

Reliance Gas PipelineS Limited
Financial Statements
2019-20

INDEPENDENT AUDITOR'S REPORT

To the Members of RELIANCE GAS PIPELINES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Gas Pipelines Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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

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

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

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

Management Responsibility for the Financial Statements

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act;

INDEPENDENT AUDITOR'S REPORT

- e) On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting with reference to these financial statements;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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 does not have any pending litigations which would impact on its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Jignesh Mehta
Partner
Membership No.: 102749
UDIN: 20102749AAAAJJ1790

Place : Mumbai
Date : April 21, 2020

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE GAS PIPELINES LIMITED

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

- i) In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds, comprising all the immovable properties of lands which are freehold are held in the name of the company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements for the said lands are held in the name of the company and buildings are in the name of the Company.
- ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons and has complied with the provisions of section 186 of the Act, in respect of investments, loans, guarantee or security given, as applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) In respect of Statutory dues :
 - a) According to the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not borrowed any funds from financial institutions or government or by issue of debentures.
- ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they are raised.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

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- 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 company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
 - xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
 - xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
 - xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
 - xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: April 21, 2020

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF
RELIANCE GAS PIPELINES LIMITED****(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)****Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Reliance Gas Pipelines Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. -101720W/W100355

Jignesh Mehta

Partner

Membership No. 102749

Place: Mumbai

Date: April 21, 2020

Balance Sheet as at 31st March, 2020

	Notes	As at 31st March, 2020	(₹ in Lakh) As at 31st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	3,19,916.97	3,33,865.28
Capital Work-in-Progress	1	5,850.84	3,534.67
Deferred Tax Assets (net)	2	-	564.36
Other Non- Current Assets	3	3,687.15	2,978.36
Total Non-Current Assets		3,29,454.96	3,40,942.67
Current Assets			
Inventories	4	4,042.25	3,862.52
Financial Assets			
Investments	5	4,673.85	12,696.12
Trade Receivables	6	4,109.05	13,793.77
Cash and Cash Equivalents	7	281.58	213.89
Other Financial Assets	8	323.30	649.25
Other Current Assets	9	10,461.15	9,778.20
Total current Assets		23,891.18	40,993.75
Total Assets		3,53,346.14	3,81,936.42
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	37,300.00	37,300.00
Other Equity	11	43,277.30	37,900.57
Total Equity		80,577.30	75,200.57
Non-Current Liabilities			
Financial Liabilities			
Borrowings	12	1,37,000.00	1,34,930.29
Deferred Tax Liabilities (net)	13	872.65	-
Other Non-Current Liabilities	14	1,12,916.67	1,17,916.67
Total Non-Current Liabilities		2,50,789.32	2,52,846.96
Current Liabilities			
Trade Payables Due to :			
Micro and Small Enterprises	15	107.33	16.02
Other than Micro and Small Enterprises		2,123.72	21,293.33
Other Financial Liabilities	16	13,165.88	21,506.48
Other Current Liabilities	17	6,483.15	10,904.43
Provisions	18	99.44	168.63
Total Current Liabilities		21,979.52	53,888.89
Total Liabilities		2,72,768.84	3,06,735.85
Total Equity and Liabilities		3,53,346.14	3,81,936.42
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 34		

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Regn No. - 101720W/ W100355

Jignesh Mehta

Partner

Mem. No. - 102749

Mumbai

April 21, 2020

S. Sudhakar

Chairman

Shivkumar R. Bhardwaj

Director

Geeta Fulwadaya

Director

Kavina Vora

Company Secretary

Amit Mehta

Whole Time Director & CEO

Chandrakant S. Gokhale

Director

Venkata Ravikumar Prekki

Director

Milind Narkhede

Chief Financial Officer

Statement of Profit and Loss for the year 31st March 2020

	Notes	2019-20	(₹ in Lakh) 2018-19
INCOME			
Value of Sales		35,063.91	1,49,911.96
Income from Services		50,374.55	29,797.12
Value of Sales & Services (Revenue)		85,438.46	1,79,709.08
Less: GST Recovered		11,738.66	31,938.09
Revenue from Operations	19	73,699.80	1,47,770.99
Other Income	20	5,806.15	4,496.28
Total Income		79,505.95	1,52,267.27
EXPENDITURE			
Purchase of Traded Goods		28,886.60	1,18,485.52
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	21	61.56	(92.46)
Employee Benefits Expense	22	1,773.41	2,051.01
Finance Costs	23	13,226.58	8,152.61
Depreciation / Amortisation Expense		14,294.44	8,838.10
Other Expenses	24	13,327.13	13,704.09
Total Expenses		71,569.72	1,51,138.87
Profit Before Tax		7,936.23	1,128.40
Tax Expenses:			
Current Tax		1,301.67	243.16
Deferred Tax	2	1,437.01	(49.36)
		2,738.68	193.80
Profit for the Year		5,197.55	934.60
Other Comprehensive Income			
a) Items that will be reclassified to profit or loss		-	-
b) Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		217.12	64.49
Income tax on above		(37.94)	(13.90)
Total Other Comprehensive Income for the Year (Net of Tax)		179.19	50.59
Total Comprehensive Income for the Year		5,376.73	985.19
Earnings per equity share of face value of ₹ 10 each			
Basic	25	1.39	0.25
Diluted		0.70	0.13
Significant Accounting Policies			
See accompanying notes to Financial Statements 1 to 34			

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Regn No. - 101720W/ W100355

Jignesh Mehta

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Director

Milind Narkhede

Chief Financial Officer

Statements of Change in Equity For the year ended 31st March, 2020

(₹ in Lakh)					
A. EQUITY SHARE CAPITAL	Balance as 1st April, 2018	Changes during the year 2018-19	Balance as at 31st March, 2019	Changes during the year 2019-20	Balance as at 31st March, 2020
	37,300.00	-	37,300.00	-	37,300.00

(₹ in Lakh)				
B. OTHER EQUITY	Retained Earnings	Instrument Classified as Equity	Other Comprehensive Income	Total
AS ON 31st MARCH, 2019				
Balance as at 1st April 2018	147.20	36,765.00	3.18	36,915.38
Total Comprehensive Income for the Year	934.60	-	50.59	985.19
Balance as at 31st March, 2019	1,081.80	36,765.00	53.77	37,900.57
AS ON 31st March, 2020				
Balance as at 1st April 2019	1,081.80	36,765.00	53.77	37,900.57
Total Comprehensive Income for the Year	5,197.55	-	179.19	5,376.73
Balance as at i.e, 31st March, 2020	6,279.35	36,765.00	232.96	43,277.30

As per our Report of even date

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

Jignesh Mehta
Partner
Mem. No. - 102749

Mumbai
April 21, 2020

For and on behalf of the Board

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Director

Milind Narkhede
Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2020

	(₹ in Lakh)	
	2019-20	2018-19
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	7,936.23	1,128.40
Adjusted for:		
Depreciation / Amortisation Expense	14,294.44	8,838.10
(Profit)/ Loss on Sale of Investments (Net)	(166.67)	(35.34)
Dividend Income	(653.32)	(433.74)
Finance Costs	13,226.58	8,152.61
Operating Profit before Working Capital Changes	26,701.03	16,521.63
Adjusted for:		
Trade and Other Receivables	9,327.46	(12,868.57)
Inventories	(179.73)	(3,727.38)
Trade and Other Payables	(28,587.03)	4,544.61
	(19,439.30)	(12,051.34)
Cash Generated from Operations	15,197.96	5,598.69
Taxes Paid (Net)	(786.13)	(356.88)
Net Cash Flow from Operating Activities *	14,411.83	5,241.81
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(3,787.95)	(27,718.44)
Purchase of Investment in Subsidiary	(1.00)	-
Purchase of Other Investments	(86,244.63)	(3,10,783.57)
Sale of Other Investments/ Proceeds from sale of financial assets	94,434.59	318,915.74
Dividend Income from Others	653.32	433.74
Maturity of / (Investment in) Fixed Deposits	0.50	180.49
Net Cash Flow from/(used in) Investing Activities	5,054.83	(18,972.04)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowing - Non-Current	52,000.00	40,000.00
Repayment of Borrowing - Non-Current	(57,915.14)	(17,984.86)
Interest Paid	(13,483.35)	(8,073.71)
Net Cash Flow from/(used) in Financing Activities	(19,398.49)	13,941.43
Net Increase/(Decrease) in Cash and Cash Equivalents	68.17	211.20
Opening Balance of Cash and Cash Equivalents	211.20	(0.00)
Closing Balance of Cash and Cash Equivalents (Refer Note "7")	279.37	211.20

* Amount spent in cash towards Corporate Social Responsibility is ₹ 9.15 lakh (Previous year ₹ 1.60 lakh)

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Regn No. - 101720W/ W100355

Jignesh Mehta

Partner

Mem. No. - 102749

Mumbai

April 21, 2020

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Shivkumar R. Bhardwaj

Director

Geeta Fulwadaya

Director

Kavina Vora

Company Secretary

Amit Mehta

Whole Time Director & CEO

Chandrakant S. Gokhale

Director

Venkata Ravikumar Prekki

Director

Milind Narkhede

Chief Financial Officer

Notes to the Financial Statements for the year ended 31st March, 2020

A. CORPORATE INFORMATION

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

The addresses of its registered office and principal place of business is 13th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400 021. The Company is mainly engaged in the business of providing Pipeline Infrastructure services.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

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

- (i) Certain Financial Assets and Liabilities
- (ii) Defined Benefit Plans - Plan Assets

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

With effect from 1st April 2019, Ind AS 116 – “Leases” (Ind AS 116) supersedes Ind AS 17 – “Leases”. The Company has adopted Ind AS 116 using the prospective approach.

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

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

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

An asset is treated as Current when it is –

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

(b) Property, Plant and Equipment:

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

Notes to the Financial Statements for the year ended 31st March, 2020

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.

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

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

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

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

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

(c) Intangible Assets :

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

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development

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 recognized in the Statement of Profit and Loss when the asset is derecognised.

The company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life

(d) Cash and Cash Equivalents

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

(e) Finance Cost

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

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

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

(f) Inventories

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

Notes to the Financial Statements for the year ended 31st March, 2020

Cost of finished goods, work-in-progress, raw materials, 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 assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

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

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

(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) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(j) Employee Benefits Expense

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

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

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit

Notes to the Financial Statements for the year ended 31st March, 2020

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.

(k) Tax Expenses

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

(i) Current tax

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

(ii) Deferred tax

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

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

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

(l) Foreign Currencies transactions and translation

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

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

(m) Revenue recognition

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

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

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

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

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

Interest income

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

Notes to the Financial Statements for the year ended 31st March, 2020

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(n) Financial instruments

(i) Financial Assets

A. Initial recognition and measurement

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

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

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

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

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

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

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

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

C. Investment in Subsidiaries

The Company has accounted for its investments in Subsidiaries at cost less impairment loss (if any).

(ii) Financial Liabilities

A. Initial Recognition and Measurement

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

B. Subsequent Measurement:

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

III. Derecognition of Financial Instruments

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

(o) Earnings per share

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

Notes to the Financial Statements for the year ended 31st March, 2020

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

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

b) Recoverability of Trade Receivable

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

c) Provisions

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

d) Impairment of non-financial assets

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

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

e) Impairment of Financial Assets

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

f) Recognition of Deferred Tax Assets and liabilities

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

g) Fair Value Measurement

For estimates relating to fair value of financial, instruments refer note 29.2 of financial statements.

Notes to the Financial Statements for the year ended 31st March, 2020

1. Property, Plant & Equipments and Capital Work-in-Progress											
(₹ in Lakh)											
Description	Gross Block				Depreciation/Amortisation				Net block		
	As at 1st April 2019	Additions / Adjustment	Deductions / Adjustment	As at 31st March, 2020	As at 1st April 2019	For the year	Deductions / Adjustment	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019	
(i) Tangible Assets											
Own Assets:											
Freehold Land	1,556.61	233.23	-	1,789.84	-	-	-	-	1,789.84	1,556.61	
Buildings	22,530.00	-	-	22,530.00	1,013.00	1,488.14	-	2,501.14	20,028.86	21,517.00	
Plant & Machinery	3,01,793.18	50.90	-	3,01,844.08	7,583.45	10,121.44	-	17,704.89	284,139.19	2,94,209.73	
Electrical Installations	6,928.62	6.02	-	6,934.64	550.32	658.56	-	1,208.88	5,725.76	6,378.30	
Equipments \$	12,201.43	11.64	-	12,213.07	2,240.48	1,998.07	-	4,238.55	7,974.52	9,960.95	
Furniture & Fixtures	214.89	22.50	-	237.39	42.78	22.38	-	65.16	172.23	172.11	
Vehicles	6.71	-	-	6.71	4.91	1.35	-	6.26	0.45	1.80	
Sub-total	3,45,231.44	324.29	-	3,45,555.73	11,434.94	14,289.94	-	25,724.88	3,19,830.85	3,33,796.50	
Right-of-Use Assets :											
Land	83.84	15.55	-	99.39	15.06	2.96	-	18.02	81.37	68.78	
Sub-total	83.84	15.55	-	99.39	15.06	2.96	-	18.02	81.37	68.78	
(ii) Intangible Assets :											
Software	-	6.29	-	6.29	-	1.54	-	1.54	4.75	-	
Sub-total	-	6.29	-	6.29	-	1.54	-	1.54	4.75	-	
Total	3,45,315.28	346.13	-	3,45,661.41	11,450.00	14,294.44	-	25,744.44	3,19,916.97	3,33,865.28	
Previous year	1,03,556.04	2,41,759.24	-	3,45,315.28	2,611.90	8,838.10	-	11,450.00	3,33,865.28	3,534.67	
Capital Work-in-Progress											
\$ Includes Office Equipments											
1.1. Capital Work in Progress includes											
Cost of Construction Materials at site ₹ 1,112.21 lakh (Previous year ₹ 912.68 lakh)											

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
2	Deferred Tax Assets (Net)	As at 31st March, 2020	As at 31st March, 2019
	At the start of the year	-	515.00
	(Charge)/Credit to Statement of Profit and Loss	-	49.36
	At the end of the year	<u>-</u>	<u>564.36</u>
3	Other Non Current Assets (Unsecured and Considered Good)	As at 31st March, 2020	As at 31st March, 2019
	Capital Advances	3,681.34	2,654.68
	Advance Income Tax (Net of Provision)	-	318.11
	Other Loans and Advances ⁽ⁱ⁾	5.81	5.57
	Total	<u>3,687.15</u>	<u>2,978.36</u>
	⁽ⁱ⁾ Includes Loans related to employees.		
4	Inventories	As at 31st March, 2020	As at 31st March, 2019
	Stock-In-Trade	166.05	227.61
	Stores and Spares & Consumables	3,876.20	3,634.91
	Total	<u>4,042.25</u>	<u>3,862.52</u>
5	Investments - Current	(₹ in Lakh)	
	Investments measured at Cost	As at 31st March, 2020	As at 31st March, 2019
		Units	Units
		Amount	Amount
		(Rs in lakh)	(Rs in lakh)
	In Equity shares of Subsidiary Company		
	Reliance Ethane Pipeline Limited	10,000	1.00
	Investments measured at Fair Value through Profit and Loss		
	In Mutual Funds - Unquoted		
	KOTAK Mutual Fund	-	-
	IDFC Mutual Fund	4,09,66,942	4,672.85
	Total	<u>4,673.85</u>	<u>12,696.12</u>
	Aggregate Amount of unquoted investments	4,673.85	12,696.12
		As at 31st March, 2020	As at 31st March, 2019
	Category-wise Current Investment		
	Measured at Cost	1.00	-
	Measured at FVTPL (Mutual Funds)	4,672.85	12,696.12

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019	
6	Trade Receivables (Unsecured and considered good)		
	Trade Receivables	4,109.05	13,793.77
	Total	4,109.05	13,793.77
		(₹ in Lakh)	
7	Cash and Cash Equivalents	As at 31st March, 2020	As at 31st March, 2019
	Cash on Hand	-	-
	Balances with Bank		
	In Current Accounts	279.39	211.20
	In Deposits *	2.19	2.69
	Total	281.58	213.89
	Cash and Cash Equivalents as per Balance Sheet	281.58	213.89
	Cash and Cash Equivalents as per Cash Flow Statement	279.39	211.20
	* Deposits of ₹ 2.19 Lakh (Previous Year ₹ 2.69 Lakh) held with government authorities.		
		(₹ in Lakh)	
8	Other Financial Assets - Current	As at 31st March, 2020	As at 31st March, 2019
	Security Deposits	323.30	399.25
	Others	-	250.00
	Total	323.30	649.25
		(₹ in Lakh)	
9	Other Current Assets (Unsecured and Considered Good)	As at 31st March, 2020	As at 31st March, 2019
	Balance with Customs, Central Excise, GST & State Authorities	9,833.47	9,362.73
	Others *	627.68	415.47
		10,461.15	9,778.20
	* includes advance to employees and vendors.		

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)			
10	Share Capital	As at		As at	
		31st March, 2020		31st March, 2019	
		Units	Amount	Units	Amount
	Authorised Share Capital:				
	Equity Shares of ₹ 10 each	50,00,00,000	50,000.00	50,00,00,000	50,000.00
	Preference Shares of ₹ 10 each	1,00,00,00,000	1,00,000.00	1,00,00,00,000	1,00,000.00
	Total		<u>1,50,000.00</u>		<u>1,50,000.00</u>
	Issued, Subscribed and Paid-Up:				
	Fully paid-up				
	Equity Shares of ₹ 10 each	37,30,00,000	37,300.00	37,30,00,000	37,300.00
	Total		<u>37,300.00</u>		<u>37,300.00</u>
	(i) The details of Shareholders holding more than 5% shares :				
	Name of the Shareholders	As at		As at	
		31st March, 2020		31st March, 2019	
		No. of Shares	% held	No. of Shares	% held
	Reliance Industries Limited (Shares held by Holding Company)	37,30,00,000	100	37,30,00,000	100
	(ii) Reconciliation of opening and closing number of shares				
	Particulars	As at		As at	
		31st March, 2020		31st March, 2019	
		No. of shares		No. of shares	
	Equity Shares outstanding at the beginning of the year	37,30,00,000		37,30,00,000	
	Add: Equity Shares issued during the year	-		-	
	Equity Shares outstanding at the end of the year	<u>3,730,00,000</u>		<u>37,30,00,000</u>	
	(iii) No bonus shares have been issued during the last five years.				
	Rights, Preferences and restrictions attached to Shares:				
	(iv) The Company has one class of ordinary shares which carry equal voting rights on income and distribution of assets on liquidation or otherwise.				
		(₹ in Lakh)			
11	Other Equity	As at		As at	
		31st March, 2020		31st March, 2019	
	Retained Earnings				
	As per last Balance Sheet		1,081.80		147.20
	Add: Profit for the year		5,197.55		934.60
	Sub-total		<u>6,279.35</u>		<u>1,081.80</u>
	Instrument classified as Equity				
	a) 6% Non Cumulative Optionally Convertible Preference Shares of ₹ 10 each, Issued and Fully Subscribed (Refer Note 11.1)				
	As per Last Balance Sheet		36,765.00		36,765.00
	Issued during the year		-		-
	Sub Total		<u>36,765.00</u>		<u>36,765.00</u>
	Total		<u>43,044.35</u>		<u>37,846.80</u>
	Other Comprehensive Income (OCI)				
	As per last Balance Sheet		53.77		3.18
	Add : Movement in OCI (Net) during the year		179.19		50.59
			<u>232.96</u>		<u>53.77</u>
	Total		<u>43,277.30</u>		<u>37,900.57</u>

Notes to the Financial Statements for the year ended 31st March, 2020

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

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

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

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

(iii) Reconciliation of opening and closing number of shares

Particulars	As at	
	31st March, 2020	31st March, 2019
	No. of shares	No. of shares
Preference Shares outstanding at the beginning of the year	36 76 50 000	36 76 50 000
Add: Preference Shares issued during the year	-	-
Equity Shares outstanding at the end of the year	36 76 50 000	36 76 50 000

(₹ in Lakh)

12 Borrowings

	As at		As at	
	31st March, 2020		31st March, 2019	
	Non-Current	Current	Non-Current	Current
Secured - at Amortised Cost				
Term Loans from Banks ⁽ⁱ⁾	70,000.00	10,000.00	1,19,930.29	17,984.86
Unsecured - at Amortised Cost				
Loans from Related Parties	67,000.00	-	15,000.00	-
Total	1,37,000.00	10,000.00	1,34,930.29	17,984.86

i The Term Loan from IDFC Limited of ₹ Nil (Previous year ₹ 12,858 lakh)

ii The Term Loan from HDFC Bank of Rs 80,000 lakh (Previous year Rs. 1,25,057 lakh) which is : (a) All outstanding dues in respect of Rupee Term Loan Facility pertaining to Dahej-Nagothane Ethane Pipeline (DNEPL) Project shall be secured by: (i) An exclusive first charge by way of equitable or registered mortgage on all the immovable assets, both present and future, of the DNEPL project, excluding goodwill, right of use/way and intangible assets and any other investment made out of any additional funds brought in by the Promoter (over and above the Equity Commitments) or any free cash flow, if any; (ii) A second ranking pari passu charge, (ranking subordinate only to the lenders providing working capital facilities, which are secured by a first charge over the current assets of DNEPL Project for DNEPL's working capital requirements) on current assets, operating cash flows, loans and advances, receivables, commissions, revenues of whatsoever nature and wherever arising, pertaining to DNEPL Project excluding any other investments, loans and/or advances made out of any additional funds brought in by its Promoter (over and above the Equity Commitments) or any free cash flow, if any.

iii Maturity Profile of Secured Term Loan is as set out below:

Maturity Profile	Non - Current			Current
	> 5 years	1-5 years	Total	1 Year
Term Loans - from Banks	30,000.00	40,000.00	70,000.00	10,000.00

(₹ in Lakh)

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
13	Deferred Tax Liabilities (Net)	As at 31st March, 2020	As at 31st March, 2019
	At the start of the year	(564.36)	-
	Charge/(Credit) to Statement of Profit and Loss	<u>1,437.01</u>	-
	At the end of the year	<u>872.65</u>	-
	Component of Deferred Tax :	(₹ in Lakh)	
	Deferred Tax Liability / (Assets) in relation to:	As at 31st March, 2019	Charge/(Credit) to Statement of Profit and Loss
		Others (Including Exchange Difference)	As at 31st March, 2020
	Property, Plant and Equipment	38,329.25	6,393.72
	Provisions	(58.93)	24.18
	Income Tax deduction u/s 35AD	(35,926.63)	1,091.19
	Others	<u>(2,908.05)</u>	<u>(6,072.08)</u>
	Total	<u>(564.36)</u>	<u>1,437.01</u>
		-	-
		-	872.65
		(₹ in Lakh)	
14	Other Non-Current Liabilities	As at 31st March, 2020	As at 31st March, 2019
	Others*	<u>1,12,916.67</u>	<u>1,17,916.67</u>
	Total	<u>1,12,916.67</u>	<u>1,17,916.67</u>
	* Deferred Income received from Reliance Industries Limited.		
		(₹ in Lakh)	
15	Trade Payables Due to	As at 31st March, 2020	As at 31st March, 2019
	Micro and Small Enterprises	107.33	16.02
	Trade Payables	<u>2,123.72</u>	<u>21,293.33</u>
	Total	<u>2,231.05</u>	<u>21,309.35</u>
15.1	There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March, 2020 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.		
		(₹ in Lakh)	
16	Other Financial Liabilities - Current	As at 31st March, 2020	As at 31st March, 2019
	Current Maturities of Long Term Debt	10,000.00	17,984.86
	Creditors for Capital Expenditure	2,848.87	2,947.84
	Interest Accrued but not due on Borrowings	<u>317.01</u>	<u>573.78</u>
	Total	<u>13,165.88</u>	<u>21,506.48</u>

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
17 Other Current Liabilities	As at 31st March, 2020	As at 31st March, 2019	
Others*	6,285.72	10,904.43	
Provision for Income Tax (Net of taxes)	197.43	-	
Total	6,483.15	10,904.43	

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

		(₹ in Lakhs)	
17.1 Taxation	As at 31st March, 2020	As at 31st March, 2019	
Income Tax recognised in Statement of Profit and Loss			
Current Tax	1,301.67	243.16	
Deferred Tax	1,437.01	(49.36)	
Total Income Tax expenses	2,738.68	193.80	
The income Tax expenses for the year can be reconciled to the accounting profit as follows:			
Profit Before Tax	7,936.23	1,128.40	
Applicable Tax Rate	34.94%	29.12%	
Computed Tax Expense	2,772.92	328.59	
Tax effect of :			
Exempt Income	(228.27)	-	
Others	(1,242.98)	(85.43)	
Current Tax Provision (A)	1,301.67	243.16	
Incremental Deferred Tax (Liability) / Asset on account of Property, Plant and Equipment	6,393.72	3,582.10	
Incremental Deferred Tax (Liability) / Asset on account of Financial Assets and Other Items	(4,956.71)	(3,631.46)	
Deferred Tax Provision (B)	1,437.01	(49.36)	
Tax Expenses recognised in Statement of Profit and Loss (A+B)	2,738.68	193.80	
Effective Tax Rate	35%	17%	
Provision for Income Tax (Net of taxes paid)			
At start of year	318.11	204.38	
Charge for the year	(1,301.67)	(243.16)	
Tax paid during the year	786.13	356.88	
At the end of the year	(197.43)	318.11	

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
	As at 31st March, 2020	As at 31st March, 2019	
18 Provisions - Current			
Provision for Employee Benefits #	99.44	168.63	
Total	99.44	168.63	
# Refer note no. 22.1			
		(₹ in Lakh)	
19 Revenue from Operations	2019-20	2018-19	
DISAGGREGATED REVENUE			
Traded Goods	29,715.18	1,27,044.03	
Value of Sales ^	29,715.18	1,27,044.03	
Transportation Charges	43,984.62	20,726.96	
Income from Services ^	43,984.62	20,726.96	
Total	73,699.80	1,47,770.99	
^ Net of GST			
		(₹ in Lakh)	
20 Other Income	2019-20	2018-19	
Interest			
Bank Deposits	0.15	1.70	
Dividend Income	653.32	433.74	
Other Miscellaneous Income	4,986.01	4,025.50	
Gain on Financial Assets			
Realised Gain	117.92	17.47	
Unrealised Gain	48.75	17.87	
Total	5,806.15	4,496.28	
		(₹ in Lakh)	
21 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	2019-20	2018-19	
Inventories (at close)			
Finished Goods/ Stock-In-Trade	166.05	227.61	
Inventories (at commencement)			
Finished Goods/ Stock-In-Trade	227.61	135.15	
Total	61.56	(92.46)	
		(₹ in Lakh)	
22 Employee Benefits Expense	2019-20	2018-19	
Salaries and Wages	1,486.77	1,720.51	
Contribution to Provident and Other Funds	109.63	131.93	
Staff Welfare Expenses	177.01	198.57	
Total	1,773.41	2,051.01	

Notes to the Financial Statements for the year ended 31st March, 2020

22.1 Employee Benefits

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

Defined Contribution Plan

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

	(₹ in Lakh)	
	2019-20	2018-19
Employers Contribution to Provident Fund	53.30	59.41
Employers Contribution to Pension Fund	30.70	30.76
Total	84.01	90.17

Defined Benefit Plan

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

I Reconciliation of Opening and closing balances of Defined Benefit obligation

(₹ in Lakh)

	Gratuity (Funded)	
	2019-20	2018-19
Defined Benefit obligation at beginning of the year	455.02	437.14
Current Service Cost	22.44	38.36
Interest cost	36.48	34.94
Actuarial (gain) / loss on obligations	(220.21)	(66.25)
Benefits paid	(18.46)	10.81
Defined Benefit obligation at end of the year	275.26	455.02

II Reconciliation of Opening and closing balances of fair value of plan assets

	Gratuity (Funded)	
	2019-20	2018-19
Fair value of plan assets at the beginning of the year	481.14	437.14
Expected return on plan assets	(3.09)	(1.76)
Actuarial Gain / (Loss)	-	-
Interest Income	38.57	34.95
Employer Contribution	-	-
Benefits Paid	-	10.81
Fair value of plan assets at the end of the year	516.63	481.14

III Reconciliation of fair value of assets and obligations

	Gratuity (Funded)	
	2019-20	2018-19
Fair value of plan assets at end of year	516.63	481.14
Present Value of obligation	275.26	455.02
Amount recognised in Balance Sheet	(241.36)	(26.13)

Notes to the Financial Statements for the year ended 31st March, 2020

IV Expenses recognised during the year

	Gratuity (Funded)	
	2019-20	2018-19
Current Service Cost	22.44	38.36
Transferred to Capital Work-In-Progress	(2.09)	-
Expense recognised in Income Statement	20.35	38.36
Expected return on plan assets	3.09	1.76
Transferred to Capital Work-In-Progress	-	-
Expense recognised in OCI	3.09	1.76
Actuarial (gain) / loss	(220.21)	(66.25)
Transferred to Capital Work-In-Progress	-	-
Expense recognised in OCI	(220.21)	(66.25)
Net Income Recognised in Income Statement	20.35	38.36
Net Income Recognised in Other comprehensive Income	(217.12)	(64.49)

V Investment details

	As at 31st March, 2020		As at 31st March, 2019	
	(Rs in Lakhs)	% invested	(Rs in Lakhs)	% invested
Insurance Policies	516.63	100%	481.14	100%
Others (including bank balances)	516.63	100%	481.14	100%

VI Actuarial Assumptions

	Gratuity (Funded)	
	2019-20	2018-19
Mortality Table(LIC)	(Ultimate)	(Ultimate)
Discount rate (per annum)	6.84%	8.00%
Expected rate of return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	6.00%	6.00%

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

The expected rate of return on plan assets is determined considering several factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the company's policy for plan assets management.

VII The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2019-20.

Notes to the Financial Statements for the year ended 31st March, 2020

VIII Sensitivity Analysis

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Projected Benefit Obligation on Current Assumptions				
Change in rate of discounting (delta effect of +/- 0.5%)	288.45	263.02	474.48	436.81
Change in rate of salary increase(delta effect of +/- 0.5%)	287.67	288.50	436.40	474.76
Change in rate of employee turnover (delta effect of +/- 0.5%)	275.61	275.60	453.14	456.82

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment Risk

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

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

Interest Risk

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

Longevity Risk

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

Salary Risk

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.

23 Finance Cost - at Amortised cost	(₹ in Lakh)	
	2019-20	2018-19
Interest Expenses*	13,226.58	8,152.61
Total	13,226.58	8,152.61

* Interest Expenses are net of Interest Capitalised of ₹ Nil Lakhs (Previous Year ₹ 4,453.95 Lakhs)

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
24 Other Expenses	2019-20	2018-19	
Payment to Auditors	1.77	1.77	
Other Repairs	203.50	50.18	
Repairs to Machinery	1,076.58	870.96	
Store, chemicals and fuel consumption	1,642.46	1,662.15	
Electricity & Water	57.63	55.01	
Exchange Difference	3.98	2.06	
Telephone Expenses	12.74	20.44	
Charity & Donations	9.15	1.60	
Travelling and Conveyance Expenses	524.16	515.11	
Labour processing, production royalty and machinery hire charges	76.61	33.52	
Professional Fees Paid to Others	7,221.17	9,383.68	
General Expenses	2,497.38	1,107.61	
Total	13,327.13	13,704.09	

		(₹ in Lakh)	
24.1 Payment to Auditors	2019-20	2018-19	
Statutory Audit Fees	1.00	1.00	
Tax Audit Fees	0.12	0.12	
Certification and Filing Fees	0.25	0.25	
Cost Audit Fees	0.40	0.40	
Total	1.77	1.77	

24.2 Corporate Social Responsibility (CSR)

a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 9.12 Lakh (Previous Year ₹ 1.57 Lakh)

b) Expenditure related to Corporate Social Responsibility is ₹ 9.15 Lakh (Previous Year ₹ 1.60 Lakh).

Details of amount spent as CSR given below:

		(₹ in Lakh)	
Particulars	2019-20	2018-19	
Health Care, including Preventive Health Care Promoting education & Rural Development Projects	-	1.60	
Promoting Education	9.15	-	
Total	9.15	1.60	

c) Total ₹ 9.15 Lakh (Previous Year ₹ 1.60 Lakh) is spent through Reliance Foundation.

Notes to the Financial Statements for the year ended 31st March, 2020

		(₹ in Lakh)	
25	Earning Per Share	2019-20	2018-19
	Basic Earning Per Share		
	Net Profit/(Loss) after tax as per statement of profit and loss	5,197.55	934.60
	Dividend on Cumulative Preference Share	-	-
	Net Profit attributable to Equity Shareholders	5,197.55	934.60
	Weighted Average number of equity shares used as denominator for calculating Basic EPS:	3,730.00	3,730.00
	Basic Earnings per share of face value of ₹10 each (In ₹)	1.39	0.25
	Diluted Earning Per Share		
	Net Profit / (Loss) after tax as per statement of profit and loss	5,197.55	934.60
	Net Profit / (Loss) attributable to Equity Shareholders	5,197.55	934.60
	Weighted Average number of equity shares used as denominator for calculating EPS:	3,730.00	3,730.00
	Add: Number of Zero Coupon optionally fully Convertible Debentures in to Equity Shares	-	-
	Add: Number of 6% Non Cumulative Optionally Convertible Preference Shares of ₹ 10 each	3,676.50	3,676.50
	Total weighted average number of Equity Shares	7,406.50	7,406.50
	Diluted Earnings per share of face value of ₹ 10 each (In ₹)	0.70	0.13

26 Related Party Disclosures

As per IND AS - 24, the disclosure with related parties as designed in IND AS are given below:

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

S. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company
2	Reliance Corporate IT Park Limited	Fellow Subsidiary
3	Reliance Retail Limited	Fellow Subsidiary
4	Reliance Jio Infocomm Limited	Fellow Subsidiary
5	Reliance Projects & Property Management Services Limited ^ (Formerly known as Reliance Digital Platform & Project Services Limited)	Fellow Subsidiary
6	Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary
7	Reliance 4IR Realty Development Limited ^	Fellow Subsidiary
8	Shri R Suresh (Chief Executive Officer) up to 31-07-2019	Key Managerial Personnel
9	Shri Amit Mehta (Chief Executive Office, WTD) w.e.f 01-08-2019	Key Managerial Personnel
10	Shri Kavina Vora (Company Secretary) w.e.f. 11-04-2019	Key Managerial Personnel
11	Shri S. Sundara Vadivelan (Chief Financial Officer) up to 02-03-2020	Key Managerial Personnel

^ relationship established during the year

Notes to the Financial Statements for the year ended 31st March, 2020

(ii) Transactions during the year with related parties:				(₹ in Lakhs)	
S. No.	Nature of Transactions (Excluding reimbursements)	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
1	Purchase of Capital Goods	-	-	-	-
		-	19.70	-	19.69
2	Purchase of Traded Goods	34,076.62	-	-	34,076.62
		1,39,678.65	-	-	1,39,678.65
3	Purchase of Fuel	1,044.77	-	-	1,044.77
		1,435.80	-	-	1,435.80
4	Sale of Services	50,374.54	-	-	50,374.54
		35,935.42	-	-	35,935.42
5	Sale of Traded Goods	9,117.40	-	-	9,117.40
		1,45,333.10	14.18	-	1,45,347.28
6	Borrowings	52,000.00	-	-	52,000.00
		15,000.00	-	-	15,000.00
7	Miscellaneous Income	3,500.00	-	-	3,500.00
		4,000.00	-	-	4,000.00
8	Interest Paid	2,639.83	-	-	2,639.83
		722.77	-	-	722.77
9	Professional Fees Paid	3.84	8,287.68	-	8,291.52
		1.59	10,868.93	-	10,870.53
10	Telephone Expenses	-	6.93	-	6.93
		-	22.79	-	22.79
11	Rent Paid	235.70	-	-	235.70
		131.67	-	-	131.67
12	Other expenses	-	25.96	-	25.96
		-	-	-	-
13	Remuneration to Key Managerial Personnel	-	-	149.53	149.53
		-	-	163.57	163.57
14	Purchase of Equity Shares of Reliance Ethane Pipeline Limited	-	1.00	-	1.00
		-	-	-	-
	Balance as on 31st March, 2020 (Excluding reimbursements)				
15	Equity Shares	37,300.00	-	-	37,300.00
		37,300.00	-	-	37,300.00
16	Borrowings	67,000.00	-	-	67,000.00
		15,000.00	-	-	15,000.00
17	Trade Receivables	3,944.88	-	-	3,944.88
		11,347.58	-	-	11,347.58
18	Trade Payables	931.09	6.93	-	938.02
		10,519.46	10,264.48	-	20,783.94
19	Deferred Revenue	1,17,916.67	-	-	1,17,916.67
		1,26,416.67	-	-	1,26,416.67
20	Preference Share Capital	36,765.00	-	-	36,765.00
		36,765.00	-	-	36,765.00

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

Notes to the Financial Statements for the year ended 31st March, 2020

(iii) Disclosure in respect of Material Related Party Transactions during the year:		(₹ in Lakhs)	
Particulars	Relationship	2019-20	2018-19
1 Purchase of Capital Goods			
Reliance Retail Limited	Fellow Subsidiary	-	19.70
2 Purchase of Traded Goods			
Reliance Industries Limited	Holding Company	34,076.62	1,39,678.65
3 Purchase of Fuel			
Reliance Industries Limited	Holding Company	1,044.77	1,435.80
4 Sales of Services			
Reliance Industries Limited	Holding Company	50,374.54	35,935.42
5 Sale of Traded Goods			
Reliance Industries Limited	Holding Company	9,117.40	1,45,333.10
Reliance Corporate IT Park Limited	Fellow Subsidiary	-	14.18
6 Borrowings			
Reliance Industries Limited	Holding Company	52,000.00	15,000.00
7 Miscellaneous Income			
Reliance Industries Limited	Holding Company	3,500.00	4,000.00
8 Interest Paid			
Reliance Industries Limited	Holding Company	2,639.83	722.77
9 Professional Fees Paid			
Reliance Industries Limited	Holding Company	3.84	1.59
Reliance Corporate IT Park Limited	Fellow Subsidiary	103.72	10,868.93
Reliance Projects & Property Management Services Limited (Formerly known as Reliance Digital Platform & Project Services Limited)	Fellow Subsidiary	8,101.36	-
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	20.65	-
Reliance 4IR Realty Development Limited	Fellow Subsidiary	61.95	-
10 Telephone Expenses			
Reliance Jio Infocomm Limited	Fellow Subsidiary	6.93	22.79
11 Rent Paid			
Reliance Industries Limited	Holding Company	235.70	131.67
12 Other Expenses			
Reliance Retail Limited	Fellow Subsidiary	25.96	-
13 Remuneration to key Managerial Personnel			
Shri R Suresh (Chief Executive Officer)	Key Managerial Personnel	-	86.33
Shri Vikas Pethe (Company Secretary)	Key Managerial Personnel	-	15.62
Shri Ramanathan Ravichandran (Chief Financial Officer)	Key Managerial Personnel	-	29.79
Shri S. Sundara Vadivelan (Chief Financial Officer)	Key Managerial Personnel	49.62	31.83
Shri Amit Mehta (Whole time director & Chief Executive Officer)	Key Managerial Personnel	92.14	-
Shri Kavina Vora (Company Secretary)	Key Managerial Personnel	7.78	-
14 Purchase of Equity Shares of Reliance Ethane Pipeline Limited			
Reliance Industrial Investments and Holdings Limited	Fellow Subsidiary	1.00	-

Note: Professional Fees towards Key Managerial Personnel payment reimbursed to Reliance Industries Limited and Reliance Projects & Property Management Services Limited (Formerly known as Reliance Digital Platform & Project Services Limited)

Notes to the Financial Statements for the year ended 31st March, 2020

27 Contingent Liabilities and Commitments (₹ in Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
(A) Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	696.36	1,676.64
(B) Contingent Liabilities		
Bank Guarantees	1,320.82	1,328.50

28 The Income Tax Assessment of the company have been completed upto A.Y 2017-18 and there is no outstanding demand.

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

30 Capital Management and Financial Instruments

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

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

30.1 Gearing ratio

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

Particulars	As at 31st March, 2020	As at 31st March, 2019
Gross Debt	1,47,000.00	1,52,915.14
Cash and bank balance (including liquid investments)	4,955.43	12,910.01
Net Debt (A)	1,42,044.57	1,40,005.13
Total Equity (as per Balance Sheet) (B)	80,577.30	75,200.57
Net debt to equity ratio (A / B)	1.76	1.86

Debt is defined as long-term and short-term borrowings (excluding derivative contracts and contingent consideration) as described in note 13.

30.2 Financial Instruments

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

Particulars	As at 31st March, 2020			As at 31st March, 2019				
	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
Financial Assets								
At Amortised Cost								
Trade Receivables	4,109.05	-	-	-	13,793.77	-	-	
Cash and Bank Balances	281.58	-	-	-	213.89	-	-	
Other Financial Assets	323.30	-	-	-	649.25	-	-	
At FVTPL								
Investments	4,673.85	4,673.85	-	-	12,696.12	12,696.12	-	
At Amortised Cost								
Borrowings	1,47,000.00	-	-	-	1,52,915.14	-	-	
Trade Payables	2,231.06	-	-	-	21,309.35	-	-	
Other Financial Liabilities	3,165.87	-	-	-	3,521.62	-	-	

Notes to the Financial Statements for the year ended 31st March, 2020

The financial instruments are categorized into three 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, whether directly or indirectly.

Level 3 : Inputs are based on unobservable market data.

Valuation Methodology

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

- The fair value of investment in Mutual Funds is measured at quoted price or NAV.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

(B) Financial Risk Management

The Different types of risks the company is exposed to are Liquidity Risk, Credit Risk and Market Risk.

(i) 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 relating to outstanding receivables.

(ii) 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.

(iii) Market Risk

(a) Foreign Currency Risk

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

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

Foreign currency exposure profile is given below:

(₹ in Lakhs)

	As at 31st March, 2020			As at 31st March, 2019		
	USD	EUR	GBP	USD	EUR	GBP
Trade and Other Payables	18.25	2.65	2.91	8.51	2.65	161.03
Net Exposure	18.25	2.65	2.91	8.51	2.65	161.03
Foreign currency sensitivity analysis (assuming a currency movement of 1%) is appended in table below:						
	As at 31st March, 2020			As at 31st March, 2019		
	USD	EUR	GBP	USD	EUR	GBP
1% Depreciation in INR						
Impact on Equity	0.18	0.03	0.03	0.09	0.03	1.61
Total	0.18	0.03	0.03	0.09	0.03	1.61
1% Appreciation in INR						
Impact on Equity	(0.18)	(0.03)	(0.03)	(0.09)	(0.03)	(1.61)
Total	(0.18)	(0.03)	(0.03)	(0.09)	(0.03)	(1.61)

Notes to the Financial Statements for the year ended 31st March, 2020

(b) Interest Rate Risk

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

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

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

Please refer to interest rate exposure profile appended in table below:

Particulars	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Borrowings		
Non-current -Fixed	1,47,000.00	1,52,915.14
Total	1,47,000.00	1,52,915.14

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

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

- i) Loans given ₹ NIL (Previous year ₹ NIL)
- ii) Investments made : Refer note no 5
- iii) Guarantees given and Securities provided by the Company in respect of loan ₹ NIL (Previous year ₹ NIL)

32 Segment Information

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

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

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

- a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment.
- b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments.

(i) Primary Segment Information

₹ in Lakhs

Particulars	Pipeline Business		Petchem		Total Amount	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Turnover	11,709.68	12,556.63	73,728.77	1,67,152.45	85,438.46	1,79,709.08
Less : GST Recovered	(1,254.61)	(1,642.10)	(10,484.05)	(30,295.99)	(11,738.66)	(31,937.49)
Net Turnover	10,455.07	10,914.53	63,244.72	1,36,856.46	73,699.80	1,47,770.99
Segment Result before Interest and Tax	3,617.74	2,519.32	17,545.09	6,761.69	21,162.83	9,282.01
Interest	3,985.10	4,375.18	9,241.47	3,777.43	13,226.58	8,152.61
Profit Before Tax	(367.36)	(1,855.86)	8,303.61	2,984.26	7,936.23	1,129.40
Current Tax	-	-	1,301.67	243.16	1,301.67	243.16
Deferred Tax	(126.82)	(793.29)	1,563.83	743.93	1,437.01	(49.36)
Profit After Tax	(240.54)	(1,062.57)	5,438.11	1,997.17	5,197.55	935.60
Segment Assets	94,942.79	1,00,694.74	2,58,403.35	2,81,241.66	3,53,346.14	3,81,936.40
Segment Liabilities	94,942.79	1,00,694.74	2,58,403.35	2,81,241.66	3,53,346.14	3,81,936.40
Capital Expenditure	45.19	1,218.33	300.93	2,40,540.90	346.13	2,41,759.24
Depreciation	5,052.87	5,016.23	9,241.57	3,821.88	14,294.44	8,838.10

Notes to the Financial Statements for the year ended 31st March, 2020

(ii) **The Reportable Segments are further described below :**

- The Petrochemical segment includes operations of DNEPL (Dahej Nagothane Pipeline) and Ethane Trading.
- The Pipeline Business segment includes operations of SHPPL (Shahdol Phulpur Pipeline).
- Revenue from two customers contributed 10% or more to the Company's revenue for FY 2019-20

33 Reliance Gas Pipelines Limited ('the Company' or 'De-merged Company') has entered into an arrangement, for de-merger of its Downstream Business Undertaking to Reliance Ethane Pipeline Limited ('Resulting Company') from the Appointed Date (i.e. 01-10-2019), as a going concern in terms of the Scheme of Arrangement made under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Scheme of Arrangement is subject to sanction by the National Company Law Tribunal, Mumbai and Ahmedabad bench.

34 Approval of financial statements

The financial statements were approved for issue by the board of directors on April 21, 2020.

As per our Report of even date

For and on behalf of the Board

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Regn No. - 101720W/ W100355

Jignesh Mehta

Partner

Mem. No. - 102749

Mumbai

April 21, 2020

S. Sudhakar

Chairman

Shivkumar R. Bhardwaj

Director

Geeta Fulwadaya

Director

Kavina Vora

Company Secretary

Amit Mehta

Whole Time Director & CEO

Chandrakant S. Gokhale

Director

Venkata Ravikumar Prekki

Director

Milind Narkhede

Chief Financial Officer