RELIANCE GAS PIPELINES LIMITED

FINANCIAL STATEMENTS

2018-19

INDEPENDENT AUDITOR'S REPORT

To the Members of RELIANCE GAS PIPELINES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Gas Pipelines Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Companies Act, 2013 (" the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 , its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern,

INDEPENDENT AUDITOR'S REPORT

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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;

INDEPENDENT AUDITOR’S REPORT

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, Statement of Profit and Loss including Other Comprehensive Income , the Cash Flow Statement and Statement of Changes in Equity 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;

e) On the basis of written representations received from the directors as on March 31 , 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31 , 2019, 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting with reference to these financial statements;

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, as amended , in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact on its financial position.

   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 **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Place : Mumbai
Date : April 11, 2019

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE GAS PIPELINES LIMITED

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

i) 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) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds, comprising all the immovable properties of lands which are freehold are held in the name of the company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements for the said lands are held in the name of the company and buildings are in the name of the Company.

ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

iii) 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.

iv) Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons and has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given, as applicable.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) In respect of Statutory dues :

a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been 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, 2019 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax , duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.

viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not borrowed any funds from financial institutions or government or by issue of debentures.

ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they are raised.

x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi) Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.

xii) 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.

xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

xiv) 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.

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No**.** 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: April 11, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE GAS PIPELINES LIMITED

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Reliance Gas Pipelines Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for 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 ("ICAI"). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 judgement, 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 with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 With Reference To These Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, 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 issued by ICAI.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Jignesh Mehta
Partner
Membership No. 102749

Place: Mumbai
Date: April 11, 2019

Balance Sheet as at 31st March, 2019

(₹ in Lakhs)

	Notes	As at 31st March, 2019		As at 31st March, 2018	
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	1	333,865.28		100,944.14	
Capital Work-in-Progress	1	3,534.67		218,942.60	
Deferred Tax Assets (net)	2	564.36		515.00	
Other Non- Current Assets	3	2,978.36		7,220.74	
Total Non-Current Assets			340,942.67		327,622.48
CURRENT ASSETS					
Inventories	4	3,862.52		135.15	
Financial Assets					
Investments	5	12,696.12		20,792.94	
Trade Receivables	6	13,793.77		588.21	
Cash and Cash Equivalents	7	213.89		183.19	
Other Financial Assets	8	649.25		3,938.06	
Other Current Assets	9	9,778.20		6,827.72	
Total current Assets			40,993.75		32,465.27
Total Assets			381,936.42		360,087.75
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	10	37,300.00		37,300.00	
Other Equity	11	37,900.57		36,915.38	
Total Equity			75,200.57		74,215.38
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	12	134,930.29		115,415.14	
Other Non-Current Liabilities	13	117,916.67		128,500.00	
Total Non-Current Liabilities			252,846.96		243,915.14
CURRENT LIABILITIES					
Financial Liabilities					
Trade Payables due to:	14				
Micro and Small Enterprise		16.02		-	
Other than Micro and Small Enterprise		24,241.17		11,041.03	
Other Financial Liabilities	15	18,558.64		24,652.18	
Other Current Liabilities	16	10,904.43		6,081.25	
Provisions	17	168.63		182.77	
Total Current Liabilities			53,888.89		41,957.23
Total Liabilities			306,735.85		285,872.37
Total Equity and Liabilities			381,936.42		360,087.75
Significant Accounting Policies					
See accompanying Notes to the Financial Statements	1 to 31				

As per our Report of even date

For and on behalf of the board

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Rgn No. - 101720W / W100355

Jignesh Mehta
Partner
Mem No. - 102749

Mumbai
Date: 11th April, 2019

S. Sudhakar
Chairman

Amit Mehta
Director

Shivkumar R. Bhardwaj
Director

Chandrakant S. Gokhale
Director

Geeta Fulwadaya
Director

Venkata Ravikumar Prekki
Director

S. Sundaravadivelan
Chief Financial Officer

Raghavanchari Suresh
Chief Executive Officer

Kavina Vora
Company Secretary

Statement of Profit and Loss for the year 31st March 2019

(₹ in Lakhs)

	Notes	2018-19	2017-18
INCOME			
Value of Sales		**149,911.96**	70,377.30
Income from Services		**29,797.12**	5,211.43
Value of Sales & Services (Revenue)		**179,709.08**	75,588.73
Less: GST Recovered		**31,938.09**	11,530.48
REVENUE FROM OPERATIONS	**18**	**147,770.99**	64,058.25
Other Income	**19**	**4,496.28**	6,714.46
Total Income		**152,267.27**	70,772.71
EXPENSES			
Purchase of Traded Goods		**118,485.52**	54,362.49
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	**20**	**(92.46)**	(135.15)
Employee Benefits Expense	**21**	**2,051.01**	318.48
Finance Costs	**22**	**8,152.61**	2,399.86
Depreciation / Amortisation Expense	**1**	**8,838.10**	2,499.10
Other Expenses	**23**	**13,704.09**	11,080.28
Total Expenses		**151,138.87**	70,525.06
Profit Before Tax		**1,128.40**	247.65
TAX EXPENSES			
Current Tax		**243.16**	454.75
Deferred Tax	**2**	**(49.36)**	(515.00)
Profit for the Year		**934.60**	307.90
OTHER COMPREHENSIVE INCOME			
a) Items that will be reclassified to Profit or Loss		**-**	-
b) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plan		**64.49**	3.18
Income tax on above		**(13.90)**	-
Total other Comprehensive Income for the year (Net of Tax)		**50.59**	3.18
Total Comprehensive Income for the year		**985.19**	311.08
EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH			
Basic (in ₹)	**24**	**0.25**	0.08
Diluted (in ₹)	**24**	**0.13**	0.04
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	**1 to 31**		

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Rgn No. - 101720W / W100355

Jignesh Mehta
Partner
Mem No. - 102749

Mumbai
Date: 11th April, 2019

For and on behalf of the board

S. Sudhakar
Chairman

Amit Mehta
Director

Shivkumar R. Bhardwaj
Director

Chandrakant S. Gokhale
Director

Geeta Fulwadaya
Director

Venkata Ravikumar Prekki
Director

S. Sundaravadivelan
Chief Financial Officer

Raghavanchari Suresh
Chief Executive Officer

Kavina Vora
Company Secretary

Statements of Change in Equity For the year ended 31st March, 2019

(₹ in Lakhs)

A. EQUITY SHARE CAPITAL	Balance as at 1st April, 2017	Changes during the year 2017-18	Balance as at 31st March, 2018	Changes during the year 2018-19	Balance as at 31st March, 2019
	37,300.00	-	37,300.00	-	**37,300.00**

(₹ in Lakhs)

B. OTHER EQUITY	Retained Earnings	Instrument Classified as Equity	Other Comprehensive Income	Total
AS ON 31st MARCH, 2018				
Balance at the beginning of Reporting Period, i.e, 31st March, 2017	(160.70)	36,765.00	-	36,604.30
Total Comprehensive Income for the year	307.90	-	3.18	311.08
Balance at the end of Reporting Period i.e, 31st March, 2018	**147.20**	**36,765.00**	**3.18**	**36,915.38**
AS ON 31st March, 2019				
Balance at the beginning of Reporting Period, i.e, 1st April, 2018	147.20	36,765.00	3.18	36,915.38
Total Comprehensive Income for the year	934.60	-	50.59	985.19
Balance at the end of Reporting Period i.e, 31st March, 2019	**1,081.80**	**36,765.00**	**53.77**	**37,900.57**

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Rgn No. - 101720W / W100355

Jignesh Mehta
Partner
Mem No. - 102749

Mumbai
Date: 11th April, 2019

For and on behalf of the board

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Chief Financial Officer

Raghavanchari Suresh
Chief Executive Officer

Kavina Vora
Company Secretary

Cash Flow Statement for the year ended 31st March, 2019

		2018-19	2017-18
			(₹ in Lakhs)
A:	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax as per Statement of Profit and Loss	**1,128.40**	247.65
	Adjusted for:		
	Depreciation / Amortisation Expense	**8,838.10**	2,499.10
	Net Gain on Financial Assest	**(35.34)**	-
	Dividend Income	**(433.74)**	(714.46)
	Interest Income	**-**	-
	Finance Costs	**8,152.61**	2,399.86
		17,650.03	4,432.15
	Operating Profit before Working Capital Changes		
	Adjusted for:		
	Trade and Other Receivables	**(12,868.57)**	6,563.40
	Inventories	**(3,727.38)**	(135.15)
	Trade and Other Payables	**7,492.45**	144,852.71
	Cash Generated from Operations	**8,546.53**	155,713.11
	Taxes Paid (Net)	**(356.88)**	(654.58)
	Net Cash Flow from / (used in) Operating Activities*	**8,189.65**	155,058.53
B:	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and Equipment	**(30,666.28)**	(109,407.19)
	Purchase of Other Investments	**(310,783.57)**	(518,326.77)
	Proceeds from Sale of Financial Assets	**318,915.74**	498,261.53
	Dividend Income from Others	**433.74**	714.46
	Net (Investment in) / withdrawal of Fixed Deposits	**180.49**	189.40
	Net Cash Flow from/(used in) Investing Activities	**(21,919.88)**	(128,568.57)
C:	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Borrowing - Non-Current	**40,000.00**	-
	Repayment of Borrowing - Non-Current	**(17,984.86)**	(14,100.00)
	Interest Paid	**(8,073.71)**	(12,609.20)
	Net Cash Flow from/(used) in Financing Activities	**13,941.43**	(26,709.20)
	Net Increase/(Decrease) in Cash and Cash Equivalents	**211.20**	(219.24)
	Opening Balance of Cash and Cash Equivalents	**(0.00)**	219.24
	Closing Balance of Cash and Cash Equivalents (Refer Note "7")	**211.20**	(0.00)

* Amount spent in cash towards Corporate Social Responsibility is ₹ 1.60 lakhs (Previous year Nil)

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Rgn No. - 101720W / W100355

Jignesh Mehta
Partner
Mem No. - 102749

Mumbai
Date: 11th April, 2019

For and on behalf of the board

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Chairman

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Director

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Director

Venkata Ravikumar Prekki
Director

S. Sundaravadivelan
Chief Financial Officer

Raghavanchari Suresh
Chief Executive Officer

Kavina Vora
Company Secretary

Notes to the Financial Statements for the year ended 31st March, 2019

A. CORPORATE INFORMATION

Reliance Gas Pipelines Limited ("the Company") is a limited company incorporated in India.

The addresses of its registered office and principal place of business is 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400 021. The Company is mainly engaged in the business of providing Pipeline Infrastructure services.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

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

(i) Certain Financial Assets and Liabilities

(ii) Defined Benefit Plans - Plan Assets

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

With effect from 1st April 2018, Ind AS 115– "Revenue from Contracts with Customers" (Ind AS 115) supersedes Ind AS18– "Revenue" and related Appendices. The Company has adopted Ind AS115 using the modified retrospective approach. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the company.

The Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest Lakh (₹ 00,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle ;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Notes to the Financial Statements for the year ended 31st March, 2019

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on Property, plant and equipment is provided using Straight Line Method of depreciation. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Profit and Loss Statement for the period for which they are incurred.

(e) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of finished goods, work-in-progress, raw materials, stores and spares, trading and other products are determined on weighted average basis.

(f) Impairment of Non-Financial Assets- Property, Plant and Equipment and Intangible Assets

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

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

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

(g) Provisions

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

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

Notes to the Financial Statements for the year ended 31st March, 2019

(h) Employee Benefits Expense

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

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

(i) Tax Expenses

The tax expense for the period comprises of Current Tax and Deferred Income tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in Other Comprehensive Income or in Equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

(i) Current tax

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

(ii) Deferred tax

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

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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

(j) Foreign Currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

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

Notes to the Financial Statements for the year ended 31st March, 2019

(k) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangement, because it typically controls the goods or services before transferring them to the customer.

Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when the it becomes unconditional. Generally, the credit period is between 0-4 days from the date of receipt of invoice raised by the company.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

The Company has commenced its commercial operations for Dahej Nagothane Ethane Pipeline (DNEPL) w.e.f 1.11.2018. The income and expenses related to the Dahej Nagothane Ethane Pipeline are recognised in the Statement of Profit and Loss from the aforesaid date.

Interest Income

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

Dividend Income

Dividend income is recognised when the Company’s right to receive the amount has been established.

(l) Financial Instruments

(i) Financial Assets

A. Initial recognition and measurement

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

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

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

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

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing financial assets.

Notes to the Financial Statements for the year ended 31st March, 2019

(ii) Financial Liabilities

A. Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in Statement of Profit and Loss as finance cost.

B. Subsequent Measurement:

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

(iii) Derecognition of Financial Instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(m) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

a) Depreciation / Amortisation and useful life of Property Plant and Equipment / Intangible Assets

Property, plant and equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of Trade Receivable

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

c) Provisions

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

d) Impairment of non-financial assets

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

Notes to the Financial Statements for the year ended 31st March, 2019

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

e) Impairment of Financial Assets

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

f) Recognition of Deferred Tax Assets and liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments

g) Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 27.2 of financial statements.

D. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendment shall be applicable to the Company from April 01, 2019.

A) ISSUE OF IND AS 116 - LEASES

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

B) AMENDMENT TO EXISTING STANDARD

The MCA has also carried out amendments of the following accounting standards

i. Ind AS 101– First time adoption of Indian Accounting Standards

ii. Ind AS 103 – Business Combinations

iii. Ind AS 109 – Financial Instruments

iv. Ind AS 111 – Joint Arrangements

v. Ind AS 12 – Income Taxes

vi. Ind AS 19 – Employee Benefits

vii. Ind AS 23 – Borrowing Costs

viii. Ind AS 28 – Investment in Associates and Joint Ventures

Application of Above Standards are not expected to have any significant impact on the Company's Financial Statements.

Notes to the Financial Statements for the year ended 31st March, 2019

1. Property, Plant & Equipments and Capital Work-in-Progress

(₹ in Lakhs)

Description	Gross Block				Depreciation/Amortisation				Net block	
	As at 01-04-2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31-03- 2019	As at 01-04- 2018	For the year	Deductions / Adjustments	As at 31-03- 2019	As at 31-03- 2019	As at 31-03- 2018
(i) PROPERTY, PLANT & EQUIPMENT										
Own Assets:										
Leasehold Land	83.84	-	-	**83.84**	12.26	2.80	-	15.06	**68.78**	71.58
Freehold Land	1,142.84	413.77	-	**1,556.61**	-	-	-	-	**1,556.61**	1,142.84
Buildings	9,549.51	12,980.49	-	**22,530.00**	210.63	802.37	-	1,013.00	**21,517.00**	9,338.88
Plant & Machinery	81,967.37	219,825.81	-	**301,793.18**	1,571.28	6,012.17	-	7,583.45	**294,209.73**	80,396.09
Electrical Installations	2,593.54	4,335.08	-	**6,928.62**	134.08	416.24	-	550.32	**6,378.30**	2,459.46
Equipments $	8,068.18	4,133.25	-	**12,201.43**	654.54	1,585.94	-	2,240.48	**9,960.95**	7,413.64
Furniture & Fixtures	144.05	70.84	-	**214.89**	25.54	17.24	-	42.78	**172.11**	118.51
Vehicles	6.71	-	-	**6.71**	3.57	1.34	-	4.91	**1.80**	3.14
Total	**103,556.04**	**241,759.24**	**-**	**345,315.28**	**2,611.90**	**8,838.10**	**-**	**11,450.00**	**333,865.28**	**100,944.14**
Previous year	1,398.20	102,157.84		103,556.04	104.46	2,507.44	-	2,611.90	100,944.14	1,293.74
CAPITAL WORK-IN-PROGRESS									3,534.67	218,942.60

$ Includes Office Equipments

Note : Depreciation Capitalised in 2018-19 is NIL (Previous year ₹ 8.33 Lakhs).

1.1 Capital Work in Progress includes:

Cost of Construction Materials at Site ₹ 912.68 Lakhs (Previous Year ₹ 14,256.51 Lakhs)

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

2. **Deferred Tax Assets (Net)**	**As at 31st March, 2019**	As at 31st March, 2018
At the start of the year	**515.00**	-
Charge/(Credit) to Statement of Profit and Loss	**49.36**	515.00
Others (including exchange difference)		
At the end of the year	**564.36**	515.00

Component of Deferred Tax Assets : (₹ in Lakhs)

	As at 31st Mar, 2018	**Charge/(Credit) to Statement of Profit and Loss**	**Others (Including Exchange Difference)**	**As at 31st Mar, 2019**
Deferred Tax Assets in relation to:				
Property, Plant and Equipment	(34,747.15)	(3,582.10)	-	**(38,329.25)**
Provisions	63.87	(4.94)	-	**58.93**
Income Tax deduction u/s 35AD	35,198.28	728.35	-	**35,926.63**
Others	-	2,908.05	-	**2,908.05**
Total	515.00	49.36	-	**564.36**

(₹ in Lakhs)

3. **Other Non Current Assets**	**As at**	As at
(Unsecured and Considered Good)	**31st March, 2019**	31st March, 2018
Capital Advances	**2,654.68**	7,012.14
Advance Income Tax (Net of Provision)	**318.11**	204.38
Other Loans and Advances[(i)]	**5.57**	4.22
Total	**2,978.36**	**7,220.74**

[(i)] Includes Loans related to employees.

(₹ in Lakhs)

3.1. **Taxation**	**As at 31st March, 2019**	As at 31st March, 2018
Income Tax recognised in Statement of Profit and Loss		
Current Tax	**243.16**	454.75
Deferred Tax	**(49.36)**	(515.00)
Total Income Tax expenses recognised in the current year	**193.80**	(60.25)
The income Tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit Before Tax	**1,128.40**	247.65
Applicable Tax Rate	**29.12%**	27.55%
Computed Tax Expense	**328.59**	68.23
TAX EFFECT OF :		
Others	**(85.43)**	386.52
Current Tax Provision (A)	**243.16**	454.75
Incremental Deferred Tax (Liability)/Assets on account of Property, Plant and Equipment	**(3,582.10)**	(34,747.15)
Incremental Deferred Tax (Liability)/Asset on account of Financial Assets and other items	**3,631.46**	35,262.15
Deferred Tax Provision (B)	**49.36**	515.00

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

3.1.	**Taxation** *(Continued)*	**As at 31st March, 2019**	As at 31st March, 2018
	Tax Expenses recognised in Statement of Profit and Loss (A+B)	**193.80**	(60.25)
	Effective Tax Rate	**17.17%**	-
	Advance Income Tax (Net of Provision)		
	At start of year	**204.38**	4.55
	Charge for the year	**(243.16)**	(454.75)
	Tax paid during the year	**356.88**	654.58
	At the end of the year	**318.11**	204.38

(₹ in Lakhs)

4.	**Inventories**	**As at 31st March, 2019**	As at 31st March, 2018
	Stock-In-Trade	**227.61**	135.15
	Stores and Spares & Consumables	**3,634.91**	-
	Total	**3,862.52**	135.15

(₹ in Lakhs)

5.	**Investments - Current**	**As at 31st March, 2019**		As at 31st March, 2018	
	Investments measured at Fair Value through Profit and Loss	**Units**	**Amount**	Units	Amount
	In Mutual Funds - Unquoted				
	UTI Mutual Fund	-	-	657,025	5,198.02
	HDFC Mutual Fund	-	-	50,690	523.24
	ICICI Prudential Mutual Fund	-	-	103,020,452	15,071.68
	KOTAK Mutual Fund	**323,495**	**3,957.26**	-	-
	IDFC Mutual Fund	**66,452,722**	**8,738.86**	-	-
	Total Investment – Current		**12,696.12**		20,792.94
	Aggregate Amount of unquoted investments		**12,696.12**		20,792.94
	Category-wise – Investment – Current		**As at 31st March, 2019**		As at 31st March, 2018
	Financial Assets measured at Fair Value Through Profit and Loss (Mutual Funds)		**12,696.12**		20,792.94

(₹ in Lakhs)

6.	**Trade Receivables** *(unsecured and considered good)*	**As at 31st March, 2019**	As at 31st March, 2018
	Trade Receivables	**13,793.77**	588.21
	Total	**13,793.77**	588.21

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

7. Cash and Cash Equivalents	As at 31st March, 2019	As at 31st March, 2018
Bank Balances		
In Current Accounts	**211.20**	-
In Deposits *	**2.69**	183.19
Total	**213.89**	183.19
Cash and Cash equivalents as per Balance Sheet	**213.89**	183.19
Cash and Cash Equivalents as per Cash Flow Statement	**211.20**	-

* Deposits of ₹ 2.69 Lakhs (Previous Year ₹ 183.19 Lakhs) held with government authorities

(₹ in Lakhs)

8. Other Financial Assets - Current	As at 31st March, 2019	As at 31st March, 2018
Security Deposits	**399.25**	528.06
Interest Accrued on Investment	**-**	31.74
Others	**250.00**	3,378.26
Total	**649.25**	3,938.06

(₹ in Lakhs)

9. Other Current Assets (Unsecured and Considered Good)	As at 31st March, 2019	As at 31st March, 2018
Balance with Customs, Central Excise, GST & State Authorities	**9,362.73**	6,135.33
Others *	**415.47**	692.39
Total	**9,778.20**	6,827.72

* includes Advance to employees and vendors.

(₹ in Lakhs)

10. Share Capital		As at 31st March, 2018	As at 31st March, 2018
	AUTHORISED SHARE CAPITAL:	**Amount**	Amount
500,000,000 (500,000,000)	Equity Shares of ₹ 10 each	**50,000.00**	50,000.00
1,000,000,000 (1,000,000,000)	Preference Shares of ₹ 10 each	**100,000.00**	100,000.00
	Total	**150,000.00**	150,000.00
	ISSUED, SUBSCRIBED AND PAID-UP:		
373,000,000 (373,000,000)	Equity Shares of ₹ 10 each fully paid up	**37,300.00**	37,300.00
	Total	**37,300.00**	37,300.00

Notes to the Financial Statements for the year ended 31st March, 2019

(i) **THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES :**

Name of the Shareholders	**As at 31st March, 2019**		As at 31st March, 2018	
	No. of Shares	**% held**	No. of Shares	% held
Reliance Industries Limited	**373,000,000**	**100**	373,000,000	100
(Shares held by Holding Company)				

(ii) **THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING IS SET OUT BELOW :**

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
	No. of shares	No. of shares
Equity Shares at the beginning of the year	**373,000,000**	373,000,000
Add: Equity Shares issued during the year	**-**	-
Equity Shares at the end of the year	**373,000,000**	373,000,000

(iii) No bonus shares have been issued during the last five years.

(iv) The Company has one class of ordinary shares which carry equal voting rights on income and distribution of assets on liquidation or otherwise.

11. Other Equity

(₹ in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Retained Earnings		
As per last Balance Sheet	**147.20**	(160.70)
Add: Profit / (Loss) for the year	**934.60**	307.90
Sub Total	**1,081.80**	147.20
Instrument classified as Equity		
6% Non Cumulative Optionally Convertible Preference Shares of ₹10 each, Issued and Fully Subscribed (Refer Note 11.1)		
As per Last Balance Sheet	**36,765.00**	36,765.00
Issued during the year	**-**	-
Sub Total	**36,765.00**	36,765.00
Total	**37,846.80**	36,912.20
Other Comprehensive Income(OCI)		
As per last Balance Sheet	**3.18**	-
Add : Movement in OCI (Net) during the year	**50.59**	3.18
Sub Total	**53.77**	3.18
Total	**37,900.57**	36,915.38

11.1 6% Non Cumulative Optionally Convertible Preference Shares of ₹10 each.

(i) All the above 36,76,50,000 (Previous Year 36,76,50,000) 6% Non-cumulative Optionally Convertible Preference Shares of ₹10 each, fully paid up are held by Reliance Industries Limited, the holding company.

(ii) **Terms of 6% Non Cumulative Optionally Convertible Preference Shares**

Each Preference share shall be redeemable at ₹10, at any time at the option of the Company but not later than 15 years from the date of allotment. Such early redemption shall also be subject to approval of Company's Lenders, if required. The Preference shares may be converted into 1(One) Equity Share of ₹10 each at par at any time at the option of the Company, but not later than 15 years from the date of Allotment of the Preference Shares.

Notes to the Financial Statements for the year ended 31st March, 2019

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

Particulars	**31st March, 2019**	31st March, 2018
	No. of shares	No. of shares
Preference Shares outstanding at the beginning of the year	**36 76 50 000**	36 76 50 000
Add: Preference Shares issued during the year	-	-
Equity Shares outstanding at the end of the year	**36 76 50 000**	36 76 50 000

(₹ in Lakhs)

12. Borrowings

	As at 31st March, 2019		As at 31st March, 2018	
	Non-Current	**Current**	Non-Current	Current
Secured - at Amortised Cost				
Term Loans from Banks[(i)]	**119,930.29**	**17,984.86**	115,415.14	15,484.86
Unsecured - at Amortised Cost				
Loans from Related Parties	**15,000.00**	**-**	-	-
Total	**134,930.29**	**17,984.86**	115,415.14	15,484.86

i The Term Loans referred above are from IDFC Bank Limited and HDFC Bank Limited

ii The Term Loan from IDFC Limited of ₹ 12,858 Lakhs (Previous year ₹ 15,000 Lakhs) which is secured / to be secured on first ranking pari passu basis by way of mortgage / hypothecation in respect of all immovable properties, present and future, of the Shadol Phulpur Pipeline (SHPPL) Project, all movable assets of SHPPL Project excluding Specified Investments and Loans and Advances made out of free surplus cash or out of the additional funds infused by Reliance Industries Limited and Specified Bank Accounts, both present and future, all intangible assets and uncalled capital of SHPPL Project, both present and future, all bank accounts of SHPPL Project excluding Specified Bank Accounts and exclusive first charge on Debt Service Reserve Account (DSRA), all other current assets of the SHPPL Project including receivables but excluding Cenvatable taxes and also excluding investments made out of balance proceeds lying in the DSRA and Specified Investments and Loans and Advances, assignment of all rights, tittle and interest in the SHPPL Project Documents [with value exceeding ₹10 (ten) Crore during construction period and SHPPL Project Document with value exceeding ₹ 30 (thirty) Crore after construction period] (excluding Authorization letter from PNGRB) including but not limited to contractors guarantee, liquidated damages, letters of credit, guarantee or performance bonds that may be provided by the counter party to the SHPPL Project Documents, Assignment/co-insurance in favour of the Lender or Security Trustee of all insurance policies in relation to SHPPL Project Assets noting the interest of Lender/Security Trustee.

iii The Term Loan from HDFC Bank of ₹ 1,25,057 Lakhs (Previous year ₹ 1,15,900 Lakhs) is to be secured (i) on a first ranking pari passu basis by way of equitable or registered mortgage on all immovable assets, both present and future, related to SHPPL Project and exclusive first charge by way of equitable or registered mortgage on all the immovable assets, both present and future, related to Dahej-Naguthane Ethane Pipeline (DNEPL) Project, excluding the respective projects goodwill, right of use/way and intangible assets and any other investment made out of any additional funds brought in by the Promoter (over and above the Equity commitments) or any free cash flow, if any. (ii) in case of SHPPL Project by way of first ranking pari passu charge and in case of DNEPL Project by way of second ranking pari passu charge on the respective projects current assets, operating cash flow, loans and advances, receivables, commissions, revenues of whatsoever nature and whenever arising, excluding any other investments/loans/advances made out of any additional funds brought in by the Promoter (over and above the Equity commitments) or any free cash flow, if any.

iv Maturity Profile of Secured Term Loan is as set out below: (₹ in Lakhs)

	Maturity Profile			**Non - Current**	**Current**
	> 5 years	3-5 years	1-3 years	**Total**	**1 Year**
Term Loans - from Banks	47,990.87	35,969.71	35,969.71	**119,930.29**	**17,984.86**

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

13. Other Non-Current Liabilities	As at 31st March, 2019	As at 31st March, 2018
Others*	117,916.67	128,500.00
Total	**117,916.67**	128,500.00

* Deferred Income received from Reliance Industries Limited.

(₹ in Lakhs)

14. Trade Payables Due to	As at 31st March, 2019	As at 31st March, 2018
Micro and Small Enterprise	16.02	-
Other than Micro and Small Enterprise	24,241.17	11,041.03
Total	**24,257.19**	11,041.03

14.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2019 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

(₹ in Lakhs)

15. Other Financial Liabilities - Current	As at 31st March, 2019	As at 31st March, 2018
Current Maturities of Borrowings	17,984.86	15,484.86
Creditors for Capital Expenditure	-	8,672.44
Interest Accrued but not due on Borrowings	573.78	494.88
Total	**18,558.64**	24,652.18

(₹ in Lakhs)

16. Other Current Liabilities	As at 31st March, 2019	As at 31st March, 2018
Others*	10,904.43	6,081.25
Total	**10,904.43**	6,081.25

* Includes deferred Income received from Reliance Industries Limited, statutory dues and payables to Employees

(₹ in Lakhs)

17. Provisions - Current	As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits	168.63	182.77
Total	**168.63**	182.77

(₹ in Lakhs)

18. Revenue from Operations	2018-19	2017-18
DISAGGREGATED REVENUE		
Traded Goods	1,27,044.03	59,641.78
Value of Sales ^	**1,27,044.03**	59,641.78
Transportation Charges	20,726.96	4,416.47
Income from Services ^	**20,726.96**	4,416.47
Total	**1,47,770.99**	64,058.25

^ Net of GST

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

19.	Other Income	2018 - 2019	2017 - 2018
	Interest		
	Bank Deposits	**1.70**	-
	Dividend Income	**433.74**	714.46
	Other Miscellaneous Income	**4,025.50**	6,000.00
	Gain on Financial Assets		
	Realised Gain	**35.34**	-
	Total	**4,496.28**	6,714.46

20.	Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	2018 - 2019	2017 - 2018
			(₹ in Lakhs)
	Inventories (at close)		
	Finished Goods/ Stock-In-Trade	**227.61**	135.15
	Inventories (at commencement)		
	Finished Goods/ Stock-In-Trade	**135.15**	-
	Total	**(92.46)**	(135.15)

(₹ in Lakhs)

21.	Employee Benefits Expense	2018 - 2019	2017 - 2018
	Salaries and Wages	**1,720.51**	256.40
	Contribution to Provident Fund and Other Funds	**131.93**	24.84
	Staff Welfare Expenses	**198.57**	37.24
	Total	**2,051.01**	318.48

AS PER INDIAN ACCOUNTING STANDARD 19 "EMPLOYEE BENEFITS", THE DISCLOSURES AS DEFINED ARE GIVEN BELOW :

21.1 Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under (₹ in Lakhs)

	2018-19	2017-18
Employer's Contribution to Provident Fund	**59.41**	50.66
Employer's Contribution to Pension Scheme	**30.76**	25.07
Total	**90.17**	75.73

Defined Benefit Plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan.

I Reconciliation of Opening and closing balances of Defined Benefit obligation (₹ in Lakhs)

	Gratuity (Funded)	
	2018-19	2017-18
Defined Benefit obligation at beginning of the year	**437.14**	401.62
Current Service Cost	**38.36**	44.33
Interest cost	**34.94**	29.94
Actuarial (gain) / loss	**(66.25)**	(20.97)
Benefits paid	**10.81**	(17.78)
Defined Benefit obligation at end of the year	**455.02**	437.14

Notes to the Financial Statements for the year ended 31st March, 2019

II Reconciliation of Opening and closing balances of fair value of plan assets (₹ in Lakhs)

	Gratuity (Funded)	
	2018-19	2017-18
Fair value of plan assets at the beginning of the year	**437.14**	401.62
Return on plan assets	**(1.76)**	(5.18)
Actuarial Gain / (Loss)	**-**	-
Interest Income	**34.95**	29.94
Employer Contribution	**-**	28.54
Benefits Paid	**10.81**	(17.78)
Fair value of plan assets at the end of the year	**481.14**	437.14

III Reconciliation of fair value of assets and obligations (₹ in Lakhs)

	Gratuity (Funded)	
	As at 31st March 2019	As at 31st March 2018
Fair value of plan assets at end of year	**481.14**	437.14
Present Value of obligation	**455.02**	437.14
Amount recognised in Balance Sheet (Surplus/(Deficit))	**(26.13)**	-

IV Expenses recognised during the year (₹ in Lakhs)

	Gratuity (Funded)	
	2018-19	2017-18
Current Service Cost	**38.36**	44.33
Transferred to Capital Work-In-Progress	**-**	(35.41)
Expense recognised in Income Statement	**38.36**	8.92
Interest Cost	**-**	-
Transferred to Capital Work-In-Progress	**-**	-
Expense recognised in Income Statement	**-**	-
Expected return on plan assets	**1.76**	5.18
Transferred to Capital Work-In-Progress	**-**	(4.14)
Expense recognised in OCI	**1.76**	1.04
Actuarial (gain) / loss	**(66.25)**	(20.97)
Transferred to Capital Work-In-Progress	**-**	16.75
Expense recognised in OCI	**(66.25)**	(4.22)
Net Income Recognised in Income Statement	**38.36**	8.92
Net Income Recognised in Other comprehensive Income	**(64.49)**	(3.18)

V Investment details

	As at 31st March, 2019		As at 31st March, 2018	
	(₹ in Lakhs)	**% invested**	(₹ in Lakhs)	% invested
Insurance Policies	**481.14**	**100%**	437.14	100%
Others (including bank balances)	**-**	**-**	-	-
	481.14	**100%**	437.14	100%

Notes to the Financial Statements for the year ended 31st March, 2019

VI Actuarial Assumptions

Mortality Table(LIC)	**Gratuity (Funded)**	
	2018-19 (Ultimate)	2017-18 (Ultimate)
Discount rate (per annum)	**8.00%**	8.00%
Expected rate of return on Plan Assets (per annum)	**8.00%**	8.00%
Rate of escalation in salary (per annum)	**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.

The Expected Rate of Return on Plan Assets is determined considering several factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets management.

VII The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2018-19.

VIII Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate,expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(₹ in Lakhs)

	As at 31st March, 2019		As at 31st March, 2018	
Particulars	**Decrease**	**Increase**	Decrease	Increase
Projected Benefit Obligation on Current Assumptions				
Change in discounting rate (delta effect of +/- 0.5%)	**474.48**	**436.81**	456.19	419.37
Change in rate of salary increase(delta effect of +/- 0.5%)	**436.40**	**474.76**	418.96	456.47
Change in rate of employee turnover (delta effect of +/- 0.5%)	**453.14**	**456.82**	435.26	438.94

These plans typically expose the Group to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest Risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Notes to the Financial Statements for the year ended 31st March, 2019

22. Finance Cost

(₹ in Lakhs)

	2018 - 2019	2017 - 2018
Interest Expenses*	**8,152.61**	2,399.86
Total	**8,152.61**	2,399.86

* Interest Expenses are net of Interest Capitalised of ₹ 4453.95 Lakhs (Previous Year ₹ 10,160.96 Lakhs)

23. Other Expenses

(₹ in Lakhs)

		2018-19		2017-18
Payment to Auditors	**1.77**		0.66	
Other Repairs	**50.18**		26.33	
Repairs to Machinery	**870.96**		57.89	
Store, chemicals and fuel consumption	**1,662.15**		587.13	
Electricity & Water	**55.01**		6.58	
Exchange Difference (Net)	**2.06**		0.04	
Telephone Expenses	**20.44**		4.02	
Charity & Donations	**1.60**		-	
Travelling Expenses	**515.11**		38.95	
Labour processing, production royalty and Machinery hire charges	**33.52**		1.38	
Professional Fees	**9,383.68**		10,104.14	
General Expenses	**1,107.61**		253.16	
		13,704.09		11,080.28
Total		**13,704.09**		11,080.28

23.1 Payment to Auditors as:

(₹ in Lakhs)

	2018-19	2017-18
Statutory Audit Fees	**1.00**	0.35
Tax Audit Fees	**0.12**	0.10
Certification and Filing Fees	**0.25**	0.21
Cost Audit Fees	**0.40**	-
TOTAL	**1.77**	0.66

23.2 Corporate Social Responsibility (CSR)

a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII there of by the Company during the year is ₹ 1.57 Lakh (Previous Year Nil)

b) Expenditure related to Corporate Social Responsibility is ₹ 1.60 Lakh (Previous Year ₹ Nil).

Details of amount spent towards CSR given below:

(₹ in Lakhs)

Particulars	**2018-19**	**2017-18**
Health Care, including Preventive Health Care Promoting Education & Rural Development Projects	**1.60**	**-**
Total	**1.60**	**-**

c) Total ₹ 1.60 Lakh (Previous Year ₹ Nil) is spent through Reliance Foundation.

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

		2018-19	2017-18
24.	**Earning Per Share**	**2018-19**	2017-18
	Face Value per Equity Share (₹)	**10**	10
	BASIC EARNING PER SHARE (₹)		
	Net Profit/(Loss) after tax as per statement of profit and loss attributable to ESH	**934.60**	307.90
	Weighted Average number of equity shares used as denominator for calculating Basic EPS:	**3,730.00**	3,730.00
	Basic Earnings per share of face value of ₹10 each (In ₹)	**0.25**	0.08
	DILUTED EARNING PER SHARE (₹)		
	Net Profit / (Loss) after tax as per Statement of Profit and Loss attributable to ESH	**934.60**	307.90
	Weighted Average number of equity shares used as denominator for calculating EPS:	**3,730.00**	3,730.00
	Add: Number of Zero Coupon optionally fully Convertible Debentures in to Equity Shares	**-**	-
	Add: Number of 6% Non Cumulative Optionally Convertible Preference Shares of ₹ 10 each	**3,676.50**	3,676.50
	Total weighted average number of Equity Shares	**7,406.50**	7,406.50
	Diluted Earnings per share of face value of ₹ 10 each (In ₹)	**0.13**	0.04

25. Related Party Disclosures

As per IND AS - 24, the disclosure of transactions with related parties as given below:

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

S No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Reliance Corporate IT Park Limited	Fellow Subsidiary
3	Reliance Retail Limited	Fellow Subsidiary
4	Reliance Jio Infocomm Limited	Fellow Subsidiary
5	Shri R Suresh (Chief Executive Officer)	Key Managerial Personnel
6	Shri Vikas Pethe (Company Secretary) upto 19.03.2019	Key Managerial Personnel
7	Shri Ramanathan Ravichandran (Chief Financial Officer) upto 31.07.2018	Key Managerial Personnel
8	Shri S. Sundaravadivelan (Chief Financial Officer) w.e.f. 01.08.2018	Key Managerial Personnel

(ii) Transactions during the year with related parties: (₹ in Lakhs)

S No.	Nature of Transactions (Excluding reimbursements)	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
1)	**Purchase of Capital Goods**	**-**	**19.70**	-	**19.70**
		762.77	*375.05*	-	*1,137.82*
2)	**Purchase of Traded Goods**	**139,678.65**			**139,678.65**
		54,362.49			*54,362.49*
3)	**Purchase of Fuel**	**1,435.80**			**1,435.80**
		916.95			*916.95*
4)	**Sale of Services**	**35,935.42**	-		**35,935.42**
		19,677.42	-		*19,677.42*
5)	**Sale of Traded Goods**	**145,333.10**	**14.18**		**145,347.28**
		65,126.45	*8.44*		*65,134.89*

Notes to the Financial Statements for the year ended 31st March, 2019

S No.	Nature of Transactions (Excluding reimbursements)	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
6)	**Borrowings**	**15,000.00**	**-**		**15,000.00**
		-	-		-
7)	**Miscellaneous Income**	**4,000.00**	**-**		**4,000.00**
		6,000.00	-		*6,000.00*
8)	**Interest Paid**	**722.77**	-		**722.77**
		51.01	-		*51.01*
9)	**Professional Fees Paid**	**1.59**	**10,868.93**		**10,870.52**
		1.01	*10,100.00*		*10,101.01*
10)	**Telephone Expenses**	**-**	**22.79**		**22.79**
		-	*12.69*		*12.69*
11)	**Rent Paid**	**131.67**	**-**		**131.67**
		-	-		-
12)	**Remuneration to Key Managerial Personnel**	**-**	**-**	**163.57**	**163.57**
		-	-	*177.73*	*177.73*
	Balance as on 31st March, 2019 (Excluding reimbursements)				
13)	**Equity Shares**	**37,300.00**		**-**	**37,300.00**
		37,300.00		-	*37,300.00*
14)	**Borrowings**	**15,000.00**	**-**	**-**	**15,000.00**
		-	-	-	-
15)	**Trade Receivables**	**11,347.58**	**-**	**-**	**11,347.58**
		585.09	-	-	*585.09*
16)	**Other Receivable**	**-**	**-**		**-**
		1,868.03	*9.96*		*1,877.99*
18)	**Creditors for Capital Expenditure**	**-**	**-**		**-**
		114.00	*37.97*		*151.97*
19)	**Trade Payables/Advance**	**10,519.46**	**10,264.48**		**20,783.94**
		2.09	*10,908.00*		*10,910.09*
20)	**Deferred Revenue**	**126,416.67**	**-**		**126,416.67**
		132,500.00	**-**		*132,500.00*
21)	**Preference Share Capital**	**36,765.00**	**-**	**-**	**36,765.00**
		36,765.00		-	*36,765.00*

Note : Figures in Italic represents Previous Year's amount.

(iii) Disclosure in respect of Major Related Party Transactions during the year:

	Particulars	Relationship	2018-19	2017-18
1	Purchase of Capital Goods			
	Reliance Industries Limited	Holding Company	**-**	762.77
	Reliance Retail Limited	Fellow Subsidiary	**19.70**	62.08
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**-**	312.97
2	Purchase of Traded Goods			
	Reliance Industries Limited	Holding Company	**139,678.65**	54,362.49
3	Purchase of Fuel			
	Reliance Industries Limited	Holding Company	**1,435.80**	916.95

Notes to the Financial Statements for the year ended 31st March, 2019

	Particulars	Relationship	2018-19	2017-18
4	Sales of Services			
	Reliance Industries Limited	Holding Company	**35,935.42**	19,677.42
5	Sale of Traded Goods			
	Reliance Industries Limited	Holding Company	**145,333.10**	65,126.45
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**14.18**	8.44
6	Borrowings			
	Reliance Industries Limited	Holding Company	**15,000.00**	-
7	Miscellaneous Income			
	Reliance Industries Limited	Holding Company	**4,000.00**	6,000.00
8	Interest Paid			
	Reliance Industries Limited	Holding Company	**722.77**	51.01
9	Professional Fees Paid			
	Reliance Industries Limited	Holding Company	**1.59**	1.01
	Reliance Corporate IT Park Limited	Fellow Subsidiary	**10,868.93**	10,100.00
10	Telephone Expenses			
	Reliance Jio Infocomm Limited	Fellow Subsidiary	**22.79**	12.69
11	Rent Paid			
	Reliance Industries Limited	Holding Company	**131.67**	-
12	Remuneration to key Managerial Personnel			
	Shri R Suresh (Chief Executive Officer)	Key Managerial Personnel	**86.33**	86.55
	Shri Vikas Pethe (Company Secretary)	Key Managerial Personnel	**15.62**	16.98
	Shri Ramanathan Ravichandran (Chief Financial Officer)	Key Managerial Personnel	**29.79**	74.20
	Shri S. Sundaravadivelan (Chief Financial Officer)	Key Managerial Personnel	**31.83**	-
	Balance as on 31st March, 2019			
13	Borrowings			
	Reliance Industries Limited	Holding Company	**15,000.00**	-

Note :

1. Professional Fees towards Key Managerial Personnel payment reimbursed to Reliance Industries Limited & Reliance Corporate IT Park Limited

26 Contingent Liabilities and Commitments

(₹ in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
(A)	**Contingent Liabilities**		
	Bank Guarantees	**1,328.50**	1,350.94
(B)	**Commitments**		
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	**1,676.64**	5,657.24

27 The previous year's figures have been regrouped and reclassified wherever necessary, to make them comparable.

28 Capital management and financial instruments

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and makes adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

The capital structure of the company consists of net debt (borrowings as detailed in note 12) and total equity of the company.

Notes to the Financial Statements for the year ended 31st March, 2019

28.1 Gearing ratio

The net gearing ratio at end of the reporting period was as follows. (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Gross Debt	**152,915.14**	130,900.00
Cash and Marketable Securities	**21,006.84**	20,976.13
Net Debt (A)	**131,908.30**	109,923.87
Total Equity (as per Balance Sheet) (B)	**75,200.57**	74,215.38
Net earning ratio (A/B)	**1.75**	1.48

Debt is defined as long-term and short-term borrowings (excluding derivative contracts and contingent consideration) as described in note 12.

28.2 Financial Instruments

(A) Fair Value Measurement Hierarchy : (₹ in Lakhs)

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	**13,793.77**	-	-	588.21	-	-
Cash and Cash Equivalents	**213.89**	-	-	183.19	-	-
Other Financial Assets	**649.25**	-	-	3,938.06	-	-
At FVTPL						
Investments	**12,696.12**	**12,696.12**	-	20,792.94	20,792.94	-
Financial Liabilities						
At Amortised Cost						
Borrowings	**152,915.14**	-	-	130,900.00	-	-
Trade Payables	**24,257.19**	-	-	11,041.03	-	-
Other Financial Liabilities	**573.78**	-	-	9,167.32	-	-

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

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

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

Valuation Methodology

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

a) The fair value of investment in Mutual Funds is measured at quoted price or NAV.

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

Notes to the Financial Statements for the year ended 31st March, 2019

(B) Financial Risk Managment

The dirrerent types of risks the company is exposed to are liquidity risk, credit risk and market risk

(i) Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates.

(ii) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, derivative financial instruments, deposits from financial institutions and principlally from credit exposures relating to outstanding receivables.

(iii) Market Risk

(a) Foreign Currency Risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency translations, primarily with respect to USD, EUR and GBP.

Foreign currency risk arises from recognised assets and liabilities and future commercial transactions that are in foreign currency.

Foreign currency exposure profile is given below:

	As at 31st March, 2019			As at 31st March, 2018		
	USD	**EUR**	**GBP**	USD	EUR	GBP
Trade and Other Payables	**8.51**	**2.65**	**161.03**	27.83	9.35	487.93
Net Exposure	**8.51**	**2.65**	**161.03**	27.83	9.35	487.93

Foreign currency sensitivity analysis (assuming a currency movement of 1%) is appended in table below:

	As at 31st March, 2019			As at 31st March, 2018		
	USD	**EUR**	**GBP**	USD	EUR	GBP
1% Depreciation in INR						
Impact on Equity	**0.09**	**0.03**	**1.61**	0.28	0.09	4.88
Total	**0.09**	**0.03**	**1.61**	0.28	0.09	4.88
1% Appreciation in INR						
Impact on Equity	**(0.09)**	**(0.03)**	**(1.61)**	(0.28)	(0.09)	(4.88)
Total	**(0.09)**	**(0.03)**	**(1.61)**	(0.28)	(0.09)	(4.88)

Notes to the Financial Statements for the year ended 31st March, 2019

(b) Interest Rate Risk

Fluctuation in future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107.

Please refer to interest rate exposure profile appended in table below

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Borrowings		
Non-Current-Fixed	**152,915.14**	130,900.00
Total	**152,915.14**	130,900.00

The Rate of interest is linked to bank MCLR ans remains fixed till next date

29 Details of loans given, investments made and guarantee given and securities provided during the year covered u/s 186 (4) of the Companies Act, 2013.

i) Loans given ₹ NIL (Previous year ₹ NIL)

ii) Investments made ₹ NIL (Previous year ₹ NIL)

iii) Guarantees given and Securities provided by the Company in respect of loan ₹ NIL (Previous year ₹ NIL)

30 Approval of financial statements

The financial statements were approved for issue by the board of directors on April 11, 2019.

31 Segment Information

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board Executive Committee (the 'Chief Operating Decision Maker'as defined in Ind AS 108 - 'Operating Segments') in deciding how to allocate resources and in allocating performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Company has two Principal and operating segments; viz. Petrochemicals and Pipeline.

The accounting policies adopted for Segment reporting are in line with the accounting policy of the Company with following additional policies for the segment reporting.

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments.

Notes to the Financial Statements for the year ended 31st March, 2019

(i) Primary Segment Information (₹ in Lakhs)

Particulars	**Pipeline Business**		**Petrochemical**		**Total Amount**	
	2018 - 19	2017 - 18	**2018 - 19**	2017 - 18	**2018 - 19**	2017 - 18
Segment Turnover	**12,557**	5,211	**167,152**	70,377	**179,709**	75,588
Less : GST Recovered	**(1,642)**	(795)	**(30,296)**	(10,736)	**(31,938)**	(11,530)
Net Turnover	**10,915**	4,416	**136,856**	59,642	147,771	64,058
Segment Result before Interest and Tax	**2,519**	1,333	**6,762**	1,314	**9,281**	2,648
Interest	**4,375**	2,400	**3,777**	-	**8,153**	2,400
Profit Before Tax	**(1,856)**	(1,067)	**2,984**	1,314	**1,128**	248
Current Tax	**-**	-	**243**	455	**243**	455
Deferred Tax	**(793)**	(515)	**744**	-	**(49)**	(515)
Profit After Tax	**(1,063)**	(552)	**1,997**	860	**935**	308
Segment Assets	**100,695**	105,584	**281,242**	254,504	**381,936**	360,088
Segment Liabilities	**100,695**	105,584	**281,242**	254,504	**381,936**	360,088
Capital Expenditure	-	-	-	218,943	**-**	218,943
Depreciation	**5,016**	2,499	**3,822**	-	**8,838**	2,499

(ii) The Reportable Segments are further described below :

- The Petrochemical segment includes operations of DNEPL (Dahej Nagothane Pipeline) and Ethane Trading.
- The Pipeline Business segment includes operations of SHPPL (Shahdol Phulpur Pipeline).
- Revenue from one customer contributed 10% or more to the Company's revenue for FY 2018-19

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Rgn No. - 101720W / W100355

Jignesh Mehta
Partner
Mem No. - 102749

Mumbai
Date: 11th April, 2019

For and on behalf of the board

S. Sudhakar
Chairman

Amit Mehta
Director

Shivkumar R. Bhardwaj
Director

Chandrakant S. Gokhale
Director

Geeta Fulwadaya
Director

Venkata Ravikumar Prekki
Director

S. Sundaravadivelan
Chief Financial Officer

Raghavanchari Suresh
Chief Executive Officer

Kavina Vora
Company Secretary