

Reliance O2C Limited
Financial Statements
24th January 2019 to 31st March 2020

Independent Auditor's Report

TO THE MEMBERS OF RELIANCE O2C LIMITED

Report on Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Reliance O2C Limited Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and 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 period 24th January, 2019 to 31st March, 2020, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its loss and its cash flows and the changes in equity for the period 24th January, 2019 to 31st March, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) as 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 financial statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Director's 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 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, 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.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015 as amended.

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

In preparing the financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of 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.

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 Section 143(3) of the Act, based on our audit on the standalone financial statements, 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015 as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) No managerial remuneration has been paid / provided by the Company for the year ended March 31, 2020 to its directors in accordance with the provisions of section 197 of the Act.

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- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company doesn't have any pending litigations which would impact 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Sandesh Ladha

Partner

Membership No.: 047841

UDIN: 20047841AAAHNH4111

Place: Mumbai

Date: 25th April, 2020

ANNEXURE A**TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE O2C LIMITED**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **RELIANCE O2C 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act .

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant of India.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Sandesh Ladha

Partner

Membership No.: 047841

UDIN: 20047841AAAHNH4111

Place: Mumbai

Date: 25th April, 2020

ANNEXURE B**TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE O2C LIMITED**

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

- i. The Company does not have any Fixed Assets during the year under audit. Therefore the provision of Clause (i) of paragraph 3 of the Order are not applicable to the Company.
- ii. The Company does not have any inventory during the year under audit. Therefore the provision of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.
- iii. In our opinion and according to the information and explanations given to us, 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 Companies Act, 2013 ("the Act"). Therefore, the provisions of Clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments and provided any guarantees and securities covered under Section 185 and 186 of the Act. Therefore, the provisions of the Clause (iv) of the paragraph 3 of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. To the best of our knowledge and according to the information and explanations provided to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- 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, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the 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 of becoming payable.
 - b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Service Tax, Goods and Service Tax and Cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from financial institutions, banks and Government and dues to debenture holders. Therefore, the provisions of Clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix. In our opinion and according to the information and explanations given to us, the Company does not have any monies raised by way of term loans during the year. Therefore, the provisions of Clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x. According to the information and explanations provided by the management, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Companies Act.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii. In our opinion and according to the information and explanations given to us the Company does not have any transactions with its related party. Therefore, the provisions of Clause (xiii) of paragraph 3 of the Order is not applicable to the Company.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.
- xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

xvi. In our opinion and according to information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Sandesh Ladha

Partner

Membership No.: 047841

UDIN: 20047841AAAHNH4111

Place: Mumbai

Date: 25th April, 2020

Balance Sheet as at 31st March 2020

	Notes	As at 31st March 2020 (Rupees)
ASSETS		
Current Assets		
(a) Financial Assets		
Cash and Cash Equivalents	1	4 11 241
Total Current Assets		4 11 241
TOTAL ASSETS		4 11 241
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	2	5 00 000
(b) Other Equity		(4 90 712)
Total Equity		9 288
Current Liabilities	3	4 01 953
Total Liabilities		4 01 953
Total Equity and Liabilities		4 11 241
Significant Accounting Policies		
See accompanying Notes to the Financial Statements	1 to 12	

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
(Registration No. 101720W/W100355)

Sandesh Ladhha
Partner
Membership No. 047841
UDIN: 20047841AAAHHN4111

Place: Mumbai
Date: 25th April 2020

For and on behalf of the Board

Vishal Kumar
Director
DIN: 05295190

Mariyappan M B
Director
DIN: 03388550

Abhishek Juvekar
Director
DIN: 02545052

Statement of Profit & Loss for the period 24th January 2019 to 31st March 2020

	Notes	for the period 24th January 2019 to 31st March 2020 (Rupees)
Income		
Revenue from Operations		0
Total Income		<u>0</u>
Expenses		
Other Expenses	4	4 90 712
Total Expenses		<u>4 90 712</u>
Profit / (Loss) before tax		<u>(4 90 712)</u>
Tax Expense		<u>0</u>
Profit / (Loss) for the period		<u>(4 90 712)</u>
Other Comprehensive Income		<u>0</u>
Total Comprehensive Income for the period		<u>(4 90 712)</u>
Earning per equity share of face value of Rs 10	5	
(1) Basic		<u>(9.81)</u>
(2) Diluted		<u>(9.81)</u>
Significant Accounting Policies		
See accompanying Notes to the Financial Statements	1 to 12	

As per our Report of even date
For Chaturvedi & Shah LLP
 Chartered Accountants
 (Registration No. 101720W/W100355)

Sandesh Ladhha
 Partner
 Membership No. 047841
 UDIN: 20047841AAAHHNH4111

Place: Mumbai
 Date: 25th April 2020

For and on behalf of the Board

Vishal Kumar
 Director
 DIN: 05295190

Mariyappan M B
 Director
 DIN: 03388550

Abhishek Juvekar
 Director
 DIN: 02545052

Statement of Changes in Equity for the period 24th January 2019 to 31st March 2020

(Rupees)				
A. Equity Share Capital	Balance at the beginning	Changes in equity share capital during reporting period	Balance at the end of the reporting period i.e. 31st March 2020	
Equity Share Capital	Nil	5 00 000	5 00 000	
B. Other Equity	Particulars	Reserves and Surplus - Retained Earnings	Other Comprehensive Income	Total
	Balance at the Inception	0	0	0
	Loss for the period	(4 90 712)	-	(4 90 712)
	Balance at the end of the reporting period i.e., 31st March 2020	(4 90 712)	0	(4 90 712)

As per our Report of even date
For Chaturvedi & Shah LLP
 Chartered Accountants
 (Registration No. 101720W/W100355)

Sandesh Ladhha
 Partner
 Membership No. 047841
 UDIN: 20047841AAAHH4111

Place: Mumbai
 Date: 25th April 2020

For and on behalf of the Board

Vishal Kumar
 Director
 DIN: 05295190

Mariyappan M B
 Director
 DIN: 03388550

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 Director
 DIN: 02545052

Cash Flow Statement for the period 24th January 2019 to 31st March 2020

	for the period 24th January 2019 to 31st March 2020 (Rupees)
A: CASH FLOW FROM OPERATING ACTIVITIES:	
Net loss before Tax as per Statement of Profit and Loss	(4 90 712)
Adjusted for:	
Finance Costs	<u>0</u>
Operating Profit before Working Capital Changes	(4 90 712)
Adjusted for:	
Working Capital changes	<u>4 01 953</u>
Cash (Used in) / Generated from Operations	(88 759)
Taxes paid (Net)	<u>0</u>
Net Cash (Used in) / Generated from Operating Activities	(88 759)
B: CASH FLOW FROM INVESTING ACTIVITIES:	
Net Cash (Used in) / Generated from Investing Activities	<u>0</u>
C: CASH FLOW FROM FINANCING ACTIVITIES:	
Equity Share Capital subscription received	<u>5 00 000</u>
Net cash Generated from / (Used in) Financing Activities	5 00 000
Net Increase in Cash and Cash Equivalents	4 11 241
Opening Balance of Cash and Cash Equivalents	0
Closing Balance of Cash and Cash Equivalents	4 11 241

As per our Report of even date
For Chaturvedi & Shah LLP
 Chartered Accountants
 (Registration No. 101720W/W100355)

Sandesh Ladhha
 Partner
 Membership No. 047841
 UDIN: 20047841AAAHNH4111

Place: Mumbai
 Date: 25th April 2020

For and on behalf of the Board

Vishal Kumar
 Director
 DIN: 05295190

Mariyappan M B
 Director
 DIN: 03388550

Abhishek Juvekar
 Director
 DIN: 02545052

Notes to the Financial Statements for the period 24th January 2019 to 31st March 2020

A. CORPORATE INFORMATION

Reliance O2C Limited (formerly known as Reliance Navi Mumbai Infra Limited) [‘the company’] having CIN U11100MH2019PLC320141 is a limited company incorporated in India. The registered office of the Company is located at 2nd Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021. The Company is mainly engaged in activities spanning across hydrocarbon, petroleum refining & marketing and petrochemicals.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 Basis of Preparation and Presentation

The Company has been incorporated on 24th January, 2019 and hence these financial statements are for the period from 24th January 2019 to 31st March 2020. These being the Company’s first financial statements, there are no previous years figures.

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

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

The Company’s financial statements are presented in Indian Rupees (₹), which is its functional currency.

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) Finance Cost

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

(c) Provisions

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

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

Notes to the Financial Statements for the period 24th January 2019 to 31st March 2020

(d) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current Tax

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

Deferred Tax

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

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.

(e) Financial instruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added 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 at fair value through other comprehensive income (FVTOCI)

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

c) Financial assets at fair value through profit or loss (FVTPL)

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

C. Investment in Subsidiaries & Associates

The Company has accounted for its investments in subsidiaries & Associates, if any at cost.

D. Impairment of financial assets

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

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

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

Notes to the Financial Statements for the period 24th January 2019 to 31st March 2020

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

ii) Financial liabilities

A. Initial recognition and measurement

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

B. Subsequent measurement

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

iii) 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.

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. No judgements and estimates were required to be made in preparing these financial statements that were critical or material.

Notes to the Financial Statements for the period 24th January 2019 to 31st March 2020

		As at 31st March 2020 (Rupees)
1. Cash and Cash Equivalents		
Balances with Bank :		
In current account		4 11 241
Total		<u>4 11 241</u>
2. Equity Share Capital		
Authorised Share Capital		
100 000 Equity Shares of Rs 10/- each		10 00 000
Issued, Subscribed & Paid up		
50 000 Equity Shares of Rs 10/- each fully paid up		5 00 000
Total		<u>5 00 000</u>
2.1 Reconciliation of number of Equity shares :		
a. Equity Share Capital		
31st March 2020		
	Numbers	Rs
Opening Balance	0	0
Add: Shares subscribed	<u>50 000</u>	<u>5 00 000</u>
Closing Balance	<u>50 000</u>	<u>5 00 000</u>
b. Details of Shareholder holding more than 5% Equity shares		
31st March 2020		
Name of Shareholder	Number of Shares	% held
Holding Company		
Reliance Industries Limited	<u>50 000</u>	<u>100%</u>
Total	<u>50 000</u>	<u>100%</u>
Other Disclosure		
The Company has only one class of Equity Share having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all liabilities, in proportion of their shareholding.		
		As at 31st March 2020 (Rupees)
3. Current Liabilities		
Sundry creditors		4 01 953
		<u>4 01 953</u>

Notes to the Financial Statements for the period 24th January 2019 to 31st March 2020

	for the period 24th January 2019 to 31st March 2020
	Rupees
4. Other Expenses	
Rates and taxes	14 985
Miscellaneous Expenses	4 65 727
Payment to Auditors	10 000
Total	4 90 712

5. Earning per share (EPS)

	for the period 24th January 2019 to 31st March 2020
	Rupees
Particulars	
(i) Face value per equity share (Rs.)	10
(ii) Net Profit /(Loss) after tax as per Statement of Profit and Loss (Rs.)	(4 90 712)
(iii) Weighted Average number of equity shares (Basic)	50 000
(iv) Number of equity shares (Diluted)	50 000
(iv) Earnings per equity share of face value of Rs.10 each Basic and Diluted (Rupees)	(9.81)

6 RELATED PARTIES DISCLOSURES

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

i) List of Related Parties where control exists and Related Parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Holding Company

ii) Disclosure in Respect of Major Related Party Transactions (excluding reimbursements) during the year:

Sr. No.	Particulars	Relationship	for the period 24th January 2019 to 31st March 2020 Rupees
1	Equity Share Capital Reliance Industries Limited	Holding Company	5 00 000

iii) Balances as at 31st March 2020

Sr. No.	Particulars	Relationship	Rupees
1	Equity Share Capital	Holding Company	5 00 000

7 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition.

Notes to the Financial Statements for the period 24th January 2019 to 31st March 2020

8 FINANCIAL INSTRUMENTS

Valuation

All financial instruments are measured at amortised cost as described below:

Fair Value measurement Hierarchy:

Particulars	Carrying amount	As at 31st March, 2020			Rupees
		Level of Input used in			
		Level 1	Level 2	Level 3	
Financial Assets					
At Amortised Cost					
Cash and Cash Equivalents	4 11 241	-	-	-	

The financial instruments are categorised 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;

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

Level 3: Inputs based on unobservable market data.

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 its investment activities, derivative instruments, if any, and other financial assets. Company does not carry any material credit risk.

Liquidity Risk

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Company does not carry any material liquidity risk.

9. Details of loans given, investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013.

No Loans, investments and Gurantee given by the Company during the period from 24th January 2019 to 31st March 2020.

10 The Company has not commence business activities. hence there are no reportable segment under Ind AS 108 - Operating Segment.

11 Payment to Auditors as:

	for the period 24th January 2019 to 31st March 2020
Statutory Audit Fees [^]	5 000
Certification fees [^]	5 000
	<u>10 000</u>

[^] Excluding taxes

12. These financial statement are approved by Board of Directors in the meeting held on 25th April 2020

As per our Report of even date
For Chaturvedi & Shah LLP
 Chartered Accountants
 (Registration No. 101720W/W100355)

Sandesh Ladhha
 Partner
 Membership No. 047841
 UDIN: 20047841AAAHNH4111

For and on behalf of the Board
Vishal Kumar
 Director
 DIN: 05295190

Mariyappan M B
 Director
 DIN: 03388550

Abhishek Juvekar
 Director
 DIN: 02545052

Place: Mumbai
 Date: 25th April 2020