

Reliance Petro Marketing Limited

Independent Auditor's Report

To the Members of Reliance Petro Marketing Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Petro Marketing Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that where 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 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.

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- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. 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 has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 22 to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

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

Saurabh Pamecha
Partner
Membership No. : 126551

Place : Mumbai

Date : April 13, 2015

Balance Sheet as at 31st March, 2015

	Note	As at		₹ Lakhs
		31st March, 2015		As at 31st March, 2014
EQUITY AND LIABILITIES				
Shareholder's funds				
Share Capital	1	4 04.58		4 04.58
Reserves & Surplus	2	18 73.75		8 16.09
			22 78.33	12 20.67
Non - Current Liabilities				
Deferred tax liability (Net)	3	7 92.26		-
Other Long Term Liabilities	4	114 16.74		-
			122 09.00	-
Current Liabilities				
Trade Payables	5	55 07.43		28 95.55
Other current liabilities	5	19 59.35		9 91.85
Short term provisions	6	71.36	75 38.14	43.82
				39 31.22
TOTAL			220 25.47	51 51.89
ASSETS				
Non-current assets				
Fixed Assets				
Tangible assets	7	45 39.72		64.13
Non-current investments	8	75 00.53		5.10
Deferred tax assets (Net)	3	-		13.33
Long-term loans and advances	9	11 93.95	132 34.20	11 85.32
				12 67.88
Current assets				
Inventories	10	37 84.37		19 18.74
Trade receivables	11	1 17.26		4 41.08
Cash and Bank Balances	12	27 95.86		2 65.81
Short-term loans and advances	13	20 93.78	87 91.27	12 58.38
				38 84.01
TOTAL			220 25.47	51 51.89

Significant Accounting Policies**Notes to Financial Statements 1 to 29**

As per our Report of even date

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

Saurabh Pamecha
Partner Director
Membership No.: 126551

Place : Mumbai
Dated : 13th April, 2015

For and on behalf of the Board

C. S. Borar
Director
DIN 00043459

C. S. Gokhale
Director
DIN 00012666

N. B. Deshmukh
Director
DIN 00029973

S. K. Bhardwaj
Director
DIN 00001584

Harisha Kumar
Director
Whole-time-director
DIN 00367354

Statement of Profit and Loss for the year ended 31st March, 2015

		2014 15	2013 14
			₹
Revenue from operations	14	710 53.97	252 37.34
Other Income	15	13 45.37	6 26.16
Total Revenue		723 99.34	258 63.50
EXPENDITURE			
Purchases of stock in trade		679 65.21	231 76.13
Changes in inventories of stock in trade	16	(7 99.33)	(3 48.65)
Employee benefits and expenses	17	8 07.73	4 78.41
Finance Cost		0.24	0.03
Depreciation		6 41.25	2.07
Other Expenses	18	36 20.32	24 76.46
Total Expenses		722 35.42	257 84.45
Profit Before Tax		1 63.92	79.05
Tax expenses			
Current Tax		32.80	25.25
Less: MAT Credit		(32.80)	-
Deferred Tax		58.84	0.11
Profit for the Year		1 05.08	53.69
Basic & Diluted Earning per share of face value			
₹10 each (in ₹)	23	210.16	107.38
Significant Accounting Policies			
Notes to Financial Statements	1 to 29		

As per our Report of even date

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

Saurabh Pamecha
Partner Director
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Place : Mumbai
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Cash Flow Statement for the Year ended 31st March, 2015

	2014-15	₹ Lakhs 2013-14
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per statement of Profit and Loss	1 63.92	79.05
Adjusted for:		
Depreciation	6 41.25	2.07
Finance Cost	0.24	0.03
Effect of Foreign Exchange Fluctuation	(0.03)	-
Interest Income	(9 09.85)	(5 55.75)
	<u>(2 68.39)</u>	<u>(5 53.66)</u>
Operating Profit/ (Loss) before Working Capital Changes	(1 04.47)	(4 74.60)
Adjusted for:		
Trade & Other Payables	11 87.76	(6 39.99)
Trade & Other Receivables	46.64	2 29.92
Inventories	(8 07.20)	(3 72.65)
	<u>4 27.20</u>	<u>(7 82.72)</u>
Cash generated from Operations	3 22.73	(12 57.32)
Taxes Paid	(1 14.26)	(60.33)
Net Cash from/(used in) Operating Activities	<u>2 08.47</u>	<u>(13 17.65)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investment	(75 00.13)	-
Sale of Investment	-	6.82
Purchase of Fixed Assets	(3 62.61)	(11.59)
Redemption of Inter Corporate Deposit	-	92 30.34
Investment in Fixed Deposit	-	(1 00.00)
Interest received	9 23.23	20 51.08
Net Cash generated from/(used in) Investing Activities	<u>(69 39.51)</u>	<u>111 76.65</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(0.24)	(0.03)
Redemption of Preference Shares	-	(202 80.00)
Issue of Preference Share Capital	-	103 89.08
Net Cash received from/(used in) Financing Activities	<u>(0.24)</u>	<u>(98 90.95)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(67 31.28)	(31.95)
Opening Balance of Cash & Cash Equivalents	1 65.81	1 97.76
Add: On Amalgamation (Refer Note No. 21)	92 61.33	-
Closing Balance of Cash & Cash Equivalents*	<u>26 95.86</u>	<u>1 65.81</u>

*Refer note 12

As per our Report of even date
For **Pathak H.D. & Associates**
Chartered Accountants
Firm Registration No.: 107783W
Saurabh Pamecha
Partner Director
Membership No.: 126551
Place : Mumbai
Dated : 13th April, 2015

For and on behalf of the Board

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Harisha Kumar
Director
Whole-time-director
DIN 00367354

Significant Accounting Policies

A. Basis of Preparation of Financial Statements

- (i) These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
- (ii) The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakh.

B. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

C. Investments

Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

D. Inventories

Items of inventories are measured at lower of cost or net realizable value. Cost of inventories comprise of all cost of purchase and other cost incurred in bringing them to their respective present location and condition. Cost of stores and spares, trading and other products is determined on weighted average basis.

E. Revenue Recognition

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, sale of services, service tax, adjusted for discounts (net).

Interest income is recognized on time proportion basis taking into account, amount outstanding and the rate of return.

F. Employee Benefits

- (i) 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. These benefits include performance incentive and compensated absences.
- (ii) A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- (iii) The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

G. Borrowing Costs

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

H. Fixed Assets

Fixed Assets are stated at cost of acquisition, net of value added tax, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any.

Significant Accounting Policies

I. Depreciation and Amortisation

Depreciation on Fixed Assets is provided on Straight Line Method at the rates derived in the manner prescribed in schedule-II to the Companies Act, 2013 over their useful life except:

- (i) the cost of leasehold land is amortised over the period of lease,
- (ii) LPG cylinders and regulators under Plant and Machinery are depreciated over the period of 10 years.

J. Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year-end are restated at year-end rates.
- (iii) Non -monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account except in case of long term liabilities where they relate to acquisition of fixed assets, in which case they are adjusted to carrying cost of such assets.

K. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from “timing difference” between taxable income and accounting income is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax Assets are recognized and carried forward only to the extent that there is a virtual or reasonable certainty that the assets will realize in future.

L. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised, nor disclosed in the financial statements.

Notes on Financial Statements for the year ended 31st March, 2015

NOTE '1'

₹ Lakhs

	As at 31st March 2015	As at 31st March 2014
SHARE CAPITAL		
Authorised:		
50 00 000 Equity Shares of ₹ 10 each (50 00 000)	5 00.00	5 00.00
50 00 000 Preference Shares of ₹ 10 each (50 00 000)	5 00.00	5 00.00
	<u>10 00.00</u>	<u>10 00.00</u>
	<u>10 00.00</u>	<u>10 00.00</u>
Issued, Subscribed and Paid up:		
50 000 Equity Shares of ₹10 each fully paid up (50 000)	5.00	5.00
*39 95 800 10% Non Cumulative Optionally Convertible *(39 95 800) Preference Shares of ₹10 each fully paid up	3 99.58	3 99.58
	<u>4 04.58</u>	<u>4 04.58</u>

1.1 Details of Shareholder's holding more than 5% Shares

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% held	No. of Shares	% held
Equity:				
Reliance Retail Limited	50,000	100	50,000	100
Total	<u>50 000</u>	<u>100</u>	<u>50 000</u>	<u>100</u>
Preference:				
Reliance Retail Limited	39 95 800	100	3,995,800	100
Total	<u>39 95 800</u>	<u>100</u>	<u>39 95 800</u>	<u>100</u>

1.2 Reconciliation of opening and closing number of shares

	As at 31st March, 2015	As at 31st March, 2014
Equity Share Outstanding at the beginning of the year	50 000	50 000
Add: Equity Share issued during the year	-	-
Less: Equity Share bought back during the year	-	-
Equity Outstanding at the end of the year	<u>50 000</u>	<u>50 000</u>
Preference Share Outstanding at the beginning of the year	39 95 800	40 56 000
Add: Preference Share issued during the year	-	39 95 800
Less: Preference Share redeemed during the year	-	40 56 000
Preference Share Outstanding at the end of the year	<u>39 95 800</u>	<u>39 95 800</u>

Notes on Financial Statements for the year ended 31st March, 2015

1.3 Terms of Preference Shares

*Redeemable at the end of ten years from the date of allotment i.e. 25.11.2013 at a price of ₹ 260 per share. The Preference Shareholder have an option for early redemption any time after expiry of forty five days from the date of allotment by giving not less than Seven days notice. The Preference Shareholders may at any time during the tenure opt for conversion of preference shares into equity at fair value of equity shares at the time of conversion.

1.4 Rights, Preferences and Restrictions attached to Shares

Equity:

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

Preference:

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

NOTE: '2'

₹ Lakhs

	As at 31st March, 2015	As at 31st March, 2014
RESERVES AND SURPLUS		
RESERVES		
Capital Redemption Reserve		
As per last Balance sheet	6.02	-
Add: Transferred from Profit and Loss Account on redemption of Preference Shares	-	6.02
	<u>6.02</u>	<u>6.02</u>
Securities Premium Account		
As per last Balance Sheet	7 14.50	105 99.40
Add: On issue of preference shares	-	99 89.50
Less: On redemption of preference shares	-	198 74.40
	<u>7 14.50</u>	<u>198 74.40</u>
SURPLUS		
Profit & Loss Account		
As per last Balance Sheet	95.57	47.90
Add: Profit for the year	1 05.08	53.69
Less: Transferred to Capital Redemption Reserve on redemption of Preference Shares	-	(6.02)
Add: On Amalgamation (Refer Note No. 21)	9 86.95	-
Less: Adjustment relating to Fixed Assets (Refer Note No. 7.1)	(34.37)	-
	<u>11 53.23</u>	<u>95.57</u>
	<u>18 73.75</u>	<u>8 16.09</u>

Notes on Financial Statements for the year ended 31st March, 2015

NOTE '3'	₹ Lakhs	
	As at 31st March, 2015	As at 31st March, 2014
DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Related to Fixed Assets	10 05.58	-
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961	(27.25)	(13.25)
Unabsorbed depreciation and carried forward business loss	(1 86.07)	-
Related to Fixed Assets	-	(0.08)
	7 92.26	(13.33)
Deferred Tax Liability (Net)	7 92.26	-
Deferred Tax Assets (Net)	-	13.33

NOTE '4'	₹ Lakhs	
	As at 31st March, 2015	As at 31st March, 2014
OTHER LONG TERM LIABILITIES		
Security Deposits*	114 16.74	-
	114 16.74	-

* Represents Deposits from customers/distributors

NOTE '5'	₹ Lakhs	
	As at 31st March, 2015	As at 31st March, 2014
TRADE PAYABLES AND OTHER CURRENT LIABILITIES		
5.1 TRADE PAYABLES		
Micro and small Enterprises ⁽¹⁾	-	-
Others	55 07.43	28 95.55
	55 07.43	28 95.55

⁽¹⁾ The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under :

Principal amount due and remaining unpaid	-	-
Interest due on above and unpaid Interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Notes on Financial Statements for the year ended 31st March, 2015

	As at 31st March, 2015	₹ Lakhs As at 31st March, 2014
5.2 OTHER CURRENT LIABILITIES		
Security Deposits from vendors	12 85.65	-
Others ⁽¹⁾	6 73.70	9 91.85
	<u>19 59.35</u>	<u>9 91.85</u>

⁽¹⁾ Includes statutory liabilities.

	As at 31st March, 2015	₹ Lakhs As at 31st March, 2014
NOTE '6'		
SHORT TERM PROVISION		
Provision for Employee Benefits	71.36	43.82
	<u>71.36</u>	<u>43.82</u>

NOTE '7'												₹ Lakhs
TANGIBLE ASSETS												
Description	Gross Block					Depreciation					Net Block	
	As at 01-04-2014	on Amalga- mation*	Additions/ Adjust- ments	Deductions/ Adjust- ments**	As at 31-03-2015	As at 01-04-2014	on Amalga- mation*	For the Year #	Deductions/ Adjustments	Upto 31-03-2015	As at 31-03-2015	As at 31-03-2014
Own Assets:												
Land-Freehold	44.03	3 96.21	-	68.00	3 72.24	-	-	-	-	-	3 72.24	44.03
Building	-	2 87.11	98.32	-	3 85.43	-	88.95	22.28	-	1 11.23	2 74.20	-
Plant and Machinery	-	73 74.92	3 12.49	-	76 87.41	-	32 65.94	6 44.75	-	39 10.69	37 76.72	-
Equipments	0.09	40.51	15.31	-	55.91	0.04	20.14	12.94	-	33.12	22.79	0.05
Furniture and fixtures	-	11.17	3.94	-	15.11	-	4.45	1.59	-	6.04	9.07	-
Vehicles	24.74	35.78	0.56	-	61.07	4.69	5.04	8.86	-	18.59	42.48	20.05
Sub-total	68.86	81 45.70	4 30.61	68.00	85 77.17	4.73	33 84.52	6 90.42	-	40 79.67	44 97.50	64.13
Leased Assets:												
Lease Hold land	-	50.63	-	-	50.63	-	7.86	0.55	-	8.41	42.22	-
Sub-total	-	50.63	-	-	50.63	-	7.86	0.55	-	8.41	42.22	-
Total	68.86	81 96.32	4 30.61	68.00	86 27.80	4.73	33 92.38	6 90.97	-	40 88.08	45 39.72	64.13

* Refer Note No. 21

** Regrouped into Building

#NOTE '7.1'

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II except as disclosed under Note I of Significant Accounting Policy. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 ₹ 49.72 Lakhs have been adjusted net of tax ₹ 15.35 Lakhs, in the Profit and Loss Account.

Notes on Financial Statements for the year ended 31st March, 2015

NOTE '8'

₹ Lakhs

As at
31st March, 2015 31st March, 2014

NON-CURRENT INVESTMENTS

(Valued at Cost less other than temporary diminution in value, if any)

Other Investments

In Equity Shares - Unquoted, fully paid up

1,000	Air Controls and Chemical Engg. Co. Ltd.	0.02	0.02
(1,000)	of ₹ 1 each		

In Equity Shares of Subsidiary Company - Unquoted, fully paid up

-	LPG Infrastructure (India) Limited of ₹ 10 each	-	4.50
(45,000)	(Refer Note No. 21)		

In Preference Shares of Subsidiary Company - Unquoted, fully paid up

-	8% Non Cumulative Redeemable Preference Shares	-	0.50
(5,000)	of LPG Infrastructure (India) Limited of ₹ 10 each		
	(Refer Note No. 21)		

In Debentures of fellow Subsidiary Company - Unquoted, fully paid up

7,500,000	0% Unsecured Convertible Redeemable Debenture of	75 00.00	-
(-)	Reliance Brands Limited of ₹ 100 each		

Government Securities - Unquoted

	National Saving Certificates	0.51	0.08
	(Deposited with Government Authorities)		

	75 00.53	5.10
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Aggregate values of Unquoted Investment

	75 00.53	5.10
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NOTE '9'

₹ Lakhs

As at
31st March, 2015 31st March, 2014

LONG TERM LOANS AND ADVANCES

(Unsecured and considered good)

	Security Deposits	11 92.72	11 85.32
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	Other Loans and Advances	1.23	-
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	11 93.95	11 85.32
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NOTE '10'

₹ Lakhs

As at
31st March, 2015 31st March, 2014

INVENTORIES

(Valued at lower of cost or Net Realisable Value)

	Stores, Spares and other consumables	3 37.35	2 36.12
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	Stock-in-Trade *	34 47.02	16 82.62
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	37 84.37	19 18.74
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* Stock-in-Trade includes Material in Transit of ₹ 5 15.05 lakhs (Previous Year ₹ 89.79 lakhs)

Notes on Financial Statements for the year ended 31st March, 2015

NOTE '11'

	As at 31st March, 2015	₹ Lakhs As at 31st March, 2014
TRADE RECEIVABLE		
(Unsecured and Considerd Good)		
Outstanding for a period exceeding six months from due date	-	-
Others	1 17.26	4 41.08
	<u>1 17.26</u>	<u>4 41.08</u>

NOTE '12'

	As at 31st March, 2015	₹ Lakhs As at 31st March, 2014
CASH AND CASH BALANCES		
Cash and Cash Equivalents		
(a) Cash on hand	1 27.45	99.78
(b) Balances with Bank		
(i) in Current Accounts	3 96.98	65.93
(ii) Fixed deposits [#]	21 71.43	0.10
	<u>26 95.86</u>	<u>1 65.81</u>
Other Bank Balance		
(i) Fixed deposits [*]	1 00.00	1 00.00
	<u>27 95.86</u>	<u>2 65.81</u>

* The Company has placed Fixed Deposits amounting to ₹ 1 00 Lakhs (Previous Year ₹ 1 00 Lakhs) under lien as security for temporary overdraft facility from a bank with maturity period of less than twelve months.

[#] It includes ₹ Nil Lakhs (Previous Year ₹ 0.10 Lakhs) with maturity period of more than twelve months.

NOTE '12.1'

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

NOTE '13'

	As at 31st March, 2015	₹ Lakhs As at 31st March, 2014
SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
(a) Advance Income Tax (Net of Provision) [#]	5 59.47	2 21.66
(b) Balances with Government Authorities	12 63.36	7 69.04
(c) Prepaid Expenses	2 35.27	1 59.27
(d) Others [*]	35.68	1 08.41
	<u>20 93.78</u>	<u>12 58.38</u>

[#] Includes MAT Credit entitlement

* Includes advances/Receivable to/from employees and accrued interest.

Notes on Financial Statements for the year ended 31st March, 2015

NOTE '14'	₹ Lakhs	
	2014-15	2013-14
REVENUE FROM OPERATIONS		
i Sale of products	708 11.86	249 91.72
ii Sale of services	2 76.63	2 75.98
	710 88.49	252 67.70
Less: Service tax recovered	34.52	30.36
	710 53.97	252 37.34
NOTE '15'	₹ Lakhs	
	2014-15	2013-14
OTHER INCOME		
Interest Income from others	9 09.85	5 55.75
Other non operating income	4 35.52	70.41
	13 45.37	6 26.16
NOTE '16'	₹ Lakhs	
	2014-15	2013-14
CHANGES IN INVENTORIES OF STOCK IN TRADE		
Inventories (at close)		
Stock-in-Trade	34 47.02	16 82.62
Inventories (at commencement)		
Stock-in-Trade	16 82.62	13 33.97
Add: on Amalgamation (Refer Note No. 21)	9 65.07	-
	7 99.33	3 48.65
NOTE '17'	₹ Lakhs	
	2014-15	2013-14
EMPLOYEE BENEFITS AND EXPENSES		
Salaries, Wages and Bonus	7 40.02	4 30.48
Contribution to Provident Fund, Gratuity Fund	27.82	20.25
Employee Welfare and other amenities	39.89	27.68
	8 07.73	4 78.41

Notes on Financial Statements for the year ended 31st March, 2015

NOTE '18'	2014-15		₹ Lakhs
			2013-14
OTHER EXPENSES			
SALES & DISTRIBUTION EXPENSES			
Sales Tax, Service Tax and Turnover Tax	5.94		4.93
Brokerage, Discount and Commission	30.08		36.88
Samples, Sales Promotion and Advertisement Expenses	2 43.05		1 22.65
Clearing and Forwarding/ Freight Expenses	96.63	3 75.70	1 96.02
			3 60.48
OPERATING EXPENSES INCLUDING			
ADMINISTRATIVE EXPENSES			
Operator Charges	11 86.36		7 52.28
Electricity Expenses	5 43.20		3 60.99
Security Expenses	4 82.06		4 49.45
Travelling and Conveyance Expenses	2 37.51		1 59.48
Repairs and Maintenance	3 44.21		2 27.70
Bank and Other Charges	44.88		25.23
Usage Charges	3.51		1.48
Exchange Difference (Net)	-		0.38
Rates & Taxes	61.87		29.32
Professional and Legal fees	41.27		38.92
Telephone expenses	33.15		13.83
Insurance	17.01		10.45
Printing and stationery	7.54		0.94
Other General and Administrative Charges	2 28.17	32 30.74	33.38
			21 03.83
PAYMENTS TO AUDITORS			
Statutory Audit fees	10.00		9.00
Tax Audit fees	3.30		3.15
Cost Audit fees	0.58	13.88	-
			12.15
		36 20.32	24 76.46

Notes on Financial Statements for the year ended 31st March, 2015

19. As per Accounting Standard 18, the disclosures of transactions with the related parties are as defined in the Accounting Standard are given below:

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

Name of the Related Party	Relationship
Reliance Industries Limited	Ultimate Holding Company
Reliance Retail Ventures Limited	Holding Companies
Reliance Retail Limited	
LPG Infrastructure (India) Limited (up to 31st August, 2014)	Subsidiary Company
Reliance Brands Limited	
Reliance Gems and Jewels Limited ⁽¹⁾	
GAPCO Tanzania Limited	Fellow Subsidiary Companies
GAPCO Uganda Limited	
GAPCO Kenya Limited	
Shri Harisha M. Kumar ⁽²⁾	Key Managerial Personnel

⁽¹⁾ Amalgamated With Reliance Trading Limited (Formerly Reliance Trends Limited) as per the scheme of Arrangement and Amalgamation, effective date being 1st July, 2013 and Appointed date being 1st April, 2012.

⁽²⁾ Appointed with effect from 12th November, 2014.

(ii) Transaction during the year with related parties:

₹ Lakhs

Nature of Transactions (Excluding reimbursements)	Ultimate Holding Company	Holding Company	Subsidiary Company	Fellow Subsidiary Company	Key Managerial Personnel	Total
1. Purchase						
Purchase during the year	643 67.26	-	-	-	-	643 67.26
	<i>156 48.32</i>	<i>7.82</i>	-	<i>30.02</i>	-	<i>156 86.16</i>
2. Expenditure						
a) Sales Promotion	-	17.74	-	-	-	17.74
Expense	-	-	-	-	-	-
b) Payment to Key	-	-	-	-	6.53	6.53
Managerial Personnel	-	-	-	-	-	-
3. Income						
a) Sale during the year	2 62.30	32.04	-	-	-	2 94.34
	<i>86.35</i>	<i>11.79</i>	-	-	-	<i>98.14</i>
b) License fees	-	-	-	47.38	-	47.38
	-	-	-	<i>46.98</i>	-	<i>46.98</i>
4. Purchase/Subscription						
of Investment	-	-	-	75 00.00	-	75 00.00
	-	-	-	-	-	-
5. Balances as on 31.03.2015						
Sundry Debtors	24.21	1.57	-	27.11	-	52.89
	-	<i>1.32</i>	-	<i>13.80</i>	-	<i>15.12</i>
Sundry Creditors	29 43.04	4.21	-	-	-	29 47.25
	<i>7 74.20</i>	<i>4.21</i>	-	-	-	<i>7 78.41</i>
Investment	-	-	-	75 00.00	-	75 00.00
	-	-	<i>5.00</i>	-	-	<i>5.00</i>

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

Notes on Financial Statements for the year ended 31st March, 2015

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

Particulars	Relationship	₹ Lakhs	
		2014-15	2013-14
1. Purchases during the year			
Reliance Industries Limited	Ultimate Holding Company	643 67.26	156 48.32
Reliance Retail Limited	Holding Company	-	7.82
Reliance Gems and Jewels Limited	Fellow Subsidiary Company	-	30.02
2. Sales Promotion Expenses			
Reliance Retail Limited	Holding Company	17.74	-
3. Payment to Key Managerial Personnel			
Shri Harisha M. Kumar	Key Managerial Personnel	6.53	-
4. Sales during the year			
Reliance Industries Limited	Ultimate Holding	2 62.30	86.35
Reliance Retail Limited	Holding Company	32.04	11.79
5. License Fees			
GAPCO Tanzania Limited	Fellow Subsidiary Company	37.73	37.32
GAPCO Uganda Limited	Fellow Subsidiary Company	9.41	9.33
GAPCO Kenya Limited	Fellow Subsidiary Company	0.24	0.33
6. Purchase / Subscription of Investment			
Reliance Brands Limited	Fellow Subsidiary Company	75 00.00	-
Balances as on 31st March, 2015			
7. Investments			
LPG Infrastructure (India) Limited	Subsidiary Company	-	5.00
Reliance Brands Limited	Fellow Subsidiary Company	75 00.00	-

20 The Company is in retail selling and distribution of petroleum and related products in India. All the activities of company revolve around this main business. Accordingly, the company has only one identifiable segment reportable under Accounting Standard 17 "Segment Reporting".

21 The figures for the current year include figures of LPG Infrastructure (India) Limited (LIIL), the wholly owned subsidiary company engaged in the business of bottling of LPG and selling in retail, which got amalgamated with the Company with effect from 1st April, 2013 as per the Scheme of Amalgamation (the Scheme) sanctioned by the Hon'ble High Court of Judicature at Bombay, and are therefore to that extent not comparable with those of previous year.

The Scheme became effective on 01st September, 2014, the appointed date of the Scheme being 1st April, 2013.

In accordance with the said Scheme and as per the approval of the Hon'ble High Court:

- (i) The assets, liabilities, reserves, rights and obligations of erstwhile LIIL have been transferred to and vested with the Company with effect from 1st April, 2013 and have been recorded at their respective book values, under the pooling of interest method of accounting for amalgamation as prescribed in Accounting Standard 14 on Accounting for Amalgamations.
- (ii) Being a wholly owned subsidiary company, 45,000 Equity Shares & 5,000, 8% Non-Cumulative Redeemable Preference Shares of erstwhile LIIL held by the Company have been cancelled against Share Capital of the amalgamating company and no shares has been issued in pursuance to scheme of amalgamation.
- (iii) Amount added on amalgamation to profit and loss account is inclusive of profit of ₹ 1 85.38 Lakhs for the period 1st April 2013 till 31st March 2014.

Notes on Financial Statements for the year ended 31st March, 2015

22 ADDITIONAL INFORMATION		₹ Lakhs	
Particulars	As at 31st March, 2015	As at 31st March, 2014	
1. Contingent Liability			
(i) Bank Gurantees to Government Authorities	17.67	16.77	
(ii) In respect of Sales Tax Liability under various Sales Tax Authorities*	23 97.38	20 07.54	
(iii) In respect of Income Tax Liability under Various Income Tax Authorities	64.19	64.19	
* The above litigations are not expected to have any material adverse impact on the financial position of the Company.			
23 Earning Per Share		2014-15	2013-14
(i) Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (₹ lakhs)	1 05.08	53.69	
(ii) Weighted average number of equity shares (Used as Denominator for calculating EPS)	50,000	50,000	
(iii) Nominal value per equity share (₹)	10	10	
(iv) Basic and Diluted EPS (₹)	210.16	107.38	
The company has dilutive capital in the form of Non-Cumulative Optionally Convertible Preference Shares. Since the Preference Share holder has the option to convert the preference shares into equity shares at fair value, which is not ascertainable at present, diluted potential equity shares for the said convertible preference shares are not quantified /considered for calculating diluted earnings per share.			
24 Earning/Expenditure in Foreign Currency on account of :		₹ Lakhs	
Earning in Foreign Currency on account of :		2014-15	2013-14
License fees	47.38	46.98	
25 Foreign currency exposure from trade receivables that are not hedged by derivative instrument or forward contracts as at 31st March, 2015 amount to ₹ 27.11 Lakh (Previous Year ₹ 13.80 Lakh)			
26 The Income-Tax assessments of the company have been completed up to Assessment Year 2012-13.			
27 As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:			
Defined Contribution Plan			
Contribution to Defined contribution plan, recognised as expenses for the year are as under:			
		2014-15	2013-14
Employer's contribution to Provident Fund	24.13	18.83	
Employer's contribution to Superannuation Fund	0.96	0.58	
Employer's contribution to Pension Scheme	11.46	4.51	
Defined Benefit Plan			
The employees' gratuity fund scheme managed by Life Insurance Corporation of India, is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation for Compensated Absences is recognised based on Projected Credit method which recognises each period of service rise to additional unit of employee entitlement each unit separately to build up the final obligation.			

Notes on Financial Statements for the year ended 31st March, 2015

i) Reconciliation of opening and closing balances of Defined Benefit obligation		₹ Lakhs			
	Gratuity (Funded)		Compensated Absences (Unfunded)		
	2014-15	2013-14	2014-15	2013-14	
Defined benefit obligation at beginning of the year	72.12	62.64	42.87	39.61	
Add: On Amalgamation (Refer Note No. 21)	45.86	-	22.39	-	
Current service cost	11.07	7.26	3.41	3.17	
Interest cost	9.44	4.97	5.25	2.10	
Actuarial (gain)/Loss	(11.10)	(1.61)	(2.41)	(1.59)	
Benefits paid	(3.60)	(1.14)	(1.22)	(0.42)	
Settlement cost	-	-	-	-	
Defined benefit obligation at year end	1 23.79	72.12	70.30	42.87	
ii) Reconciliation of opening and closing balance of fair value of Plan Assets :					
Fair value of plan assets at beginning of the year	2 27.47	2 12.09	-	-	
Add: On Amalgamation (Refer Note No. 21)	45.85	-	-	-	
Expected return on plan assets	21.87	16.92	-	-	
Actuarial gain/(loss)	1.67	(0.40)	-	-	
Employer contribution	-	-	-	-	
Benefits paid	(3.60)	(1.14)	-	-	
Settlement cost	-	-	-	-	
Fair value of plan assets at the year end	2 93.26	2 27.47	-	-	
Actual Return on Plan Asset	23.53	16.52	-	-	
iii) Reconciliation of fair value of assets and obligation :					
Fair value of plan assets	2 93.26	2 27.47	-	-	
Present value of obligation	1 23.79	72.12	70.30	42.87	
Amount recognised in Balance sheet	(1 69.46)	(1 55.35)	70.30	42.87	
iv) Expense recognised during the year :					
Current service cost	11.07	7.26	3.41	3.17	
Interest cost	9.44	4.97	5.25	2.10	
Expected (gain)/loss	(21.87)	(16.92)	-	-	
Actuarial gain/(loss)	(12.76)	(1.21)	(2.41)	(1.59)	
Net cost	(14.12)	(5.90)	6.26	3.68	
v) Investment Details :					
GOI Securites	-	-	-	-	
Public Securities	-	-	-	-	
State Government Securities	-	-	-	-	
Insurance Policies	2 91.78	99.50%	2 71.86	99.46%	
Others (including bank balances)	1.48	0.50%	1.47	0.54%	
Total Plan Assets	2 93.26	100.00%	2 73.33	100.00%	

Notes on Financial Statements for the year ended 31st March, 2015

vi) Actuarial assumptions :

	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Mortality Table				
Discount rate (per annum)	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.00%	8.00%	N.A.	N.A.
Rate of escalation in salary (per annum)	6.00%	6.00%	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 applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan asset management.

vii) Amount recognised in current year and previous four year :

₹ Lakhs

Particulars	2015	As at 31st March			
		2014	2013	2012	2011
Defined benefit obligation	1 23.79	72.12	62.64	5.05	44.63
Fair value of planned assets	2 93.26	2 27.47	2 12.09	2 00.92	1 90.93
(surplus)/ Deficit in the plan	(1 69.46)	(1 55.35)	(1 49.45)	(1 95.88)	(1 46.31)
Actuarial (gain)/ loss on plan liabilities	(11.10)	(1.61)	57.54	(36.36)	(10.91)
Actuarial gain/ (loss) on plan assets	1.67	(0.40)	2.51	1.41	1.92

28 Details of loans given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013:

(i) Investments made by the company as at 31st March, 2015 (Refer Note No. - 8)

Sr. No.	Name	Nature of Investment	As at 31st March, 2015	As at 31st March, 2014
1.	Reliance Brands Limited	Investment made in Zero Coupon Unsecured Optionally Fully Convertible Debentures	75 00.00	-

29 The previous year's figures have been regrouped and reclassified wherever necessary and are to be read in relation to the amounts and other disclosures relating to the current year.

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

Saurabh Pamecha
Partner Director
Membership No.: 126551

Place : Mumbai
Dated : 13th April, 2015

For and on behalf of the Board

C. S. Borar
Director
DIN 00043459

C. S. Gokhale
Director
DIN 00012666

N. B. Deshmukh
Director
DIN 00029973

S. K. Bhardwaj
Director
DIN 00001584

Harisha Kumar
Director
Whole-time-director
DIN 00367354