and advances	10	49,573,769	46,148,260
2 Current assets			
(a) Trade receivable	11	6,960,110	8,046,196
(b) Cash and bank balances	12	2,035,260	2,699,967
(c) Short-term loans and advances	13	25,215,816	16,350,719
(d) Other current assets	14	6,586	86,653
TOTAL		215,910,855	105,365,211
Significant accounting policies			
Notes to financial statements 1 to 29			

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Pathak H. D. & Associates
Firm registration No. 107783W
Chartered Accountants

For and on behalf of the Board of Directors

Mukesh . Mehta
Partner
Membership No.: 43495

B. Gop Kumar
Director
DIN : 07223999

Ashish Turakhia
Director
DIN : 02601110

Place : Mumbai
Date : April 14, 2016

Sneha Satpute
Company Secretary
M.No. B37009

Virendra Patel
Chief Financial Officer

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	April 1, 2015 to March 31, 2016 Amount in ₹	April 1, 2014 to March 31, 2015 Amount in ₹
I. Revenue from operations	15	223,970,318	94,654,595
Total Revenue (A)		223,970,318	94,654,595
II. Expenses:			
Operating expenses	16	1,091,816	106,087
Employee benefits expense	17	228,026,189	194,824,232
Finance Cost	18	50,914,090	33,806,797
Depreciation and amortization expense	9	12,399,335	89,27,585
Administrative and other expenses	19	221,709,734	220,331,997
Total Expenses (B)		514,141,164	457,996,698
III. Loss before exceptional items and tax (I-II)		(290,170,846)	(363,342,103)
IV. Exceptional items		-	-
V. Loss before tax (III-IV)		(290,170,846)	(363,342,103)
VI. Tax expense:			
Current tax		-	-
Taxes of Earlier Years		6,808	-
Deferred tax liability		-	-
VII. Loss for the year (V-VI)		(290,177,654)	(363,342,103)
Earning per share on Equity Shares of ₹ 10 each (Refer note 25)			
- Basic		(29,018)	(36,334)
- Diluted		(29,018)	(36,334)
Significant Accounting Policies			
Notes to financial statements	1 to 29		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Pathak H. D. & Associates
Firm registration No. 107783W
Chartered Accountants

For and on behalf of the Board of Directors

Mukesh .Mehta
Partner
Membership No.: 43495

B. Gop Kumar
Director
DIN : 07223999

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Director
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Place : Mumbai
Date : April 14, 2016

Sneha Satpute
Company Secretary
M.No. R37009

Virendra Patel
Chief Financial Officer

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	April 1, 2015 to March 31, 2016 Amount In ₹	April 1, 2014 to March 31, 2015 Amount In ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net loss before tax as per statement of profit and loss	(290,170,846)	(363,342,103)
Adjustments for :		
Depreciation	12,399,335	8,927,585
Interest expenses	50,914,090	33,806,797
Profit/ (Loss) on sale of assets	170,793	-
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES	(226,686,628)	(320,607,721)
Adjustments for :		
(Increase)/ Decrease in trade receivable	1,086,086	(7,831,903)
Increase/ (Decrease) in trade payable	19,841,429	280
Increase/ (Decrease) in other current assets	80,067	(51,868)
Increase/ (Decrease) in other current liabilities	34,997,798	27,234,696
Increase/ (Decrease) in short term provision	(1,233,248)	1,314,002
Increase/ (Decrease) in long term provision	17,319	436,457
(Increase)/ Decrease in long term loans and advances	690,809	(4,284,351)
(Increase)/ Decrease in short term loans and advances	(8,865,097)	(9,128,485)
CASH USED IN OPERATIONS	(180,071,465)	(312,918,892)
Payment of taxes	(4,123,126)	(6,990,458)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(184,194,591)	(319,909,350)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(112,696,026)	(32,785,365)
Sale of Fixed Assets	40,000	-
NET CASH FLOW FROM/ (USED IN) INVESTMENT ACTIVITIES (B)	(112,656,026)	(32,785,365)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceed from short term borrowings	97,100,000	363,600,000
Issue Preference Shares	250,000,000	-
Interest expenses	(50,914,090)	(33,806,797)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	296,185,910	329,793,203
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS (A+B+C)	(664,707)	(22,901,512)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,699,967	25,601,479
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	2,035,260	2,699,967

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Pathak H. D. & Associates
Firm registration No. 107783W
Chartered Accountants

Mukesh Mehta
Partner
Membership No.: 43495

Place : Mumbai
Date : April 14, 2016

For and on behalf of the Board of Directors

B. Gop Kumar
Director
DIN : 07223999

Ashish Turakhia
Director
DIN : 02601110

Sneha Satpute
Company Secretary
M.No. H37009

Virendra Patel
Chief Financial Officer

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Summary of significant accounting policies

(Currency: Indian Rupee)

NOTE 1

1 Background

Reliance Money Solutions Private Limited (Formerly Known as Reliance Mass Media Private Limited) ('the Company') was incorporated on August 23, 2000 with the Registrar of Companies (RoC), Maharashtra. The Company's main object is providing all kind of services including Management Consulting, Advisory Services and Distribution of Financial Products.

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 (GAAP) 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.

2.2 Use of estimates

The preparation of financial statements is in conformity with 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 results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Revenue recognition

- (a) Income from brokerage and commission is booked on accrual basis.
- (b) Income from distribution and related activities, including marketing support activities are recognized as per mutual agreement.
- (c) Interest income is recognised on accrual basis.
- (d) Dividend income is recognised when the right to receive the payment is established.

2.4 Fixed assets and depreciation

i. Fixed assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition and installation of the concerned asset.

a) Tangible Assets:

Depreciation on all class of fixed assets is charged under the straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013.

Leasehold Improvements are amortised on a straight line basis over the lease period

Rates of depreciation for various assets are as follows:

Assets	Useful Life
Furniture and fixtures	10 Years
Office equipments	5 Years
Computers end user devices	3 Years

b) Intangible Assets - Computer Software

Computer software which forms an integral part of the related hardware is capitalised along with the hardware as fixed asset. Softwares which are not an integral part of computer hardware and from which future economic benefits are expected, are treated as intangible assets and are amortised over their estimated useful life, namely six years

ii. Fixed assets costing less than Rs 5,000 are fully depreciated in the period of purchase.

Summary of significant accounting policies

2.5 *Investments*

Purchase and sale of investments are recorded on trade date.

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower. In case of investments in mutual funds, the net asset value of units is considered as market/fair value.

2.6 *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 year 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 in 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.

2.7 *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.

2.8 *Provisions, Contingent Liabilities and Contingent Asset*

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

Summary of significant accounting policies

2.9 Earning 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 year. 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 year. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

2.10 Provision for doubtful debts and loans and advances

Provision is made in the accounts for doubtful debts and loans and advances in cases where the management considers the debts, loans and advances, to be doubtful of recovery.

2.11 Preliminary Expenses

Preliminary expenses are charged to Statement of Profit and Loss in the year in which it is incurred.

2.12 Cash and cash equivalent

Cash and cash equivalent for the purpose of cash flow statement comprised cash at bank and cash in hand and other short term investment with maturity of three months or less.

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

NOTE 2

SHARE CAPITAL

	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
AUTHORISED				
Equity Shares of ₹ 10 each**	10,000	100,000	10,000	100,000
Preference Shares of ₹ 10 each**	60,042,500	600,425,000	42,500	425,000
TOTAL	60,052,500	600,525,000	52,500	525,000
ISSUED, SUBSCRIBED AND PAID UP				
Equity Shares of ₹ 10 each fully paid up	10,000	100,000	10,000	100,000
0% Optionally Convertible Redeemable Preference Shares of ₹ 10 each fully paid up	41,500	415,000	41,500	415,000
11% Non- Convertible Non- Cumulative Non-Participating Preference Shares of ₹ 10/- each fully Paid up***	25,000,000	250,000,000	-	-
TOTAL	25,051,500	250,515,000	51,500	515,000

** Authorised share capital increased from ₹ 5, 25,000 to ₹ 25, 05,25, 000 with effect from June 11, 2015 & increased from ₹ 25,05, 25,000 to ₹ 60, 05,25, 000 with effect from March 02, 2016

***The company has allotted 2,50,00,000 11% Non Convertible Non- Cumulative Non-Participating Preference Shares of ₹ 10/- each to Reliance Capital Limited on June 29, 2015.

Notes:

1. Terms and Rights attached to shares

- Equity Share:

The company has only one class of equity share having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share and carries dividend right.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining asset of the company after distribution of all preferential amount.

The distribution will in proportion to the number of equity shares held by the shareholder

- 0% Optionally Convertible Redeemable Preference Shares

Preference shares carries no voting and dividend right. In the event of liquidation of the Company, the holders of preference shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of preference shares held by the shareholders.

These preference shares are either redeemable or convertible on or before 10 years from the date of allotment i.e. March 28, 2012.

In case of redemption, a) at the time of maturity redeemable at issue price or b) at the option of the holder, can be redeemed at issue price, at any time, by giving a notice of not less than 10 days to the Company.

In case of conversion, each Optionally Convertible Redeemable Preference Shares will be converted into equity share at fair value to be determined by the independent valuer, discounted at mutually agreed rate.

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

11% The Non- Convertible Non- Cumulative Non-Participating Preference Shares (NCNCNPR)

The NCNCNPR shall be redeemed at par i.e. Rs. 10/- per share. The NCNCNPR shall normally be redeemed on expiry of 10 years from the date of allotment of NCNCNPR. The NCNCNPR will be redeemed on the redemption date against the surrender of the duly discharged share certificates and other supporting documents as may be required by the Company. However, the Company and the NCNCNPR holder shall have a right to redeem the NCNCNPR before the redemption date as the Board of Directors may deem fit and the Company obtaining the requisite approvals for the same. In the event of redemption of NCNCNPR on receipt / surrender of duly discharged share certificates and other supporting documents as may be required by the Company and the Company obtaining the requisite approvals for the redemption, redemption proceeds shall be paid within seven days from the date of receipt of complete documents and the requisite approvals for redemption.

The NCNCNPR holders shall be entitled to such rights and privileges as are available to them under the Companies Act, 2013 or any statutory modifications or re-enactments as may be in force from time to time and the Rules made there under.

The Board of Directors of the Company ("the Board") may on receipt of the requisite approvals amend, alter and / or change the terms and conditions for issue, allotment and/or redemption of the NCNCNPR.

2. The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015 is set out below

	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Equity Shares				
Number of shares at the beginning	10,000	100,000	10,000	100,000
Number of shares at the end	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>
0% Optionally Convertible Redeemable Preference Shares				
Number of shares at the beginning	41,500	415,000	41,500	415,000
Number of shares at the end	<u>41,500</u>	<u>415,000</u>	<u>41,500</u>	<u>415,000</u>
11% Non Convertible Non Cumulative Redeemable Preference Shares				
Number of shares at the beginning	-	-	-	-
Shares issue during the year	25,000,000	250,000,000	-	-
Number of shares at the end	<u>25,000,000</u>	<u>250,000,000</u>	<u>-</u>	<u>-</u>

3. The details of shareholder holding as at March 31, 2016 and March 31, 2015 is set out below :

	As at 31st March 2016		As at 31st March 2015	
	No. of shares	% held	No. of shares	% held
Equity shares				
Reliance Capital Limited and its nominees	10,000	100.00%	10,000	100.00%
0% Optionally Convertible Redeemable Preference Shares				
Reliance Capital Limited	41,500	100.00%	41,500	100.00%
11% Non Convertible Non Cumulative Redeemable Preference Shares				
Reliance Capital Limited	25,000,000	100.00%	-	-
	<u>25,051,500</u>		<u>51,500</u>	

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

Particulars	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
NOTE 3		
RESERVES AND SURPLUS		
Security Premium Account As per last balance sheet	41,085,000	41,085,000
Closing balance	<u>41,085,000</u>	<u>41,085,000</u>
Deficit (balance as per statement of profit and loss) As per last balance sheet	(457,174,858)	(93,832,755)
Add: Net loss for the year	(290,177,654)	(363,342,103)
Closing balance	<u>(747,352,512)</u>	<u>(457,174,858)</u>
TOTAL	<u><u>(706,267,512)</u></u>	<u><u>(416,089,858)</u></u>
NOTE 4		
LONG TERM PROVISION		
Provision for leave encashment	468,103	450,784
TOTAL	<u><u>468,103</u></u>	<u><u>450,784</u></u>
NOTE 5		
SHORT TERM BORROWINGS (Unsecured, repayment on demand)		
Inter Corporate deposit from related parties	580,200,000	483,100,000
TOTAL	<u><u>580,200,000</u></u>	<u><u>483,100,000</u></u>
NOTE 6		
TRADE PAYABLE		
Trade Payables	19,844,398	2,969
TOTAL	<u><u>19,844,398</u></u>	<u><u>2,969</u></u>
NOTE 7		
OTHER CURRENT LIABILITIES		
Book overdraft	-	7,487,849
Statutory liabilities	5,251,971	4,373,947
Provision for expenses	35,951,677	7,231,147
Advance received from customers	-	674,718
Other payables		
- Payable to or on behalf of employees	569,963	27,678
- Interest accrued and due	24,464,988	10,904,917
- Others	4,829,482	5,370,027
TOTAL	<u><u>71,068,081</u></u>	<u><u>36,070,283</u></u>
NOTE 8		
SHORT TERM PROVISIONS		
Provision for gratuity	69,885	1,256,810
Provision for leave encashments	12,900	59,223
TOTAL	<u><u>82,785</u></u>	<u><u>1,316,033</u></u>

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED
NOTES FORMING PART OF THE BALANCE SHEET

NOTE 9

FIXED ASSETS (At Cost)

Description	Amount in ₹											
	Gross block					Depreciation/amortization					Net block	
	As at April 1, 2015	Additions during the year	Deletions during the year	As at March 31, 2016	Up to April 1, 2015	Additions during the year	Deletions during the year	Up to March 31, 2016	As at March 31, 2016	As at March 31, 2015		
Tangible Assets												
Leasehold Improvements	16,473,873	520,019	286,796	16,707,096	3,161,044	5,584,031	178,870	8,566,205	8,140,891	13,312,829		
Office equipments	10,124,623	6,237,796	197,233	16,165,186	3,933,456	2,345,159	64,463	6,214,152	9,951,034	6,191,167		
Furniture and fixtures	4,230,582	43,585,074	45,685	47,769,971	2,878,025	667,090	4,584	3,540,531	44,229,440	1,352,557		
Data processing equipments	3,721,481	59,708,519	-	63,430,000	943,457	1,986,946	-	2,930,402	60,499,598	2,778,024		
Total Tangible assets - (A)	34,550,559	110,051,408	529,714	144,072,253	10,915,982	10,583,226	247,917	21,251,290	122,820,963	23,634,577		
Intangible Assets (Other than internally generated) Softwares	10,077,110	2,743,865	-	12,820,975	1,678,271	1,844,353	-	3,522,624	9,298,351	8,398,839		
Total Intangible assets - (B)	10,077,110	2,743,865	-	12,820,975	1,678,271	1,844,353	-	3,522,624	9,298,351	8,398,839		
Total - (A+B)	44,627,669	112,795,273	529,714	156,893,228	12,594,253	12,427,579	247,917	24,773,914	132,119,314	32,033,416		
Previous Year	11,842,304	32,765,365	-	44,607,669	3,666,668	8,927,585	-	12,594,253	32,033,416	-		

Note: Effective April 1, 2014, pursuant to and in line with the requirements of Schedule II to the Companies Act, 2013, the company has revised the useful lives of tangible fixed assets including their major component and effected the following changes with respect to provision for depreciation :

(i) In respect of assets where the remaining useful life as on April 1, 2014 is 'Nil', their carrying amounts after retaining the residual value if any, aggregating ₹ Nil, has been adjusted against the opening balance of retained earnings as on that date.

(ii) In respect of all other assets, depreciation is provided under the Straight Line Method (SLM). Their carrying amounts as at April 1, 2014 are depreciated over their remaining useful lives. Pursuant to this, the depreciation for the previous year is lesser by ₹ 3,61,038.

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
NOTE 10		
LONG TERM LOANS AND ADVANCES		
Capital advances	2,013,245	1,448,601
Advance payment of tax and tax deducted at source	32,998,627	28,882,309
Deposits	14,561,897	15,817,350
TOTAL	49,573,769	46,148,260
NOTE 11		
TRADE RECEIVABLE		
(Unsecured, considered good)		
Less than six months	6,960,110	8,046,196
TOTAL	6,960,110	8,046,196
NOTE 12		
CASH AND BANK BALANCES		
Cash and cash equivalents		
Balance with banks In current accounts	2,035,260	2,699,967
TOTAL	2,035,260	2,699,967
NOTE 13		
SHORT TERM LOANS AND ADVANCES		
(Unsecured and considered good unless otherwise stated)		
Advance to vendors	4,310,817	9,443,768
Service Tax Input	20,828,999	6,704,058
Prepaid Expenses	76,000	202,893
TOTAL	25,215,816	16,350,719
NOTE 14		
OTHER CURRENT ASSETS		
Others	6,586	86,653
TOTAL	6,586	86,653

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS

	April 1, 2015 to March 31, 2016 Amount in ₹	April 1, 2014 to March 31, 2015 Amount in ₹
NOTE 15		
REVENUE FROM OPERATIONS		
Brokerage and commission	223,776,621	87,568,798
Less : Service tax recovered	(27,481,340)	(9,632,880)
	<u>196,295,281</u>	<u>77,935,918</u>
Income from distribution and related activities	31,549,542	18,785,104
Less : Service tax recovered	(3,874,505)	(2,066,428)
	<u>27,675,037</u>	<u>16,718,676</u>
TOTAL	<u><u>223,970,318</u></u>	<u><u>94,654,595</u></u>
NOTE 16		
OPERATING EXPENSES		
Referral Fees	1,091,816	106,087
TOTAL	<u><u>1,091,816</u></u>	<u><u>106,087</u></u>
NOTE 17		
EMPLOYEE BENEFITS EXPENSE		
Salary, bonus and allowances	215,800,520	179,432,293
Contribution to provident fund and other funds (refer note 28)	6,445,131	6,172,286
Employee welfare and other amenities	5,780,538	9,219,653
TOTAL	<u><u>228,026,189</u></u>	<u><u>194,824,232</u></u>
NOTE 18		
FINANCE COST		
Interest expenses	50,914,090	33,806,797
TOTAL	<u><u>50,914,090</u></u>	<u><u>33,806,797</u></u>
NOTE 19		
ADMINISTRATIVE AND OTHER EXPENSES		
Rent, Rates and Taxes	38,039,602	32,481,598
Professional Charges	8,484,227	10,735,878
Communication expenses	6,793,859	13,162,706
Advertisement and marketing	128,165,324	118,659,319
Membership fees	120,000	37,500
Bank Charges	941	1,284
Electricity	7,288,460	7,448,483
Travelling, conveyance and motor car expenses	11,345,797	16,705,863
Printing and stationery	2,702,873	2,674,618
Repairs and maintenance	540,380	868,114
Seminar and training	1,710,569	836,270
Software and other IT expenses	4,340,818	9,460,307
Loss on sale of Fixed Assets	170,793	-
Auditors' Remuneration		
- Audit Fees	50,000	50,000
- Other services	50,000	50,000
Office administration expenses	11,906,091	7,160,057
TOTAL	<u><u>221,709,734</u></u>	<u><u>220,331,997</u></u>

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Currency: Indian Rupees)

	As at March 31, 2016	As at March 31, 2015
20 Contingent Liabilities		
Capital Commitments	1,809,824	1,291,000
Claims not acknowledged as debts	1,000,000	-

21 Segment Information for the year ended March 31, 2016

The Company is into distribution of financial products and related activities. As the Company is engaged only in one business segment and there are no geographical segments, the Balance Sheet for the year ended March 31, 2016, and the Statement of Profit and Loss for the year ended March 31, 2016 pertain to one business segment and related activities as per Accounting Standard (AS) 17 on "Segment Reporting".

22 Deferred Tax

As per Accounting Standard 22 "Accounting of taxes for income", components of deferred tax balances as at June 30, 2015 are given below:

	As at March 31, 2016	As at March 31, 2015
Deferred Tax Assets*		
Provision for Leave Encashment	148,630	157,592
Provision for Gratuity	21,594	388,354
Brought forward losses	219,959,492	115,231,154
Deferred Tax Liability		
Depreciation	10,664,312	854,283
Net Deferred Tax Assets/(Liabilities)	209,465,404	114,922,817

In accordance with Accounting Standard (AS-22) on 'Accounting for Taxes on Income' notified in the Companies (Accounting Standards) Rules, 2006, Deferred tax assets constitute mainly of carried forward losses, unabsorbed depreciation and disallowance of expenses under the Income Tax Act, 1961. The company has recognised deferred tax asset to the extent of deferred tax liability. On conservative basis the Company has not recognised such excess deferred tax asset in the accounts.

23 Operating lease

Office premises assets are obtained on operating lease and are renewable/cancellable at mutual consent. There are no restriction imposed by the lease agreements.

	As at March 31, 2016	As at March 31, 2015
Rental payments of office premises	-	27,230,552

24 Note for Going Concern

The accumulated losses of the company as at March 31, 2016 exceed paid up capital resulting in an erosion of its capital. The accounts have been prepared on 'Going Concern' basis on the understanding that finance will continue to be available to the company for working capital requirements.

25 Earnings per share

Particulars	As at March 31, 2016	As at March 31, 2015
Net Loss after tax as per statement of profit and loss	(290,177,654)	(363,342,103)
Weighted average number of equity shares outstanding during the year	10,000	10,000
Nominal value per equity share	10	10
Basic and diluted earnings per share	(29,018)	(36,334)

Note:

Number of equity shares to be issued upon conversion of 0% Convertible Redeemable Preference Shares are not known at this stage since the conversion ratio will be mutually decided by the company and the preference shareholders at the time of conversion, hence the basic and the diluted earning per share is same.

26 Administrative and other expenses includes prior year expenses amounting to ₹ Nil (Previous year ₹ 14,754,895)

27 Related party transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below
 Relationships during the year

(A) Parties by whom control exists during the year

Reliance Capital Limited

Holding Company (w.e.f. December 2, 2013)

(B) Fellow subsidiaries

Reliance Securities Limited	Fellow subsidiary
Reliance Money Express Limited	Fellow subsidiary
Reliance Commodities Limited	Fellow subsidiary
Reliance Financial Limited	Fellow subsidiary
Reliance Money Precious Metals Pvt. Ltd.	Fellow subsidiary
Reliance Wealth Management Limited	Fellow subsidiary
Reliance General Insurance Co Ltd	Fellow subsidiary
Reliance AIF Management Company Limited	Fellow subsidiary
Reliance Capital Asset Management Limited	Fellow subsidiary
Reliance Home Finance Limited	Fellow subsidiary

(C) Key management personnel

Directors of the Company

Mr. Mihir Sundhani* (Upto. June 29, 2015)
 Mr. Gop Kumar* (w.e.f. 29 June 2015)
 Mr. Ashish Turakhia*
 Mr. Tushar Kamath* (Upto. May 4, 2015)
 Mr. Ganesh Pai* (w.e.f. May 4, 2015)
 Mr. Satyendra Sarupria (w.e.f. Sep 9, 2015)
 Mr. Ashok Karnavar (w.e.f. Sep 9, 2015)
 Mr. Virendra Patel* (w.e.f. Aug 1, 2015)
 Ms. Sneha Satpute * (w.e.f. March 2, 2016)
 Mr. Hemal Joshi * (w.e.f. March 2, 2016)

Chief Financial Officer

Company Secretary

Manager

* Note: No transactions during the year.

(D) Transactions with related parties during the year:

Nature of Transaction	Holding company 31st March		Fellow Subsidiaries 31st March		Key Management Personnel & their Relatives 31st March	
	2016	2015	2016	2015	2016	2015
Share Capital						
Reliance Capital Limited 11% Non- Convertible Non- Cumulative Non-Participating Preference Shares	250,000,000	-				
Unsecured loan (Inter Corporate Deposit)						
Reliance Capital Limited						
Opening Balance	-	-				
Addition taken during the year	265,000,000	-				
Repaid during the year	265,000,000	-				
Closing Balance	-	-				
Reliance Money Express Limited						
Opening Balance			240,000,000	-		
Loan taken during the year			847,800,000	980,000,000		
Loan repaid during the year			848,500,000	740,000,000		
Balance Payable			239,300,000	240,000,000		
Reliance Financial Limited						
Opening Balance			243,100,000	-		
Loan taken during the year			1,213,800,000	-		
Loan repaid during the year			1,116,000,000	-		
Balance Payable			340,900,000	-		
Sale/Purchase of Fixed Asset						
Reliance Financial Limited Purchase of Fixed Assets					6,644,217	

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016
 (Currency: Indian Rupees)

Nature of Transaction	Holding company 31st March		Fellow Subsidiaries 31st March		Key Management Personnel & their Relatives 31st March	
	2016	2015	2016	2015	2016	2015
Payments/expenditures						
Reliance Capital Limited						
Interest Expenses on ICD	7,432,045	-				
Other Misc. Expenses	100,000	1,418,354				
Transasia Composite Insurance Broking Limited						
Reimbursement of expenses			-	3,350,000		
Purchase of assets			-	4,800,000		
Reliance Money Express Limited						
Interest Expenses			27,183,322	10,904,917		
Reliance Financial Limited						
Interest Exp. on Inter Corporate Deposit			16,298,723	7,898,964		
Purchase of Fixed Assets			-	7,474,744		
Reliance General Insurance Company Limited						
Insurance Others			152,000	2,316,657		
Medical Insurance			2,947,644	-		
Mr. Ashok Kamavar						
-Director Sitting Fee					60,200	-
Mr. Satyendra Sarupria						
-Director Sitting Fee					60,200	-
Receipts/Income						
Reliance AIF Management Company Limited						
- PMS Income			6,400,000	-		
- Distribution Income - Receipt			-	1,800,000		
Reliance Capital Assets Management Limited						
- Broking Commission - Mutual Fund			1,999,320	-		
- PMS Income			2,079,615	-		
- Distribution Income - Receipt			-	2,000,832		
Reliance Home Finance Limited						
- Distribution Income - Receipt			-	68,049		
Reliance General Insurance Company Limited						
Broking Commission			88,155,528	-		
Reliance Money Precious Metals Private Limited						
- Broking Income			146,269	-		
- Distribution Income - Receipt			-	502,258		
Receivable / (Payable)						
Reliance AIF Management Company Limited						
			-	(324,140)		
Reliance Capital Assets Management Limited						
			-	7,452		
Reliance Home Finance Limited						
			-	14,684		
Reliance Money Express Limited						
			(24,464,988)	(10,904,917)		
Reliance General Insurance Company Limited						
			2,146,958	1,392,062		
Reliance Life Insurance Company Limited						
			44,128	-		

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Currency: Indian Rupees)

28 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

A. Defined Contribution Plans:

	As at March 31, 2016	As at March 31, 2015
Employer's Contribution to Provident Fund (includes administration charges)	56,113,431	6,865,336

B. Defined Benefit Plans:

Gratuity and Leave Encashment

The employees' gratuity fund scheme managed by a Trust (Reliance Securities Limited Employees Gratuity Assurance Scheme) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

C. Employee Benefit Obligation

	Gratuity Benefits (Funded)		Leave Encashment Benefits(Un-Funded)	
	Apr 15- Mar 16	Apr 14- Mar 15	Apr 15- Mar 16	Apr 14- Mar 15
I. Reconciliation of opening and closing balances of Defined Benefit Obligation :				
Liability at the beginning of the year	2,338,496	668,246	510,007	16,358
Interest Cost	186,144	62,681	40,597	1,534
Current Service Cost	429,503	542,275	166,026	6,817
Benefit Paid	(307,052)	-	(29,947)	(41,634)
Actuarial (gain)/loss on obligations	127,031	1,065,294	(205,680)	526,932
Liability at the end of the year	2,774,122	2,338,496	481,003	510,007
II. Reconciliation of opening and closing balances of fair value of Plan Assets :				
	Apr 15- Mar 16	Apr 14- Mar 15	Apr 15- Mar 16	Apr 14- Mar 15
Fair Value of Plan Assets at the beginning of the year	1,081,686	1,013,542	-	-
Expected Return on Plan Assets	86,102	95,070	-	-
Contributions	1,951,539	-	-	-
Benefit Paid	(307,052)	(26,926)	-	-
Actuarial gain/(loss) on Plan Assets	(108,038)	-	-	-
Fair Value of Plan Assets at the end of the year	2,704,237	1,081,686	-	-
III. Reconciliation of fair value of assets and obligations :				
	Apr 15- Mar 16	Apr 14- Mar 15	Apr 15- Mar 16	Apr 14- Mar 15
Liability at the end of the year	2,774,122	2,338,496	481,003	510,007
Fair value of plan assets at the end of the year	2,704,237	1,081,686	-	-
(Asset) / Liability Recognised in the Balance Sheet*	69,885	1,256,810	481,003	510,007
*Note: Included under 'Provisions and Short term loans and advances' (Refer Note 4 and 8)				
IV. Expenses recognised during the year :				
	Apr 15- Mar 16	Apr 14- Mar 15	Apr 15- Mar 16	Apr 14- Mar 15
Current Service Cost	429,503	542,275	166,026	6,817
Interest Cost	186,144	62,681	40,597	1,534
Expected Return on Plan Assets	(86,102)	(95,070)	-	-
Net Actuarial (Gain)/Loss recognised	235,069	1,092,220	(205,680)	526,932
Expense Recognised in Profit and Loss Account	335,111	1,602,106	943	535,283

RELIANCE MONEY SOLUTIONS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(Currency: Indian Rupees)

V. Investment details :

Total value of investments for employees gratuity fund scheme is managed by insurance company

VI. Assumptions :	Apr 15- Mar 16	Apr 14- Mar 15	Apr 15- Mar 16	Apr 14- Mar 15
Discount Rate (per annum)	7.96%	7.96%	7.96%	7.96%
Rate of Return on Plan Assets	7.96%	7.96%	-	-
Salary Escalation	6.00%	6.00%	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Gratuity for the year ended March 31,

VII. - Particulars of amounts for the year and previous years	2016	2015	2014	2013	2012
Defined Benefit Obligation At The End of the year	2,774,122	2,338,496	668,246	289,091	-
Fair Value Plan Asset At The End of the year	2,704,237	1,081,686	1,013,542	-	-
Excess of Obligation Over Plan Asset	69,885	1,256,810	(345,296)	289,091	-
Experience Adjustment on Plan Liability (Gain)/Loss	127,031	1,065,294	(296,644)	-	-
Actuarial Gain / (Loss) due to Plan Asset	(108,038)	(26,926)	(10,571)	-	-

29 Previous year figures

Figures of previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Pathak H. D. & Associates
Firm registration No. 107783W
Chartered Accountants

For and on behalf of the Board of Directors

Mukesh .Mehta
Partner
Membership No.: 43495

B. Gop Kumar
Director
DIN : 07223999

Ashish Turakhia
Director
DIN : 02601110

Place : Mumbai
Date : April 14, 2016

Sneha Satpute
Company Secretary
M.No. 337009

Virendra Patel
Chief Financial Officer