

**RELIANCE PETRO MARKETING LIMITED**

**Financial Statements**

**2018-19**

## Independent Auditor's Report

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### To the Members of RELIANCE PETRO MARKETING LIMITED

#### Report on the Audit of Financial Statements

##### Opinion

We have audited the accompanying financial statements of **RELIANCE PETRO MARKETING 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 notes to the financial statements including 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 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 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 ("SAs") 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other Information

The Company's Board of Directors are responsible for the Other Information. The Other Information comprises all the information included in the director report, but does not include the financial statements and our auditors' 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Other Information; we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of Management 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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, 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.

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

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### **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 Companies Act, 2013, 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.

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;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - 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;

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- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 22 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Ashutosh Jethlia**  
**Partner**  
Membership No.: 136007

Place : Mumbai  
Date : 11<sup>th</sup> April, 2019

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**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF  
RELIANCE PETRO MARKETING 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 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 title deeds / lease deeds and other records examined by us, we report that the title deeds / lease deeds in respect of all the immovable properties of lands which are freehold, immovable properties of land that have been taken on lease and disclosed as fixed assets in the financial statement and buildings are held in the Company’s name or in the Company’s erstwhile name as at the balance sheet date.
- 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) The Company has not directly or indirectly advanced loan to the person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. According to the Information and explanation given to us, Company has complied with the provisions of Section 186 of the Act, in respect of Investments, loans, guarantee or security given.
- 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, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to it 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, dues of provident fund, employees’ state insurance, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other

statutory dues as applicable to it which have not been deposited as on 31st March, 2019 on account of disputes are given below:

Sr. No.	Name of the Statute	Nature of the Dues	Amount (₹ in Lakh)	Period to which the amount relates	Forum where dispute is pending
1	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	Sales Tax/VAT and Entry Tax	2346.36	2004-05,2005-06 and 2008-09	High Court
			9.89	2003-04 and 2004-05	Commercial Tax Appeal Board
			11.64	2007-08 and 2008-09	Supreme Court
			7.24	2005-06	Assistant Commissioner Commercial Taxes
			2452.67	2010-11	Sales Tax Appellate Tribunal
2	Income Tax Act, 19661	Income Tax	26.71	2009-10, 2014-15 and 2015-16	Commissioner of Income Tax (Appeals)

- viii) The Company has not raised any loans from financial institutions or banks or government or debenture holders. Therefore, the clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- 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) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion the 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 **Pathak H.D. & Associates**  
Chartered Accountants  
(Firm Registration no. 107783W)

**Ashutosh Jethlia**  
**Partner**  
Membership No.: 136007

Place : Mumbai  
Date : 11<sup>th</sup> April, 2019

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**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE PETRO MARKETING 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”)**

**Opinion**

We have audited the internal financial controls over financial reporting of **RELIANCE PETRO MARKETING LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”).

**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 issued by 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 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

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assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

For **Pathak H.D. & Associates**

Chartered Accountants

(Firm Registration no. 107783W)

**Ashutosh Jethlia**

**Partner**

Membership No.: 136007

Place : Mumbai

Date : 11<sup>th</sup> April, 2019



## Balance Sheet As at 31st March, 2019

	Note	As at 31st March 2019	As at 31st March, 2018	₹ Lakh
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	1	61 45.15	62 82.46	
Other Non-Current Assets	2	14 56.00	13 79.93	
<b>Total Non-Current Assets</b>		<b>76 01.15</b>		76 62.39
<b>Current Assets</b>				
Inventories	3	184 60.38	187 92.47	
<b>Financial Assets</b>				
Investments	4	215 38.95	202 07.05	
Trade Receivables	5	305 15.18	161 55.23	
Cash and cash equivalents	6	57 05.07	89 90.04	
Other Current Assets	7	106 84.97	79 96.42	
<b>Total Current Assets</b>		<b>869 04.55</b>		721 41.21
<b>TOTAL ASSETS</b>		<b>945 05.70</b>		<b>798 03.60</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	8	5.00	5.00	
Other Equity	9	210 03.15	123 40.28	
<b>Total Equity</b>		<b>210 08.15</b>		123 45.28
<b>Non-Current Liabilities</b>				
Deferred Tax Liability (Net)	10	12 36.44		12 07.66
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
<b>Trade Payables</b>				
Micro and Small Enterprises	11	63.78	106.83	
Others	11	423 53.17	387 83.49	
Other Financial Liabilities	12	204 39.18	189 44.10	
Other Current Liabilities	13	93 09.77	83 31.29	
Provisions	14	95.21	84.95	
<b>Total Current Liabilities</b>		<b>722 61.11</b>		662 50.66
<b>Total Liabilities</b>		<b>734 97.55</b>		674 58.32
<b>Total Equity and Liabilities</b>		<b>945 05.70</b>		<b>798 03.60</b>
<b>Significant Accounting Policies</b>				
<b>Notes to Financial Statements</b>				
	1 to 28			

As per our Report of even date

For **Pathak H.D. & Associates**  
Chartered Accountants  
(Firm Registration No.: 107783W)

**Ashutosh Jethlia**  
Partner  
(Membership No.: 136007)

Place : Mumbai  
Dated : 11th April 2019

For and on behalf of the Board

**P. Raghavendran**  
Chairman

**C. S. Borar**  
Director

**Harisha Kumar**  
Whole-time-director

**C. S. Gokhale**  
Director

**G. K. Fulwadaya**  
Director

**S. K. Bhardwaj**  
Director

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

	Note	2018-19	2017-18
₹ Lakh			
<b>INCOME</b>			
Value of Sales	15	13300 61.76	10117 19.88
Income from Services		2 33.87	2 56.67
Value of Sales & Services		13302 95.63	10119 76.55
Less : GST Recovered		93 36.55	79 18.10
Revenue from Operations		13209 59.08	10040 58.45
Other Income	16	25 60.96	20 40.53
<b>Total Income</b>		<b>13235 20.04</b>	<b>10060 98.98</b>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade		12800 25.33	9743 26.22
Changes in Inventories of Stock-in-Trade	17	4 08.40	(26 61.95)
Employee Benefits Expenses	18	24 42.78	21 62.27
Depreciation / Amortisation		8 49.35	7 64.76
Other Expenses	19	271 47.23	219 14.78
<b>Total Expenses</b>		<b>13108 73.09</b>	<b>9965 06.08</b>
<b>Profit / (Loss) Before Tax</b>		<b>126 46.95</b>	<b>95 92.90</b>
<b>Tax Expenses</b>			
Current Tax	2.1	44 45.51	27 79.11
Deferred Tax	10	28.78	(1 69.32)
<b>Profit for the Year</b>		<b>81 72.66</b>	<b>69 83.11</b>
<b>Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to Profit or loss</b>			
Remeasurement of Defined Benefit Plans	18.1	7.32	(14.13)
<b>(ii) Income tax relating to items that will not be reclassified to profit or Loss</b>		<b>( 2.56)</b>	<b>4.89</b>
<b>(iii) Items that will be reclassified to Profit or Loss</b>			
Debt instruments through Other Comprehensive Income	16.1	6 32.89	1,128.72
<b>(iv) Income tax relating to items that will be reclassified to profit or Loss</b>		<b>(1 47.44)</b>	<b>(2 60.42)</b>
<b>Total Comprehensive Income for the year</b>		<b>86 62.87</b>	<b>78 42.17</b>
<b>Significant Accounting Policies</b>			
<b>Notes to Financial Statements</b>	1 to 28		

As per our Report of even date  
For **Pathak H.D. & Associates**  
Chartered Accountants  
(Firm Registration No.: 107783W)

**Ashutosh Jethlia**  
Partner  
(Membership No.: 136007)

Place : Mumbai  
Dated : 11th April 2019

For and on behalf of the Board

**P. Raghavendran**  
Chairman

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Director

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Whole-time-director

**C. S. Gokhale**  
Director

**G. K. Fulwadaya**  
Director

**S. K. Bhardwaj**  
Director

## Statement of Changes in Equity for the year ended 31st March, 2019

₹ in Lakh

### A. Equity Share Capital

Balance at the beginning of the reporting period i.e. 1st April, 2017	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period i.e. 31st March, 2018	Changes in equity share capital during the year 2018-19	Balance at the end of the reporting period i.e. 31st March 2019
5.00	-	5.00	-	5.00

### B. Other Equity

₹ in Lakh

Particulars	Equity component of compound financial instrument	Reserves and Surplus			Other Comprehensive Income	Total
		10% Non Cumulative Optionally Convertible Preference Shares*	Capital Redemption Reserve	Securities Premium Reserve		
<b>As on 31st March 2018</b>						
Balance at the beginning of the reporting period i.e. 1st April, 2017	3 99.58	6.02	7 14.50	28 42.04	5 35.97	44 98.11
Total Comprehensive Income for the year	-	-	-	69 83.11	8 59.06	78 42.17
Balance at the end of the reporting period i.e. 31st March, 2018	3 99.58	6.02	7 14.50	98 25.15	13 95.03	123 40.28
<b>As on 31st March 2019</b>						
Balance at the beginning of the reporting period i.e. 1st April, 2018	3 99.58	6.02	7 14.50	98 25.15	13 95.03	123 40.28
Total Comprehensive Income for the year	-	-	-	81 72.66	4 90.21	86 62.87
<b>Balance at the end of the reporting period i.e. 31st March 2019</b>	<b>3 99.58</b>	<b>6.02</b>	<b>7 14.50</b>	<b>179 97.81</b>	<b>18 85.24</b>	<b>210 03.15</b>

\*Refer Note 9.1 to 9.4 for Details of 10% Non Cumulative Optionally Convertible Preference Shares.

As per our Report of even date

For **Pathak H.D. & Associates**  
Chartered Accountants  
(Firm Registration No.: 107783W)

**Ashutosh Jethlia**  
Partner  
(Membership No.: 136007)

Place : Mumbai  
Dated : 11th April 2019

For and on behalf of the Board

**P. Raghavendran**  
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Whole-time-director

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Director

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Director

**S. K. Bhardwaj**  
Director

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

	2018-19	2017-18	₹ Lakh
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per Statement of Profit and Loss	126 46.95		95 92.90
<b>Adjusted for:</b>			
Depreciation / Amortisation	8 49.35	7 64.76	
Actuarial gain/loss on Defined Benefit Plan	7.32	( 14.13)	
(Profit)/ Loss on Sale / Discard of Assets (Net)	15.37	( 2.29)	
Dividend Income from Others	(1 53.01)	-	
Gain on Financial Assets	(5 46.37)	-	
Effect of Foreign Exchange Fluctuation	-	( 0.02)	
Interest Income	( 98.83)	( 15.16)	
	<u>73.83</u>	<u>7 33.16</u>	
<b>Operating Profit before Working Capital Changes</b>	<b>127 20.78</b>	<b>103 26.06</b>	
<b>Adjusted for:</b>			
Trade & Other Payables	60 10.45	102 11.30	
Trade & Other Receivables	(171 25.30)	(75 10.79)	
Inventories	3 32.09	(27 03.46)	
	<u>(107 82.76)</u>	<u>( 2.95)</u>	
<b>Cash Generated from Operations</b>	<b>19 38.02</b>	<b>103 23.11</b>	
Taxes Paid (Net)	(46 45.46)	(28 33.16)	
<b>Net Cash Generated from Operating Activities*</b>	<b>(27 07.44)</b>	<b>74 89.95</b>	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Dividend Income	1 53.01	-	
Purchase of tangible and intangible assets	(7 27.40)	(15 40.03)	
Proceeds from disposal of tangible and intangible assets	-	4.24	
Interest Received	77.69	9.94	
<b>Net Cash Generated from/(Used in) Investing Activities</b>	<b>(4 96.70)</b>	<b>(15 25.84)</b>	
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(32 04.14)</b>	<b>59 64.10</b>	
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>88 78.87</b>	<b>29 14.76</b>	
<b>Closing Balance of Cash &amp; Cash Equivalents*</b>	<b>56 74.74</b>	<b>88 78.87</b>	

\*Refer note 6

\* Amount spent in Cash towards Corporate Social Responsibility is ₹ 86.05 Lacs (Previous Year ₹ 24.00 Lacs).

As per our Report of even date

For **Pathak H.D. & Associates**  
Chartered Accountants  
(Firm Registration No.: 107783W)

**Ashutosh Jethlia**  
Partner  
(Membership No.: 136007)

Place : Mumbai  
Dated : 11th April 2019

For and on behalf of the Board

**P. Raghavendran**  
Chairman

**C. S. Borar**  
Director

**Harisha Kumar**  
Whole-time-director

**C. S. Gokhale**  
Director

**G. K. Fulwadaya**  
Director

**S. K. Bhardwaj**  
Director

## Significant Accounting Policies

### A. CORPORATE INFORMATION

Reliance Petro Marketing Limited (“the Company”) is a wholly owned subsidiary of Reliance Retail Limited. The registered address of the company is 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai 400 002. The Company is in retail selling and distribution of petroleum and related products in India.

### B. ACCOUNTING POLICIES

#### B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for 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.

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

The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable

#### 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 adjustments 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.

## Significant Accounting Policies

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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.

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 based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013, except in respect of Vehicles, where estimated useful life is 5 years.

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.

**(c) Leases:**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of fixed assets given on finance lease, assets are shown as receivable at an amount equal to net investment in the lease. Initial direct costs are recognised immediately as expense in the Statement of Profit and Loss. Income from leased assets is accounted by applying the interest rate implicit in the lease to the net investment.

**(d) Intangible assets:**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset 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 or loss when the asset is derecognised.

Intangible assets comprising of Software are amortised over the period of 5 to 10 years.

**(e) Cash and Cash Equivalent**

Cash and cash equivalents comprise of cash on hand 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

**(f) Inventories**

Inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. 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 stores and spares, trading and other products are determined on weighted average basis.

**(g) 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 asset, 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 risk specific to the assets.

## Significant Accounting Policies

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

**(h) 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.

**(i) Employee Benefits**

**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 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 whoever has 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 IT 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.

**(j) Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**- Current tax**

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

**- 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.

## Significant Accounting Policies

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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.

**(k) Foreign currencies transactions and translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

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, are capitalized as cost of assets.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss except to the extent that exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings are capitalized as cost of assets under construction.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**(l) 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 is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred 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 varies between 0-60 days from the shipment or delivery of goods or services as the case may be.

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified and also accrues discounts to certain customers based on customary business practices which is derived on the basis of crude price volatility and various market demand – supply situations. Consideration are determined based on its most likely amount.

Generally, sales of petroleum products contain provisional pricing features where revenue is initially recognised based on provisional price. Difference between final settlement price and provisional price is recognised subsequently.

The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.



## Significant Accounting Policies

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### **Contract Balances:**

#### **Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

#### **Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **Interest income**

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

#### **Dividends**

Revenue is recognised when the Company's right to receive the payment has been established.

### **(m) Financial instruments**

#### **(i) Financial Assets**

##### **A. Initial recognition and measurement:**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, 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 carried 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 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 are solely payments of principal and interest on the principal amount outstanding.

###### **c) Financial assets 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.

##### **C. Other Equity Investments:**

All other equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'Other Comprehensive Income'.

##### **D. Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

## Significant Accounting Policies

a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### (ii) Financial liabilities

#### A. Initial recognition and measurement:

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or 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) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously

## C. CRITICAL ACCOUNTING JUDGMENTS 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 future periods.

### a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives 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 lives 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. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or 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.

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.

**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 amendments 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 on Financial Statements for the year ended 31st March, 2019

### 1. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Description	Gross Block				Depreciation			Net Block	
	As at 1/4/2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31/3/2019	As at 1/4/2018	For the Year	Deductions/ Adjustments*	As at 31/3/2019	As at 31/3/2018
<b>Own Assets :</b>									
Land-Freehold	3 72.24	-	-	3 72.24	-	-	-	3 72.24	3 72.24
Building	4 05.15	-	-	4 05.15	1 82.21	24.53	-	1 98.41	2 22.94
Plant and Machinery	113 07.34	7 14.58	1 84.79	118 37.13	56 83.32	8 14.22	1 69.43	55 09.02	56 24.01
Equipments	78.83	12.36	-	91.19	68.05	6.52	-	16.62	10.78
Furniture and fixtures	14.96	-	-	14.96	10.37	1.10	-	3.49	4.59
Vehicles	43.01	-	-	43.01	38.88	1.95	-	2.18	4.13
Electrical Installations	8.19	0.46	-	8.65	5.13	0.52	-	3.00	3.07
<b>Sub Total (A)</b>	<b>122 29.72</b>	<b>7 27.40</b>	<b>1 84.79</b>	<b>127 72.32</b>	<b>59 87.96</b>	<b>8 48.84</b>	<b>1 69.43</b>	<b>61 04.96</b>	<b>62 41.76</b>
<b>Leased Assets</b>									
Leasehold land	50.63	-	-	50.63	9.93	0.51	-	40.19	40.70
<b>Sub Total (B)</b>	<b>50.63</b>	<b>-</b>	<b>-</b>	<b>50.63</b>	<b>9.93</b>	<b>0.51</b>	<b>-</b>	<b>40.19</b>	<b>40.70</b>
<b>Total</b>	<b>122 80.35</b>	<b>7 27.40</b>	<b>1 84.79</b>	<b>128 22.95</b>	<b>59 97.89</b>	<b>8 49.35</b>	<b>1 69.43</b>	<b>61 45.15</b>	<b>62 82.46</b>
Previous Year	107 56.63	15 40.03	16.31	122 80.35	52 47.47	7 64.76	14.34	59 97.89	62 82.46

₹ Lakh

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

	₹ Lakh	
	As at 31st March 2019	As at 31st March, 2018
<b>2 OTHER NON CURRENT ASSETS (Unsecured and Considered Good)</b>		
Advance Income Tax (Net of Provision)	1 47.72	97.77
Deposits	13 08.28	12 79.12
Other Loans and Advances*	.00	3.04
<b>Total</b>	<b>14 56.00</b>	<b>13 79.93</b>

\*Includes loan to employees

### 2.1 TAXATION

	₹ Lakh	
	As at 31st March 2019	As at 31st March, 2017
<b>a) Income tax recognised in the Statement of Profit and Loss</b>		
Current tax	44 45.51	27 79.11
Deferred tax	28.78	(1 69.32)
<b>Total income tax expenses recognised in the current year</b>	<b>44 74.29</b>	<b>26 09.79</b>

The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	₹ Lakh	
	As at 31st March 2019	As at 31st March, 2017
Profit before tax	126 46.95	95 92.90
Applicable Tax Rate	34.608%	34.608%
Computed Tax Expense	43 76.86	33 19.91
<b>Tax Effect of :</b>		
Expenses disallowed	3 40.37	54.26
Additional allowances	(2 71.72)	( 54.51)
MAT Credit generated/ (Utilised) during the year	.00	(5 40.55)
<b>Current Tax Provision (A)</b>	<b>44 45.51</b>	<b>27 79.11</b>
Incremental deferred tax liability on account of Tangible and Intangible Assets	31.89	(1 88.97)
Incremental deferred tax liability on account of Financial Assets and Other Items	( 3.12)	19.65
<b>Deferred Tax Provision (B)</b>	<b>28.78</b>	<b>(1 69.31)</b>
<b>Income tax expenses recognised in the Statement of Profit and loss (A+B)</b>	<b>44 74.28</b>	<b>26 09.80</b>
<b>Effective Tax Rate</b>	<b>35%</b>	<b>27%</b>

### b) Advance Income Tax (Net of Provision)

	₹ Lakh	
	As at 31st March 2019	As at 31st March, 2018
<b>At Start of the year</b>	97.77	2 99.25
Charge for the year	(44 45.51)	(27 79.11)
Others #	(150.00)	(255.53)
Tax paid during the year (net of refund)	43.79	28 33.16
<b>At the end of the year</b>	<b>(44 53.95)</b>	<b>97.77</b>

# Mainly pertains to Provision for tax on Other Comprehensive Income

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

### 3 INVENTORIES

₹ Lakh

	As at 31st March 2019	As at 31st March, 2018
Stores, Spares and other Consumables	4 62.92	3 86.61
Stock-in-Trade *	179 97.46	184 05.86
<b>Total</b>	<b>184 60.38</b>	<b>187 92.47</b>

\* Stock - in - trade includes Material in Transit of ₹28 83.82 Lakhs (Previous Year ₹38 49.73 Lakhs)

### 4 CURRENT INVESTMENTS

₹ Lakh

	As at 31st March 2019		As at 31st March, 2018	
	Units	Amount (Rs in Lakhs)	Units	Amount (Rs in Lakhs)

#### Investments Classification at Fair Value through Other Comprehensive Income (FVTOCI)

##### In Equity Shares - Unquoted, fully paid up

Air Controls and Chemical Engg. Co. Ltd. of ₹ 1 each	1,000	0.02	1,000	0.02
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##### In Units of Mutual Fund - Unquoted, fully paid up

Birla Sun Life Dynamic Bond Fund - Retail - Growth - Direct Plan of ₹ 10 each	-	-	17,843,469.918	5,504.83
IDFC Arbitrage Fund - Monthly Dividend	43,675,106.349	57 43.49		
IDFC Corporate Bond Fund - Direct - Growth Plan of ₹ 10 each	122,822,345.114	157 95.44	122,822,345.114	14,702.20

<b>Sub-Total</b>		<b>215 38.95</b>		202 07.05
<b>Total Current Investments</b>		<b>215 38.95</b>		202 07.05
<b>Aggregate amount of Quoted Investment</b>		-		-
<b>Market Value of Quoted Investment</b>		-		-
<b>Aggregate amount of Unquoted Investment</b>		<b>215 38.95</b>		202 07.05

₹ Lakh

#### 4.1

Category-wise Current investment	As at 31st March 2019	As at 31st March, 2018
Financial assets carried at amortised cost	-	-
Financial assets measured at Fair value through other comprehensive income (FVTOCI)	215 38.95	202 07.05
Financial assets measured at Fair value through Profit & Loss (FVTPL)	-	-
<b>Total Current investment</b>	<b>215 38.95</b>	202 07.05

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

### 5 TRADE RECEIVABLE (Unsecured and Considered Good) ₹ Lakh

	As at 31st March 2019	As at 31st March, 2018
Trade Receivables	305 15.18	161 55.23
<b>Total</b>	<b>305 15.18</b>	<b>161 55.23</b>

### 6 CASH AND CASH EQUIVALENTS ₹ Lakh

	As at 31st March 2019	As at 31st March, 2018
Cash on hand	56 71.40	25 40.72
Balances with Bank	3.34	63 38.15
	<b>56 74.74</b>	<b>88 78.87</b>
Other Bank Balances		
In Deposits*	30.33	1 11.17
<b>Cash and Cash equivalents as per Balance Sheet</b>	<b>57 05.07</b>	<b>89 90.04</b>
<b>Cash and Cash equivalents as per Statement of Cash Flows</b>	<b>56 74.74</b>	<b>88 78.87</b>

6.1 \*The Company has placed Fixed Deposits amounting to ₹ 30.33 Lakhs as lien for Bank Guarantees issued favoring various Beneficiaries amounting to ₹ 12.37 lakhs (Previous Year ₹ 12.15 Lakhs under lien as security for Guarantees and temporary overdraft facility from a bank)

\*Includes deposit of ₹ 0.33 lakhs (Previous year ₹ 0.33 lakhs) with maturity of more than 12 months.

6.2 Cash and cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

### 7. OTHER CURRENT ASSETS (Unsecured and Considered Good) ₹ Lakh

	As at 31st March 2019	As at 31st March, 2018
(a) Balances with Customs, Central Excise, GST and State Authorities	67 54.17	68 77.94
(b) Prepaid Expenses	2 84.59	2 94.43
(c) Others #	36 46.21	8 24.05
<b>Total</b>	<b>106 84.97</b>	<b>79 96.42</b>

# Others includes advances to employees and advances to vendors.

### 8 SHARE CAPITAL ₹ Lakh

	As at 31st March 2019	As at 31st March, 2018
<b>Authorised Share Capital :</b>		
50 00 000 Equity Shares of ₹ 10 each (50 00 000)	500.00	500.00
50 00 000 Preference Shares of ₹10 each (50 00 000)	500.00	500.00
<b>Total</b>	<b>10 00.00</b>	<b>10 00.00</b>
<b>Issued, Subscribed and Paid up:</b>		
50 000 Equity Shares of ₹10 each fully paid up ( 50 000)	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

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

### 8.1 Details of Shareholder's holding more than 5% Shares

Name of the Shareholder	As at 31st March 2019		As at 31st March, 2018	
	No. of Shares	% held	No. of Shares	% held
Equity Shares	50,000	100	50,000	100
Reliance Retail Limited (Holding Company)				

### 8.2 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	50 000	50 000
Add: Equity Share issued during the year	-	-
Less: Equity Share bought back during the year	-	-
Equity Outstanding at the end of the year	50 000	50 000

### 8.3 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

## 9 OTHER EQUITY

₹ Lakh

	As at 31st March 2019		As at 31st March, 2018	
<b>10% Non Cumulative Optionally Convertible Preference Shares</b>				
As per Last Balance Sheet		399.58		399.58
<b>Capital Redemption Reserve</b>				
As per last Balance sheet		6.02		6.02
<b>Securities Premium Reserve</b>				
As per last Balance Sheet		714.50		714.50
<b>Retained Earnings</b>				
As per last Balance Sheet	98 25.15		28 42.04	
Add: Profit for the Year	81 72.66	179 97.81	69 83.11	98 25.15
<b>Other Comprehensive Income</b>				
As per last Balance Sheet	13 95.03		5 35.97	
Add: Movement in OCI (Net) during the year	4 90.21	18 85.24	8 59.06	13 95.03
<b>Total</b>		210 03.15		123 40.28

### 9.1 Details of Shareholder's holding more than 5% Preference Shares

(10% Non Cumulative Optionally Convertible Preference Shares)

Name of the Shareholder	As at 31st March 2019		As at 31st March, 2018	
	No. of Shares	% held	No. of Shares	% held
Preference share	3,995,800	100	3,995,800	100
Reliance Retail Limited (Holding Company)				



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

### 9.2 Terms of Preference Shares

Redeemable at the end of ten years from the date of allotment i.e. 25.11.2013 at a price of Rs. 260 per share. The Preference Shareholder have an option for early redemption any time after expiry of forty five days from the date of allotment by giving not less than Seven days notice. The Issuer and the preference shareholders will have an option for early conversion at any time by giving one month notice to the other party. The conversion of the Preference Shares will be based on higher of the book value or face of the share as at 31st March, 2015.

### 9.3 Rights, Preferences and Restrictions attached to Preference Shares

The Company has one class of Preference Shares i.e. 10% Non Cumulative Optionally Convertible Preference Shares of Rs.10/- per share. Such Preference Shares shall carry a preferential right over the Equity shares of the Company as regards to payment of dividend and repayment of capital, in the event of winding – up of the Company. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

### 9.4 The reconciliation of the number of 10% Non Cumulative Optionally Convertible Preference Shares outstanding is set out below :

Particulars	As at	As at
	31st March 2019	31st March, 2018
	No. of Shares	No. of Shares
Preference Shares at the beginning of the year	39 95 800	39 95 800
Add: Preference Shares issued during the year	-	-
Less: Preference Share redeemed during the year	-	-
Preference Share Outstanding at the end of the year	<u>39 95 800</u>	<u>39 95 800</u>

### 10 DEFERRED TAX LIABILITY (NET)

The movement on the Deferred tax account is as follows :

₹ Lakh

	As at	As at
	31st March 2019	31st March, 2018
At the Start of the Year	12 07.66	13 76.98
Charge/(Credit) to Profit or Loss (Note )	28.78	(1 69.32)
<b>At the end of the year</b>	<u>12 36.44</u>	<u>12 07.66</u>

#### Component of Deferred Tax Liabilities / (asset):

Deferred tax liabilities / asset in relation to:	As at	Charge/	As at
	31st March,	(credit) to	31st March,
	2018	Profit/ Loss	2019
Property, plant and equipment	12 37.43	31.89	12 69.32
Others (other disallowances)	( 29.77)	(3.11)	( 32.88)
<b>Total</b>	<u>12 07.66</u>	<u>28.78</u>	<u>12 36.44</u>

### 11 TRADE PAYABLES

₹ Lakh

	As at	As at
	31st March 2019	31st March, 2018
Micro and small Enterprises	63.78	106.83
Others	423 53.17	387 83.49
<b>Total</b>	<u>424 16.95</u>	<u>388 90.32</u>

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

### 11.1 Trade Payables

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

	₹ Lakhs	
	As at 31st March 2019	As at 31st March, 2018
Security Deposits*	204 39.18	189 44.10
<b>Total</b>	<b>204 39.18</b>	<b>189 44.10</b>

\* Represents Deposit from customer/distributors

### 13 OTHER CURRENT LIABILITIES

	₹ Lakh	
	As at 31st March 2019	As at 31st March, 2018
Others <sup>(1)</sup>	93 09.77	83 31.29
<b>Total</b>	<b>93 09.77</b>	<b>83 31.29</b>

<sup>(1)</sup> Includes statutory liabilities, advance from customers

### 14 PROVISIONS - SHORT TERM

	₹ Lakhs	
	As at 31st March 2019	As at 31st March, 2018
Provision for Employee Benefits (Refer Note 18.1)	95.21	84.95
<b>Total</b>	<b>95.21</b>	<b>84.95</b>

The provision for employee benefit includes annual leave and vested long services leave entitlement accrued and compensation claims made by employees

### 15 Revenue from Operation

	2018-19	2017-18
<b>Particulars of Sale of Products</b>		
(i) Transportation Fuel	12517 36.59	9537 78.47
(ii) Packed LPG	551 75.11	457 59.16
(iii) Others	231 50.06	121 82.25
	<b>13300 61.76</b>	<b>10117 19.88</b>
<b>Income from Services</b>		
(i) Franchise Fee	2 33.87	2 56.67
	<b>2 33.87</b>	<b>2 56.67</b>

### 16 OTHER INCOME

	2018-19	2017-18
<b>Interest Income</b>		
From Bank Deposits	5.21	5.71
From Others	93.62	9.45
Dividend Income	1 53.01	-
Profit on Sale of Mutual Fund	5 46.37	
<b>Other non operating income</b>	<b>17 62.75</b>	<b>20 22.51</b>
<b>Total</b>	<b>25 60.96</b>	<b>20 40.53</b>

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

### 16.1 OTHER COMPREHENSIVE INCOME

	₹ Lakhs	
	2018-19	2017-18
MTM on account of Debt Instruments (Mutual Fund)	6 32.89	11 28.72
<b>Total</b>	<b>6 32.89</b>	<b>11 28.72</b>

	₹ Lakh	
	2018-19	2017-18
<b>17 CHANGES IN INVENTORIES OF STOCK IN TRADE</b>		
<b>Inventories (at close)</b>		
Stock-in-Trade	179 97.46	184 05.86
<b>Inventories (at commencement)</b>		
Stock-in-Trade	184 05.86	157 43.91
<b>Total</b>	<b>4 08.40</b>	<b>(26 61.95)</b>

	₹ Lakh	
	2018-19	2017-18
<b>18 EMPLOYEE BENEFITS AND EXPENSES</b>		
Salaries, Wages and Bonus	22 78.18	20 03.90
Contribution to Provident and other Funds	87.35	71.23
Employee Welfare and other amenities	77.25	87.14
<b>Total</b>	<b>24 42.78</b>	<b>21 62.27</b>

### 18.1 As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :

#### Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

	₹ Lakh	
	2018-19	2017-18
Employer’s Contribution to Provident Fund	40.84	39.41
Employer’s Contribution to Superannuation Fund	1.44	1.18
Employer’s Contribution to Pension Scheme	22.57	20.39

The Company’s Provident Fund is exempted under Section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.

#### Defined Benefit Plan

##### I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

	₹ Lakh	
	Gratuity (Funded)	
	2018-19	2017-18
Defined Benefit Obligation at beginning of the year	2 13.69	1 83.92
Add: Liability Transferred In/ On Amalgamation	-	-
Current Service Cost	18.88	18.09
Interest Cost	17.08	13.72
Actuarial (Gain)/ Loss - Due to change in experience and change in Financial assumptions	7.45	16.92
Benefits Paid	( 5.86)	( 18.96)
Defined Benefit Obligation at year end	<b>2 51.25</b>	<b>2 13.69</b>

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

### II. Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets ₹ Lakh

	Gratuity (Funded)	
	2018-19	2017-18
Fair Value of Plan Assets at beginning of the year	3 58.34	3 46.71
Add: Liability Transferred In/ On Amalgamation	-	-
Interest Income	28.64	25.85
Return on Plan Assets, excluding Interest Income	( 2.86)	2.79
Employer Contribution	-	1.96
Benefits Paid	( 5.86)	( 18.96)
Fair Value of Plan Assets at year end	3 78.27	3 58.34
Actual Return on Plan Asset	25.78	28.64

### III. Reconciliation of Fair Value of Assets and Obligations ₹ Lakh

	Gratuity (Funded)	
	2018-19	2017-18
(Present Value of Obligation at the end of the Period )	(2 51.25)	(2 13.69)
Fair Value of Plan Assets at the end of the Period	3 78.27	3 58.34
Funded Status (Surplus/ (Deficit))	1 27.01	1 44.66
Net (Liability) / Asset recognised in the Balance Sheet	1 27.01	1 44.66

### IV. Expenses recognised during the year ₹ Lakh

	Gratuity (Funded)	
	2018-19	2017-18
<b>In Income Statement</b>		
Current Service Cost	18.88	18.09
Interest Cost	(11.56)	(12.13)
Return on Plan Assets	-	-
<b>Net Cost</b>	<b>7.32</b>	<b>5.97</b>
<b>In Other Comprehensive Income</b>		
Actuarial (Gain)/ Loss	7.45	16.92
Return on Plan Assets	2.86	(2.79)
<b>Net (Income)/ Expense for the period recognised in OCI</b>	<b>7.32</b>	<b>14.13</b>

### V. Balance Sheet Reconciliation ₹ Lakh

	Gratuity (Funded)	
	2018-19	2017-18
<b>Opening Net Liability</b>	<b>(167.96)</b>	<b>(188.06)</b>
Expenses recognised in Statement of Profit or Loss	7.32	5.97
Expenses recognised in OCI	7.32	14.13
<b>Net Liability / (Asset) recognised in the Balance Sheet</b>	<b>(153.32)</b>	<b>(167.96)</b>

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

### VI. Investment Details

		2018-19	2017-18
	% Invested	₹ Lakh	₹ Lakh
Insurance Policies	100%	3 78.27	3 58.34
Others	-	-	-
	<b>100%</b>	<b>3 78.27</b>	<b>3 58.34</b>

### VII. Actuarial Assumptions

Mortality Table (IALM)	Gratuity (Funded)	
	2018-19	2017-18
	2006-08	2006-08
	(Ultimate)	(Ultimate)
Discount Rate (per annum)	8%	8%
Expected Rate of Return on Assets (per annum)	8%	8%
Rate of Escalation in Salary (per annum)	6%	6%
Rate of Employee Turnover	2%	2%

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 applicable 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.

### VIII. The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2017-18.

### IX. 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:

₹ Lakh

Particulars	As on	
	31-Mar-19	31-Mar-18
<b>Projected Benefit Obligation on Current Assumption</b>	<b>251.25</b>	213.69
Delta Effect of +0.5% Change in Rate of Discounting - Increase	(10.65)	(9.97)
Delta Effect of -0.5% Change in Rate of Discounting - Decrease	11.34	10.63
Delta Effect of -0.5% Change in Rate of Salary Decrease	(10.89)	(10.19)
Delta Effect of + 0.5% Change in Rate of Salary Increase	11.51	10.79
Delta Effect of -0.5% Change in Rate of Employee Turnover - Decrease	(0.97)	(1.00)
Delta Effect of + 0.5% Change in Rate of Employee Turnover - Increase	0.94	0.95

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.

**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.

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

**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.

			₹ Lakh	
19 OTHER EXPENSES	2018-19		2017-18	
<b>SALES &amp; DISTRIBUTION EXPENSES</b>				
Sales Tax, Service Tax and Turnover Tax	37 89.82		17 45.13	
Brokerage, Discount and Commission	26.61		46.67	
Samples, Sales Promotion and Advertisement Expenses	3 98.55		2 76.53	
Clearing and Forwarding/ Freight Expenses	6 64.68	48 79.66	5 56.55	26 24.88
<b>OPERATING EXPENSES INCLUDING ADMINISTRATIVE EXPENSES</b>				
Operator Charges	151 73.47		135 12.87	
Electricity Expenses	29 79.06		29 91.39	
Security Expenses	1 12.60		1 46.16	
Travelling and Conveyance Expenses	3 60.69		3 54.50	
Repairs and Maintenance	6 25.25		4 40.90	
Bank and Other Charges	22 40.31		13 45.22	
Usage Charges	18.32		13.68	
Donation	86.15		24.07	
Rates & Taxes	1 37.47		66.60	
Professional and Legal fees	2 02.97		72.08	
Telephone expenses	26.88		14.72	
Insurance	47.26		59.69	
Loss on Sale / Discard of Assets	15.37		0.57	
Printing and stationery	5.23		8.90	
Other General and Administrative Charges	2 08.17	222 39.20	2 21.04	192 72.39
<b>PAYMENTS TO AUDITORS AS :</b>				
(a) Auditor				
Statutory Audit fees	19.28		12.50	
Tax Audit fees	5.00		4.05	
(b) Certification Fees				
	3.39		0.30	
(c) Cost Audit fees				
	0.70	28.37	0.66	17.51
<b>Total</b>		<b>271 47.23</b>		<b>219 14.78</b>

### 19.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 86.05 Lakhs (Previous year ₹ 23.19 Lakhs).
- (b) Expenditure related to CSR is ₹ 86.05 lakhs (Previous year ₹ 24 lakhs).
- (c) Details of Amount spent towards CSR given below :

	₹ Lakh	
Particulars	2018-19	2017-18
Rural Transformation	80.00	19.16
Community Development	6.05	4.84
Total	86.05	24.00

- (d) The entire ₹ 86.05 lakh (Previous year ₹ 24 Lakhs) is spent through Reliance Foundation.

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

20 EARNINGS PER SHARE (EPS)	2018-19	2017-18
Face Value per Equity Share (₹)	10.00	10.00
Basic Earnings per Share (₹)	16 345.32	13 966.22
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakhs)	81 72.66	69 83.11
Weighted average number of equity shares (Used as Denominator for calculating Basic EPS)	50,000	50,000
Diluted Earnings per Share (₹)	13 478.45	11 516.63
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakhs)	81 72.66	69 83.11
Weighted average number of equity shares (Used as Denominator for calculating Diluted EPS)	60,635	60,635
<b>Reconciliation of Weighted average number of shares outstanding</b>		
Weighted average number of equity shares (Used as Denominator for calculating Basic EPS)	50,000	50,000
<b>Weighted Average Potential Equity Shares</b>	<b>10,635</b>	<b>10,635</b>
Total Weighted average number of equity shares for calculating Diluted EPS	<b>60,635</b>	<b>60,635</b>

## 21 RELATED PARTY DISCLOSURE

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

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

Name of the Related Party	Relationship
Reliance Industries Limited	Ultimate Holding Company
Reliance Retail Ventures Limited Reliance Retail Limited	Holding Companies
Reliance Brands Limited Reliance Jio Infocomm Limited Reliance Payment Solutions Limited Reliance Corporate IT Park Ltd Reliance Sibur Elastomers Private Limited	Fellow Subsidiary Companies
Shri Harisha M. Kumar	Key Managerial Personnel

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

### (ii) Transaction during the year with related parties:

₹ Lakhs

Nature of Transactions (Excluding reimbursements)	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Directors/ Key Managerial Personnel	Total
<b>1. Purchase</b>					
Purchase during the year	<b>13032 20.24</b>	-	-	-	<b>13032 20.24</b>
	<i>9977 78.78</i>	-	-	-	<i>9977 78.78</i>
Asset Usage Charges	<b>66 51.64</b>	-	-	-	<b>66 51.64</b>
	<i>3,710.10</i>	-	-	-	<i>3710.10</i>
Purchase of Equipments	<b>3.65</b>	-	-	-	<b>3.65</b>
	-	-	-	-	-
<b>2. Expenditure</b>					
a) Sales Promotion Expense	-	<b>10.66</b>	-	-	<b>10.66</b>
	-	<i>30.54</i>	-	-	<i>30.54</i>
b) Other Expenses					
Professional Fees	<b>1.18</b>	-	<b>132.86</b>	-	<b>134.04</b>
	<i>0.60</i>	-	-	-	<i>0.60</i>
Telephones Expenses	-	-	<b>20.66</b>	-	<b>20.66</b>
	-	-	<i>8.74</i>	-	<i>8.74</i>
POS Rental Charges	-	-	<b>22.80</b>	-	<b>22.80</b>
	-	-	<i>18.79</i>	-	<i>18.79</i>
c) Payment to Key Managerial Personnel	-	-	-	<b>28.94</b>	<b>28.94</b>
	-	-	-	<i>24.83</i>	<i>24.83</i>
<b>3. Income</b>					
a) Sale during the year	<b>157.80</b>	<b>4.00</b>	<b>343 52.26</b>	-	<b>345 14.07</b>
	<i>197.23</i>	<i>14.48</i>	<i>145 35.65</i>	-	<i>147 47.36</i>
b) License fees	-	-	-	-	-
	-	-	<i>45.47</i>	-	<i>45.47</i>
<b>Balances as at 31st March 2019</b>					
Trade Receivables	<b>89.38</b>	<b>3.25</b>	<b>1.16</b>	-	<b>93.79</b>
	<i>29.23</i>	<i>3.25</i>	<i>3.15</i>	-	<i>35.64</i>
Trade and Other Payables	<b>245 59.86</b>	<b>3.61</b>	<b>112.35</b>	-	<b>246 75.82</b>
	<i>318 79.45</i>	<i>2.73</i>	<i>7.46</i>	-	<i>318 89.64</i>

Note: Figures in italic represent Previous Year's amounts.



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

### (iii) Disclosure in respect of Material Related Party Transactions during the Year:

₹ Lakhs

Particulars	Relationship	2018-19	2017-18
<b>1. Purchases during the year</b>			
Reliance Industries Limited	Ultimate Holding Company	<b>13098 71.88</b>	10014 88.88
<b>2. Sales Promotion Expenses</b>			
Reliance Retail Limited	Holding Company	<b>10.66</b>	30.54
<b>3. Other Expenses</b>			
Reliance Industries Limited	Ultimate Holding Company	<b>1.18</b>	0.60
Reliance Jio Infocomm Limited	Fellow Subsidiary Company	<b>20.66</b>	8.74
Reliance Corporate IT Park Ltd	Fellow Subsidiary Company	<b>1 32.86</b>	
Reliance Payment Solutions Limited	Fellow Subsidiary Company	<b>22.80</b>	18.79
<b>4. Payment to KMP/ Director</b>			
Shri Harisha M. Kumar	Key Managerial Personnel	<b>28.94</b>	24.83
<b>5. Sales during the year</b>			
Reliance Industries Limited	Ultimate Holding Company	<b>1 57.80</b>	1 97.23
Reliance Retail Limited	Holding Company	<b>4.00</b>	14.48
Reliance Jio Infocomm Limited	Fellow Subsidiary Company	<b>317 00.26</b>	127 86.74
Reliance Sibur Elastomers Private Limited	Fellow Subsidiary Company	<b>26 52.00</b>	17 48.91

#### Notes :

- (1) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- (2) Review of outstanding balances is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. These balances are unsecured and their settlement occurs through Banking channel.

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

				₹ Lakh	
(iv) Balances as at 31st March 2019			As at	As at	
	Particulars	Relationship	31st March 2019	31st March, 2018	
1	<b>Sundry Debtors</b>				
	Reliance Industries Limited	Ultimate Holding Company	<b>89.38</b>	29.23	
	Reliance Retail Limited	Holding Company	<b>3.25</b>	3.25	
	Reliance Jio Infocomm Limited	Fellow Subsidiary Company	<b>1.16</b>	16.86	
2	<b>Sundry Creditors</b>				
	Reliance Industries Limited	Ultimate Holding Company	<b>245 59.86</b>	318 79.45	
	Reliance Retail Limited	Holding Company	<b>3.61</b>	0.01	
	Reliance Corporate IT Park Ltd	Fellow Subsidiary Company	<b>1 10.81</b>	-	
	Reliance Payment Solutions Limited	Fellow Subsidiary Company	<b>1.54</b>	-	
	Reliance Jio Infocomm Limited	Fellow Subsidiary Company	-	7.46	

### 21.1 Compensation of Key Management personnel

The remuneration of director and other member of key management personnel during the year was as follows : ₹ Lakh

		2018-19	2017-18
(i)	Short term benefits	<b>27.88</b>	<b>23.82</b>
(ii)	Post employment benefits	<b>1.06</b>	<b>1.01</b>
(iii)	Other long term benefits	-	-
(iv)	Share based Payments	-	-
(v)	Termination Benefits	-	-
	<b>Total</b>	<b>28.94</b>	<b>24.83</b>

### 22 ADDITIONAL INFORMATION

₹ Lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>1. Contingent Liability</b>		
(i) Bank Guarantees to Government Authorities	<b>23.67</b>	23.67
(ii) In respect of Sales Tax Liability under various Sales Tax Authorities*	<b>48 27.81</b>	48 27.81
(iii) In respect of Income Tax Liability under Various Income Tax Authorities	<b>26.71</b>	26.71

\* The above litigations are not expected to have any material adverse impact on the financial position of the Company.

**23** The Income-Tax assessments of the company have been completed up to Assessment Year 2015-16. The Disputed demand outstanding up to the said Assessment Year is ₹ 26.71 lakh.

### 24 Capital Management

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 make adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

#### Gearing Ratio

There is no Debt in the Company as on 31.03.2018 and 31.03.2017. Thus, Gearing Ratio is NIL as on 31.03.2018 and 31.03.2017.

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

### 25 FINANCIAL INSTRUMENTS

All financial instruments are initially recognized 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.

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 3		Level 1	Level 2	Level 3
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
Trade Receivables	305 15.18	-		-	161 55.23	-		-
Cash and Bank Balances	57 05.07	-		-	89 90.04	-		-
<b>At FVTOCI</b>								
Investments	215 38.95	215 38.93	-	0.02	202 07.05	202 07.03		0.02
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Trade Payables	424 16.95	-		-	388 90.32	-		-
Other Financial Liabilities	204 39.18	-		-	189 44.10	-		-

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.

**Level 3:** Pricing inputs are based on unobservable market data and the fair values of these instruments are determined using a valuation model based on assumptions that are neither supported by prices from observable market transactions in the same instrument nor are they based on available market data.

#### Foreign Currency Risk

Foreign currency exposure profile is given below :

Particulars	As at 31st March, 2019	As at 31st March, 2018
	USD	USD
Trade and Other Receivables	-	-

#### A) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail 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 principally from credit exposures to customers relating to outstanding receivables.

#### B) 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. The Company monitors rolling forecasts of the Company's cash flow position and ensure that the Company is able to meet its financial obligation at all times including contingencies.

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

**26** The Company is mainly engaged in 'retail selling and distribution of Petroleum and related products' catering to Indian customers. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment". The Whole Time Director (the 'Chief Operational Decision Maker as defined in IND AS 108 – Operating Segments) monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

**27 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEES GIVEN COVERED U/S 186(4) OF THE COMPANIES ACT, 2013:**

- i) Loans given ₹ NIL (Previous year ₹ NIL)
- ii) Investments made is given under the said head.
- iii) Guarantees given and Securities provided by the Company in respect of loan ₹ NIL (Previous year ₹ NIL)

**28 APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved for issue by the Board of Directors on 11th April 2019

As per our Report of even date

**For Pathak H.D. & Associates**  
Chartered Accountants  
(Firm Registration No.: 107783W)

**Ashutosh Jethlia**  
Partner  
(Membership No.: 136007)

Place : Mumbai  
Dated : 11th April 2019

For and on behalf of the Board

**P. Raghavendran**  
Chairman

**C. S. Borar**  
Director

**Harisha Kumar**  
Whole-time-director

**N. B. Deshmukh**  
Director

**G. K. Fulwadaya**  
Director

**S. K. Bhardwaj**  
Director

**C. S. Gokhale**  
Director