

Financial Statement

2015-16

Reliance Money Express Limited

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF RELIANCE MONEY EXPRESS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Reliance Money Express 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.

**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 profit 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 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 23 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 Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration no. 101720W

**Vitesh D. Gandhi**  
Partner  
Membership No.: 110248

Mumbai  
Date: April 14<sup>th</sup>, 2016

**Annexure to the Independent Auditors' Report**

(Referred to in 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.
  - b) As explained to us, all the fixed assets 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) As explained to us the stock-in-trade (currency) are held by enforcement director & hence cannot be verified by the management.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is 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 banks. The Company does not have any borrowings from financial institutions 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 **Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration no. 101720W

**Vitesh D. Gandhi**  
Partner  
Membership No.: 110248

Mumbai  
Date: April 14<sup>th</sup>, 2016

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RELIANCE MONEY EXPRESS 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 Express Limited** ("the company") as of 31<sup>st</sup> 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 **Chaturvedi & Shah**  
Chartered Accountants  
(Firm Registration no. 101720W)

**Vitesh D. Gandhi**  
Partner  
Membership No.: 110248

Mumbai  
Date: April 14<sup>th</sup>, 2016

# RELIANCE MONEY EXPRESS LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

Currency: Indian Rupees

Particulars	Note	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	138,131,400	138,131,400
(b) Reserves and surplus	3	381,291,835	274,277,322
<b>2 Non-current liabilities</b>			
(a) Long-term provisions	4	-	952,838
<b>3 Current liabilities</b>			
(a) Trade payables	5	46,423,649	134,236,026
(b) Other current liabilities	6	31,531,473	23,583,876
(c) Short-term provisions	7	-	3,049,099
<b>TOTAL</b>		<b>597,378,357</b>	<b>574,230,561</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		-	8,399,833
(ii) Intangible assets		5,241,947	7,199,058
(b) Deferred tax assets (net)	9	-	1,012,767
(c) Long-term loan and advances	10	36,286,361	53,924,109
(d) Other non-current assets	11	2,003,156	4,004,803
<b>2 Current assets</b>			
(a) Inventories	12	1,664,322	2,001,546
(b) Trade receivables	13	-	160,728,822
(c) Cash and bank balances	14	11,537,836	64,909,547
(d) Short-term loans and advances	15	244,309,610	242,509,197
(e) Other current assets	16	296,335,125	29,540,879
<b>TOTAL</b>		<b>597,378,357</b>	<b>574,230,561</b>

Significant accounting policies

Notes to financial statements

1 to 34

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Chaturvedi & Shah

Chartered accountants

Firm's Registration No: 101720W

For and on behalf of the Board of Directors

Vitash D. Gandhi  
Partner  
Membership No: 110248

Mihir Sundhani  
Director  
DIN : 03491156

Sushil Kumar Agrawal  
Director  
DIN : 00400892

Mumbai  
Date: 14th April 2016

Ganesh Pai  
Manager

Vipul Goyal  
Chief financial officer



# RELIANCE MONEY EXPRESS LIMITED

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

Currency: Indian Rupees

	Note	April 1, 2015 to March 31, 2016 Amount in ₹	April 1, 2014 to March 31, 2015 Amount in ₹
I Revenue from operations	17	201,585,098	372,240,091
II Other income	18	84,758,716	50,258,362
III Total Revenue (A)		<u>286,343,814</u>	<u>422,498,453</u>
IV Expenses			
Operating expenses	19	105,933,663	197,762,932
Employee benefits expense	20	66,198,203	115,639,657
Finance cost	21	4,249,847	7,054,381
Depreciation and amortization expense	8	2,067,280	(240,586)
Other expenses	22	67,086,938	92,237,300
Total Expenses (B)		<u>245,535,931</u>	<u>412,453,684</u>
V Profit before exceptional and extraordinary items and tax (A-B)		40,807,883	10,044,769
VI Exceptional items	33	110,000,000	-
VII Profit before extraordinary items and tax (V-VI)		<u>150,807,883</u>	<u>10,044,769</u>
VIII Extraordinary Items		-	-
IX Profit before tax (VII-VIII)		<u>150,807,883</u>	<u>10,044,769</u>
X Tax expense:			
- Current tax		37,500,000	2,990,000
- Deferred tax		1,012,767	753,806
- Tax for earlier years		721,842	739
XI Profit after tax (IX-X)		<u>111,573,274</u>	<u>6,300,224</u>

Earning per share of face value of ₹ 10 each (Refer Note 25)

- Basic	8.08	0.46
- Diluted	8.08	0.46

Number of shares used in computing earning per share

Basic	13,813,140	13,813,140
Diluted	13,813,140	13,813,140

Significant accounting policies

Notes to financial statements 1 to 34

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Chaturvedi & Shah  
Chartered accountants  
Firm's Registration No: 101720W

For and on behalf of the Board of Directors

Vitesh D. Gandhi  
Partner  
Membership No: 110248

Mihir Sundhani  
Director  
DIN: 03491156

Sushil Kumar Agrawal  
Director  
DIN: 00400892

Mumbai  
Date: 14th April 2016

Ganesh Pai  
Manager

Vipul Goyal  
Chief financial officer

# RELIANCE MONEY EXPRESS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	April 1, 2015 to March 31, 2016	April 1, 2014 to March 31, 2015
	Amount in ₹	Amount in ₹
<b>A Cash flow from operating activities :</b>		
Profit before exceptional & extraordinary item & tax	40,807,883	10,044,769
<u>Adjustments for :</u>		
Profit on sale of fixed assets	-	(2,690)
Depreciation	2,067,280	(240,586)
Assets Written Off	1,421,074	-
Provision for bad & doubtful debts	2,770,377	-
Provision for advances	162,980	
Interest expenses	4,249,847	7,054,381
Excess Provision & Liability Written Back	(54,004,018)	-
Interest income	(27,371,817)	(23,590,297)
Profit on sale on mutual fund	(536,553)	(2,204,597)
Operating cash flow before working capital changes	<u>(30,432,947)</u>	<u>(8,939,020)</u>
<b>(Increase)/Decrease in assets and liabilities</b>		
Inventories	337,224	595,404
Trade receivables	160,728,822	297,587,448
Loans and advances	8,490,602	(24,370,035)
Trade payable and Current liabilities	(63,360,763)	(217,505,701)
Long term provision	(952,838)	695,726
Short term provision	(3,049,099)	3,017,549
Other assets	(266,794,246)	(28,714,016)
Net bank balances not considered as cash and cash equivalents	(5,303,142)	(184,076)
Cash generated from operations	<u>(200,336,387)</u>	<u>22,183,279</u>
Income taxes paid	3,691,535	(8,702,895)
Net cash generated from operating activities (A)	<u>(196,644,852)</u>	<u>13,480,384</u>
<b>B. Cash flow from investing activities :</b>		
(Purchase)/ Sale of fixed assets (net)	2,309,828	(8,158,815)
Interest income	27,371,817	23,590,297
Profit on sale of mutual fund	536,553	2,204,597
Sale of Divisions (Net)	110,000,000	-
Net cash generated from investing activities (B)	<u>140,218,198</u>	<u>17,636,079</u>
<b>C. Cash flow from financing activities :</b>		
Interest expense	(4,249,847)	(7,054,381)
Net used in financing activities (C)	<u>(4,249,847)</u>	<u>(7,054,381)</u>
Net increase/(decrease) in cash or cash equivalents (A+B+C)	(60,676,501)	24,062,082
Cash and cash equivalents at the beginning of the year	60,964,337	36,902,255
Effect of exchange loss on cash and cash equivalents	-	-
Cash and cash equivalents as at the end of the year	<u>287,836</u>	<u>60,964,337</u>

# RELIANCE MONEY EXPRESS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Note

1 Components of Cash and Cash Equivalent

	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
Balances with current accounts	287,836	49,175,720
Cash on hand	-	11,788,617
	<u>287,836</u>	<u>60,964,337</u>

As per our report of even date

For Chaturvedi & Shah

Chartered accountants

Firm's Registration No: 101720W

For and on behalf of the Board of Directors

Vitesh D. Gandhi  
Partner  
Membership No: 110248

Mihir Sundhani  
Director  
DIN : 03491156

Sushil Kumar Agrawal  
Director  
DIN : 00400892

Mumbai  
Date: 14th April 2016

Ganesh Pai  
Manager

Vipul Goyal  
Chief financial officer

# RELIANCE MONEY EXPRESS LIMITED

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

### NOTE 1

#### Summary of significant accounting policies

##### 1 Background

Reliance Money Express Limited was incorporated on 28 November 2002. The Company is licensed by the Reserve Bank of India to operate as "Full Fledged Money Changer"(FFMC) and also acts as an agent of Western Union, Ireland ('the Principal') for the money transfer service in India.

##### 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 in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

###### 2.3 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.

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

###### b) Intangible Assets - Computer

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 five years.

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

###### 2.4 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 profit and loss account.

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.

# RELIANCE MONEY EXPRESS LIMITED

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

### 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 *Revenue recognition*

Revenue on sale of foreign exchange is recognised at the time of sale. The income arising from selling of foreign currencies represents the margin earned on sale of foreign currencies.

Incentives received from western union are recognised on receipt basis.

Service income received on account of gain on foreign currency from Western Union is accounted when accrued and due.

Commission income of money transfer services is recognised on rendering the service at contractual rates.

Interest income is recognised on time proportion basis.

Dividend income is recognised when the right to receive payment is established.

In respect of other heads of income, the company accounts the same on accrual basis.

### 2.7 *Inventory*

Inventory represents stock of foreign currencies which have been valued at lower of weighted average cost and realisable value as at the year end.

### 2.8 *Taxation*

#### *i. 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.

#### *ii. 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.

### 2.9 *Operating Leases*

Lease rentals under operating leases are recognised in the statement of profit and loss as incurred, on a straight line basis.

### 2.10 *Foreign currency transactions*

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year. Monetary assets and liabilities including monetary items which are covered by forward exchange contracts denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange difference is recognised in the profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****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 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 Profit and Loss Account as income or expenses.

**2.12 Provisions, contingent asset and contingent liabilities**

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.

**2.13 Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which may be issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce the profit per share are included.

**2.14 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.

**2.15 Preliminary Expenses**

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

**2.16 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.

# RELIANCE MONEY EXPRESS 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 ₹
<b>AUTHORISED</b>				
Equity shares of ₹ 10 each	15,000,000	150,000,000	15,000,000	150,000,000
Preference shares of ₹ 10 each.	15,000,000	150,000,000	15,000,000	150,000,000
<b>TOTAL</b>	<b>30,000,000</b>	<b>300,000,000</b>	<b>30,000,000</b>	<b>300,000,000</b>
<b>Issued, subscribed and paid up</b>				
Equity shares of ₹10 each fully paid up	13,813,140	138,131,400	13,813,140	138,131,400
	<b>13,813,140</b>	<b>138,131,400</b>	<b>13,813,140</b>	<b>138,131,400</b>

(1) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015 :

	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Equity Shares</b>				
Number of shares at the beginning	13,813,140	138,131,400	13,813,140	138,131,400
Number of shares at the end	13,813,140	138,131,400	13,813,140	138,131,400

(2) Terms and rights attached to shares

#### Equity shares

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. 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.

(3) The details of shareholder holding more than 5% shares 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
<b>Equity shares</b>				
Reliance Capital Limited and its nominees	13,813,140	100%	13,813,140	100%

# RELIANCE MONEY EXPRESS LIMITED

## NOTES FORMING PART OF THE BALANCE SHEET

	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
<b>NOTE 3</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Capital Redemption Reserve</b>		
As per last balance sheet	150,000,000	150,000,000
Add: Transferred from statement of profit and loss	-	-
<b>Closing balance</b>	<b>150,000,000</b>	<b>150,000,000</b>
<b>Surplus (Balance as per statement of profit and loss)</b>		
As per last balance sheet	124,277,323	115,573,334
Add: Net profit for the year	111,573,274	6,300,224
Less: Transferred to capital redemption reserve	-	-
Add: Effects of change in depreciation policy as per Companies Act, 2013 -Revision	(4,558,762)	2,403,764
<b>Closing balance</b>	<b>231,291,835</b>	<b>124,277,322</b>
<b>TOTAL</b>	<b>381,291,835</b>	<b>274,277,322</b>
<b>NOTE 4</b>		
<b>LONG TERM PROVISIONS</b>		
Provision for leave encashment	-	952,838
<b>TOTAL</b>	<b>-</b>	<b>952,838</b>
<b>NOTE 5</b>		
<b>TRADE PAYABLES</b>		
Trade creditors		
- Payable to subagents	46,423,649	116,608,348
- Commission	-	17,627,678
<b>TOTAL</b>	<b>46,423,649</b>	<b>134,236,026</b>
<b>NOTE 6</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Statutory payments	333,799	3,040,609
Provision for expenses		
- Provision for Tax	28,127,612	-
- Employee payable	-	140,678
- Sales promotion	-	3,300,000
- Others	2,996,043	2,757,579
Payable to supplier	74,019	251,017
Service tax payable	-	10,969,243
Security deposit	-	3,124,750
<b>TOTAL</b>	<b>31,531,473</b>	<b>23,583,876</b>
<b>NOTE 7</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for gratuity	-	2,911,971
Provision for leave encashment	-	137,128
<b>TOTAL</b>	<b>-</b>	<b>3,049,099</b>



**RELIANCE MONEY EXPRESS LIMITED**  
NOTES FORMING PART OF THE BALANCE SHEET

**NOTE 8**  
**FIXED ASSETS (At Cost)**

Amount in ₹

Description	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	Adjustments during the year*	Additions for the year	Deletions for the year	As at March 31, 2016	As at March 31, 2015
<b>Tangible Assets</b>										
Leasehold Improvements	2,552,885	-	2,552,885	-	1,967,412	-	262,217	2,229,628	-	585,473
Office equipments	6,641,150	22,530	6,663,680	-	1,678,756	4,040,128	171,938	5,890,822	-	4,962,394
Furniture and fixtures	1,888,746	24,300	1,913,046	-	1,468,189	(25,454)	54,528	1,497,262	-	420,557
Computers	13,438,280	131,304	13,569,584	-	11,006,871	544,089	235,715	11,786,674	-	2,431,409
<b>Total Tangible Assets - (A)</b>	<b>24,521,061</b>	<b>178,134</b>	<b>24,699,195</b>	<b>-</b>	<b>16,121,228</b>	<b>4,558,763</b>	<b>724,398</b>	<b>21,404,386</b>	<b>-</b>	<b>8,399,833</b>
<b>Intangible Assets</b>										
Computer software	11,120,021	-	4,059,861	7,060,160	3,920,963	-	1,342,882	3,445,632	1,818,213	7,199,058
<b>Total Intangible Assets - (B)</b>	<b>11,120,021</b>	<b>-</b>	<b>4,059,861</b>	<b>7,060,160</b>	<b>3,920,963</b>	<b>-</b>	<b>1,342,882</b>	<b>3,445,632</b>	<b>1,818,213</b>	<b>7,199,058</b>
<b>Total - (A) + (B)</b>	<b>35,641,082</b>	<b>178,134</b>	<b>28,759,056</b>	<b>7,060,160</b>	<b>20,042,191</b>	<b>4,558,763</b>	<b>2,067,280</b>	<b>24,850,018</b>	<b>1,818,213</b>	<b>15,598,891</b>
Previous Year	27,495,867	8,168,815	23,600	35,641,081	22,702,830	(2,403,764)	(240,586)	16,290	20,042,190	15,598,891

Notes: 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 ₹ 2,403,764 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) as per Schedule II to the Companies Act, 2013. 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 ₹ 3,225,878.

\* This amount includes rectification done for the financial year 2015-16 in calculation of depreciation as per Schedule II of the companies act 2013, being prior period adjustment the same has been adjusted against opening reserves.

\*\*Refer to note no. 33

# RELIANCE MONEY EXPRESS LIMITED

## NOTES FORMING PART OF THE BALANCE SHEET

	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
<b>NOTE 9</b>		
<b>DEFERRED TAX ASSET / (LIABILITY)</b>		
Deferred tax asset		
Unavailed leave	-	353,639
Provision for gratuity	-	944,789
Doubtful debts	-	1,324,446
<b>TOTAL</b>	<b>-</b>	<b>2,622,874</b>
Deferred tax liability		
Depreciation	-	1,610,107
	<b>-</b>	<b>1,610,107</b>
<b>Deferred tax assets* (net)</b>	<b>-</b>	<b>1,012,767</b>

\*The company has deferred tax assets in the form of brought forward losses and disallowance under income tax which have been adjusted against the deferred tax liabilities. On conservative basis, excess deferred tax asset has not been recognised in the books of accounts.

### NOTE 10

#### LONG TERM LOANS AND ADVANCES

*Unsecured, considered good*

Security deposits	162,980	2,742,613
Less:- Provision for Advances	(162,980)	-
<b>Others</b>		
<i>Unsecured, considered good</i>		
Advance Tax (Net of provision)	-	4,413,377
Capital advances	830,125	11,311,883
Advances		
- Considered good ( Refer Note No.27)	35,456,236	35,456,236
<b>TOTAL</b>	<b>36,286,361</b>	<b>53,924,109</b>

### NOTE 11

#### OTHER NON-CURRENT ASSETS

Other bank balance

- in deposit accounts	2,003,156	4,004,803
(with maturity greater than 12 months)		
<b>TOTAL</b>	<b>2,003,156</b>	<b>4,004,803</b>

### NOTE 12

#### INVENTORIES

Stock of currency (Refer note 30)	1,664,322	2,001,546
<b>TOTAL</b>	<b>1,664,322</b>	<b>2,001,546</b>

# RELIANCE MONEY EXPRESS LIMITED

## NOTES FORMING PART OF THE BALANCE SHEET

	March 31, 2016 Amount in ₹	March 31, 2015 Amount in ₹
<b>NOTE 13</b>		
<b>TRADE RECEIVABLES</b>		
Unsecured and considered good		
Outstanding for		
- Less than six months	-	160,728,822
<b>TOTAL</b>	<b>-</b>	<b>160,728,822</b>
<b>NOTE 14</b>		
<b>CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Balances with current accounts	287,836	49,175,720
Cash on hand	-	11,788,616
Other bank balances		
- in deposit accounts	-	3,945,211
- Under lien (Directorate of Enforcement) (with maturity less than 12 months)	11,250,000	-
<b>TOTAL</b>	<b>11,537,836</b>	<b>64,909,547</b>
<b>NOTE 15</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Prepaid expenses	-	2,205,550
Employee advances	-	214,547
Advance given to vendors	-	89,100
Service tax input	5,009,610	-
Intercorporate deposit - to related parties	239,300,000	240,000,000
<b>TOTAL</b>	<b>244,309,610</b>	<b>242,509,197</b>
<b>NOTE 16</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest accrued but not due	132,251	141,172
Interest accrued and due	24,464,990	23,128,630
Other receivable	278,590,388	10,353,204
Less: Provision for doubtful debts	(6,852,504)	(4,082,127)
<b>TOTAL</b>	<b>296,335,125</b>	<b>29,540,879</b>

# RELIANCE MONEY EXPRESS 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 ₹
<b>NOTE 17</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Operating revenue</b>		
Margin on sale of foreign currency (Gross)	297,792	474,172
Less: Service tax	(36,314)	(32,429)
Margin on sale of foreign currency	<u>261,478</u>	<u>441,743</u>
Commission and incentives	200,261,120	367,358,072
<b>Other operating revenue</b>		
Establishment fees (Gross)	1,192,982	4,928,723
Less: Service tax	(130,482)	(488,446)
Margin on sale of foreign currency	<u>1,062,500</u>	<u>4,440,276</u>
<b>TOTAL</b>	<u><u>201,585,098</u></u>	<u><u>372,240,091</u></u>
<b>NOTE 18</b>		
<b>OTHER INCOME</b>		
Interest	27,371,817	23,538,288
Interest on income tax refund	-	52,009
Income on sale of mutual funds	536,553	2,204,597
Profit on sale of fixed assets	-	2,690
Exchange gain (net)	2,846,329	22,769,248
Excess Provision & Liability Written Back	54,004,018	-
Miscellaneous income	-	1,691,531
<b>TOTAL</b>	<u><u>84,758,717</u></u>	<u><u>50,258,362</u></u>
<b>NOTE 19</b>		
<b>OPERATING EXPENSES</b>		
Commission	103,495,376	197,049,212
Subagent establishment cost	2,438,287	713,720
<b>TOTAL</b>	<u><u>105,933,663</u></u>	<u><u>197,762,932</u></u>
<b>NOTE 20</b>		
<b>EMPLOYEE BENEFITS</b>		
Salary, bonus and allowances	55,981,243	94,043,585
Contribution to provident and other funds	3,039,682	7,789,720
Staff welfare expenses	2,330,414	4,540,495
Manpower deputation expenses	4,846,864	9,265,857
<b>TOTAL</b>	<u><u>66,198,203</u></u>	<u><u>115,639,657</u></u>

# RELIANCE MONEY EXPRESS 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 ₹
<b>NOTE 21</b>		
<b>FINANCE COST</b>		
Interest Expense	4,249,847	7,054,381
<b>TOTAL</b>	<b>4,249,847</b>	<b>7,054,381</b>
<b>NOTE 22</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
Rent	8,785,313	18,740,222
Insurance	1,435,408	2,805,494
Rates and taxes	1,926,564	116,730
Advertising and business promotion	13,091,102	17,355,211
Communication expenses	2,282,640	4,434,980
Provision for doubtful advances	162,980	-
Bank charges	415,314	802,228
Electricity	1,838,433	2,007,298
Printing and stationery	960,096	2,166,206
Legal & Professional charges	9,704,818	9,159,014
Auditors remuneration		
- Statutory audit	600,000	600,000
- Tax audit	-	100,000
- Other services	75,000	250,000
Repairs and maintenance - others	2,063,898	3,083,314
Travelling, conveyance and motor car expenses	5,284,677	22,726,290
Corporate social responsibility	1,375,000	1,887,406
Membership Fees and Subscription	-	78,933
Provision for bad & doubtful debts	2,770,377	-
Impairment of Assets	1,421,074	-
Office administration expenses	12,894,245	5,923,974
<b>TOTAL</b>	<b>67,086,939</b>	<b>92,237,300</b>

RELIANCE MONEY EXPRESS LIMITED

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

(Currency: Indian Rupees)

	As at 31 March 2016	As at 31 March 2015
<b>23 Contingent Liabilities</b>		
Outstanding Forward exchange contract	-	1,032,823,750
Capital commitments	725,000	-
Claims not acknowledged as debts	13,081,186	552,870

**24 Segment Information for the year ended March 31, 2016**

The Company is into money transfer business and related activity. As the Company is engaged only in one business segment and there are no geographical segments, the Balance Sheet as at March 31, 2016 and the statement of profit and loss for the period ended March 31, 2016 pertains to one business segment and related activities as per Accounting Standard (AS) 17 on "Segment Reporting".

	As at 31 March 2016	As at 31 March 2015
<b>25 Earnings per share</b>		
<b>Earnings</b>		
Net profit after tax as per profit and loss account	111,573,274	6,300,224
Net profit attributable to equity shareholders	111,573,274	6,300,224
<b>Shares</b>		
Weighted average number of equity shares outstanding during the period.	13,813,140	13,813,140
Weighted average number of equity shares outstanding during the year post conversion	13,813,140	13,813,140
Basic earnings per share of ₹ 10	8.08	0.46
Diluted earnings per share of ₹ 10	8.08	0.46

**26 Earnings in foreign currency**

	April 1, 2015 to March 31, 2016	April 1, 2014 to March 31, 2015
Commission income	200,261,120	367,358,072

**27** In the year 2008-2009, the Company had claimed service tax refund of ₹ 69,317,326 pertaining to period March 2005 to January 2009, pursuant to circular no.111/05-2009 dated 24/02/2009 issued by Central Board of Excise and Customs (CBEC) in respect of money transfer services. During the year 2009-2010, the Company had received ₹ 33,861,090 towards service tax refund claim for the period December 2007 to January 2009. During the year 2010-2011, the Company received a show cause notice dated 27 January, 2011 reclaiming the refund granted. From the above balance amount Service tax department had rejected the refund claim ₹ 20,082,181/- . The company had filed an appeal against the order of the services tax department with Customs, Excise & Service Tax Appellate Tribunal (CESTAT). The CESTAT has decided the matter in the favor of the company and cancel the order issued by assessing officer. The Service Tax Department had filed a cross appeal on the matter before the High court of Jurisdiction at Mumbai on 3rd Feb 2016.

Further, the Company has received a show cause cum demand notice dated 22 March, 2011 demanding service tax aggregating ₹33,446,863 (excluding interest and penalty) for the period October 2009 to September 2010.

The Management is of the opinion that the money transfer services are construed as 'export' of services and hence not liable to service tax. Accordingly, no provision for the same has been made in the financial statements.

**28** The Company follows a Defined Contribution plan for post employment benefits namely; Provident Fund and has no further obligation. Gratuity is determined on the basis of an actuarial valuation at the period end. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions. The employees of the Company are entitled to leave encashment as per the leave policy of the Company. The liability in respect of leave encashment is computed on the basis of unavailed accumulated leave balances of employees on the basis of their current salaries.

**A. Defined Contribution Plans:**

	March 31, 2016	March 31, 2015
Employer's Contribution to Provident Fund (includes administration charges)	2,455,207	3,806,708

RELIANCE MONEY EXPRESS LIMITED

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

(Currency: Indian Rupees)

B. Defined Benefit Plans:

	Gratuity Benefit Funded		Leave Encashment Benefit -Unfunded	
	2015-2016	2014-2015	2015-2016	2014-2015
<b>I. Reconciliation of opening and closing balances of Defined Benefit Obligation :</b>				
Liability at the beginning of the period	6,424,352	3,454,916	1,089,966	288,662
Interest cost	-	324,071	-	27,076
Current service cost	-	587,790	-	112,731
Benefit paid	6,424,352	(436,985)	1,089,966	(98,982)
Actuarial (gain)/loss on obligations	-	2,494,560	-	760,479
Liability at the end of the period	-	6,424,352	-	1,089,966
<b>II. Reconciliation of opening and closing balances of fair value of Plan Assets:</b>				
Fair value of plan assets at the beginning of the period	3,512,381	3,465,274	-	-
Expected return on plan assets	-	325,043	-	-
Contributions	-	-	-	-
Benefit paid	3,512,381	(436,985)	-	-
Actuarial gain/(loss) on plan assets	-	159,049	-	-
Fair value of plan assets at the end of the period	-	3,512,381	-	-
Total actuarial gain/(loss) to be recognized	-	2,335,511	-	-
<b>III. Reconciliation of fair value of assets and obligations :</b>				
Liability at the end of the period	-	(6,424,352)	-	-
Fair value of plan assets at the end of the period	-	3,512,381	-	-
(Asset) / Liability Recognised in the Balance Sheet	-	(2,911,971)	-	-
<b>IV. Expenses recognised during the period :</b>				
Current service cost	-	587,790	-	112,731
Interest cost	-	324,071	-	27,076
Expected return on plan assets	-	(325,043)	-	-
Net actuarial (gain)/loss to be recognised	-	2,335,511	-	760,479
Expense recognised in profit and loss account	-	2,922,329	-	900,286
<b>V. Investment details :</b>				
Total value of investments for employees gratuity fund scheme is managed by insurance company				
<b>VI. Assumptions :</b>				
Discount Rate (per annum)	-	7.90%	-	7.90%
Rate of Return on Plan Assets	-	7.90%	-	0.00%
Salary Escalation	-	6.00%	-	6.00%
Salary Escalation Previous year	-	5.50%	-	5.50%

RELIANCE MONEY EXPRESS LIMITED

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

(Currency: Indian Rupees)

VII. - Particulars of amounts for the year and previous years	Gratuity for the year ended March 31,			
	2016	2015	2014	2013
Defined Benefit Obligation At The End of the ye	-	6,424,352	3,052,256	2,419
Fair Value Plan Asset At The End of the year	-	2,335,511	2,006,091	(763)
Excess of Obligation Over Plan Asset	-	4,088,841	1,046,165	3,182
Experience Adjustment on Plan Liability (Gain),	-	2,494,560	507,967	634
Actuarial Gain / (Loss) due to Plan Asset	-	159,049	53,889	(129)
Expense Recognised in Profit and Loss Account	-	15,502,313	6,666,368	5,343

29 Related party transactions

(A) Parties by whom control exists during the period

Reliance Innoventures Private Limited Ultimate Holding Company (Up to March 25, 2015)

Reliance Capital Limited Holding Company

(B) Fellow subsidiaries with whom transactions have taken place

Reliance Securities Limited Fellow subsidiary  
 Reliance General Insurance Company Limited Fellow subsidiary  
 Reliance Capital Asset Management Limited\* Fellow subsidiary  
 Reliance Wealth Management Limited Fellow subsidiary  
 Reliance Financial Advisory Services Limited\* Fellow subsidiary  
 Reliance Financial Limited\* Fellow subsidiary  
 Transasia Composite Insurance Broking Limited\* Fellow subsidiary (Up to September 29, 2014)  
 Reliance Commodities Limited\* Fellow subsidiary  
 Reliance Big Entertainment Private Limited Fellow subsidiary (Up to March 27, 2015)  
 Reliance Money Solutions Private Limited Fellow subsidiary  
 Reliance Money Precious Metals Private Limited Fellow subsidiary

(C) Key management personnel

Directors of the Company\*  
 Mr. Amit Bapna (Up to March 25, 2015)  
 Mr. Lav Chaturvedi (Up to March 25, 2015)  
 Mr. Ashish Turakhia (Up to March 18, 2015)  
 Mr. Mihir Sundhani (W.e.f. March 18, 2015)  
 Mr. Sushil Kumar Agrawal (W.e.f. March 25, 2015)  
 Mr. Satyendra Sarupria (W.e.f. March 25, 2015)

Company Secretary\* Mr. Ashish Turakhia (Up to September 30, 2014)

Chief Financial Officer\*  
 Mr. Rakesh Khanwaria (Up to September 30, 2015)  
 Mr. Vipul Goyal (w.e.f. Oct 1, 2015)

Manager\*  
 Mr. Ganesh Pai (w.e.f. August 1, 2014)  
 Mr. Manish Dhanuka (Up to September 30, 2014)

\* No transactions during the period



RELIANCE MONEY EXPRESS LIMITED

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

(Currency: Indian Rupees)

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

Particulars	April 1, 2015 - Mar 31, 2016	April 1, 2014 - Mar 31, 2015
	Holding company	Holding company
<b>Reliance Capital Limited</b>		
Sale of foreign exchange	519,930	1,693,874
Purchase of foreign exchange	108,842	220,349
Receivable	-	47,123
	<b>Fellow Subsidiaries</b>	<b>Fellow Subsidiaries</b>
<b>Reliance Big Entertainment Pvt Limited</b>		
Sale of foreign exchange	-	670,021
Purchase of foreign exchange	-	65,224
Receivable / (Payable)	-	(451)
<b>Reliance General Insurance Company Limited</b>		
Sale of foreign exchange	952,107	2,933,046
Purchase of foreign exchange	-	216,762
Receivable / (Payable)	-	-
<b>Transasia Composite Insurance Broking Limited</b>		
Sale of foreign exchange	-	183,325
Receivable / (Payable)	-	-
<b>Reliance Capital Asset Management Company Limited</b>		
Purchase of foreign exchange	-	7,743
Receivable / (Payable)	-	-
<b>Reliance Money Solutions Private Limited</b>		
Intercompany deposit lent	847,815,766	980,000,000
Intercompany deposit repaid	848,515,766	740,000,000
Closing Balance	239,300,000	240,000,000
Interest Income	27,183,322	10,904,917
Net Receivable/(Payable)	(24,464,990)	-
<b>Reliance Money Precious Metals Private Limited</b>		
Commission Expenses	441,604	-
Receivable / (Payable)	-	-
<b>Reliance Wealth Management Limited</b>		
Sale of foreign exchange	116,244	247,676
Receivable / (Payable)	-	-
<b>Reliance Financial Limited</b>		
Intercompany deposit lent	-	-
Intercompany deposit repaid	-	210,000,000
Interest received	-	11,012,055
Receivable	-	-

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

(Currency: Indian Rupees)

30 During the financial year 2009-10, the Directorate of Enforcement (DoE) seized foreign currency amounting to ₹ 3,33,67,960. Based on investigations conducted by the DoE and documents furnished by the Company, the DoE department released foreign currency worth ₹ 3,17,03,638 to the Company in the financial year 2009-10. The Company is confident of getting back the balance currency worth ₹ 16,64,322.

## 31 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.

	March 31, 2016	March 31, 2015
Rental payments of office premises	8,785,313	18,740,222

32 The Company is in the process of appointing a whole time Company Secretary as required under Section 203 of the Companies Act, 2013.

## 33 Scheme of Arrangement :

Pursuant to the Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated 28th August, 2015 and filed with the Registrar of Companies (ROC), Maharashtra on 30th September, 2015 the MTSS and FFMC division of the Company has been demerged and transferred to You First Money Express Private Limited (YMEPL) with effect from the Appointed Date (Effective Date) i.e. 01st October, 2015.

Consequently the following assets and liabilities have been transferred to YMEPL :

Particulars	Amount (₹)	Amount (₹)	Amount (₹)
Purchase consideration			450,000,000
<u>Assets Taken by You First :</u>			
Fixed assets	2,487,981		
Long term loans and advances	16,410,390		
Current assets	14,433,521		
Cash & Bank	310,156,328		
<b>Total</b>		343,488,220	
Liabilities taken by You First		(3,488,220)	
Net assets taken by You First			340,000,000
Excess Money over the Net Assets			110,000,000

Consideration for arrangement :

In consideration of transfer of FFMC and MTSS division of RMEL to YMEPL upon the terms of scheme, YMEPL shall be required to pay lumpsum consideration Without value being assigned to individual assets and liabilities, a total consideration amount of ₹ 45 Crores.

The aforesaid Consideration would be discharged by YMEPL in 5 equal installment of ₹ 9.00 crore each.

In view of demerger of the company pursuant to Scheme of Arrangement, the figures for the current year are not comparable to those of the previous year.

## 34 Previous year figures

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

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Chaturvedi & Shah  
Chartered accountants  
Firm's Registration No: 101720W

For and on behalf of the Board of Directors

Vitesh D. Gandhi  
Partner  
Membership No: 110248

Mihir Sundhani  
Director  
DIN : 03491156

Sushil Kumar Agrawal  
Director  
DIN : 00400892

Mumbai  
Date: 14th April 2016

Ganesh Pai  
Manager

Vipul Goyal  
Chief financial officer