



44th
ANNUAL
REPORT
2022 - 2023



**GUJARAT STATE PETROLEUM
CORPORATION LIMITED**

(A Govt. of Gujarat Undertaking)



GUJARAT STATE PETROLEUM CORPORATION LIMITED

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GUJARAT STATE PETROLEUM CORPORATION LIMITED
44th ANNUAL REPORT 2022-2023**Board of Directors**

Shri Raj Kumar, IAS (w.e.f. 20.07.2022 &
Chairman w.e.f. 21.02.2023)

Shri J. P. Gupta, IAS

Smt. Mamta Verma, IAS (w.e.f. 29.04.2023)

Shri M. M. Srivastava, IAS (Retd.)

Shri K. Kailashnathan, IAS (Retd.)

Dr. N. Ravichandran

Dr. Ravindra Dholakia

Dr. Yogesh Singh

Shri Milind Torawane, IAS (w.e.f. 01.04.2023)

Chairman

Director

Women Director

Director

Director

Independent Director

Independent Director

Independent Director

Managing Director

Cessation of Director

Dr. Rajiv Kumar Gupta, IAS (upto 08.06.2022)

Dr. Manjula Subramaniam, IAS(Retd.)(upto 12.12.2022)

Shri Pankaj Kumar, IAS (upto 01.02.2023)

Shri Sanjeev Kumar, IAS(upto 01.04.2023)

Chief Financial Officer

Shri Rajesh Sivadasan

Company Secretary

Ms. Reena Desai

Statutory Auditors

M/s Singhvi & Mehta
Chartered Accountants.
Ahmedabad

Secretarial Auditor

M/s. K. K. Patel &
Associates
Company Secretary
Gandhinagar

Internal Auditors

M/s K C Mehta & Co.
LLP Ahmedabad

Cost Auditors

M/s. N D Birla & Co
Cost Accountants
Ahmedabad

Bankers

State Bank of India
Bank of Baroda
Union Bank of India
Punjab National Bank
IDBI Bank
Axis Bank
ICICI Bank
HDFC Bank
Canara Bank
Kotak Mahindra Bank

RT&A

KFIN TECHNOLOGIES PRIVATE LIMITED

Corporate & Registered Office

GSPC Bhavan, B/h Udyog Bhavan
Sector-11, Gandhinagar-382010.

DIRECTORS' REPORT

To,

The Members

Your Directors are pleased to present the 44th Annual Report on the business and operations along with Audited Financial Statements of Gujarat State Petroleum Corporation Limited for the financial year ended March 31, 2023.

STATEMENT OF COMPANY'S AFFAIRS

Financial Performance

The audited Standalone Financial performance for the year ended March 31, 2023 is summarized below:

₹. in Crores

PARTICULARS	FY2022-23	FY 2021-22
INCOME		
Revenue from Operations	27,698.31	24,364.97
Other Income	174.65	194.82
Total Revenue	27,872.96	24,559.79
EXPENSES		
Production Expenditure - E&P	97.38	64.00
Cost of Traded Goods	24,394.38	22,681.05
Changes in inventories of Finished Goods, Stock in process and Stock in Trade	(104.35)	(65.45)
Employee Benefits Expense	27.14	13.13
Other Expense	51.81	38.04
Total Expense	24,466.36	22,730.77
Profit Before Interest Depreciation and Tax (PBDIT)	3,406.60	1,829.02
Finance Cost	248.84	355.41
Profit/(Loss) Before Depreciation and Tax (PBDT)	3,157.76	1,473.61
Depreciation and Amortization Expenses	40.45	41.07
Profit/(Loss) Before Exceptional Items	3,117.31	1,432.54
Exceptional Items	(130.41)	(248.99)
Profit/(Loss) Before Tax and Adjustments	2,986.90	1,183.55
Tax Expense	(0.11)	(0.18)
Profit/(Loss) After Tax	2,987.01	1,183.73
Other Comprehensive Income	(7.32)	(4.87)
Total Comprehensive Income For the period	2,979.69	1,178.86

The highlights of financial performance of the Company is as follows:

1. The Company has recorded Turnover of Rs. 27,698.31 crores in FY 2022-23 as compared to Rs. 24,364.97 crore in FY 2021-22 recording increase of 13.68%.
2. The Company has recorded Profit before Depreciation Interest and Tax (Operational Profit) of Rs. 3,406.60 crores in FY 2022-23 as compared to Rs. 1,829.02 crores in FY 2021-22 recording increase of 86.25%.
3. The Company has recorded Profit Before Tax and Adjustments of Rs. 3,117.31 Crores in FY 2022-23 as compared to Rs. 1,432.54 crores in FY 2021-22 recording increase of 117.61%.
4. The Company has recorded Profit After Tax of Rs. 2,987.01 crores in FY 2022-23 as compared to Rs. 1,183.73 crores in FY 2021-22 recording increase of 152.34%.

Share Capital

The authorized share capital of the Company is Rs. 1200 crores divided into 1200 crores equity share of Re 1 each.

The total paid up share capital of the Company as on March 31, 2023 was Rs. 10,75,65,40,264 divided into 10,75,65,40,264 equity shares of Re 1 each.

During the financial year, Gujarat State Investment Limited (GSIL) transferred 249,68,78,901 equity shares to Government of Gujarat on 19th October, 2022. Consequent to such a transfer, the shareholding of GSIL in the Company has gone below to 35.03% of paid up share capital of the Company from 58.24%. Government of Gujarat now directly holds 55.65% of paid-up share capital of the Company after such transfer.

Due to the above change, the Company has ceased to be the subsidiary Company of GSIL in accordance with the meaning of the term subsidiary company given under Section - 2(87) of the Companies Act, 2013. The Company continues to be a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013.

DIVIDEND

The Government of Gujarat (GoG) has issued guidelines on Dividend distribution and Capital Restructuring of State Public Sector Undertaking which is also applicable to the Company.

The Company after taking into consideration the said guidelines and the provisions of the Companies Act, 2013, has not declared any Dividend during the financial year 2022-23.

RESERVES

The Company has not transferred any amount to General Reserves Account during the financial year.

BUSINESS:

The Company along with its subsidiaries and associates has

evolved strategically as an “Integrated Energy Company” over a period of time with significant presence across the entire energy value chain spanning wide range of oil & gas activities comprising oil and gas exploration, development and production, gas trading, gas transmission, gas distribution and power generation. The Company has played a proactive role in the development of entire gas value chain in the State of Gujarat through its initiative of participation in the midstream and downstream segments as well as gas based power generation.

Segment wise performance highlights are summarized below:

I. GAS TRADING

Your Company has been successfully managing its Gas Trading business by scouting multiple sources of procuring gas (nationally and internationally) to efficiently market the same to customers in various sectors spread across the country. Despite lower gas trading volumes of 11.51 MMSCMD during FY 2022-23 compared to previous year (15.12 MMSCMD), higher gas prices coupled with efficient trading strategies resulted in a marked improvement in Turnover and margins.

The major achievements in Gas trading business for the FY 2022-23 are summarized below:

- In spite of tumultuous conditions of Indian & global energy markets, which were further exacerbated by the ongoing geopolitical tensions, the Company recorded its highest ever turnover of Rs. 27,698.31 crores for the gas trading segment.
- The Company has procured a total of 26 LNG cargoes under its long term contracts as well as spot deals during the year.
- The Company successfully supplied over 918 MMSCM of gas to Fertilizer plants under EPMC Bidding during April, 2022 to March 2023.
- Increased gas marketing efforts and structuring of gas contracts ensured average yearly volumes of more than 2.9 MMSCMD outside Gujarat during the year.
- During the year, the Company marketed gas to 109 customers and added a total of 6 new customers to the portfolio.
- The Company is currently marketing gas in 12 States/UT namely Gujarat, Maharashtra, Delhi, Karnataka, Uttar Pradesh, Madhya Pradesh, Uttarakhand, Dadra & Nagar Haveli, Daman, Punjab, Rajasthan, and Haryana.
- The Company business segment of supplying LNG through LNG truckloads saw substantial growth from 0.11 MMSCM in 2020-21 to 20.09 MMSCM in 2022-23.

Operational Performance of Subsidiaries in Gas Trading Business

● GSPC Energy Limited

GSPC Energy Limited is incorporated as Wholly Owned Subsidiary of GSPC. GSPC Energy Limited is engaged in the business of Gas Trading. The financial performance of GSPC Energy Limited is as follows;

- GSPC Energy Limited has recorded total Income of Rs. 89.70 crores during the FY 2022-23 as against Rs. 199.36 crores in the FY 2021-22.
- GSPC Energy Limited has recorded Profit Before Tax (PBT) of Rs. 0.36 crores during the FY 2022-23 as against Profit Before Tax (PBT) of Rs. 0.22 crores in the FY 2021-22.
- GSPC Energy Limited has recorded Profit After Tax (PAT) of Rs. 0.27 crores during the FY 2022-23 as against Profit After Tax (PAT) of Rs. 0.17 crores in the FY 2021-22.
- **GSPC Offshore Limited**

Since GSPC Offshore Limited had no financial or operational performance, it had made an application in October, 2021, with ROC Office for striking off its name as per the provisions of Section - 248 of the Companies Act, 2013. Registrar of Companies, Ahmedabad had issued notice in Form STK-7 dated 10th October, 2022 for striking off and dissolution of GSPC Offshore Limited. Accordingly, GSPC Offshore Limited which was earlier subsidiary Company of GSPC, has been struck off from the records of the Registrar of Companies and the said Company stands dissolved during the year.

II. EXPLORATION AND PRODUCTION

As on March 31, 2023, the company holds Participating Interest (PI) in 04 Production Sharing Contract (PSCs) as Operator and 10 PSCs as non-operator.

As the members are aware, the Company had decided to initiate the process for rationalizing its E&P Portfolio whereby the Company had identified 13 E&P Assets for Farm-Out of Company's PI. Pursuant to tendering exercise, the Company had successfully completed Farm-out of its PI in 7 E&P Assets before March 31, 2022.

During FY 21-22, re-tendering Exercise was carried out for Farm-Out of Company's PI in 5 Blocks operated by ONGC. As a part of that re-tendering exercise, the Company had received bids for Farm - Out of its PI only in CB-ONN-2004/2 Block i.e. Vadatal Fields. During FY 2022-23, the Company continued to engage with the bidders and JV Partner i.e. ONGC with an aim to maximize the Farm-Out Value of its PI. That process is yet to be concluded.

Further, for the other 4 ONGC Blocks in relation to which no bids were received even during the re-tendering exercise,

the Company proceeded to exercise the option of Withdrawal of its PI from these 4 Blocks viz. CB-ONN-2004/1 (Karannagar Fields), CB-ONN-2004/3 (Uber Fields), GK-OSN-2009/1 Block and MB-OSN-2005/1 Block. The exercise of Withdrawal of Company's PI in these 4 Blocks is likely to be completed during FY 23-24.

The Company continued its development and production operations in the 4 Blocks where the Company is an Operator. During FY 22-23, the Company added approximately 300 barrels of oil per day as compared to the production during FY 21-22. Further, the Company has also initiated actions with an aim to enhance production by another 200 BOPD during FY 23-24 and the company is hopeful of achieving the same during the FY 2023-24.

A summary of major operations carried out by the Company as a part of its E&P Business is given below:

A. Operated Blocks

1. CB-ONN-2000/1 [Ahmedabad Block]

Ahmedabad Block is divided into an old PSC Area of approximately 20 Sq. KM and a Ring-Fenced PSC Area of approximately 37 Sq. KM. The Company holds 50% Participating Interest (PI) in both Old PSC Area and RF-PSC Area. Ahmedabad Block is further divided into 3 Fields viz. Sanand East Field, Ingoli Field, and Balpura Field.

During the FY 2022-23, the Company achieved total Oil production from Ahmedabad block of around 200 Barrels of Oil Per Day (BOPD). Drilling of 1 well as per approved Addendum to FDP for Kalol oil discovery in Sanand East Field was completed in 2022-23 financial year along with drilling of a substitute well for PK#2 well. After successful testing of those two new wells, production increased by approximately 250 BOPD. After completion of the 3rd party study, significant progress has been achieved during FY 22-23 towards finalization of the Integrated Field Development Plan for Ingoli field's Basement and Kalol/Intra Cambay Formations which is expected to be completed during FY 23-24.

In Balpura field, production testing of 2 existing oil wells (GSAH#5 and #5A1) has been successfully completed. These wells are on regular production since 25th March 2022 on completion of QPS in Balpura field. Since Oct.'22 one well GSAH#5A1 has stopped producing. The field is currently producing about 15 BOPD.

Since the beginning of the production from Ahmedabad Block (Old PSC Area and RF PSC Area put together), the Company has achieved a cumulative Oil Production of approximately 3.2 million Barrels of Oil upto March 31, 2023.

2. CB-ON/2 [Tarapur Block]

Tarapur Block is also divided into Old PSC Area and Ring-Fenced PSC Area. GSPC holds 56% PI in Old PSC and 80% PI in RFPSC.

In Old PSC Area, the Company continued its production operations in the three ML Areas viz. Tarapur - 1 Oil Field, Tarapur - 6 Oil Field and Tarapur-G Gas Field. During the FY 2022-23, the Company achieved production of Oil & Gas of about 60 BOPD & about 15300 SCMD from these three fields. Further, during FY 2022-23, the Company made significant progress towards finalization of the Revised Field Development Plan for Tarapur-6 and Tarapur-1 Fields based on Third Party study.

Since the beginning of the production, the Company has achieved a cumulative Oil Production of approximately 0.59 million Barrels of Oil upto March 31, 2023 and a cumulative gas production of 1.132 BCF upto March 31, 2023 from the Tarapur Old PSC Area.

The Ring-Fenced Production Sharing Contract (RFPSC) for an area of 570 Sq. Km. was signed on 29.08.2016 for CB-ON/2-RFPSC block. During FY 2022-23, the Company continued to follow up for obtaining the Mining Lease which the company had already applied for the field Development Plan already approved by the Management Committee in respect of discoveries made in the block (PNE-1, PNE-2, TS-10, Kheda-1, Changara-1, Vaso-2 & Prospect-1). As per the approved FDP, these discoveries in RF-PSC Area hold 2P reserves of 1.082 million barrels of oil.

3. CB-ONN-2002/3 [Sanand-Miroli Block]

GSPC holds 55% PI in the PSC. During FY 2022-23, the Company achieved production of 63 BOPD from Sanand Field. Since the beginning of production from Sanand Field, the Company has achieved cumulative production of 0.136 million barrels of Oil till March 31, 2023. P&A and restoration was done for existing 3 wells of Miroli Field in FY 2022-23. Company will initiate the process for surrender of Miroli ML.

4. CB-ONN-2003/2 [Ankleshwar Block]

GSPC holds 50% PI in the block. During FY 2022-23, the Company achieved production of 40 BOPD from ANK 21 and 40s Fields. Since the beginning of production from ANK 21 and 40s Fields, the Company has achieved cumulative production of 0.165 million barrels of Oil till March 31, 2023. The MC approved reserves for Ank-21 field has been produced and the Company has initiated the process to prepare the Revised FDP to address the same.

B. Non Operated Blocks

➤ ONGC Operated:

In non-operated blocks portfolio, some discoveries have been made pursuant to drilling campaign carried out as follows:

1. **CB-ONN-2004/1:** GSPC holds 40% PI in CB-ONN-2004/1 (Karannagar) block. About 10 BBL of Oil is being produced per day from well Karannagar#1 and about 20 BBL of Oil from well Karannagar#4. Company issued notice to ONGC for withdrawal of its entire Participating Interest [PI] on 7th March 2023.
2. **CB-ONN-2004/2:** GSPC holds 45% PI in the block. Currently, Vadatal#3 & Vadatal#5 Fields are producing Oil of about 600 Barrel (BBL) per day after drilling 18 development wells and two water injector wells (nine development wells in Vadatal#3 ML area and six development and two water-injector wells in Vadatal#5 ML area). The Company is in process of farm-out its entire 45% PI.
3. **CB-ONN-2004/3:** GSPC holds 35% PI in the block. At the end of exploration, there is only one discovery Uber#2 is being developed and FDP is approved by DGH/ MoP&NG. Since Aug.'20, the well has ceased to produce due to water loading vis-à-vis dying reservoir pressure/energy. Company issued notice to ONGC for withdrawal of its entire Participating Interest [PI] on 7th March 2023.
4. **MB-OSN-2005/1:** GSPC holds 20% PI in the block. Pursuant to the two discoveries in wells NBA-1 & NAA-1, a joint Field Development Plan was submitted for approval of MC. The FDP of NAA-1 discovery was approved by MC and currently preparations are underway to drill wells. Being capital intensive program, the Company has issued notice to ONGC for withdrawal of its entire Participating Interest [PI] on 7th March 2023.
5. **GK-OSN-2009/1:** GSPC holds 20% PI in the block. Currently the approval process of Field Development Plan of the two discoveries is in progress. GSPC has however abstained from participation in the field development program. The Company has issued notice to ONGC for withdrawal of its entire Participating Interest [PI] on 7th March 2023.
6. **KG-OSN-2001/3:** GSPC holds 10% PI in the block. During the Financial Year 2022-23, production from well DDW-D4 is continued along with intermittent production from Well DDW-D2. Operator is planning for drilling of Well DDW-D8 in FY 2023-24.

Operator plans to submit an integrated FDP after obtaining production performance data from the new well. During FY 22-23, the JV has produced - 1.948 Billion Cubic Feet of gas and 1368.241 Cubic Meter of Condensate.

Since the beginning of the production from KG Block, the JV has achieved a cumulative Production 28.71 Billion Cubic Feet of Gas and 24,963.116 Cubic Meter of Condensate upto March 31, 2023.

GNRL Oil & Gas Ltd Operated:

1. **Kanawara Field:** GSPC holds 70% PI in the field. Operator has continued regular production from the field. Drilling of 3 new wells were completed as per the approved RFDP of Kanawara field. Testing through Hydraulic fracturing of Kalol reservoirs of these wells is in progress. During FY 22-23, the Company has produced oil @ 25 BOP per day and gas @ 10,000 SCM per day.

HOEC Operated:

1. **Asjol Field:** GSPC holds 50% PI in the field. Operator has continued regular production as per plan. PSC extension of Asjol has been approved by MOP&NG/DGH and preparations have started for drilling of two new wells in Asjol. Application for Environmental Clearances were completed for drilling of new wells. During FY 22-23, the Company has produced oil @ 7 BOP per day.
2. **North Balol Field:** GSPC holds 45% PI in the field. Operator has continued regular production as per plan. The developmental drilling plan of two wells in North Balol field has been approved by the MC and currently preparations are underway to drill the wells. Application for Environmental Clearances were completed for drilling of new wells. During FY 22-23, the Company has produced gas @ 10,000 SCM per day.
3. **CB-ON/7:** GSPC holds 35% PI in the block. Operator has continued regular production as per plan. Draft RFPSC pertaining to PSC extension of CB-ON/7 block has been submitted to MOP&NG for their approval. During FY 22-23, the Company has produced oil @ 65 BOP per day.

C. GSPC (JPDA) Limited

GSPC (JPDA) Limited was incorporated as an SPV for JPDA 06-103 Block. As reported earlier, the PSC for the block has expired and the dispute regarding payment of unfinished minimum work program was also settled.

GSPC (JPDA) Limited has not carried out any operation during the FY 2022-23 and has not recorded any operational income in the financial year 2022-23. It has recorded loss after tax of Rs. 6.19 Lakhs during the

financial year 2022-23. It is reported by GSPC (JPDA) that there is material uncertainty regarding going concern since the liability related to Joint Venture of the Bock has been cleared and written off in books of accounts against shareholders funds. Further the company does not have any immediate plan for carrying out any other operations.

III. GAS TRANSMISSION

Operational Performance of Subsidiaries in Gas Transmission Business.

Gujarat State Petronet Limited (GSPL)

In the midstream section of the integrated value chain, GSPL, the listed subsidiary of the Company has emerged as the leading player in the State of Gujarat as the pipeline and gas transmission company. GSPL provides connectivity to major demand centers and supply sources in the State of Gujarat, including existing and upcoming LNG terminals. GSPL owns and operates 2705 Kilometers of Natural Gas Pipeline as on March 31, 2023.

GSPL maintained uninterrupted gas supply across the State of Gujarat. GSPL also sustained Zero Accident culture & achieved Zero Loss Time Injury in Operational Natural gas grid.

GSPL is certified to Integrated Management Systems (ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018) with validity till 9th November, 2023.

GSPL, has contributed positively to the overall performance of the Company during the period under review, by expanding its pipeline infrastructure in the state of Gujarat towards developing the Gas Transmission business in the entire gas value chain and ensuring gas availability to various customers located on its Statewide gas grid.

GSPL, being committed to promote clean and green energy has also set up a 52.5 MW wind farm in the areas of Maliya Miyana, Rajkot and Gorsar & Adodar, Porbandar in Gujarat.

Financial Performance of Gujarat State Petronet Limited (GSPL)

- GSPL has recorded Total Income Rs. 1930.21 crores during the FY 2022-23 as against Total Income of Rs. 2124.52 crores in the FY 2021-22.
- GSPL has recorded Profit Before Tax (PBT) of Rs. 1228.55 crores during the FY 2022-23 as against Profit Before Tax (PBT) of Rs. 1274.83 crores in the FY 2021-22.
- GSPL has recorded Profit After Tax (PAT) of Rs. 944.95 crores during the FY 2022-23 as against Profit After Tax (PAT) of Rs. 1009.75 crores in the FY 2021-22.
- GSPL has recorded Total Comprehensive Income (comprising of PAT and Other Comprehensive Income)

of Rs. 943.11 crores during the FY 2022-23 as against Rs. 1010.75 crores in the FY 2021-22.

The Petroleum & Natural Gas Regulatory Board has awarded three major cross-country gas pipeline projects to GSPL consortium.

1. Mehsana to Bathinda Pipeline (MBPL)
2. Bathinda to Jammu-Srinagar Pipeline (BJSPL)
3. Mallavaram to Bhilwara and Vijaypur Pipeline (MBBVPL)

GSPL has incorporated following two subsidiary companies:

1. GSPL India Gasnet Ltd (GIGL)

GSPL India Gasnet Ltd. (GIGL) is a joint venture of Gujarat State Petronet Ltd. (GSPL with equity participation of 52%), Indian Oil Corporation Ltd. (IOCL - 26%), Bharat Petroleum Corporation Ltd. (BPCL -11%) and Hindustan Petroleum Corporation Ltd. (HPCL -11%).

GIGL has been authorised to lay two cross country gas pipelines viz Mehsana to Bathinda Pipeline (MBPL) and Bathinda to Jammu-Srinagar (BJSPL). During the year under review, the Company has approved revised pipeline route of MBPL and BJSPL aggregating to approx. 1694 kms. Further, during the year under review, PNGRB has approved foreclosure of BJSPL at Gurdaspur, which will now be Bhatinda Gurdaspur Pipeline (BGPL).

The sections under Phase - I of the Projects covering approx. 442 kms viz. Barmer-Pali Pipeline, Palanpur-Pali Pipeline and Jalandhar Amritsar Pipeline are in operations since 2018-19. Under Phase - II, GIGL has successfully commissioned all sections viz. 837 kms out of total 940 kms.

GIGL has successfully commissioned all sections of MBPL Phase II Project except Section V and Gas-in activities have been completed for following sections:

Section	Kms.
30" Pipeline from IP-01 (Shiv talav, Pali) to SV-4024 (Kalawali, Sirsa, Haryana)	628
18" Pipeline from IP-05 (Ajitpura, Hanumangarh, Rajasthan) to Panipat, Haryana	209
Total	837

During the year under review, GIGL has completed various activities listed below:

- **HRRL** : 18" x approx. 90 km from SV 01 on Barmer Pali Pipeline to HPCL Rajasthan Refinery Limited (HRRL Refinery), Pachpadra, Barmer in Rajasthan:

- DERS, 3(1), 6(1) notifications, purchase of station land etc. is completed
- RFP is prepared and based on completion of bidding, work is likely to be awarded to successful bidder shortly.
- Bhatinda -Jalandhar Pipeline Project of 24" x approx. 130 Kms.
 - DERS, 3(1), 6(1) notifications, purchase of station land etc. is completed
 - BEP is completed and RFP document is under advanced stages of completion.

GIGL has commenced gas transmission to Rohtak, Jind & Sonipat, Jaipur, Sikar & Jhunjhunun, Sirsa and Punjab region by converging Amritsar, Jalandhar and Gurdaspur.

GIGL is making all efforts to complete the balance works in Punjab and commission the same at the earliest.

During 2022-23, the Company has transported about 1242.26 MMSCM gas and has earned revenue of Rs. 211.29 Crores through transportation of gas till 31st March 2023.

Financial Performance of GSPL India Gasnet Limited (GIGL)

GIGL has earned total income of Rs 225.08 Crores in the FY2022-23. The Company has Net Loss of Rs. 159.48 Crores during FY 2022-23.

2. GSPL India Transco Ltd (GITL)

GSPL India Transco Ltd. (GITL) is a joint venture of Gujarat State Petronet Ltd. (GSPL with equity participation of 52%), Indian Oil Corporation Ltd. (IOCL - 26%), Bharat Petroleum Corporation Ltd. (BPCL - 11%) and Hindustan Petroleum Corporation Ltd. (HPCL - 11%).

GITL has been authorised to lay 1,881 long km pipeline from Mallavaram to Bhilwara. The initial section of of 365 Kms pipeline and associated facilities of Project from Reliance Gas Transmission India Limited interconnection point at Kunchanapalli to Ramagundam Fertilizers & Chemicals Limited's Plant at Ramagundam is in operations since 2019-20. During FY 2022-23, the Company has transported approx. 586 MMSCM of gas and has earned revenue of Rs. 78.82 Crores through transportation.

Financial Performance of GSPL India Transco Limited (GITL)

- GITL has recorded total Income of Rs. 112.81 crores in the FY 2022-23. The Company has Loss after Tax of Rs. 11.85 Crores during FY 2022-23.

GIGL and GITL has contributed positively to the overall performance of the Company by way of achieving progress in the project of developing cross-country gas pipeline projects.

IV. LNG TERMINAL

GSPC LNG Limited (GLL) has developed LNG Receiving, Storage and Regasification Terminal at Mundra, Kutch, Gujarat with an initial capacity of 5 MMTPA and started commercial operations from 1st March, 2020.

The facilities created comprise of two LNG storage tanks of 1,60,000 cubic meters each, regasification facilities having five open rack vaporizers and LNG jetty capable of receiving the LNG vessels of sizes ranging from 75,000 m3 to 260,000 m3. The terminal also has facility for LNG truck loading.

During the Financial year 2022-23 the capacity utilization of the LNG terminal was 16%. This was due to high volatility in spot LNG prices due to the conflict in Europe between Russia and Ukraine and increased availability of domestic gas.

The overall capacity utilization of the LNG terminal since inception is ~ 24%.

The LNG terminal received 58 LNG cargoes till 31.03.2023. The entire regasification capacity of the LNG terminal is being utilized by GSPC.

The Company commenced LNG tanker truck loading operations in October 2021. A total of 199 LNG truck filling operations have been successfully undertaken at this facility till 31.03.2023. The LNG truck loading operations shall help in the development of small scale LNG business and expand the usage of Natural Gas/ LNG to off grid customers and provide last mile connectivity to support retail business.

V. DOWNSTREAM BUSINESS ACTIVITIES

Operational Performance of Subsidiaries and Associates in Gas Distribution business.

Gujarat has been a pioneer in the City Gas Distribution (CGD) sector in India and has achieved significant success in implementing CGD project in urban and rural areas of the State. Further with the successful completion of CGD bid Round 11 and 11A, 98% of India's population and 88% of India's area would have access to CGD network.

In the downstream sector of integrated natural gas value chain, the group Companies have achieved significant milestones as follows;

➤ Gujarat Gas Limited

Gujarat Gas Limited (GGL) being India's largest city gas distribution player with presence spread across 44 Districts in the State of Gujarat, Punjab, Rajasthan, Haryana, Madhya Pradesh, Maharashtra & Union Territory of Dadra and Nagar Haveli is distributing PNG to various industrial, commercial and domestic residential customers & CNG to transport segment customers through CNG filling stations.

Gujarat Gas Limited has been continuously growing and expanding its horizon by venturing into new geographical areas and is committed to reach every possible natural gas users across its licensed expanse of around 1,75,600 square kilometers through its ever growing pipeline network spread across 44 Districts.

Gujarat Gas Limited has aggressively rolled out the expansion plans to develop networks to tap the unexplored CGD potential in new geographies within its operational areas. GGL now has total 27 CGD licenses and 1 pipeline license and operates in 44 districts encompassing six states and one Union territory.

Gujarat Gas Limited is supplying natural gas to nearly 19 Lakh residential, over 14,390 commercial and non-commercial segments including NDEC and over 4,365 industrial customers as on March 31, 2023

Gujarat Gas Limited also supplies natural gas in the form of Compressed Natural Gas (CNG) through 808 CNG stations catering to the automotive sector in the operational areas.

GGL has Implemented India's 1st Pilot Project at a CGD business for Green Hydrogen blending with PNG Domestic supplies at NTPC Kawas Township. GGL Surat & Hazira GA has successfully completed taking in 5% blended Hydrogen in DPNG network with supply to 150+ numbers of households.

GGL has commissioned Electrical Vehicles (EV) charging facility at company owned CNG station at Kevadia as a pilot project with Tata Power.

Financial performance of Gujarat Gas Limited (GGL)

- Gujarat Gas has recorded Total Income of Rs. 17,407.43 crore during the FY 2022-23 as against Rs. 16,878.09 crore in the FY 2021-22.
- Gujarat Gas has recorded Profit Before Tax (PBT) of Rs. 2,024.65 crore during the FY 2022-23 as against Rs. 1,713.41 crore in the FY 2021-22.
- Gujarat Gas has recorded Profit After Tax (PAT) for the period (before other comprehensive income) of Rs. 1,525.47 crore during the FY 2022-23 as against Rs. 1,285.64 crore in the FY 2021-22.
- Gujarat Gas has recorded Total Comprehensive Income (after tax) of Rs. 1,533.99 crore during the FY 2022-23 as against Rs. 1,288.33 crore in the FY 2021-22.

GSPC does not hold any share directly in GGL, However GSPL (i.e. its Subsidiary) holds 54.17% in Gujarat Gas Limited and GSEG (i.e. its associate) holds 0.19% in Gujarat Gas Limited.

➤ Sabarmati Gas Limited (SGL)

SGL has CGD operations in the districts of Gandhinagar,

Mehsana and erstwhile Sabarkantha (now comprising of Sabarkantha and Aravalli) and Patan. SGL is committed for development of CGD infrastructure in all these districts as well as amongst all the segment of customers.

SGL has customer base of 2,69,332 domestic customers, 379 industrial customers and 1,032 commercial establishments as well as 161 CNG stations in three Districts of North Gujarat as on March 31, 2023.

As a result of competitive CNG price and with expansion in its CNG retail network, Sabarmati Gas limited has been able to achieve the Average daily sales of 5,26,033 KG during the FY 2022-23 as against 4,78,910 KG during FY 2021-22.

CNG is fast gaining a significant share in the sales volume of SGL and the momentum is expected to continue.

GSPC along with GSPL (i.e. its Subsidiary) holds 49.94% in Sabarmati Gas Limited.

Financial performance of Sabarmati Gas Limited (SGL)

- SGL has recorded total income of Rs. 2423.00 Crores during the FY 2022-23 as against Rs. 1921.34 Crores in the FY 2021-22.
- SGL has recorded Profit Before Tax (PBT) of Rs 432.51 crores during the FY 2022-23 against the Profit Before Tax (PBT) of Rs. 464.10 Crores in the FY 2021-22.
- SGL has recorded Profit After Tax (PAT) of Rs. 322 crores during the FY 2022-23 as against the Profit After Tax (PAT) of Rs. 346.48 Crores in the FY 2021-22.

In the downstream business, the Company intends to achieve accelerated growth and spread its reach to a wider customer base by complementing the strengths of Gujarat Gas and SGL.

GGL and SGL have contributed positively to the overall performance of the company during the period under review, by expanding its CNG and PNG network towards development of downstream business in the entire gas value chain.

CGD business is growing very rapidly and CGD companies of GSPC Group are expected to grow by leaps and bounds in the years to come.

VI. POWER GENERATION:

GPPC and GSEG have gas based power generation capacity of approx 1200 MW.

➤ Gujarat State Energy Generation Ltd. (GSEG)

Gujarat State Energy Generation Ltd. (GSEG), associate Company of GSPC, has installed capacity of 507.53MW

gas based power plants comprising 156.1MW CCPP and 351.43MW CCPP. 156.1MW PPA has expired on 31st May, 2022 and discussion with GUVNL for PPA extension is under process. 351.43MW plant is available to the grid for generation of power.

Financial performance of Gujarat State Energy Generation Limited (GSEG)

- GSEG has recorded total Income of Rs. 156.29 Crores during the FY 2022-23 as against Rs. 290.45 Crores in the FY 2021-22.
- GSEG has recorded Profit Before Tax (PBT) of Rs.8.58 Crores during the FY 2022-23 as against Rs.42.13 Crores during the FY 2021-22.
- GSEG has recorded Profit After Tax (PAT) of Rs. 3.99 Crores during the FY 2022-23 as against Rs. 31.43 Crores during the FY 2021-22.

The Company holds 53.70% in GSEG of which 32.59% with voting rights.

The voting rights on incremental equity shares acquired by GSPC are restricted on account of ongoing litigation. GSPC has given undertaking to NCLT, Ahmedabad that it shall not exercise voting powers in respect of shares as are allotted to GSPC pursuant to the offer for Right Issue of shares during the pendency of the petition no. 51 of 2018 filed by KRIBHCO. The matter is still pending with NCLT.

As per the definition of Subsidiary Company under Section 2(87) of the Companies Act, 2013 requires exercise or control of more than one-half of total voting power. GSPC holds majority shares of GSEG but does not have majority voting power and hence GSEG is still an associate and not subsidiary of GSPC.

➤ GSPC Pipavav Power Company Limited (GPPC)

GSPC Pipavav Power Company Limited (GPPC), a subsidiary of your Company, was incorporated to commission 702 MW combined cycle power plant at Pipavav. GPPC has successfully commissioned 702 MW Power Project.

The status of 702 (2X351) MW Gas based Power Plant of GPPC at village Kovaya, Tal. Rajula, District Amreli during the year is as follows:

- During the financial year Unit-1 & Unit-2 was operated as and when required by SLDC. Due to non-availability of affordable gas, the Plant has achieved meagre PLF (Plant Load Factor) of 0.024%. For rest of the time, the Plant has been kept in preservation mode in absence of scheduling/requirement from SLDC/ GUVNL.
- Unit-1 & Unit-2 was kept available for operation as per SLDC instruction except for periods of planned

/ unplanned outages. Mark VI and LCI upgradation of Unit1 & Unit 2 was completed during April, 2022 by GE under LTSA Contract.

Financial performance of GSPC Pipavav Power Company Limited (GPPC)

- GPPC has recorded total Income of Rs. 377.55 Crores during the FY 2022-23 as against Rs. 469.01 Crores in the FY 2021-22.
- GPPC has recorded a Profit Before Tax (PBT) of Rs. 3.39 Crores during the FY 2022-23 as against Rs. 46.12 Crores in the FY 2021-22.
- GPPC has recorded a Profit after Tax (PAT) of Rs. 2.51 Crores during the FY 2022-23 as against Rs. 33.80 Crores in the FY 2021-22.

GPPC is also successfully managing a 5MW Solar Power Project at Gujarat Solar Park. During FY 2021-22, Since its recommissioning after fire incident in July 2020, GPPC's Solar Plant is performing well. During FY 2022-23, GPPC exported approx. 7.86 million units of power to the State Grid.

Alternate sources of Power Generation:

Your Company being committed to promote clean and green energy has also set up alternate sources of power generation. The Company has set up a 71.4 MW wind farm in Gujarat. GSPL (your Company's subsidiary), has also set up a 52.5 MW wind farm in Gujarat. The total wind power generation capacity of GSPC Group is 123.9 MW.

GPPC is also successfully managing a 5MW Solar Power Project at Gujarat Solar Park. During FY 2022-23, GPPC exported approx. 7.86 million units of power to the State Grid.

VII. Other Operations

IT Infrastructure

The Company has promoted GIPL (Guj Info Petro Limited) for providing IT related services. GIPL has been appointed as total solution provider (TSP) for various government organizations. GIPL helps the client to get the best technologies and drive their business forward through technology.

GIPL has been able to undertake all IT/ ITeS projects of Government/ Department/ Boards/ Corporations/ Society or any Agency/entity of the State Government including GSPC and its group Companies and has cemented its way in establishing itself as a TSP/nodal agency of the State Government in IT Sector.

Financial Performance of Guj Info Petro Limited (GIPL)

- GIPL has recorded total Income of Rs. 27.38 crores during the FY 2022-23 against Rs. 22.14 crores in the FY2021-22.

- GIPL has recorded Profit Before Tax (PBT) of Rs. 7.68 crores during the FY 2022-23 as against Rs. 4.36 Crs crores in the FY 2021-22.
- GIPL has recorded Profit After Tax (PAT) of Rs. 5.73 crores during the FY 2022-23 as against Rs. 3.26 crores in the FY 2021-22.

Gujarat Energy Research and Management Institute (GERMI)

Gujarat Energy Research & Management Institute (GERMI) is a Centre of Excellence in the energy sector, promoted by Gujarat State Petroleum Corporation Limited (GSPC), a Government of Gujarat Undertaking. GERMI was established with a vision to establish it as a leading one-stop institution for the entire gamut of Educational, Training and Research requirements of the Energy sector. The institute develops the talent pool for the Oil and Gas sector, conduct research and training in Petroleum sector, assists in devising techno-economically feasible solutions for various problems encountered in exploration, drilling production and transportation operations. GERMI has also established a Centre of Excellence in Energy with focus on Oil and Gas, Renewable and Environmental research.

GERMI is Registered Society and Trust under the Societies Registration Act, 1860 and the Bombay Trust Act, 1950, respectively. Further it is recognized as Scientific and Industrial Research Organization (SIRO) by the Department of Department of Scientific and Industrial Research (DSIR), Government of India. It is A Schedule-I Environment Auditor recognized by the Gujarat Pollution Control Board (GPCB) and an Energy Auditor Consultant recognized by the Gujarat Energy Development Agency (GEDA). GERMI is having Laboratories accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) as per (As per ISO/IEC 17025:2017).

GERMI has ISO 9001:2015 certified organization for:

- Research and Development in the fields of energy and energy-related areas including petroleum, environment and renewable energy,
- Advisory, management and technical services such as consultancy and third-party inspection (TPI) in the fields of energy and energy-related areas including petroleum, environment and renewable energy,
- To provide professional and vocational training in the fields of energy and energy-related areas including petroleum, environment and renewable energy.

GERMI is a pioneer stakeholder of the project involving India's First Solar-powered village Modhera.

GERMI has received recognition as a Centre of Excellence from the Skill Council for Green Jobs (SCGJ) and was awarded as "The Best Solar Training Centre" across India. GERMI is currently amongst one of the best training

imparters in the energy domain. Since 2010, GERMI has done 200+ trainings and trained 9000+ individuals in the Energy Sector.

GERMI has undertaken 500 MW+ Solar PV Project through extensive Project Management Consultancy for Megawatt-scale ground mounted PV Projects, Solar Park projects, Canal-top projects etc. during the year 2022-23.

MANAGEMENT DISCUSSION & ANALYSIS:

Management Discussion & Analysis Report for the year under review is presented separately as **Annexure - I**.

CHANGE IN NATURE OF BUSINESS

The Company has focused on gas trading business which has been the main source of revenue for the Company. The Company is also optimizing its portfolio of E&P Blocks/Fields by way of farming out PI in various E&P Block/Fields.

MATERIAL CHANGE AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT.

No Material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company other than those specifically highlighted in this report.

SIGNIFICANT OR MATERIAL ORDER PASSED BY THE REGULATOR OR TRIBUNAL OR COURT.

No Significant or material orders were passed by the regulator or court or tribunals which impact the going concern status and Company's operations in future.

CREDIT RATING

GSPC has during the financial year, changed the credit rating agency from Brickworks Ratings to CARE Ratings, wherein the credit rating provided by the rating agency is CARE AA- (Stable) for Long Term Loans and CARE A1+ for Short Term Loans on 7th October 2022, thereafter the rating was revived and reaffirmed on 30th March 2023, with a change in outlook from stable to positive i.e. CARE AA- (Positive) for Long Term Loans and CARE A1+ for Short Term Loans.

The reason for assigning the rating by M/s CARE rating is on account of following factors

- Significant improvement in profitability leading to rationalization of its high debt level.
- Established gas trading business with favourable long-term growth prospects.
- Significant improvement in capital structure and debt coverage indicators.

- Strong Parentage Support along with the Strong Presence across value chain.

DEPOSITS

During the year, the Company has not accepted any Fixed Deposits under Chapter - V of the Companies Act, 2013 from the public.

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF EACH OF ITS SUBSIDIARY, ASSOCIATE AND JOINT VENTURES COMPANIES

Pursuant to the Section - 129 (3) of the Companies Act, 2013 read with Rule - 5 of the Companies (Accounts) Rules, 2014, the salient features of Financial Statement of subsidiaries and associates in Form AOC-1 is attached as **Annexure - II** which forms part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees, Securities and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

INTERNAL FINANCIAL CONTROL

The Company has put in place efficient internal control systems and processes commensurate with its size and scale of operations. The Company has appointed M/s K C Mehta & Co for the financial year to carry out Internal Audit so as to ensure adherence to policies and mitigation of the operational risks. The key findings of Internal Auditor are being reviewed by the Audit Committee from time to time and appropriate action plans are prepared so as to implement the recommendations/ observations of the Internal Auditor.

The Company uses SAP system for integration of various business processes across the organization.

The Company has in place adequate internal financial controls with reference to financial statements. The Company has appointed firm of chartered accountant to review the Internal Financial Controls (IFC) in line with existing Standard Operation as well as if required to develop/modify Standard Operation Practice (SOP) for some of the matters related to finance and other activities.

The Company has an Audit Committee that periodically reviews the Internal Auditor's report, suggests corrective actions in required areas and thereby helps to strengthen the controls. Internal control systems and processes put in place are commensurate with its size and scale of operations.

Further, based on the framework of Internal financial controls and systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial auditors and the reviews performed by Management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the

Company's internal financial controls were adequate and effective during the FY 2022-23.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT (QHSE)

At GSPC, adherence to high standards of Quality, Health, Safety and Environment (QHSE), is of paramount importance. The Company is committed to achieve high level of QHSE performance as an integral part of company's business performance for sustainable development, safe workplace and enrichment of quality of life of the employees, customers and community at large.

To ensure that the QHSE management system is functioning satisfactorily, the company has established effective management system and procedures and adopted auditing mechanisms and the recommendations of such audits are consistently implemented. The company has taken many initiatives during the year to achieve continual improvement, which includes comprehensive incident and near-miss reporting and investigation system, establishing emergency response plans, safety and environmental audits and systematic HSE training for employees and contractors. These are periodically reviewed, audited and upgraded for continuous excellence.

The company has achieved an impressive milestone in safety statistics, incident free days for onshore operation. This clearly shows the excellence in safety standards.

Towards sustainable development of operations, GSPC has been giving importance to environmental protection as one of our primary objective in QHSE. During the reporting period GSPC has commenced green belt plantation at our onshore facilities and also encouraged plantations around our work sites including quarterly environment monitoring as per norms. Our efforts of reducing wastes and emissions are reflected through implementation of 3R principles of wastes management (Reduce, Recycle and Reuse) in our operations.

To create HSE awareness amongst employees and contractors, the company organized various promotional programs like; Celebration of National Safety Day and World Environment Day. During the year various HSE awareness sessions were also conducted for employees & contractor workers on World Environment Day, National Safety Day and in Mines Vocational Trainings.

During the year various onsite emergency mock drills exercise were carried out at regular intervals.

EXTRACT OF ANNUAL RETURN

Annual Return of the Company is available on the website of the company <http://gspcgroup.com/GSPC/annualreturn>

CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors have developed and implemented

Corporate Social Responsibility Policy of the Company. The brief outline of the Corporate Social Responsibility Policy, composition of CSR Committee of Directors, and other required disclosures related to CSR are attached herewith as **Annexure - III** as per the format prescribed under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

HR INITIATIVES:

HR initiatives are summarized below:

- The Company continues to focus on initiatives which will contribute towards enhancing the capabilities of the next generation of leaders and promote the development of a high performance culture.
- The Company believes that training and development is of vital importance to create a climate for transforming the thinking where people maximize their technical skills and inner potential which can help the Company in capitalizing the emerging business opportunities through their involvement. During the year, training programs were conducted for employees.
- The Company has accomplished such objective of training and development by providing effective, cost-efficient and consistent programs and services that are reflective of the needs of the Company and our stakeholders.

Training and Development initiatives are summarized below:

- ✓ **During the year, the Company organized Employee Engagement Activities/Training/Learning:**
 - Training on POSH had been organized at GSPC office in September 2022. The session was delivered by officials from the Energy & Petrochemicals department, Gandhinagar.
 - Training programme conducted on 'Firefighting awareness' during March 2023, Ahmedabad Block (Ingoli EPS).
 - Celebration of World Environment Day-2022 with the theme "Only One Earth" on 5th June, 2022
 - International Women's Day Celebration
 - Celebration of National Safety Day-2023 with theme "Our Aim Zero Harm" on 4th March, 2023

DIRECTORS & KEY MANAGERIAL PERSONNELS

Appointment of Directors/KMP

- Shri Raj Kumar, IAS, was appointed as Additional Director on the Board of the Company w.e.f. 20th July, 2022 while he was Additional Chief Secretary, Home Department holding additional charge of Industry and Mines Department. Subsequently, Shri Raj Kumar, IAS was designated as Chairman of the Company w.e.f. 21st

February, 2023 based on nomination received from Government of Gujarat after his appointment as Chief Secretary of GoG in place of Shri Pankaj Kumar, IAS (Retd.).

- Shri Milind Torawane, IAS has been appointed as Managing Director of the Company w.e.f. 1st April, 2023.
- Smt. Mamta Verma, IAS, Principal Secretary, Energy and Petrochemicals Department has been appointed as an Additional Director on the Board of Company w.e.f. 29th April, 2023.

The shareholders at its Annual General Meeting held on 15th December, 2022 has approved appointment of Shri J.P. Gupta, IAS and Shri Raj Kumar, IAS as Directors on the Board who were originally appointed as Additional Directors by the Board of Directors of the Company.

The appointment of Shri K. Kailashnathan, IAS (Retd.) as Director, who is liable to retire by rotation, shall be placed at the ensuing Annual General Meeting for approval of shareholders. Further the appointment of Shri Milind Torawane, IAS as Director/Managing Director and Smt. Mamta Verma, IAS as Director of the Company shall be placed at the ensuing Annual General Meeting for approval of shareholders.

Independent Directors

Presently the Company has Dr. Ravindra Dholakia (DIN:-00069396), Prof. Yogesh Singh (DIN: 06600055) and Dr. N. Ravichandran (DIN:02065298) as Independent Directors on the Board.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

Resignation and Cessation of Directors/KMP

- Dr. Rajiv Kumar Gupta, IAS (Retd.) has resigned and has ceased to be the Director of the Company w.e.f. 8th June, 2022 consequent upon his superannuation as Additional Chief Secretary, Industries & Mines Department.
- Dr. Manjula Subramaniam, IAS (Retd.) has resigned and has ceased to be the Director of the Company w.e.f. 12th December, 2022 due to health reasons.
- Shri Pankaj Kumar, IAS (Retd.), has resigned and has ceased to be the Director & Chairman w.e.f. 1st February, 2023 on account of his resignation on superannuation as Chief Secretary of GoG.
- Shri Sanjeev Kumar, IAS has ceased to be the Managing Director of the Company w.e.f. 1st April, 2023 on account of his resignation due to transfer and appointment as Principal Secretary to Government, Forest & Environment Department.

The Board of Directors placed on record appreciation of services rendered by Dr. Rajiv Kumar Gupta, IAS (Retd.), Dr. Manjula Subramaniam, IAS (Retd.), as Directors of the Company, Shri Pankaj Kumar, IAS (Retd.) as Director and Chairman of the Company and Shri Sanjeev Kumar, IAS as Managing Director of the Company.

Further your Company places on record the deepest condolences on the sad demise of Dr. Manjula Subramaniam, IAS(Retd), ex-director of the Company.

Details of Key Managerial Personnel.

Presently the company has following Key Managerial Personnel:

- Shri Milind Torawane, IAS, Managing Director
- Ms. Reena Desai - Company Secretary
- Shri Rajesh Sivadasan - Chief Financial Officer

Particulars of Managerial Remuneration and Employees

Your Company being Government Company is exempted from furnishing information under Section - 197 of the Companies Act, 2013 vide Ministry of Corporate Affairs notification dated 5th June, 2015.

Meeting of the Board and Committees

5 meetings of Board of Directors were held during the FY 2022-23.

Sr. No.	Date of Board Meetings
1	25 th April, 2022
2	30 th May, 2022
3	6 th September, 2022
4	17 th November, 2022
5.	14 th February, 2023

The Company has complied with applicable Secretarial Standard.

Board Evaluation

The Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule - IV of the Companies Act, 2013 states that the performance evaluation of independent Directors shall be done by the entire Board of Directors, excluding the Directors being evaluated.

The evaluation of individual Director, committees and Board as a whole has been carried out by the Board based on the criteria for evaluation adopted by the Board.

MCA has further exempted Government Companies from the provisions of evaluation of Directors by Nomination & Remuneration Committee and disclosure requirement related to company's policy on directors' appointment and

remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178.

The Independent Directors have carried out an annual performance evaluation of Chairman, Non-Independent Directors, and the Board as a whole in their separate meeting in compliance with the provisions of the Companies Act, 2013.

AUDIT COMMITTEE

The Company has constituted an Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee consists of following Directors:

Name of Directors	Designation
Dr. N. Ravichandra	Chairman
Shri J.P.Gupta, IAS	Member
Dr. Yogesh Singh	Member

During the financial year, Dr. Manjula Subramaniam, IAS (Retd.) has ceased to be a member of Audit Committee on account of her resignation as Director. Subsequently, Shri Sanjeev Kumar, IAS has also ceased to be the member of Audit Committee due to re-constitution of Audit Committee in compliance with provisions of the Companies Act, 2013.

The Audit Committee has recommended the financial statement for the year ended on March 31, 2023 for approval of the Board at its meeting held on 25th May, 2023.

All the recommendations made by the Audit Committee were accepted by the Board.

Detail of Audit Committee Meeting held during the F.Y. 2022-23 is as under:

Sr. No.	Date of Audit Committee Meetings
1	27 th May, 2022
2	6 th September, 2022
3	17 th November, 2022
4	14 th February, 2023

VIGIL MECHANISM

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour, the Board of Directors have approved Vigil Mechanism policy for Directors and employees to report genuine concerns as per the requirement of Companies Act, 2013.

STATUTORY AUDITORS

Your Company being a Government Company, the Statutory Auditors are appointed by the Comptroller & Auditor General of India. Accordingly, Singhvi & Mehta, Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company for the financial year 2022-23.

The Statutory Audit Report does not contain any qualification, reservation or adverse remark.

The Company has received comments of Comptroller & Auditor General of India (C&AG) on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2022-23. The Reports of C&AG and the Management response to comments of C&AG have been placed before the Standalone and Consolidated Financial Statements respectively.

SECRETARIAL AUDITOR

The Board of Directors have appointed M/s K. K. Patel and Associates, Practicing Company Secretaries to conduct Secretarial Audit for the Financial Year 2022-23.

The Secretarial Audit Report is self-explanatory in nature. It may be noted that consequent to resignation of Dr. Manjula Subramaniam, IAS(Retd), Woman Independent Director from the Board of the Company w.e.f 12th December, 2022, the company immediately sought the instructions from Govt. of Gujarat for appointment of a Woman Director on the Board. Subsequently the Company has appointed Smt. Mamata Verma, IAS as a woman director on the Board w.e.f. 29th April 2023 upon receipt of nomination from Govt of Gujarat.

The Secretarial Audit Report for the financial year ended on March 31, 2023 is annexed herewith as **Annexure - IV** to this Report.

COST AUDITORS

The Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are required to be maintained by the Company and that such accounts and records are made and maintained by the Company. The Board of Director has appointed M/s. ND Birla & Co. as Cost auditor for the financial year 2022-23.

The Company has filed the Cost Audit Report for the financial year 2021-22. The Cost Audit Report for the financial year 2022-23 has also being filed as per the requirement of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section - 134(3)(c) of the Companies Act, 2013,

- (i) That in the preparation of the annual accounts, for the year ended 31st March, 2023 the applicable accounting standards have been followed and no material departures have been made from the same.
- (ii) That accounting policies have been selected and

applied consistently and judgments and estimates are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of Profit & Loss of the company for that period.

- (iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Annual accounts have been prepared on a going concern basis.
- (v) That proper Internal Financial Controls were in place and that such internal financial controls are adequate and were operating effectively; and
- (vi) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year, the Company has entered into contracts or arrangements with related parties, which were in the ordinary course of business and on an arm's length basis. The required information on transactions with related parties are provided in **Annexure - V** in Form AOC-2 in accordance with Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Your Directors draws attention of the members to Note - 39 to the financial statement which sets out related party disclosures.

RISK MANAGEMENT

KPMG has identified key risks associated with the business activities and has developed detailed risk management policy for the Company which defines detailed procedure for monitoring, mitigating and reporting risk on periodic basis. The Company has in place Risk Management Policy and has constituted Risk Management cell including appointment of Chief Risk Officer and Associate Risk Officer to ensure necessary compliance with respect to Risk Management Policy.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has put in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The company has complied with provisions relating to the constitution of Internal Complaints Committee under

the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy

Your Company is in the business of exploration of oil and gas and trading of gas wherein consumption of energy is not significant. However, the Company is still taking all steps for efficient consumption of energy.

Technology Absorption

The Company has been using latest software for geological modelling and reservoirs management. This helps the Company to efficiently manage its Oil and Gas fields and Oil and Gas reserves.

The Company has not imported any technology. However, based on the technology used by the Contractors and Joint Venture partners, the Company is continuously upgrading its skills.

Foreign Exchange Earnings and Outgo

Foreign Exchange	Rs. In crores
Earnings/inflow	0.84
Outgo	15,071.81

ACKNOWLEDGEMENTS

The lead that GSPC has attained in hydrocarbon sector so far is indeed the end result of persistent hard work of its employees coupled with unstinted support from the Government of Gujarat.

The Directors convey their sincere appreciation for the valuable services rendered by employees, without whose contributions it would not have been possible for the Company to effectively address the multiple challenges being faced by the Company.

The Directors are extremely grateful for all the support given by the Government of Gujarat at all levels.

The Directors place on record their sincere thanks to the Ministry of Petroleum & Natural Gas, Directorate General of Hydrocarbon, PNGRB Government of Gujarat, Natural Gas Suppliers, Customers, Joint Venture partners, Lenders, and investors for their continuous support and guidance.

For and on behalf of the Board of Directors

CHAIRMAN

Date: 23.11.2023

Place: Gandhinagar

Annexure - I

MANAGEMENT DISCUSSION & ANALYSIS

The year 2022 saw several events that shook many fundamentals of global gas markets. Changes witnessed were largely due to geopolitical events, their impact on global economies and unusual weather across many regions. Several analysts have commented that the events of 2022 have triggered some structural shifts in market dynamics - Europe's replacement of Russian pipeline gas with LNG, US LNG supplies supporting Europe, reversal of LNG trade flows - all these which may lead to a shifting policy landscape. After a record rebound in gas consumption in 2021 driven by global economic recovery, the year 2022 witnessed a decline in global gas consumption by 0.4% compared to 2021 levels¹.

During 2022 natural gas prices reached all-time high levels in Asian and European markets amid tight market conditions. Record high price levels were accompanied by excessive volatility and short-term price variability². Gas prices moderated significantly in January 2023 across all key gas markets, although they remained well above historic averages in Asia and Europe².

It is expected that in spite of the slight decline in global gas consumption in 2022, markets will recover in the coming year. This is based on the premise that investments, though below pre-pandemic levels, have picked up. Owing to concerns of supply security, long-term gas contracts regained prominence and patterns of LNG flows are signs of gas markets becoming more global and interconnected. Natural gas has also gained further recognition as clean energy and labelled as green in EU taxonomy. These developments are tokens of bright prospects for the expansion of the global gas industry, as natural gas is set to play a pivotal role in socio-economic development and towards just and inclusive energy transitions³.

On the back of volatile international prices, Indian LNG imports saw a 14% reduction y-o-y (85 MMSCMD v/s 73 MMSCMD) while the domestic production went up marginally by 2% y-o-y (90.8 MMSCMD v/s 92.2 MMSCMD). Though demand from CGD segment remained almost at past year levels, the Fertilizer sector registered a 10% y-o-y growth, increasing the share of Fertilizers from 29% in FY 2021-22 to 35% in FY 2022-23 in total sectoral consumption. Apart from CGD and Fertilizers, high prices squeezed gas demand for power generation (down ~24% y-o-y), refining (down ~25% y-o-y) and the petrochemicals sector (down ~35% y-o-y) in particular⁴.

The Indian gas market had a very eventful 2022-23 with many critical policy decisions being taken in the gas pricing and infrastructure front. The Government of India accepted several key recommendations made by the Kirit Parikh Committee with respect to APM gas pricing while continuing the existing ceiling for price of gas from difficult fields. Under the new pricing mechanism, the pricing of gas will be linked to 10% of India's average monthly crude import basket subject to a floor and ceiling price of US\$4/mmbtu & US\$6.5/mmbtu, respectively. The prices will now be revised every month, going forward, instead of bi-annual revision. With this pricing coming into effect, sourcing costs for CGDs shall reduce and this step would ease pressure on CGDs as their margins were impacted by earlier sharp rise in domestic gas prices. Moreover, on the upstream front, this pricing mechanism would provide stability to their realisations.

On the infrastructure front, PNGRB, the downstream regulator, amended the Tariff Regulations to incorporate the regulations pertaining to unified tariff with a mission of "One Nation, One Grid and One tariff". One of the rationales behind this tariff revision which shall be made applicable with effect from April 2023 is to benefit the consumers in far flung areas where currently additive tariff is applicable and thereby facilitating the development of gas markets.

As per BP Energy Outlook⁵, under all 3 scenarios, India's primary energy consumption more than doubles by 2050 and Natural gas is the only fossil fuel that grows (in absolute terms) throughout to 2050 in all scenarios. This growth is underpinned by increasing population, industrialization and prosperity. In order to achieve Government's vision of increasing the share of natural gas in the energy basket, Indian gas consumption will have to undergo multi-fold increase.

In the Union Budget 2023-24, INR 35,000 crore has been allocated to the Ministry of Petroleum and Natural Gas for achieving energy transition. India has been promoting natural gas as a transition fuel to reduce emissions before the complete switch to fossil-free

¹GECF Annual Gas Market Report 2023

²IEA Gas Market Report, Q1 2023

³GECF Annual Gas Market Report 2023

⁴PPAC Data on Monthly Report on Natural Gas Production, Availability and Consumption

⁵bp Energy Outlook - 2023 (Insights from the Accelerated, Net Zero and New Momentum scenarios - India)

energy, which is essential to meet the net-zero emissions goal by 2070. India has been investing significantly in infrastructure projects such as gas pipelines, liquefied natural gas (LNG) import terminals, and compressed natural gas (CNG) stations to achieve this target⁶.

The pandemic and the geopolitical situation in the world today have further emphasized the need for Governments across all regions to work on energy security and energy affordability. Nations are looking at more and more solutions that enable them to reduce import dependency.

With Government of India promoting development of indigenous gas sources and working on providing a conducive environment to producers through gas pricing reforms, India has witnessed a steady rise in domestic gas production since past 2-3 years and in this year, some of the major new volumes that were commercialized were from RIL-BP KG D6 (~6 MMSCMD) & HOEC B80 block (~0.3 MMSCMD). Gas volumes were steadily also traded on IGX, albeit for low volumes.

While Domestic gas supply currently meets only half the needs of the country, it is believed that due support from imported LNG shall also be required. Keeping in mind the same, India is poised to have one of the best infrastructure globally with receiving terminals dotting the coastline from Kutch to the proximity of Kolkata and LNG is thus likely to play a very significant role in the energy mix.

We believe that the operationalisation of new city gas distribution (CGD) geographical areas (GAs), the price advantage of NG against other fuels and increased adoption of NG to comply with pollution norms would support long-term NG demand from CGD companies. We also expect increasing domestic NG production, on the ramp-up in operations at India's complex deep-water NG fields, to support consumption in the near to medium term.

It is strongly believed that all such initiatives along with growth in development of trunk pipeline networks, CGD networks & LNG import infrastructure shall lead to growth in gas demand in India and shall help the Government achieve its vision of increasing the share of gas in energy basket.

Union Minister of Petroleum & Natural Gas and Housing & Urban Affairs, Shri Hardeep Singh Puri, while addressing the Global Conference on Compressed Biogas (CBG) in New Delhi highlighted the need for domestic production of biofuels and said it will play a pivotal role in achieving reduction in import of fossil fuel and ultimately help to achieve the target of net zero emission. While mentioning the importance of green and clean energy, the Minister stressed the need for generating renewable, sustainable and indigenous energy sources that can supplement other conventional energy sources in the short term and take over as the primary source of energy in long run⁷.

Following the Center's vision of diversifying energy sources, Gujarat Gas Ltd., a GSPC Group company, implemented India's 1st Pilot Project for a CGD business for Green Hydrogen blending with DPNG supplies at NTPC Kawas Township in January 2023 - successfully blended 5% Hydrogen in DPNG network with supply to 150+ numbers of households.

GSPL, GSPC Group's trunk transmission pipeline company, continued to expand its customer base with its ~2,705 kms grid reaching across several locations in Gujarat. GSPL has been successful in establishing connectivity with all sources in the State, including existing and upcoming LNG terminals in Gujarat like the greenfield projects of SLPL at Jafrabad and HP LNG at Chhara. GSPL also signed up new contracts for facilitating gas transmission from sources in Gujarat to units / CGD GAs across Gujarat, Rajasthan and Haryana, namely- Dahej, Rohtak, Jaipur, Haryana, Pali & Sikar.

One of GSPC's group company, GIGL successfully commissioned ~841 kms of its network (under Phase II) to start supply of Gas to various CGD GAs across Gujarat, Rajasthan and Haryana and now operates around 1283 kms pipeline across Western & North western region. MBPL is a very critical project for GSPC Group as it will connect demand centres in various States with existing and upcoming LNG receiving terminals in Gujarat and ensure availability of gas to many regions across India.

Gujarat Gas Limited & other GSPC Group CGDs have rolled out the expansion plans to develop networks to tap the unexplored CGD potential in new geographies within their operational areas. GGL now has total 27 CGD licenses and 1 pipeline license and operates in 43 districts encompassing six states and one Union territory which accounts to almost 10% of total CGD licenses issued by PNGRB in India. Gujarat Gas adjudged the 'PSU of the Year' at The Economic Times Energy Leadership Awards 2022.

E&P business: Producing Assets

Oil and gas production volumes, which depend on the yield from the company's producing fields, have impact on the Company's

⁶Can natural gas still play the role of a transition fuel for India? - Energy News, ET EnergyWorld

⁷ Press Information Bureau, April 17, 2023

results of operations. Currently, all of our producing fields are within the Cambay basin, where company holds participating interests in 13 producing PSC including 01 producing PSC in KG basin. The volume of production from oil and gas fields generally declines as reserves are depleted with ongoing production.

The company's future production will significantly dependent upon success in finding and developing new reserves in a timely and cost effective manner.

Financial Performance and Going Concern

The Company has recorded Profit before Depreciation Interest and Tax (Operational Profit) of Rs. 3,406.60 Crore during the FY 2022-23 as compared to Rs. 1,829.02 Crore in FY 2021-22.

Forward Looking Statements

All the statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expectations and financial results are forward looking statements. Since these are based on certain assumptions and expectations of future event, the company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results performance or achievements could thus differ from those projected in any forward looking statements. The Company assumes no responsibility to publicly amend modify or revise any such statements on the basis of subsequent developments, information or events.

Chairman

Date :- 28.06.2023

Place :- Gandhinagar



ANNEXURE II

AOC - I Statement Pursuant to Section 129 of the Companies Act, 2013 relating to Company's interest in the subsidiary companies

(₹ in Crores)

Sr. No	Name of Subsidiary Company	Gujarat State Petronet Limited (GSPL)	GSPL India Gasnet Limited (GIGL) *	GSPL India Transco Limited (GITL) *	GSPC ENERGY LIMITED	GSPC Pipavav Power Company Limited (GPPC)	GSPC (JPDA) Limited	Guj Petro Limited (GPL)	Gujarat Gas Limited
1	The date since subsidiary was acquired**/ Subsidiary since incorporation date#	23.12.1998	13.10.2011	13.10.2011	18.12.2015	22.02.2006	13.10.2006	15.01.2001	15.05.2015**
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023	31-03-2023
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
4	Share capital	564.21	1,892.02	607.00	0.05	861.84	117.14	0.05	137.68
5	Reserves & surplus	8,708.97	(127.04)	(267.87)	1.37	(40.85)	(114.71)	64.76	6,857.93
6	Total assets	10,088.28	5,753.68	1,141.17	10.07	1,622.59	2.55	75.07	10,895.09
7	Total Liabilities	815.10	3,988.70	802.04	8.65	801.60	0.12	10.26	3,899.48
8	Investments	5,169.97	-	-	-	-	-	-	-
9	Turnover	1,761.80	212.80	103.71	89.38	374.44	-	23.33	17,306.16
10	Profit before taxation	1,224.16	(212.88)	(18.37)	0.36	3.39	(0.07)	7.26	2,035.74
11	Provision for taxation	281.04	(54.51)	(6.52)	0.09	0.87	-	1.85	501.75
12	Profit after taxation	943.12	(158.37)	(11.85)	0.27	2.52	(0.07)	5.41	1,533.99
13	Proposed Dividend (%)	20%	-	-	-	-	-	-	332.50%
14	% of Ownership (Extent of shareholding)	GSPL holds 37.63%	GSPL holds 19.57%	GSPL holds 19.57%	GSPL holds 100%	GSPL holds 97.47%	GSPL holds 100%	GSPL holds 60.24%	GSPL holds 20.38%

#All Companies other than Gujarat Gas Limited are subsidiaries from the date of its incorporation as mentioned in Sr. No. 1 above.

***Name of subsidiaries which are struck off - GPSC Offshore Limited. Since GPSC Offshore Limited had no financial or operational performance, it had made an application in October, 2021, with ROC Office for striking off its name as per the provisions of Section - 248 of the Companies Act, 2013. Registrar of Office, Ahmedabad had issued notice in Form STK - 7 dated 10th October, 2022 for striking off and dissolution of GPSC Offshore Limited. Accordingly, during the year GPSC Offshore Limited which was earlier subsidiary Company of GSPC, has been struck off from the records of the Registrar of Companies and the said Company stands dissolved.*

**GIGL & GITL are subsidiary of GSPL which is subsidiary of GSPC and hence they are subsidiary to GSPC. GSPC Does not hold any shares in GIGL & GITL directly.*

***GSPC Distribution Network Limited is now Known as Gujarat Gas Limited after approval of merger of GSPC Gas Company Limited, Gujarat Gas Company Limited, Gujarat Gas Financial Services Limited and Gujarat Gas Trading Company Limited into GSPC Distribution Network Limited in 2015. Fresh Certificate of incorporation was issued by MCA on 15th May, 2015. Gujarat Gas Limited is subsidiary of GSPL which is subsidiary of GSPC and hence Gujarat Gas Limited is subsidiary of GSPC. GSPC Does not hold any shares in GGL directly.*

Raj Kumar, IAS
Chairman
DIN: 00294527

Date : 28.06.2023
Place : Gandhinagar

Milind Torawane, IAS
Managing Director
DIN: 03632394

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

AOC - I Statement Pursuant to Section 129 of the Companies Act, 2013 relating to Company's interest in the Associate Companies

(Figures in crores except for no. of shares)

Sr. No.	Name of Associates/Joint Ventures	Gujarat State Energy Generation Limited (GSEG)	Sabarmati Gas Limited (SGL)	Alcock Ashdown (Gujarat) Limited (Alcock)***
1	Date on which the Associate or JV was associated or acquired/Associate since incorporation date#	30.12.1998 31-Mar-23	06.06.2006 31-Mar-23	05.09.1994 31-Mar-20
2	Latest audited Balance Sheet Date			
3	Shares of Associate/Joint Ventures held by the company on the year end	27,23,97,426	44,94,330	1,15,00,000
	No. of Shares held	278.69	55.10	11.50
	Amount of Investment	53.7%*	22.47%**	22.55%
4	Description of how there is significant influence	Control of more than twenty per cent of total share capital*	Control of more than twenty per cent of total share capital**	Control of more than twenty per cent of total share capital
5	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6	Networth attributable to Shareholding as per latest audited Balance Sheet	363.32	279.06	(128.00)
7	Profit / Loss for the year	(0.65)	161.16	-
	Considered in Consolidation			
	Not Considered in Consolidation			

#GSEG, SGL and Alcock are associate since their incorporation date as mentioned above.

*The Company holds 53.70% in GSEG of which 32.59% with voting rights. The voting rights on incremental equity shares acquired by GSPC are restricted on account of ongoing litigation. GSPC has given undertaking to NCLT, Ahmedabad that it shall not exercise voting powers in respect of shares as are allotted to GSPC pursuant to the offer for Right Issue of shares during the pendency of the petition no. 51 of 2018 filed by KRIBHCO. The matter is still pending with NCLT.

**GSPC along with GSPL (Subsidiary of GSPC) holds 49.94% of equity stake in Sabarmati Gas Limited.

***Alcock Ashdown (Gujarat) Limited is under Corporate Insolvency Resolution Process

Raj Kumar, IAS
Chairman
DIN:00294527

Reena Desai
Company Secretary

Milind Torawane, IAS
Managing Director
DIN:03632394

Rajesh Sivadasan
Chief Financial Officer

Date : 28.06.2023
Place : Gandhinagar

ANNEXURE - III

ANNUAL REPORT ON CSR ACTIVITIES FINANCIAL YEAR 2022-23 TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.

The Board of Directors have developed and implemented the CSR Policy in line with the requirement of the CSR provisions under the Companies Act, 2013. The CSR Policy of the Company includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

The objective of the CSR Policy is to contribute positively towards sustainable and inclusive growth of the society with focus on India's most pressing development challenges as highlighted under schedule - VII of the Companies Act, 2013 and as amended from time to time.

The Company undertakes the Corporate Social responsibility as a genuine expression of goodwill and gratitude towards society.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year*	Number of meetings of CSR Committee attended during the year
1	Shri Pankaj Kumar, IAS (Retd.) (Ceased to be the Chairman w.e.f. 01.02.2023)	Chairman	2	2
2	Shri Raj Kumar, IAS (w.e.f. 20.07.2022) **	Chairman	2	1
3	Dr. Rajiv Kumar Gupta, IAS (Retd.) - (Ceased to be the member w.e.f. 8th June, 2022)	Member	1	0
4	Dr. N. Ravichandran	Member	3	3
5	Shri Sanjeev Kumar, IAS	Member	3	3

*No of Meetings held during their tenure as Chairman/Member of CSR Committee.

**Appointed as Member of CSR Committee w.e.f. 20/07/2022 and designated as Chairman of CSR Committee w.e.f. 21/02/2023.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Composition of CSR committee, CSR Policy and CSR projects approved by the board are displayed on website of GSPC and can be viewed from the web-link provided below:

<https://gspcgroup.com/GSPC/csr>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - N.A
5.
 - a) Average net profit of the company as per sub-section 135(5) of section 135 : Rs. 7,145,140,017.95
 - b) Two percent of average net profit of the company as per sub-section 135(5) of section 135. : Rs. 1,42,902,800.36
 - c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL
 - d) Amount required to be set off for the financial year, if any. - NIL
 - e) Total CSR obligation for the financial year [(a)+(b)-(d)]. Rs. 1,42,902,800.36
6.
 - (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Projects). Rs. 9,36,00,000
 - (b) Amount spent in Administrative Overheads. - NIL
 - (c) Amount spent on Impact Assessment, if applicable. - NIL

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. Rs. 9,36,00,000

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹.)	Amount Unspent (in ₹.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 135(5) of section 135 .		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
9,36,00,000	4,94,00,000	24-04-2023	N.A.	N.A.	N.A.

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit/(Loss) of the company as per sub-section 135(5) of section 135	1,42,902,800.36
(ii)	Total amount spent for the Financial Year	9,36,00,000*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA*

*Note :- Excluding Rs. 4,94,00,000 transferred to unspent CSR Account. The incremental amount of fund transferred over and above the minimum CSR obligation shall be available for set-off as and when utilized.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section 135 (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.).	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer.		
1.	2021-22	4,36,27,688	1,55,00,000	2,74,09,051	N.A	N.A	1,62,18,637	NIL

- The difference of amount of Rs. 7,18,637 (i.e. in Unspent CSR account and Amount remaining to be spent in succeeding financial year) is on account of such amount with Implementing Agency for implementation of the Project.
- The new provision of Section -135(5) and Section - 135(6) requiring transfer of funds were notified on 22nd January, 2021. The Company was not required to undertake CSR in financial year 2020-21.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of Capital assets created/ acquired - NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)		(6)	
					CSR Registration Number, if applicable	Name	Registered address
N.A							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section 135(5) of section 135. N.A.

Managing Director

Chairman CSR Committee

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2023[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

GUJARAT STATE PETROLEUM CORPORATION LIMITED

GSPC Bhawan, Behind Udyog Bhawan,

Sector-11, Gandhinagar-382011

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gujarat State Petroleum Corporation Limited**. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under are complied with to the extent applicable. Further, MCA vide notification dated 22nd January, 2019 exempted Government Companies from dematerialization of shares and hence the same is not applicable to the Company. However, the Company has voluntarily dematerialized its shares during the period under review
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings of the Company.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable to the Company being an unlisted Public Company during the period under review as under.
 - (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Further, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company as the Company is an unlisted Company during the period under review.

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following sector

specific laws applicable specifically to the Company:

- (i) The Petroleum Act, 1934 and rules made thereunder
- (ii) The Oilfield (Regulation & Development) Act, 1948 and its rules.
- (iii) Oil Mines Regulation, 2017
- (iv) Environment Protection Act, 1986
- (v) Oil Industry (Development), Act, 1974
- (vi) The Explosives Act, 1884

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Company being an unlisted Company the provisions relating to SEBI (Listing Obligation and disclosure requirement) Regulations, 2015 is not applicable.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31.03.2023 except following:

The vacancy occurred due to resignation of one women director on 12.12.2022 is filled by the Company on 29.04.2023 as per the requirement under section 149 read with rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, the changes in the composition of the Board of Directors that took place during the financial year ended on 31st March, 2023 were carried out in compliance with the provisions of the Act.

Adequate notice is given to directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and in case of shorter notice required compliance as per Companies Act, 2013 has been ensured. There exists a system in the company for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions generally at Board Meeting and Committee Meetings are carried through as recorded in the minutes of the meeting of the Board of Directors and Committee of the Board as the case may be.

We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

We further report that during the audit period the Company has not taken any major decisions which requires reporting in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For K. K. Patel & Associates

(Kiran Kumar Patel)
FCS No. 6384, CP No. 6352
UDIN : F006384E000374576

Date : 25.05.2023
Place: Gandhinagar

*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.)*

'ANNEXURE A'

To,
The Members

GUJARAT STATE PETROLEUM CORPORATION LIMITED

GSPC Bhawan, Behind UdyogBhawan,
Sector-11, Gandhinagar-382 011

Our report of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.*
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.*
- 3. We have not verified the correctness and appropriateness of financial Statements, financial records and Books of accounts of the company.*
- 4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.*
- 5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.*

For K. K. Patel & Associates

(Kiran Kumar Patel)
FCS No. 6384, CP No. 6352

Date : 25.05.2023
Place: Gandhinagar



ANNEXURE - V
GUJARAT STATE PETROLEUM CORPORATION LIMITED
FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis for the financial year 2022-2023

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such Contracts/ Arrangements/ Transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Date of passing shareholders resolution under first proviso of Section - 188
N.A							

Details of material contracts or arrangement or transactions at arm's length basis for the financial year 2022-2023

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Gujarat Gas Limited - Subsidiary	Sale of Natural Gas	Ongoing/Regular	₹. 9,845.68 crs	Not Applicable	Nil

All the Transactions are in the ordinary course of business and have been entered on Arm's Length Principle.

Note :- Material Related Party Transaction has been determined based on the threshold limit prescribed under Section - 188 of the Companies Act, 2013 read with rule - 15 of the Companies (Meeting of Board and its Powers) Rules, 2015 for Unlisted Public Company for the purpose of obtaining approval of Shareholders. Accordingly, transaction of sale of natural Gas to related party is disclosed as material transaction, since it has exceeded 10% or more of the turnover of the company.

Chairman

Date : 28.06.2023

Place: Gandhinagar

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
GUJARAT STATE PETROLEUM CORPORATION LIMITED.
GANDHINAGAR (GUJARAT)

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Gujarat State Petroleum Corporation Limited ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of 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 Ind AS 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAS) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 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 opinion on the standalone Ind AS financial statements.

Emphasis of matter

- a) Para (q) Accounting for oil and gas joint operations of Note No. 1 Significant Accounting Policies, which describes that the financial statements of the joint operations (unincorporated joint ventures) prepared in accordance with the requirements prescribed by the respective Production Sharing Contracts or Joint Operating Agreement of the joint operations (unincorporated joint ventures). In view of the same, certain adjustments/disclosures required under the mandatory Indian Accounting Standards and the provisions of the Companies Act, 2013 have been made in the standalone Ind AS financial statements to the extent information available with the Company as on the date.
- b) We draw attention to the Note No. 10 matter regarding the forfeiture notice issued by the Company to Jubilant Offshore Drilling Pvt Ltd (JODPL) against the capital contribution of Rs. 494.81 Crore (PY: Rs. 494.81 Crore) made on behalf of JODPL in KG-OSN-2001/3 until 4th August 2017. Based on the relevant clauses of the Profit-Sharing Contract (PSC) and Joint Operating Agreement (JOA), it is reasonably expected by the Management that the forfeiture notice will be enforced, and the Gujarat State Petroleum Corporation (GSPC) will be assigned a commensurate Participating Interest (PI) towards the capital contribution. However, the liquidator of JODPL has challenged GSPC's action of forfeiture. Additionally, the assignment of JODPL's PI is pending with the Management Committee (MC), and as the non-defaulting partner with a 10% PI in the block, the Company will be required to contribute against the cash call receivables from JODPL, as per the terms of the JOA.

Considering the pending assignment of JODPL's PI, the specific ratio determining GSPC's share with respect to JODPL's share cannot be determined at this stage.

Our opinion is not modified in above matter.

- c) Note No. 32 to the Standalone Ind AS Financial Statements regarding impairment aggregating to Rs. 108.88 Crore on E&P Fields along with capital inventory (Rs. 0.48 crores reversal) for impairment. Also, during the year company has issued notices of withdrawal of the Company's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full in previous years of which Rs 0.20 crores capital expenditure has been incurred in current financial year under exploration cost written off. Additional impairment of Rs. 21.33 crores are provided in ONGC operated CB-ONN-2004/2 block, in which ONGC has indicated its interest to acquire the entire Participating Interest of the Company in CB-ONN-2004/2 by matching the price of H1 bidder i.e. Rs. 24.67 crore (USD 3 Million).
- d) Note no. 34 to the Standalone Ind AS financial statements regarding non provisioning of disputed Income Tax demands/ claims by the Income Tax Authority amounting to Rs. 2879.17 (Previous Year Rs. 1714.11) Crore, on account of joint arrangements Rs. 67.71 Crore (Previous Year Rs. 66.40), Indirect taxes Rs. 5.86 Crore (Previous Year Rs. 5.86) and other contingent liabilities Rs. 161.70 Crore (Previous Year Rs. 162.31) and disclosed by way of a note as contingent liability as the matter is disputed.

- e) Note No. 34 to the Standalone Ind AS financial statements regarding reasonable uncertainty for an amount receivable on account of adjustment of advanced floor consideration received towards Other Six Discoveries amounting to Rs. 1,265 Crores (USD 200 Million) and subsequently to be adjusted towards final consideration receivable as per Field Development Plan (FDP) prepared by ONGC for submission to DGH.

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information and other information in the Company's annual report, but does not include the standalone Ind AS financial statements and our auditors report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS 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 Ind AS 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.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) 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 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- a) We have placed reliance on technical/commercial evaluation by the management in respect of categorization of wells as exploratory, development and producing, allocation of costs incurred on them, treatment of capitalization, depletion of producing properties on the basis of the proved hydrocarbon reserves, impairment, liability for decommissioning, liability for NELP and nominated blocks for underperformance against agreed minimum work programme and liability for abandonment costs.
- b) The standalone Ind AS financial statements include the Company's share of:
 - (i) Total assets aggregating to Rs. 1111.44 Crore, total liabilities aggregating to Rs. 7.08 Crore, income aggregating to Rs. 64.27 Crore and expenditure aggregating to Rs. 28.59 Crore in respect of Seven (7) Producing Joint Operations (unincorporated joint ventures), which have been incorporated on the basis of accounts audited by other auditors.
 - (ii) Total assets aggregating to Rs. 3028.79 Crore, total liabilities aggregating to Rs. 38.78 Crore, income aggregating to Rs. 14.74 Crore and expenditure aggregating to Rs. 31.90 Crore in respect of Two (2) Producing Joint Operations (unincorporated joint ventures), which has been incorporated on the basis of unaudited financial information approved by the management and made available to us, in the absence of audited accounts.
 - (iii) Total assets aggregating to Rs. 122.01 Crore, total liabilities aggregating to Rs. 1.59 Crore, income aggregating to Rs. Nil and expenditure aggregating to Rs. Nil in respect of One (1) Joint Operations (unincorporated joint ventures) under exploration and development phase or proposed to be surrendered, which have been incorporated on the basis of accounts audited by other auditors.
 - (iv) Total assets aggregating to Rs. 725.84 Crore, total liabilities aggregating to Rs. 164.91 Crore, income aggregating to Rs. 74.63 and expenditure aggregating to Rs. 36.89 Crore in respect of Twenty-one (21) Joint Operations (unincorporated joint ventures), under exploration and development phase or proposed to be surrendered, which have been incorporated on the basis of unaudited financial information approved by the management made available to us, in the absence of audited accounts.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(5) of the Act and in accordance with the directions and sub directions issued by the Comptroller & Auditor General of India, under section 143(5) of the Act, we have complied with all the directions issued and our comments thereon is as per Annexure "C" to this report.
3. 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 it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) In view of Notification No. G.S.R. 463 (E) dated 05th June, 2015 issued by Ministry of Corporate Affairs, New Delhi provisions of Section 164 (2) of the Act are not applicable to the Company.
- f) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- g) In view of Notification No. G.S.R. 463 (E) dated 05th June, 2015 issued by Ministry of Corporate Affairs, New Delhi provisions of Section 197 of the Act are not applicable to the Company.
- 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:
- 1) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements — Refer Note 34 to the Ind AS financial statements.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - 4) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (1) and (ii) contain any material mis-statement.
- 5) No dividend declared or paid during the year by the Company in compliance with section 123 of the Companies Act, 2013.

For Singhvi & Mehta
Chartered Accountants
Firm Regn No. 002464W

(Garima Tater)
Partner

Membership. No. 407752
UDIN:23407752BGUFSS8222

Place : Gandhinagar
Date : 25th May, 2023

“ANNEXURE - A” to INDEPENDENT AUDITOR’S REPORT

The annexure “A” referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our draft report of even date to the standalone financial statements of GUJRAT STATE PETROLEUM CORPORATION LTD. for the year ended 31st March, 2023, we report that:

1. Maintaining records of Property, Plant, Equipment and intangible assets

- (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment.
- (B) Company has maintained proper records showing full particulars of intangible assets;
- (b) The Property Plant and Equipment were physically verified during the year by the management as per the cycle of physical verification fixed there for. The discrepancies noticed on such verification were not material, however they have been properly dealt with in the books of account.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company except following:

Sr. No.	Description of Property	Gross Carrying Value as on 31.03.2023 (Rs. in Crore)	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company. Also indicate if in dispute.
1.	Freehold Land	0.66	Documents of title are not held on record	Documents of title are not held on record	Documents of title are not held on record	Held for the purpose of Joint Venture Operations
2.	Freehold Land	0.22	Usage letter from GUDA, Gandhinagar in the name of GSPC	No	Only usage letter from GUDA is available, other title deeds and related documents are not made available to us,	Only usage letter from GUDA is available, other title deeds and related documents are not made available to us,
3.	Building	5.00	Documents of title are not held on record	Documents of title are not held on record	Documents of title are not held on record	Held for the purpose of Joint Venture Operations
4.	Building	0.34	Documents of title are not held on record	Documents of title are not held on record	Documents of title are not held on record	Documents of title are not held on record
	Total	6.22				

- (e) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (f) There is no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. Physical Verification of Inventories

- (a) Physical verification of inventory has been conducted at reasonable intervals by the management and whether, in our

opinion, the coverage and procedure of such verification by the management is appropriate; there is no discrepancy of 10% or more in the aggregate for each class of inventory.

(b) Company has not been, sanctioned working capital limits in excess of five Crore rupees, in aggregate, from banks on the basis of security of current assets during the year and quarterly returns or statements filed by the Company.

3. Loans and advances given, investments made and guarantee given

During the year the Company has not provided any guarantee or security secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. During the year the company has made investments in its subsidiaries, or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

a) The company has provided loans or provided advances in the nature of loans or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate

(A) the aggregate amount during the year is NIL, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates is NIL;

(B) the aggregate amount during the year to its employees aggregating to Rs. 0.44 Crore, and balance outstanding at the balance sheet date with respect to such loans or advances aggregating to Rs. 4.23 Crore to parties other than subsidiaries, joint ventures and associates;

b) Loans and advances to Employees of Rs. 0.44 Crore sanctioned during the year. The terms and conditions of such loans and advances are not prejudicial to the company's interest;

c) in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;

d) There is no amount is overdue as on 31st March, 2023.

e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

4. Compliance of Section 185 & 186

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. Acceptance of deposits

In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or there is no deemed deposits, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

6. Cost Record

We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 as amended prescribed by the Central Government under section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been made and maintained.

7. Statutory dues

(a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no such arrears as at 31st March, 2023 for a period more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us following statutory dues referred to in clause (a) above have not been deposited on account of dispute as on 31st March, 2023 :

Name of the statute	Nature of dues	Amount under dispute and not yet deposited as on 31.03.2023 (₹ in Crore)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending	Remarks
Income Tax Act, 1961	Income Tax Including interest and penalty as applicable.	1.62	1996-1997	High Court	
		8.70	1997-1998		
		16.81	1998-1999		
		1.18	2003-2004		
		1.75	2008-2009		
Income Tax Act, 1961	Income Tax Including interest and penalty as applicable	32.39	2000-2001	Income Tax Appellate Tribunal	
		79.10	2001-2002		
		163.11	2002-2003		
		160.66	2003-2004		
		242.15	2004-2005		
		183.08	2005-2006		
		171.66	2006-2007		
		301.84	2007-2008		
		332.81	2008-2009		
		204.85	2009-2010		
		263.24	2010-2011		
		337.33	2011-2012		
		419.76	2012-2013		
		288.81	2013-2014		
100.73	2014-2015				
174.35	2015-2016				
Income Tax Act, 1961	Income Tax Including interest and penalty as applicable	1.24	2004-2005	Commissioner of Income Tax (Appeals)	
		0.11	2007-2008		
	Income Tax Including interest and penalty as applicable	17.49	2013-2014		
	Income Tax Including interest and penalty as applicable	14.63	2014-2015		
	Income Tax Including interest and penalty as applicable	1165.06	2017-2018		
Customs Act, 1962	Customs Duty Including interest and penalty as applicable	4.52	2014-2015	Central Excise and Service Tax Appellate Tribunal	
Finance Act, 1994 (Service Tax)	Service Tax Including interest and penalty as applicable	0.16	2020-2021	Commissioner of Service Tax (Appeals)	

8. Disclosure of transactions not recorded in the books

In our opinion and according to the information and explanations given to us there is no such transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. Default in repayment of loans or other borrowings

- (a) According to explanations given to us Company has not defaulted in repayment of loans or other borrowings or payment of interest to any lender.
- (b) According to explanations given to us the company has not declared willful defaulter by any bank or financial institution or other lender.
- (c) According to explanations given to us term loans were applied for the purpose for which the loans were obtained.
- (d) According to explanations given to us funds raised on short term basis have not been utilized for long term purposes.
- (e) According to explanations given to us during the year the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to explanations given to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. Moneys raised by IPO, FPO & preferential allotment/ private placement of shares or convertible debentures

- (a) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) therefore clause 3(x) (a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year therefore clause 3(x) (b) of the Order is not applicable.

11. Fraud reporting

- (a) As per the information and according to the explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) As per the information and according to the explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) As per represented by the management there are no whistle-blower complaints received during the year by the company;

12. Compliances by Nidhi Company

The Company is not a Nidhi Company. Consequently, requirements of clause 3 (xii) of the Order is not applicable.

13. Compliance with section 177 and 188

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.

14. Internal Audit System

In our opinion and according to the information and explanations given to us

- (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.

15. Non-cash transactions with directors

According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. Registration with Reserve Bank of India

- (a) In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, considering the nature of operations of the Company it has not conducted any Non-Banking Financial or

Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

- (c) In our opinion, considering the nature of operations of the Company the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India,
- (d) In our opinion, considering the nature of operations of the Company, Group does not have Core Investment Company (CIC) as part of the Group..

17. Cash losses

In our opinion and according to the information and explanations given to us the company has net incurred cash losses in the financial year and in the immediately preceding financial year.

18. Resignation of the statutory auditors during the year

In our opinion and according to the information and explanations given to us there has not been any resignation of the statutory auditors during the year.

19. Capability of company of meeting its liabilities existing at the date of Balance Sheet

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. Transfer of amount remaining unspent under sub-section (5) of Section 135 to Fund specified in Schedule VII

- (a) In our opinion and according to the information and explanations given to us, the company does not have projects other than ongoing projects, where unspent amount is to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) There is an amount of Rs. 6.49 Crore remaining unspent under section (5) of section 135 of Companies Act, pursuant to ongoing project, has been transferred to special account in compliance with provision of sub section (6) of section 135 of the Companies Act.

21. Reasons to be stated for unfavourable or qualified answer

As the Company has presented its standalone financial statements including Joint venture blocks and there is no unfavourable or qualified opinion given by any of the auditor of Producing as well as non producing Joint venture blocks.

For Singhvi & Mehta
Chartered Accountants
Firm Regn No. 002464W

(Garima Tater)
Partner

Membership. No. 407752
UDIN:23407752BGUFSS8222

Place : Gandhinagar
Date : 25th May, 2023

“ANNEXURE - B” TO INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section 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 GUJARAT STATE PETROLEUM CORPORATION LIMITED ("the Company") as of 31st March, 2023 in conjunction with our audit of the Standalone Ind As 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of The Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind as financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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, 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, 2023, 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 Accountants of India.

For Singhvi & Mehta
Chartered Accountants
Firm Regn No. 002464W

(Garima Tater)
Partner
Membership. No. 407752
UDIN:23407752BGUFSS8222

Place : Gandhinagar
Date : 25th May, 2023



“ANNEXURE - C” TO INDEPENDENT AUDITOR’S REPORT

The annexure as referred to in Independent Auditor's Report of even date, on the standalone Ind AS financial statements of Gujarat State Petroleum Corporation Limited for the period ended 31st March, 2023.

Report on Directions under Section 143(5) of Companies Act, 2013:

1. Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with financial implications, if any, may be stated.

Reply: The Company has system in place to process all the accounting transactions through IT System i.e., SAP. All the financial transactions are integrated in SAP system. Therefore, there are no financial implications of processing of accounting transactions outside IT system on the integrity of the accounts during the period under audit.

2. Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).

Reply: As per the information and explanations given to us and based on our examination of the records of the Company, there is no restructuring of an existing loans or waiver/ write off of debts/ loans/ interest etc. made by lender to the Company due to the Company's inability to repay the loan.

3. Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central/State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.

Reply: As per the information and explanations given to us, no fund (grants/subsidy) has been received/ receivable by the Company for specific schemes from Central/State Government or its Agencies during the period under audit.

Sector Specific Sub-directions under Section 143 (5) of the Companies Act, 2013:

Service Sector - General

1. Whether the Company's pricing policy absorbs all fixed and variable cost of production and the overheads allocated at the time of fixation of price?

Reply: Yes, Company's pricing policy for the services provided absorb fixed as well as Variable costs including allocated overhead.

2. Whether the company recovers commission for work executed on behalf of Government/ other organizations that is properly recorded in the books of accounts? Whether the Company has an efficient system for billing and collection of revenue?

Reply: During the year under audit, the Company has obtained 'Proprietary Membership' at Indian Gas Exchange Limited (IGX). The membership allows the Company to trade for gas through bids either on its own account or for other market players. The Company has registered its group companies as clients on this platform to increase the participation for various bids. The Company as a proprietary member of the exchange shall settle all the transactions entered, either on its own account or for the group entities, with IGX.

During the year, the Company has recovered the commission from group companies for work executed on their behalf and the same has been properly recorded in books.

3. Whether the Company regularly monitors timely receipt of subsidy from Government and it is properly recording them in its books?

Reply: As per the information and explanations given to us, the Company did not receive any subsidy from the Government.

4. Whether interest earned on parking of funds received for specific projects from Government was properly accounted for?

Reply: The Company did not receive funds for specific projects from Government.

5. Whether the Company has entered into memorandum of understanding with its Administrative Ministry, if so, whether the impact thereof has been properly dealt with in the financial statements.

Reply: As per the information and explanations given to us, the Company has not entered in to any memorandum of understanding with its Administrative Ministry.

Trading

1. Whether the Company has an effective system for recovery of dues in respect of its sales activity and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?

Reply: As per the information and explanations given to us and based on the examination of the records in respect of recovery of dues from customers, the Company has an effective system for recovery of dues in respect of sales activity and the dues outstanding and recoveries there against have been properly recorded in the books of accounts.

2. Whether the Company has an effective system for physical verification, valuation of stock, treatment of non- moving items and accounting the effect of shortage/excess noticed during the physical verification.

Reply: In our opinion and as per the information and explanations given to us, the Company has an effective system in relation to physical verification of inventories, valuation of stock, treatment of non- moving items and accounting the effect of shortage/excess noticed during the physical verification.

3. The effectiveness of the system followed in recovery of dues in respect of sale activities may be examined and reported.

Reply: As per the information and explanations given to us and based on the examination of the records in respect of recovery of dues from customers, the Company has an effective system for recovery of dues in respect of sales activity.

The Company periodically prepares 'outstanding and ageing reports' of debtors and follows-up for the same, if any, for recovery of dues. The Company also has adequate amount of security against debtors in the form of Bank Guarantee or Security Deposits. In case of debtors that are considered doubtful (which are outstanding beyond 6 months and no security is available), provision has been made during the respective previous years including period under audit as per the Debtors Policy of the Company.

For Singhvi & Mehta
Chartered Accountants
Firm Regn No. 002464W

(Garima Tater)
Partner

Membership. No. 407752
UDIN:23407752BGUFSS8222

Place : Gandhinagar
Date : 25th May, 2023



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF GUJARAT STATE PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH 2023

The preparation of standalone financial statements of Gujarat State Petroleum Corporation Limited for the year ended 31st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the standalone financial statements of Gujarat State Petroleum Corporation Limited for the year ended 31 March 2023 under Section 143(6)(a) of the Act. This Supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquires of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report :

**For and on behalf of the
Comptroller and Auditor General of India**

(Vijay N. Kothari)
Accountant General (Audit-II),
Gujarat

Date : 05-09-2023
Place : Ahmedabad

Management's Reply to the Comments of the Comptroller and Auditor General of India received from AG Office, Ahmedabad under Section 143(6)(b) of the Companies Act, 2013 on the Standalone Financial Statements of Gujarat State Petroleum Corporation Limited, for the year ended 31st March 2023.

Comments of C&AG	Management Reply
<p>With reference to Note 34 of the Standalone financial statements, the above does not include Rs 24.64 crore being interest payable to the GOG on delayed payment of additional royalty as per the Rule 23 of the Petroleum and Natural Gas (Amendment) Rules, 2003, The Rule 23, inter-alia, provide that payments (including royalties), if not made within the specified time, be increased by a penal rate of 200 basis points over the prime lending rate of State Bank of India for the delayed period.</p> <p>It is to mention that in July 2013, GOI recovered its share of additional royalty, along with interest payable thereon from the GSPC-NIKO JV. The GSPC-NIKO JV initiated (October 2013) arbitration proceedings for refund of the recovery made by GOI. The Arbitration Tribunal rejected (August 2020) the claim of GSPC-NIKO JV. Based on the award, GSPC paid (18 August 2021) Rs 13.44 crore towards its share of principal amount of additional royalty to GOG but did not pay the interest payable on this additional royalty.</p> <p>This resulted in understatement of provision and interest expense by Rs 24.64 crore. Consequently, it resulted in overstatement of profit for the year to the same extent.</p>	<p>In Hazira Field, Government of India ("GoI") and Government of Gujarat ("GoG") were recovering royalty, in the ratio of 47:53 respectively, from GSPC NIKO JV on sale of natural gas to the customers. Further, GSPC NIKO JV recovered royalty at prescribed rate from the customers over and above the gas price charged. GoI started demanding additional royalty on the component of royalty recovered from the customers which demand was disputed by the GSPC-NIKO JV. However, pursuant to coercive recovery by GoI, GSPC-NIKO JV paid the amount towards additional royalty together with interest in July 2013. Such coercive recovery was immediately challenged by GSPC - NIKO JV in arbitration proceedings initiated against GoI in October 2013.</p> <p>In August 2020, the arbitration tribunal rejected the claim of GSPC-NIKO JV pertaining to refund of additional royalty recovered coercively by the GoI. In June 2021, the Board of Directors of GSPC decided not to appeal against the said findings of the arbitration award. Upon such decision of the Board and based on the award, GSPC on its own motion without any demand being raised by Government of Gujarat, paid its share of principal amount of such additional royalty to the GoG in August 2021.</p> <p>From the above, it is clear that the claim of additional royalty on royalty was disputed by GSPC since inception and was a sub-judice matter until August 2020 when the arbitration tribunal passed an award in this regard. Therefore, the liability of GSPC to pay additional royalty to GoG crystallized only in August 2020. Rule 23 of the PNG Rules provides for increased rate of royalty by way of penalty (and not interest) and therefore the same would have application only in case of deliberate delay or default in payment. However, since the liability was disputed under bona-fide belief and was under litigation till August 2020, GSPC cannot be said to have deliberately defaulted or delayed payment of additional royalty to GoG.</p> <p>The enhanced royalty under Rule 23 of the PNG Rules was neither disclosed as part of the contingent liability nor provided separately as it was unascertainable as on the reporting date. Therefore, the Management believes that there is no understatement of expenses or overstatement of profits for the Financial Year 2022-23 and the disclosure in Note No. 34 is sufficient and in line with the requirements of Indian Accounting Standards.</p> <p>It may be noted lastly that GoG, vide its letter dated 5th August 2023 raised a demand on GSPC for payment of Rs. 1.68 Crores towards enhanced royalty under Rule 23 of the PNG Rules towards delay in payment of additional royalty by GSPC after passing of the Arbitration Award i.e., for the period of October 2020 till 18th August 2021 being the date of payment by GSPC. GSPC has already made payment of such enhanced royalty on 19th August 2023. The Company shall provide appropriate accounting treatment of the same in the Financial Year 2023-24.</p>

Comments of C&AG	Management Reply
<p>With reference to Note 10 of the Standalone financial statements,</p> <p>I. The above includes Rs 20.00 crore shown as receivable from Jubilant Offshore Drilling Pvt Ltd (JODPL) being the share of the Company for the default by JODPL in cash calls raised by ONGC which is the Operator in Joint Venture at Deen Dayal West Field in the Block KG-OSN-2001/03 from August 2017 onwards.</p> <p>Since JODPL is under liquidation process as per NCLT order, there is a low probability of its recovery. Hence provision for the non-recoverable amount should have been made by the company.</p> <p>II. A reference is invited to Note 10[C] in which it is stated that the company has issued a forfeiture notice to JODPL for Rs 494.81 crore of the capital contribution made by the company on behalf of JODPL till August 2017.</p> <p>JODPL is under liquidation since December 2017 and as per the Statement of Claim of Financial Creditor, the liquidator has admitted total claims of financial creditors of JODPL to be Rs 2942.51 crore. Against this, the liquidator has assessed the liquidation value of Rs 579.5 crore only i.e. around 20 percent. Therefore, against the company's claim of Rs 534.55 crore (Rs 494.81 crore + interest) admitted by the Official Liquidator, the recovery would be to the similar extent only.</p> <p>Thus, Note 10 [c] is deficient to above extent.</p>	<p>In KG-OSN-2001/3 Block, the Company contributed an amount of Rs. 494.81 Crores on account of JODPL's default in payment of its share of cash calls till August 2017 when the operatorship of the Block together with 80% PI was handed over to ONGC.</p> <p>Such contribution made by GSPC on behalf of JODPL is secured by various provisions of the JOA and PSC for the KG Block which provide that GSPC has right of lien as well as forfeiture over JODPL's share of revenues and PI. The JOA further provides that balance PI of JODPL may also be "assumed" by GSPC subject to approval of Management Committee. Both JOA and PSC provide that such contractual rights of GSPC have primacy over the rights of other lenders.</p> <p>In line with the above contractual rights, in December 2017, GSPC forfeited 2.73% PI of JODPL and also asserted that balance PI would also be assumed by GSPC at no cost subject to approval of Management Committee. Further, in January 2018, GSPC also intimated to the Liquidator that the entire PI of JODPL cannot form part of Liquidation Estate of JODPL in light of superior contractual rights having already been exercised by GSPC. While the Liquidator has challenged such forfeiture notice of GSPC in June 2019, there is no stay granted by NCLT and the matter is sub-judice.</p> <p>Since GSPC has already asserted that no part of JODPL's PI can form part of Liquidation Estate, satisfaction of GSPC's debt does not depend on the Liquidation Value of JODPL and the entire PI of JODPL remains at GSPC's disposal exclusively towards satisfaction of GSPC's debt. It may be noted that such security is available to GSPC in relation to not only the debt already incurred by JODPL but also in relation to any additional contribution that GSPC may be required to make towards default of JODPL after August 2017.</p> <p>The Company has accounted assets, liabilities, incomes, and expenses pursuant to KG Block considering the principles of Ind AS 111 Joint Arrangements i.e. line by line in proportionate to GSPC's existing PI Share. Further, considering the above facts and applicable guidance under Ind AS, the Company has recognized the financial asset for amount recoverable from JODPL. Such an asset represents GSPC's contractual right to recover (either in cash or in the form of JODPL's PI in KG Block) the contribution made by GSPC on behalf of JODPL. Since the fair value of 10% PI of JODPL in KG Block to be assumed by GSPC would be more than the outstanding value recoverable from JODPL, such receivable has been considered good and no additional provision has been made toward non-recovery in the books of accounts. This accounting treatment has been consistently followed since 2017-18 onwards.</p> <p>While the Company has given the required disclosures in Note 10(c), the Company has given an assurance to include additional clarification with reference to satisfaction of the Company's debt not being dependent on liquidation value of JODPL as elaborated above in the said note in the next financial year.</p>

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GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN : U23209GJ1979SGC003281)
Standalone Balance Sheet as at 31st March, 2023

(₹ in Crores)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	787.49	894.07
Capital work-in-progress	3	72.30	73.79
Investment property	4	1.06	1.09
Other intangible assets	5	1.07	1.03
Intangible assets under development	6	103.23	110.84
Financial assets			
Investment in subsidiary, associate & joint venture	7	3,928.24	3,928.24
Other investments	8	59.89	67.53
Loans	9	3.38	4.33
Other financial assets	10	93.93	87.03
Non current tax assets (net)	11	165.91	132.55
Other non financial assets	12	267.73	145.58
Total Non-Current Assets		<u>5,484.23</u>	<u>5,446.08</u>
Current Assets			
Inventories	13	462.10	357.75
Financial assets			
Trade receivables	14	995.46	1,671.71
Cash and cash equivalents	15	278.95	72.97
Other bank balances	15	160.15	656.81
Loans	9	46.69	43.45
Other financial assets	10	719.46	650.56
Other non financial assets	12	180.14	651.99
Total Current Assets		<u>2,842.95</u>	<u>4,105.24</u>
Non current assets held for sale	16	<u>36.08</u>	<u>22.50</u>
TOTAL ASSETS		<u>8,363.26</u>	<u>9,573.82</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,075.65	1,075.65
Other equity	18	4,853.24	1,873.55
Total Equity		<u>5,928.89</u>	<u>2,949.20</u>
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	19	-	3,630.10
Other financial liabilities	20	8.55	8.55
Provisions	21	85.10	78.72
Total Non-Current Liabilities		<u>93.65</u>	<u>3,717.37</u>

GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN : U23209GJ1979SGC003281)
Standalone Balance Sheet as at 31st March, 2023

(₹ in Crores)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
Current Liabilities			
Financial liabilities			
Borrowings	19	-	774.58
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		2.59	1.97
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,734.90	1,517.47
Other financial liabilities	20	375.80	315.21
Other non financial liabilities	22	214.09	291.22
Provisions	21	1.93	1.05
Total Current Liabilities		<u><u>2,329.31</u></u>	<u><u>2,901.50</u></u>
Liabilities associated with non current assets held for sale	16	11.41	5.75
Total Liabilities		<u><u>2,434.37</u></u>	<u><u>6,624.62</u></u>
TOTAL EQUITY AND LIABILITIES		<u><u>8,363.26</u></u>	<u><u>9,573.82</u></u>
Significant Accounting Policies	1		

The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached.

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Garima Tater
Partner
Membership No. 407752

Date : 25th May, 2023
Place : Gandhinagar

Raj Kumar, IAS
Chairman
DIN : 00294527

Reena Desai
Company Secretary

Date : 25th May, 2023
Place : Gandhinagar

For and on behalf of the Board of Directors

Milind Torawane, IAS
Managing Director
DIN : 03632394

Rajesh Sivadasan
Chief Financial Officer

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
INCOME			
Revenue from operations	24	27,698.31	24,364.97
Other income	25	174.65	194.82
TOTAL INCOME (A)		<u><u>27,872.96</u></u>	<u><u>24,559.79</u></u>
EXPENSES			
Production expenditure	26	97.38	64.00
Cost of traded goods	27	24,394.38	22,681.05
Changes in inventories of finished goods, Stock-in-process and stock-in-trade	28	(104.35)	(65.45)
Employee benefits expenses	29	27.14	13.13
Finance costs	30	248.84	355.41
Depreciation, depletion and amortization expenses	2,4,5	40.45	41.07
Other expenses	31	51.81	38.04
TOTAL EXPENSES (B)		<u><u>24,755.65</u></u>	<u><u>23,127.25</u></u>
Profit before exceptional items and tax (A-B)		<u><u>3,117.31</u></u>	<u><u>1,432.54</u></u>
Exceptional items	32	(130.41)	(248.99)
Profit before tax		<u><u>2,986.90</u></u>	<u><u>1,183.55</u></u>
Tax expense			
Current tax	11	-	-
Deferred tax	11	(0.11)	(0.18)
Profit after tax for the year (C)		<u><u>2,987.01</u></u>	<u><u>1,183.73</u></u>
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Changes in fair value of equity instruments		(7.64)	(5.42)
Remeasurement of post-employment benefit obligations		0.43	0.73
Income tax relating to these items		(0.11)	(0.18)
(B) Items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year (net of tax) (D)		<u><u>(7.32)</u></u>	<u><u>(4.87)</u></u>
Total Comprehensive Income for the year (C+D)		<u><u>2,979.69</u></u>	<u><u>1,178.86</u></u>

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Earnings per equity share (EPS) (Face Value of Rs. 1/- each)	33		
Basic (Rs.)		2.78	1.10
Diluted (Rs.)		2.78	1.10

Significant Accounting Policies

1

The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Raj Kumar, IAS
Chairman
DIN : 00294527

Milind Torawane, IAS
Managing Director
DIN : 03632394

Garima Tater
Partner
Membership No. 407752

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 25th May, 2023
Place : Gandhinagar

Date : 25th May, 2023
Place : Gandhinagar



GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Cash Flows for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(loss) before tax	2,986.90	1,183.55
Adjustments for:		
Depreciation, Amortisation & Depletion	40.45	41.07
Interest & Finance Charges	248.84	355.41
Net Loss/(gain) on Sale of Assets	0.17	-
Unrealised Foreign Exchange Loss/(Gain)	(0.96)	(4.64)
Reversal in Impairment on account of expected credit loss assessment	-	2.94
Exploration Cost Written off/(Written back)	0.20	0.25
Litigation Settlement	-	(4.31)
Impairment of oil and gas assets	130.21	250.60
Impairment on Investment	-	2.45
	<u>3,405.81</u>	<u>1,827.32</u>
Interest and Dividend Income	(128.93)	(85.50)
Operating Profit before working capital changes	<u>3,276.88</u>	<u>1,741.82</u>
<u>Adjustments for working capital changes</u>		
Change in Current/non-current Assets		
(Increase)/decrease in Loans	(2.29)	0.41
(Increase)/decrease in Other Financial Assets	(45.21)	(26.39)
(Increase)/decrease in Other Assets	349.70	(412.23)
(Increase)/decrease in Inventories	(104.35)	(65.45)
(Increase)/decrease in Trade Receivables	676.25	(803.66)
Change in Current/Non-current Liabilities		
Increase/(decrease) in Other Financial Liabilities	66.25	(5.05)
Increase/(decrease) in Provisions	2.00	5.20
Increase/(decrease) in Deferred Revenue/contract Liabilities	-	(0.36)
Increase/(decrease) in Other Liabilities	(77.13)	81.76
Increase/(decrease) in Trade payables	218.05	408.27
Cash Generated from/(Used in) Operations	<u>4,360.15</u>	<u>924.32</u>
Taxes (paid)/ refund	(33.36)	(9.02)
Net Cash Generated from/(Used in) Operating Activities (A)	<u>4,326.79</u>	<u>915.30</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Cash Paid for Purchase of Assets / CWIP including Joint Arrangements	(71.50)	(11.05)
Sale proceeds from sale of Participating Interest in Joint Arrangements	-	18.80

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Property Plant & equipment	0.11	0.37
Sale of Investments in Subsidiaries /(Investment in Subsidiaries)	-	(2.45)
Interest and Dividend Income received	103.51	74.20
Movement in other bank balances	495.11	(343.83)
Net Cash Generated from/(Used in) Investing Activities (B)	527.23	(263.96)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds /(Repayment) to Non-Current Borrowings (including current maturities) (net)	(4,324.12)	(412.74)
Proceeds /(Repayment) to Current Borrowings (net)	(100.00)	-
Interest & Financing Charges paid	(223.92)	(350.06)
Net Cash Generated from/(Used in) Financing Activities (C)	(4,648.04)	(762.80)
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	205.98	(111.46)
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	0.01	0.08
Fixed deposit with original maturity of less than 3 months	30.00	12.32
Bank Balances	42.96	172.03
	72.97	184.43
Cash and Cash equivalents at the End of the Year		
Cash on hand	-	0.01
Fixed deposit with original maturity of less than 3 months	264.11	30.00
Bank Balances	14.84	42.96
Total	278.95	72.97

Notes:

- (i) The above Statement of Cash Flow has been prepared using the "Indirect Method" as set out in the Ind AS 7 Statements of Cash Flows.
- (ii) Previous year figures have been regrouped & reclassified wherever considered necessary to confirm to the current year's figures.
- (iii) Change in Liabilities arising from Financing Activities:

(ii) Change in Liabilities arising from Financing Activities:

(₹ in Crores)

Particulars	1st April, 2022	Cash Flow	Accrued Interest	Foreign Exchange & Other Non Cash Movement	31st March, 2023
Non-Current Borrowings including current portion (Refer Note 19)	4,304.67	(4,324.12)	-	19.45	-
Borrowing-Current (Refer Note 19)	100.01	(100.00)	-	(0.01)	-

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Cash Flows for the year ended 31st March, 2023

Particulars	1st April, 2021	Cash Flow	Accrued Interest	Foreign Exchange & Other Non Cash Movement	31st March, 2022
Non-Current Borrowings including current portion (Refer Note 19)	4,712.06	(412.74)	1.37	3.98	4,304.67
Borrowing-Current (Refer Note 19)	100.00	0.01	-	-	100.01

The accompanying notes are integral part of the standalone financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Raj Kumar, IAS
Chairman
DIN : 00294527

Milind Torawane, IAS
Managing Director
DIN : 03632394

Garima Tater
Partner
Membership No. 407752

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 25th May, 2023
Place : Gandhinagar

Date : 25th May, 2023
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Changes in Equity (SOCIE) for the year ended on 31st March 2023

A. Equity Share Capital

(₹ in Crores)

Particulars	No. of Shares	Amount
Issued, subscribed and paid up share capital		
Equity Shares of Rs. 1/- each fully paid up		
Balance as at 1st April 2021	10,75,65,40,264	1,075.65
Changes due to prior period error	-	-
Restated balance as at 1st April 2021	10,75,65,40,264	1,075.65
Movements during the year	-	-
Balance as at 31st March, 2022	10,75,65,40,264	1,075.65
Changes due to prior period error	-	-
Restated balance as at 1st April 2022	10,75,65,40,264	1,075.65
Movements during the year	-	-
Balance as at 31st March, 2023	10,75,65,40,264	1,075.65

B. Other Equity

(₹ in Crores)

Particulars	Reserves & Surplus				Other Comprehensive Income FVOCI-Equity Investments	Total Other Equity
	Capital reserve	Securities Premium	General reserve	Retained earnings		
Balance at April 1, 2021	1.28	9,471.78	3,245.14	(14,080.99)	2,057.48	694.69
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at April 1, 2021	<u>1.28</u>	<u>9,471.78</u>	<u>3,245.14</u>	<u>(14,080.99)</u>	<u>2,057.48</u>	<u>694.69</u>
Profit for the year	-	-	-	1,183.73	-	1,183.73
Other comprehensive income for the year	-	-	-	-	(5.42)	(5.42)
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.55	-	0.55
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,184.28</u>	<u>(5.42)</u>	<u>1,178.86</u>
Balance at March 31, 2022	<u>1.28</u>	<u>9,471.78</u>	<u>3,245.14</u>	<u>(12,896.71)</u>	<u>2,052.06</u>	<u>1,873.55</u>
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at April 1, 2022	<u>1.28</u>	<u>9,471.78</u>	<u>3,245.14</u>	<u>(12,896.71)</u>	<u>2,052.06</u>	<u>1,873.55</u>
Profit for the year	-	-	-	2,987.01	-	2,987.01
Other comprehensive income for the year	-	-	-	-	(7.64)	(7.64)
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.32	-	0.32
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,987.33</u>	<u>(7.64)</u>	<u>2,979.69</u>
Balance at March 31, 2023	<u>1.28</u>	<u>9,471.78</u>	<u>3,245.14</u>	<u>(9,909.38)</u>	<u>2,044.42</u>	<u>4,853.24</u>

Purpose of Reserves:

- (i) **Capital Reserve:** Capital reserve was created on account of transition to Ind AS.
- (ii) **Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.
- (iii) **General Reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- (iv) **Retained Earnings:** The amount that can be distributed by the Company as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety. It includes accumulated loss amounting to ₹ 0.48 Crores (PY: ₹ 0.80 Crore) (net of tax) pertaining to remeasurement gain / loss on defined employee benefit plan as classified in other comprehensive income from period to period.
- (v) **Other Comprehensive Income - FVOCI - Equity Investments:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity Investments through OCI reserves.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Raj Kumar, IAS
Chairman
DIN : 00294527

Milind Torawane, IAS
Managing Director
DIN : 03632394

Garima Tater
Partner
Membership No. 407752

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 25th May, 2023
Place : Gandhinagar

Date : 25th May, 2023
Place : Gandhinagar

Gujarat State Petroleum Corporation Limited

Notes to standalone financial statements for the year ended 31st March, 2023

CORPORATE INFORMATION

Gujarat State Petroleum Corporation Limited (“GSPC” or “the Company”) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office is situated at GSPC Bhavan, B/H Udyog Bhavan, Sector - 11, Gandhinagar - 382010. GSPC is a Government Company u/s 2(45) of Companies Act, 2013 and is primarily engaged in oil and gas activities comprising of oil & gas exploration, development and production and trading of natural gas. The Company is also engaged in sale of electricity generated through Windmills.

The standalone financial statements for the year ended March 31, 2023 were approved and authorized for issue in accordance with a resolution passed in the meeting of the Board of Directors held on 25th May, 2023.

1. Significant accounting policies

This note provides list of the significant accounting policies applied in the preparation of these standalone financial statements.

(a) Basis of preparation of Financial Statements:

(i) Statement of compliance with Ind AS

The standalone financial statements have been prepared in accordance and comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [including the Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act (as amended from time to time); and Guidelines issued by the Institute of Chartered Accountants of India for Oil and Gas Producing Activities (Ind AS).

Accounting policies have been consistently applied except whereby a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto.

(ii) Historical cost convention

The standalone financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- Certain financial assets and liabilities measured at fair value;
- Defined benefit plans - plan assets measured at fair value; and
- Assets held for sale - measured at fair value less cost to sell.

(iii) Use of estimates and judgements

The presentation of the standalone financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Useful lives of property, plant and equipment, right of use assets and intangible assets
- Current / Deferred tax expense
- Measurement of defined benefit obligations (including key actuarial assumptions)
- Provisions and contingencies
- Expected credit loss for receivables
- Estimation of Oil and Gas reserves
- Impairment of assets
- Valuation of Inventory

- Fair valuation of unlisted securities and assets held for sale
- Definition of lease, lease term and discount rate

(iv) Current versus non-current classification

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

An asset is classified as current when it is:

- A. expected to be realised or intended to be sold or consumed in its normal operating cycle;
- B. held primarily for the purpose of trading;
- C. expected to be realised within twelve months after the reporting period; or
- D. cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The liability is classified as current when:

- A. it is expected to be settled in its normal operating cycle;
- B. it is held primarily for the purpose of trading;
- C. it is due to be settled within twelve months after the reporting period; or
- D. there is no unconditional right to defer settlement of the liability for an at least twelve months after the reporting period.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Property, plant and equipment

(i) Oil and Gas properties

The Company has adopted Contract Area (PSC-Production Sharing Contract) level cost center based accounting for the oil and gas operations with effect from 1st April, 2015 and accordingly, all costs incurred in acquisition, prospecting, exploration and development of Contract Areas are accumulated considering a contract area as a cost center. Cost incurred at each of the following level are accounted for as stated below:

1) Pre-acquisition Cost

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

2) Acquisition, Exploration & Evaluation Costs:

Acquisition cost of an oil and gas property are costs incurred to purchase, lease or otherwise acquire a property or mineral rights. All such costs are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development, as the case may be, based on the nature of the expenditure.

Exploration and Evaluation activities cover the prospecting activities conducted in search for oil and gas after the Company has obtained legal rights to explore a specific area, as well as activities towards determination of the technical feasibility and commercial visibility of extracting the oil & gas. All such costs are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development as the case may be based on the nature of the expenditure.

3) Development Cost

Development activities cover the activities conducted after determination of the technical feasibility and commercial viability of extracting oil & gas but before the well starts actual commercial production and includes drilling cost of developments wells, completion of successful exploration wells laying gathering lines, production facilities etc. All such costs are capitalised and accumulated as Development Cost under Capital Work In Progress or Intangible assets under Development as the case may be based on the nature of the expenditure.

4) Producing properties

Producing Properties are created in respect of an area/field having proved developed oil and gas reserves, when the well in the area/field is ready to commence commercial production. All the exploration cost and development cost incurred for the producing wells are reclassified as Producing Properties or Property Plant & Equipment as the case may be. The exploration and evaluation expenditure on unsuccessful wells in a proved area are also capitalised as Producing Properties as per the guidance available para 23 of Guidance Notes issued by The Institute of Chartered Accountants of India for Oil and Gas Producing Activities (Ind AS).

5) Abandonment Cost

The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied

facilities are recognized in respective assets when the well is complete/facilities are installed.

6) Surrender / Relinquishment of a Contract Area

The carrying cost of a Contract Area is written off in the Statement of Profit and Loss in the year in which such a Contract area is surrendered after the required approvals. Further, the carrying cost of a Contract Area that is proposed for surrender during a year but approval for which is still awaited at the end of such year, is also provided for in the Statement of Profit and Loss under the head exploration cost written off.

7) Disposal of Interest

Gain (excess of net consideration over carrying value of the assets) or loss (excess of carrying value of the assets over net consideration) on sale of interest in a Contract Area is recognized in the Statement of Profit and Loss in the year in which such agreement is executed.

(ii) Other property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost of acquisition/construction (net of recoverable taxes) less accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

The present value of the expected cost for the decommissioning of an asset after its useful life is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital Work-in-progress includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned and project inventory.

An item of property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

On transition to Ind AS, the Company had elected to continue with the net carrying value of all its property, plant and equipment including oil and gas assets recognised as at 1 April 2015 measured as per IGAAP and use that net carrying value as the deemed cost of property, plant and equipment.

(c) Investment properties

Investment properties comprises portions of free hold or lease hold (right of use asset) land and office buildings that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs and applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed out as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

On transition to Ind AS, the Company had elected to continue with the net carrying value of its investment properties recognised as at 1 April 2015 measured as per IGAAP and use that net carrying value as the deemed cost of investment properties.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets like software & licenses, which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

Any item of intangible assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is recognised in the Statement of Profit and Loss when the intangible asset is derecognized.

On transition to Ind AS, the Company had elected to continue with the net carrying value of its intangible assets recognised as at 1 April 2015 measured as per IGAAP and use that net carrying value as the deemed cost of intangible assets.

(e) Depreciation, depletion and amortisation methods, estimated useful lives and residual values

Depreciation on producing properties is provided on unit of production method and on other tangible items of property, plant and equipment is provided on written down value method (WDV) except otherwise stated.

The useful lives have been determined based on technical evaluation done by the management's expert which are in line with useful lives specified by Schedule II to the Companies Act, 2013. The residual values are at 5% of the original cost of the item of property, plant and equipment. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Mobile instruments purchased by the Company are fully written off as expenses in the year of purchase.

Cost of lease-hold land is amortized equally over the period of lease.

Depreciation on property, plant and equipment used for exploration and drilling activities is initially capitalized as part of exploration or development costs.

The depletion on producing properties has been calculated and provided, using the unit of production method as described in the Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS) issued by ICAI, in proportion of oil and gas production achieved vis a vis the proved reserves.

As Guidance Note is for "Producing Activities", the Company, keeping in mind the prudent industry practice, considers the assets for depletion only once the commercial production is commenced with the approval of the appropriate authority as per the provisions of the Production Sharing Contract (PSC). Till that time, neither the reserves are taken for depletion nor are the assets with respect to the said PSC are capitalized.

No depreciation or depletion is provided in the accounts of the Joint Operations (Un Incorporated Joint Venture). However, the depreciation and depletion, as applicable, has been provided for by the Company in its own books based on its participating interest.

Depreciation on items of property, plant and equipment acquired / disposed of during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated on written down value method (WDV) based on the useful lives prescribed in Schedule II to the Companies Act, 2013.

In case of intangible assets, software is amortized at 40% on written down value method.

(f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 a 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 transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For impairment of Oil and Gas JV Fields, the Company considers the prevailing business conditions to make an assessment of future crude oil and natural gas prices and internal and external information / indicators of future economic conditions & future cashflows. The estimated future cash flows are calculated till end of its useful life or PSC end term, whichever is earlier.

In other cases, the Company bases its impairment calculation on estimates, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(g) Leases

The Company assess whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The Company as a lessee

As a lessee, the Company has taken many assets on lease such as land, office building, factory shed and guest house. The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the lease liability recognized adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease or, if that rate cannot be readily determined. After the commencement date, lease liability is increased to reflect the accretion of interest and reduced for the lease payment made.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Finance lease

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. The Company has a scheme of providing certain assets viz. vehicles to their employees. Under the said scheme, the Company initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Company has derecognised the items of property, plant and equipment given to employees & reclassified it as finance lease. The difference between the cost of the asset and present value (or absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

(h) Borrowing costs

The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For interest capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the interest for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the interest is charged to the Statement of Profit and Loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the Statement of Profit and Loss.

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

(i) Non-current assets held for sale and discontinued operations

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

A discontinued operation is a component of the Company that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately in the Statement of Profit and Loss. Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet. Once classified as held for sale, intangible assets, right of use assets and property, plant and equipment are no longer amortised or depreciated.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

(j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition

A financial asset is recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Initial measurement

At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset except trade receivables (not containing significant financing component) are measured at transaction price.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- A. Financial assets measured at amortised cost;
- B. Financial assets measured at fair value through profit or loss (FVTPL); and
- C. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above-mentioned categories based on:

- A. The Company's business model for managing the financial assets, and
- B. The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- B. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- B. The asset's contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets

amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Trade receivables

Trade receivables are recognised initially at the transaction price if the trade receivables do not contain a significant financing component and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Equity instruments

All equity investments in scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- A. The contractual rights to the cash flows from the financial asset have expired, or
- B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - i) The Company has transferred substantially all the risks and rewards of the asset, or
 - ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- (ii) Trade receivables and contract asset that result from transactions that are within the scope of Ind AS 115.
- (iii) Lease Receivables.

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

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets which do not contain significant financing component. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts.

Subsequent measurement

A. Financial liabilities measured at amortised cost

B. Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 Financial Instruments are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability initially it measures the financial guarantee at their fair values and subsequently measures at higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and de-recognition are recognised in Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down. The said fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to

another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(k) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

(l) Fair value measurement

The Company measures certain financial instruments, such as investments in equity shares, derivatives etc., at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- A. In the principal market for the asset or liability, or
- B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Board of Directors (BOD) determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale/distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(m) Inventories

- Crude oil in flow lines is not valued as it is not stored.
- Natural Gas in pipeline is valued at cost or net realizable value whichever is lower.
- Inventory of crude oil & condensate with Joint Ventures is valued as per net realisable value as per the rate specified on sale agreement.
- Natural gas imported as LNG and stored in the storage tank of the LNG terminal are valued at cost or net realizable value whichever is lower.
- Chemicals, fuels, consumables, stores and spare parts are valued at Weighted Average Cost.

(n) Employee benefits

(i) Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of reporting period that have terms approximating to the terms of related obligation.

The obligations are presented as current liabilities in the Balance Sheet if the Company does not have unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- A. Defined benefit plans such as gratuity, Post-Retirement Medical Benefit Scheme (PRMBS) & loyalty bonus etc. and
- B. Defined contribution plan such as provident fund, superannuation fund etc.

Gratuity/Post-Retirement Medical Benefit Scheme/Loyalty Bonus obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan / PRMBS / loyalty bonus is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The Company provides for loyalty bonus to eligible employees whereby a lump sum payment to eligible employees at the time of retirement, death, incapacitation or termination of employment is paid based on the respective employee's salary and the tenure of employment.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are accumulated in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined contribution plans

The Company pays provident fund and superannuation fund contributions to GSPC Employee's Provident Fund Trust and Group Superannuation Scheme of Life Insurance Corporation of India respectively. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date. Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(o) Foreign currency transactions**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is GSPC's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in the Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs and MTM for derivatives taken for FCNR loan are presented as finance costs in the Statement of Profit and Loss. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(p) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Company assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange of goods or service. The transaction price includes Excise Duty; however, it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Company collects on behalf of the Government.

In determining the transaction price, the Company estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs.

Revenue from the sale of gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered/assessed measurements facility. In case of high sea sales, control is transferred to the customer on delivery of the gas outside the territorial water of India. The amount recognised as revenue is stated inclusive of royalty payable to Government of India and exclusive of profit petroleum, sales tax /value added tax (VAT) and Goods and service tax (GST).

Profit Petroleum payable to the Government of India (MoP&NG) under a PSC is accounted for initially on an estimated basis and upon approval of the DGH, MoP&NG, difference, if any, is accounted for in the year of such of approval.

Revenue from regasification services is recognised over time such services are performed by the Company and revenue from gas transmission is recognized over the period in which the related volumes of gas are delivered to the customers.

Revenue from sale of electricity is recognized at the point in time when control is transferred to the customer, generally on delivery of the electricity on metered/assessed measurements facility.

Revenue in respect of 'Take or Pay' quantity of gas (short lifted quantity of gas under the Gas Sale Agreements) is recognized on accrual basis in the period to which it relates to.

The Company's share of Revenue from Joint Operations is considered on the basis of Accounts submitted by Joint Operations.

Where the Company's performance obligation is to arrange for the provision of goods or services by another party, it is acting as an agent and hence the Company recognises revenue in the amount of any fee or commission or brokerage to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services. The Company's fee or commission or brokerage is the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

Other Income:

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to that asset's gross carrying amount on initial recognition.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend in case of final dividend and when the Board of Directors of investee company declares the dividend in case of interim dividend.

Income in respect of interest on delayed realizations from customers, if any, is recognized when it can be reliably measured, and it is reasonable to expect ultimate collection.

(q) Accounting for oil and gas joint operations (unincorporated Joint Ventures)

All Oil and Gas Joint Arrangements are in the nature of unincorporated joint operations. Accordingly, the financial statements of the Company reflect the Company's share of assets, liabilities, income and expenditure of the Joint operations, which are accounted on a line by line basis, based on the available information as on the date of the Balance Sheet, with similar items in the Company's accounts, to the extent of the Participating Interest of the Company in each joint operation and related Joint Operating Agreements (JOA), if any, except in case of abandonment, impairment, depletion and depreciation, which are accounted for as per the accounting policies of the Company. The financial statements of the unincorporated joint operations are prepared by the respective Operators of the Contract Area in accordance with the requirements prescribed by the respective PSC and JOA. Hence, certain adjustments/disclosures required under the mandatory Indian Accounting Standards and the Companies Act, 2013 have been made in the financial statements of the Company only to the extent of information available with the Company as on the date of the Balance Sheet. Such information include information relating to foreign exchange differences, micro, small and medium enterprises, transactions with related parties, details of commitments and contingencies, inventory of oil and gas and consumption of stores and spares.

(r) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, along with Income Computation and Disclosure Standards - ICDS as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Advance taxes and provisions for current income taxes are presented on net basis in the Balance Sheet considering the legal offset right in the same tax jurisdiction for relevant tax paying units and intention of the company to settle the same on net basis.

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Deferred taxes

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences (including carry forward of unused tax losses and credits) to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. However, when there is no convincing evidence available for future taxable profit, the Company recognises Deferred Tax assets arising from unused tax losses or tax credit only to the extent of Deferred Tax liability already recognised by the Company till date.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint operations where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint operations where the parent, investor, joint venturer or joint operator is able to control the timing of the reversal of the temporary difference; and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(s) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Provisions, contingent liabilities and contingent assets

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The Company records a provision for decommissioning costs of a leasehold land and producing properties. It is recognised as the windmills and oil and gas properties are constructed on leasehold lands which are to be returned to the lessor at the end of the lease tenure on 'as is' basis. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the respective assets. The cash flows are discounted at a current pre-tax rate that reflects the risk specific to the decommissioning liability. The unwinding of discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liability is disclosed in the case of:

- A. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

B. A present obligation arising from the past events, when no reliable estimate is possible;

C. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for in the books of accounts and, are disclosed by way of notes to accounts. Contingent assets are not recognized in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(u) Cash and Cash Equivalents

Cash and cash equivalents comprise cash, cash at bank, cheque / demand draft on hand and deposits with banks and corporations / financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks / financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

(v) Investments in subsidiaries, joint venture and associates

Investments in subsidiaries, joint venture and associates are carried at cost less accumulated impairment losses, if any. Cost includes the purchase price and other costs directly attributable to the acquisition of investments. On disposal of investments in subsidiaries, joint venture and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

On transition to Ind AS, the Company had elected to fair value its Investments in equity share of subsidiaries, associates & joint ventures at transition date and carry the same as deemed cost thereafter. The deemed cost so determined has been carried at cost thereafter.

(w) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(x) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised, and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

(y) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The Board of Directors (BoD) assesses the financial performance and position of the Company, and makes strategic decisions; hence, are CODM.

(z) Rounding off

All amounts disclosed in the financial statements and notes have been rounded to the nearest Crore (up to two decimals) except when otherwise indicated.

(aa) Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date occurring after the Balance Sheet date are recognized in the Financial Statements. . Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report. Further, the shareholders of the Company have the power to amend the Financial Statements after the same has been authorised for issue by Board of Directors as per the provisions of Companies Act, 2013.

(bb) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

(cc) Allocation of General Administrative Expenses

In case of Joint Operations, in which the Company is an operator, the allocation of Common General and Administrative Expenses and Employee cost to various operated blocks, is done on the basis of time allocations notified by each employee.

(dd) New and revised Indian Accounting Standards in issue but not yet effective

Following are the amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 31st March 2023) which are effective for annual periods beginning after 1st April 2023. The Company intends to adopt these standards or amendments from the effective date, as applicable and relevant. These amendments are not expected to have a significant impact on the Company's standalone financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the company when it will adopt the respective standards.

Amendments to Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction:

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

Amendments to Ind AS 1 Presentation of Financial Statements - Disclosure of Accounting Policies:

The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates:

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

Note 2
Property, plant and equipment as at 31st March 2023

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion, Impairment and Amortization				Net Block		
	As at 1st April 2022	Addition during the year	Disposal/Adjustment during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/Adjustment during the year	Impairment during the year	As at 31st March 2023	As at 31st March 2022
Freehold Land	121.04	-	-	121.04	-	-	-	-	121.04	121.04
Lease hold Land (i)	8.49	-	(1.13)	7.36	1.57	0.47	-	2.04	5.32	6.92
Buildings (i)	35.21	-	-	35.21	9.78	1.26	-	11.04	24.17	25.43
Plant and Machinery	1,270.76	-	-	1,270.76	1,127.95	10.88	-	1,138.83	131.93	142.81
Furniture and Fixture	4.78	-	(0.51)	4.27	3.89	0.13	(0.49)	3.53	0.74	0.89
Office Equipment	4.12	0.12	(0.20)	4.04	2.85	0.03	(0.18)	2.70	1.34	1.27
Computer Equipment	3.30	1.14	(0.36)	4.08	1.47	0.56	(0.33)	1.70	2.38	1.83
Vehicles	0.51	-	-	0.51	0.35	0.03	-	0.38	0.13	0.16
Producing Properties	1,496.94	34.82	-	1,531.76	903.22	26.70	-	1,031.32	500.44	593.72
Total Property, Plant & Equipment	2,945.15	36.08	(2.20)	2,979.03	2,051.08	40.06	(1.00)	2,191.54	787.49	894.07

(i) the above includes the right of use (ROU) assets recognized under Ind AS 116 Leases.

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion, Impairment and Amortization				Net Block		
	As at 1st April 2022	Addition during the year	Disposal/Adjustment during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/Adjustment during the year	Impairment during the year	As at 31st March 2023	As at 31st March 2022
ROU - Land	8.49	-	(1.13)	7.36	1.57	0.47	-	-	5.32	6.92
ROU - Building	3.05	-	-	3.05	0.91	0.10	-	-	2.04	2.14
Total	11.54	-	(1.13)	10.41	2.48	0.57	-	-	7.36	9.06

Property, plant and equipment as at 31st March 2022

Particulars	Gross Block			Depreciation, Depletion, Impairment and Amortization				Net Block		
	As at 1st April 2021	Addition during the year	Disposal/ Adjustment during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/ Adjustment during the year	Impairment during the year	As at 31st March 2022	As at 31st March 2021
Freehold Land (b)	107.88	-	13.16	121.04	-	-	-	-	121.04	107.88
Lease hold Land (i)	8.49	-	-	8.49	1.09	0.48	-	-	6.92	7.40
Buildings (i)	35.68	-	(0.47)	35.21	8.60	1.34	(0.16)	-	25.43	27.08
Plant and Machinery	1,270.76	-	-	1,270.76	1,115.69	12.26	-	-	142.81	155.07
Furniture and Fixture	4.81	-	(0.03)	4.78	3.69	0.22	(0.02)	-	0.89	1.12
Office Equipment	4.09	0.03	-	4.12	2.82	0.03	-	-	1.27	1.27
Computer Equipment	3.35	0.16	(0.21)	3.30	1.20	0.45	(0.18)	-	1.83	2.15
Vehicles	0.51	-	-	0.51	0.35	-	-	-	0.16	0.16
Producing Properties	1,370.44	126.50	-	1,496.94	822.05	25.88	-	55.29	593.72	548.39
Total Property, Plant & Equipment	2,806.01	126.69	12.45	2,945.15	1,955.49	40.66	(0.36)	55.29	894.07	850.52

(i) the above includes the right of use (ROU) assets recognized under Ind AS 116 Leases.

Particulars	Gross Block			Depreciation, Depletion, Impairment and Amortization				Net Block		
	As at 1st April 2021	Addition during the year	Disposal/ Adjustment during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/ Adjustment during the year	Impairment during the year	As at 31st March 2022	As at 31st March 2021
ROU - Land	8.49	-	-	8.49	1.09	0.48	-	-	6.92	7.40
ROU - Building	3.05	-	-	3.05	0.80	0.11	-	-	2.14	2.25
Total	11.54	-	-	11.54	1.89	0.59	-	-	9.06	9.65

Notes:

- The Company has taken several plots of land on lease with lease term ranging from 14.5 years to 99 years and factory shed buildings with a lease term of 99 years. Some of the lease contracts are having renewal option with mutual consent and also contain termination options. Such options are appropriately considered in determination of the lease term based on the management's judgement. For all these contracts, upfront payments have been made.
- During FY 2020-21, the Company had classified a land in Andhra Pradesh having carrying value of Rs.13.16 crores as assets held for sale and the process to sale the land was initiated by the Company. However, during the previous year, the asset was reclassified back to land & building under PPE as the management has decided not to sale the property. The same did not have any impact on the results of the operations of the Company.

Note 3.
Capital Work in Progress (CWIP)

Particulars	₹ in Crores	
	As at 31st March 2023	As at 31st March 2022
Exploration & Development*	72.00	73.49
CWIP Others	0.30	0.30
Total Capital Work in Progress	72.30	73.79

* During the year, the Company has provided for impairment / (impairment reversal) to the extent of Rs. (0.48) Crore (PY Rs.1.35 crore) against non moving capital spares & Rs. Nil (PY: Rs. 97.48 Crores) pertaining to one E&P Block. Refer Note 32.

(i) CWIP ageing schedule for the year ended 31st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	0.33	71.97
					72.30

(ii) CWIP ageing schedule for the year ended 31 March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	0.03	0.30	73.46
					73.79

Notes:

- Exploration and Development cost incurred by the joint arrangements has been bifurcated into CWIP tangible and Intangible assets under Development as per the requirement of Guidance note on Accounting for Oil & Gas Producing Activities (Ind AS) issued by ICAI read with Ind AS 106 "Exploration for and Evaluation of Mineral Resources".
- The entire amount in CWIP is related to E&P business of the Company. The Company has considered each PSC as a separate Project. The Company does not have any assets under capital work in progress whose completion is overdue or whose costs have exceeded its original plan.

Note 4
Investment property as at 31st March 2023

(₹ in Crores)

Particulars	Gross Block			Depreciation and Amortization			Net Block		
	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 31st March 2022
Land and building*	1.41	-	-	1.41	0.32	0.03	-	1.06	1.09
Total investment property	1.41	-	-	1.41	0.32	0.03	-	1.06	1.09

Investment property as at 31st March 2022

(₹ in Crores)

Particulars	Gross Block			Depreciation and Amortization			Net Block		
	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 31st March 2021
Land and building*	1.41	-	-	1.41	0.28	0.04	-	1.09	1.13
Total investment property	1.41	-	-	1.41	0.28	0.04	-	1.09	1.13

*Includes land of an amount of ₹ 0.16 crores (P.Y ₹ 0.16 crores) which is non depreciable.

Notes

a. The assets are given on lease to group companies for various lease term as agreed mutually. The leases are cancellable subject to the agreed notice period.

b. Amount recognized in Statement of Profit and Loss for investment properties :

(₹ in Crores)

Particulars	As at 31st March 2023	As at 31st March 2022
Rental Income	1.42	1.35
Profit from investment properties before depreciation	1.42	1.35
Depreciation	(0.03)	(0.04)
Profit from investment properties	1.39	1.31
Fair value of investment properties (i)	4.72	4.72

i. The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Company obtains independent valuations for its investment properties once in every three to five years interval. Last fair valuation was done on 31st March 2022.



Note 5
Other intangible assets as at 31st March 2023

Particulars	Gross Block			Depreciation and Amortization			Net Block		
	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 31st March 2022
Software	7.30	0.40	-	7.70	6.27	0.36	-	1.07	1.03
Total other intangible assets	7.30	0.40	-	7.70	6.27	0.36	-	1.07	1.03

Other intangible assets as at 31st March 2022

Particulars	Gross Block			Depreciation and Amortization			Net Block		
	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 31st March 2021
Software	7.10	0.20	-	7.30	5.90	0.37	-	1.03	1.20
Total other intangible assets	7.10	0.20	-	7.30	5.90	0.37	-	1.03	1.20

Note 6

Intangible assets under development

(₹ in Crores)

Particulars	As at 31st March 2023	As at 31st March 2022
Exploration & Development*	102.74	110.06
Software under development	0.49	0.78
Total Intangible assets under development	103.23	110.84

* The Company has provided for impairment amounting to Rs. 9.2 Crores (PY: ₹ 73.21 Crores). Refer Note No. 32.

(i) Intangible assets under development ageing schedule for the year ended 31 March 2023

(₹ in Crores)

Particulars	Amount in Intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1.59	1.74	4.08	95.82	103.23

(ii) Intangible assets under development ageing schedule for the year ended 31 March 2022

(₹ in Crores)

Particulars	Amount in Intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1.74	4.08	16.64	88.38	110.84

The major amount in Intangibles under development is related to E&P business of the Company. The Company has considered each PSC for a separate Project. The Company does not have any assets whose completion is overdue or whose costs have exceeded its original plan.

Note 7

Investments in subsidiary, associates & joint ventures

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
A. Investments in quoted equity shares of subsidiary companies (at cost)^a		
212,305,270 (31st March, 2022 : 212,305,270) fully paid up equity shares of Gujarat State Petronet Ltd. of ₹ 10 each	2,633.65	2,633.65
	<u>2,633.65</u>	<u>2,633.65</u>
B. Investments in unquoted equity shares of subsidiary companies (at cost)^a		
840,002,936 (31st March, 2022 : 840,002,936) fully paid up equity shares of GSPC Pipavav Power Co. Ltd of ₹ 10 each	840.00	840.00
25,060 (31st March, 2022 : 25,060) fully paid up equity shares of Guj Info Petro Ltd. of ₹ 10 each	0.03	0.03
	<u>840.03</u>	<u>840.03</u>
C. Investments in unquoted equity shares of subsidiary companies (at cost)		
NII (31st March, 2022 : 50,000) fully paid up equity shares of GSPC Offshore Ltd. of Rs. 10 each	-	0.05

Note 7
Investments in subsidiary, associates & joint ventures

Particulars	(₹ in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
50,000 (31st March, 2022 : 50,000;) fully paid up equity shares of GSPC Energy Ltd. of ₹ 10 each	0.05	0.05
117,140,060 (31st March, 2022 : 117,140,060) fully paid up equity shares of GSPC (JPDA) Ltd of ₹ 10 each	117.14	117.14
Less : Provision for impairment on shares of GSPC (JPDA) Ltd & GSPC Offshore Ltd.	(117.14)	(117.19)
	<u>0.05</u>	<u>0.05</u>
D. Investments in unquoted equity shares of equity accounted investees (at cost)^a		
272,397,426 (31st March, 2022 : 272,397,426) fully paid up equity shares of Gujarat State Energy Generation Ltd (Associate) of ₹ 10 each ^b	278.96	278.96
4,494,330 (31st March, 2022 : 4,494,330) fully paid up equity shares of Sabarmati Gas Ltd (Joint Venture) of ₹ 10 each	175.55	175.55
11,500,000 (31st March, 2022 : 11,500,000) fully paid up equity shares of Alcock Ashdown (Gujarat) Ltd (Associate) of ₹ 10 each	11.50	11.50
Less : Provision for impairment on shares of Alcock Ashdown (Gujarat) Ltd. ^c	(11.50)	(11.50)
	<u>454.51</u>	<u>454.51</u>
Total investments in subsidiary, associates & joint ventures	<u>3,928.24</u>	<u>3,928.24</u>
Aggregate value of quoted investments	<u>2,633.65</u>	<u>2,633.65</u>
Aggregate value of unquoted investments	<u>1,423.23</u>	<u>1,423.28</u>
Provision for impairment on unquoted investments	<u>(128.64)</u>	<u>(128.69)</u>
Market Value of Quoted Investments in Subsidiaries	<u>5,626.09</u>	<u>5,498.71</u>

- a. On transition to Ind AS, the Company had elected to fair value its Investments In equity share of subsidiaries, associates & joint ventures as at 1st April, 2015 and carry the same as deemed cost thereafter, The deemed cost so determined has been carried at cost thereafter,
- b. The percentage holding of the Company In Gujarat State Energy Generation Ltd Is 53.70%. GSPC holds majority shares of GSEG but does not have majority voting power and hence GSEG Is still an associate and not subsidiary of GSPC. The voting rights on such Incremental equity shares acquired by GSPC during the financial year 2018-19 are restricted on account of ongoing litigation. As per the principles of Ind AS 110 Consolidated Financial Statements, the Company needs to determine whether it exercises the control over GSEG basis the voting rights and other contractual arrangement, If any, GSPC has given undertaking to NCLT, Ahmedabad that It shall not exercise voting powers In respect of such shares as are allotted to GSPC pursuant to the said offer for Right Issue of shares during the pendency of the petition no. 51 of 2018 filled by KRIBHCO and In view of that, NCLT has ordered to keep on hold the allotment against share application money of Rs .61.47 crores [PY: Rs. 61.47 Crores). The Interest accrued thereon Is Rs. 22.81 Crores (PY: Rs. 17.38 Crores). The matter Is still pending with NCLT,
- c. The Company had made Investment In shares of Alcock Ashdown (Gujarat) Ltd. to the tune of Rs. 11.50 crores. As per audited financial statement of the company for FY 2011-12, accumulated losses of the company had exceeded Its net worth. Hence, considering the same as other than temporary diminution In the value of Investment, full provision for Impairment on value of investment had been provided In the FY 2012-13 for Rs. 11.50 crores. Further, National Company Law Tribunal (Ahmedabad), vide It order dated 8th March 2021, appointed Insolvency Resolution Professional to initiate Corporate Insolvency Resolution Process of Alcock Ashdown (Gujarat) Limited.

The Company had made investment in GSPC Offshore Ltd, amounting to Rs. Nil (31st March, 2022 : Rs 0.05 crores) fer carrying out E&P activities In Offshore fields. During FY 2020-21, the Company decided not to carry out any activities In this company and has fully provided for Impairment In Its books of accounts. GSPC Offshore Ltd. has been struck-off from the Register of Companies by the Ministry of Corporate Affairs effective from 10th October 2022. Accordingly, the Investment In equity

shares of the Company has been written off during the current year against the Impairment provision already created in earlier years. The Company has not carried out any transactions with GSPC Offshore Limited during the current and previous year. Further, there is no outstanding balance to be settled with it.

The Company had made an investment in GSPC (JPDA) Ltd, amounting to Rs.117.14 crores (31st March, 2022 : Rs 117.14 crores) to carry out exploration activities in Australia. During the previous year liability related to Joint Venture has been cleared and written off in the JV books against shareholders fund. Based on the facts stated, GSPC (JPDA) Ltd is not having any alternative realistic way to continue the operations. Hence, the Company has fully provided impairment in its books of accounts.

Note 8

Other Investments

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
A. Investment in quoted equity shares of other company (measured at fair value through OCI)		
3,697,000 (31st March, 2022 : 3,697,000) fully paid up equity shares of Gujarat Industries Power Company Ltd. of ₹10 each	28.06	27.15
B. Investment in unquoted equity shares of other companies (measured at fair value through OCI)		
11,430,000 (31st March, 2022 : 11,430,000) fully paid up equity shares of GSPC LNG Ltd of ₹10 each	14.34	15.96
29,004,033 (31st March, 2022 : 29,004,033) fully paid up equity shares of ONGC Petro Additions Ltd of ₹10 each	17.49	24.42
Total non-current other investments	59.89	67.53
Aggregate value of unquoted investments	31.83	40.38
Market Value of Investment in quoted equity shares of other company	28.06	27.15

a. Refer Note 40 for determination of fair values for investments measured at fair value through Other Comprehensive Income (FVTOCI).

Note 9

Loans

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Loans and Advances to Employees		
Considered good - Secured	3.38	4.33
Total non-current loans	3.38	4.33
Current		
Loans and Advances to Employees		
Considered good - Secured	0.85	1.19
Advances to Related Parties*		
Unsecured, considered good	45.84	42.26
Total current loans	46.69	43.45

* Refer note 39 - Related Party Disclosures.

Note 10
Other Financial Assets

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Application Money paid towards securities (Including interest accrued) - Gujarat State Energy Generation Ltd. (Note 7b)	84.28	78.85
Receivable from employees (Unsecured - considered good)	0.22	0.24
Site restoration fund - Deposits with banks ^a	9.43	7.94
Total non-current financial assets	93.93	87.03
Current		
Advances recoverable in cash (Unsecured, considered good)		
Amount receivable under Joint arrangements (c)	689.66	647.54
Advances recoverable in cash (Unsecured, considered doubtful)		
Amount receivable under Joint arrangements	282.32	282.32
Less : Provision for doubtful advances	(282.32)	(282.32)
Security deposit given	1.03	0.69
Dividend Receivables	25.16	-
Receivable from employees (Unsecured - considered good)	0.15	0.13
Other financial assets ^b	3.46	2.20
Total current financial assets	719.46	650.56

a. The above amount has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purpose specified in the Scheme i.e. towards removal of equipment and installations in a manner agreed with Central Government pursuant to an abandonment plan to prevent hazards to life, property, environment etc. This amount is considered as restricted cash and hence not considered as 'Cash and Cash equivalents'.

b. Includes advances to related parties & lease equalization reserve.

c. (i) The Company has issued forfeiture notice to Jubilant Offshore Drilling Pvt Ltd (JODPL) against Rs. 494.81 Crore (PY: Rs. 494.81 Crore) of the capital contribution (excluding applicable interest on capital contribution) made by the Company on behalf of JODPL in KG-OSN-2001/3 until 4th August 2017. Based on relevant clauses of PSC and JOA, it can be reasonably ascertained that the forfeiture notice shall be effected and GSPC shall be assigned commensurate PI towards the capital contribution. JODPL has filed for CIRP. NCLT has passed the order for liquidation. Liquidator has challenged the Company's letter of forfeiture of JODPL's PI issued by the Company in December 2018 because of default of JODPL in making contributions to KG Block Cash Calls. JODPL has also defaulted on cash calls raised by Oil & Natural Gas Corporation Ltd. ('ONGC') after August 4, 2017. As per the JOA, the Company being the non-defaulting partner may be required to further contribute to the defaulted cash calls of JODPL and the Company will have a right to recover such additional contribution from JODPL. The ratio in which the Company may be required to contribute the JODPL's defaulted cash calls is presently unascertainable in light of pendency of challenge to forfeiture notice before NCLT and also in light of balance PI of JODPL being subject to assumption by non-defaulting party(ies) depending upon the approval of management committee. Accordingly, the Company has accounted Rs. 494.81 Crores (PY: Rs. 494.81 Crores) as receivable from JODPL.

(ii) During the year, ONGC has raised cash-calls amounting to Rs. 20.00 crores for additional contribution of the Company towards default of JODPL. Accordingly, the Company has accounted Rs. 20 Crores (PY: Rs. Nil Crores) as payable to ONGC.

Note 11

A) Non Current Tax Assets (Net)

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Advance Income Tax	1,572.27	1,538.91
Provision for Tax	(1,406.36)	(1,406.36)
Non Current Tax Assets (Net)	<u>165.91</u>	<u>132.55</u>

B) Tax expense

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Current income tax	-	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(0.11)	(0.18)
Deferred tax expense	(0.11)	(0.18)
Total tax expense for the year	<u>(0.11)</u>	<u>(0.18)</u>

Amount recognized in other comprehensive income

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Items that will not be reclassified to profit or loss (A)		
Remeasurement of post-employment benefit obligations	0.43	0.73
Changes in fair value of equity instruments	(7.64)	(5.42)
	<u>(7.21)</u>	<u>(4.69)</u>
Income tax relating to items that will not be reclassified to profit or loss (B)		
Remeasurement of post-employment benefit obligations	(0.11)	(0.18)
Changes in fair value of equity instruments	-	0.00
	<u>(0.11)</u>	<u>(0.18)</u>
Net amount recognized in other comprehensive income (A+B)		
Remeasurements of the defined benefit plans	0.32	0.55
Equity instruments through other comprehensive income	(7.64)	(5.42)
	<u>(7.32)</u>	<u>(4.87)</u>

Reconciliation of effective income tax rate
(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit before tax	2,986.90	1,183.55
Tax using the Company's domestic tax rate @ 25.168% (Last Year @ 25.168%)	751.74	297.88
Tax effect of:		
Non-deductible tax expenses		
Provision for impairment not allowable for taxes	32.77	63.07
Depreciation as per Statement of Profit and Loss	10.18	10.34
Other Disallowance	134.41	83.87
Donations/ Corporate Social Responsibility	3.60	2.53
Provision for Diminution in the Value of Investment	-	0.62
Exploration Cost Written Off	-	0.03
Impact on account of Ind As	7.20	2.53
Disallowance U/s 43B		
Any sum payable by way of contribution to any provident fund or superannuation fund or gratuity fund or any other fund for the welfare of employees-Gratuity & Leave Encashment	0.40	(0.12)
Deductions		
Depreciation as per Income tax act	(124.97)	(142.38)
Reversal of Provision for doubtful advances	-	(0.74)
Deduction allowable - Others		
Profit on Sale of Asset	0.01	0.07
Recognition of tax effect of previously unrecognized tax losses	(815.34)	(317.70)
Short/(Excess) Provision of tax for earlier years	(0.11)	(0.18)
Tax expense recognized in Statement of Profit and Loss	(0.11)	(0.18)

C) Deferred tax asset/ (liabilities) [Net]
(₹. in Crores)

Particulars	31st March, 2023						Deferred tax asset	Deferred tax liability
	Net balance April 1, 2022	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net balance March 31, 2023		
Deferred tax asset/ (liabilities)								
On deficit of carrying value of PPE over Tax base	614.71	(52.46)	-	-	-	562.25	588.91	(26.66)
Investments	(609.15)	-	-	-	-	(609.15)	-	(609.15)
Loans and borrowings	(5.53)	5.53	-	-	-	-	-	-
Other items	(0.03)	47.04	(0.11)	-	-	46.90	46.93	(0.03)
Net tax assets/ (liabilities)	0.00	0.11	(0.11)	-	-	-	635.84	(635.84)

(₹. in Crores)

Particulars	31st March, 2022							
	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)								
On deficit of carrying value of PPE over Tax base	615.33	(0.62)	-	-	-	614.71	645.15	(30.44)
Investments	(609.15)	-	-	-	-	(609.15)	-	(609.15)
Loans and borrowings	(5.96)	0.43	-	-	-	(5.53)	-	(5.53)
Other items	(0.22)	0.37	(0.18)	-	-	(0.03)	-	(0.03)
Net tax assets/ (liabilities)	0.00	0.18	(0.18)	-	-	0.00	645.15	(645.15)

Tax losses carried forward

(₹. in Crores)

Particulars	31-Mar-23	Expiry date	31-Mar-22	Expiry date
Expire	7,424.14	31-Mar-25	10,536.96	31-Mar-25
Never Expire	733.89	-	864.96	-

Notes:

- The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.
- Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
- Provision of Tax for the current year is Rs. NIL (31st March, 2022: NIL).

The Company has continuously maintained a position that allowances / claims U/s. 42 and deduction U/s. 80IB (9) is admissible under the Income Tax Act, 1961. The Company has been treating each well as a separate undertaking for the purpose of claiming deduction U/s 80IB(9). This view has not been accepted by the first assessing authorities. However, the Commissioner of Income Tax (Appeal) [C.I.T. (A)] has accepted the Company's contention regarding claim U/s. 80IB (9). The second appellate authority, i.e. Income Tax Appellate Tribunal (ITAT) has also upheld the Company's contention for A.Y. 2000-01 and allowed the claim U/s 80IB (9). Finance (No. 2) Act, 2009 has amended the provisions of Section 80IB (9) with retrospective effect from 1st April 2000, i.e. A.Y. 2000-01 in order to restrict the benefit of deduction U/s 80IB(9) to a "production sharing contract" instead of "well". The Company has been claiming deduction U/s. 80IB (9) by treating each well as a separate undertaking. The Company had challenged the above amendment by filing a writ petition before the Hon'ble High Court of Gujarat. Hon'ble High Court of Gujarat has decided the matter in favour of the Company by its order dated 26th March, 2015 and has struck down the retrospective application of law by holding it as ultra vires. The Union of India has further preferred an SLP before Hon'ble Supreme Court of India challenging the Judgment of High Court of Gujarat. The SLP is placed for hearing on Application for Interim Stay sought by Union of India. The matter is still sub-judice. From F.Y. 2009-10 (A.Y. 2010-11), the Company has been claiming deduction U/s. 80IB(9) by treating "Each Block" as a separate undertaking.

Further to the above, in case of claim U/s 42, the ITAT has upheld the department's contention for claim U/s. 42 in respect of Hazira Field. In view of the ITAT order, CIT (A) has also upheld department's contention for Claim U/s. 42 in respect of Hazira Field for the first time in A.Y. 05-06. However, due to this, the Company does not envisage any tax liability. Both the Company and department have preferred appeals before Hon'ble High Court of Gujarat against the order of ITAT on issues which are not decided in their favour. The Company is confident of its position.

No provision is made for such disputed Income tax liabilities, which is estimated at Rs.2,879.17 crores (31st March, 2022 : 1,714.11 crores). However the same is disclosed by way of a note as contingent liabilities vide note no.34.

The Company has availed deduction U/s.42 as well as claiming tax holiday U/s 80IB (9) of the Income Tax Act, 1961 for exploration / development costs. This has impact of temporary differences, which in the management's view, considering the

past performance and future estimates will be reversed during the "Tax Holiday Period"- and to that extent the deferred tax is not recognized and accordingly no provision for deferred tax liability in respect thereof is made.

- 4 As stated in para 35 read with para 31 of Indian Accounting standard (Ind AS) 12 wherein it is specifically mentioned that, "When an entity has a history of recent losses, the entity recognizes a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity." As, the Company is also having history of losses and there is no other convincing evidence for sufficient future taxable profit, accordingly, Deferred Tax Assets of Rs. 2,930.87 Crores (PY: Rs. 3,757.52 Crores) and Deferred Tax Liabilities of Rs. 635.84 Crores (PY: Rs. 645.15 Crores) has been worked out. In view of paragraph 27, 28, 29, 31 and 35 of Ind AS - 12 on Income Taxes, Deferred Tax Assets has been created only to the extent of Deferred Tax Liabilities i.e. Rs. 635.84 Crores (PY: Rs. 645.15 Crores) and hence, Deferred Tax Assets of Rs. 2,295.03 Crores (PY: Rs. 3,112.37 Crores) has not been created.

Note 12

Other non-financial assets

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Prepaid expense	-	0.02
Deferred employee cost	1.18	1.27
Other non Financial assets	266.55	144.29
Total non-current non-financial assets	267.73	145.58
Current		
Prepaid expense	2.66	5.28
Deferred employee cost	0.76	0.61
Balance with Government Authorities	61.01	68.49
Other non financial assets ^a	115.71	577.61
Total current non-financial assets	180.14	651.99

a.Includes amount paid under protest, advances given to power exchange broker and assets related to employee benefits plan (refer note no. 36)

Note 13

Inventories (For valuation, refer significant accounting policy)

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Finished goods - Crude oil (valued at rate specified in COSA)	4.42	4.35
Condensate	10.21	17.02
Traded goods - Liquified natural gas	447.47	336.38
Total inventories	462.10	357.75

Note 14

Trade receivables

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivable considered good - Secured	889.20	1,493.78
Trade Receivable considered good - Unsecured	106.26	177.93
Total trade receivables	995.46	1,671.71

a. Details of Trade Receivable Ageing

As at 31st March, 2023

(₹. in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables Considered good	2.58	889.07	18.20	1.24	0.08	0.02	84.27	995.46
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

a. Details of Trade Receivable Ageing

As at 31st March, 2022

(₹. in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables Considered good	5.67	1,308.81	272.37	0.10	0.07	2.52	82.17	1,671.71
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-

Note 15
Cash and cash equivalents & other bank balances
(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents*		
Balances with banks / financial institutions		
In current accounts	14.84	42.96
Fixed deposit with original maturity of less than 3 months	264.11	30.00
Cash on hand	-	0.01
Total cash and cash equivalents	<u><u>278.95</u></u>	<u><u>72.97</u></u>
Other bank balances		
Margin money deposits	33.03	516.50
Fixed Deposit with banks / financial institutions		
With original maturity of more than 3 months but upto 12 months**	97.25	140.31
Earmarked Funds		
Bank balances towards Unpaid CSR	1.55	-
Bank balance in sSettlement Account with Indian Gas Exchange	28.32	-
Total other bank balances	<u><u>160.15</u></u>	<u><u>656.81</u></u>

*includes Nil (PY Rs. 42.78 crores) as DSRA (Debt Service Reserve Account).

**Transferred Rs. 4.94 Crore (PY: Rs. 4.36 Crore) to Separate CSR Unspent Account on 24th April 2023 (PY:26th April 2022).

Note 16
Non Current Assets held for sale
a. E&P Fields

During the current financial year, the Company has Issued notices of withdrawal of GSPC's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC] operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been Impaired In full. ONGC being operator in CB-ONN-2004/2 block, has Indicated Its Interest to acquire the entire Participating interest of GSPC In CB-ONN-2004/2 In accordance with Its pre-emptive rights as participating Interest holder In the block by matching the price of H1 bldder i.e. Rs. 24.67 crore (USD 3 Million).

Particulars	As at 31st March, 2023	As at 31st March, 2022
Assets		
Non current assets (net of depreciation and amortization where applicable)		
Producing Properties	102.16	67.25
Exploration & Development	0.20	-
Total carrying value of non-current assets	<u><u>102.36</u></u>	<u><u>67.25</u></u>
Liabilities		
Liabilities associated with above group of assets	<u><u>(11.41)</u></u>	<u><u>(5.75)</u></u>
Net assets classified as held for sale during the year (A)	<u><u>90.95</u></u>	<u><u>61.50</u></u>
Fair value less cost to sell of above group of assets (B)	<u><u>24.67</u></u>	<u><u>16.75</u></u>
Impairment loss relating blocks already recognised in previous year (C)	<u><u>44.75</u></u>	<u><u>-</u></u>
Impairment loss recognized in statement of profit and loss as an exceptional item (D) =(A) - (B) - (C)	<u><u>21.33</u></u>	<u><u>44.75</u></u>
Exploration Cost Written Off during current year	<u><u>0.20</u></u>	<u><u>-</u></u>

Details of profit and loss attributable to the above group of assets is below:

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Revenue	74.63	24.62
Expense	(66.97)	(14.80)
Impairment & exploration cost written off	(21.53)	(44.75)
Profit/(loss) before tax	<u>(13.87)</u>	<u>(34.93)</u>
Income tax expense	-	-
Profit/(loss) after tax	<u>(13.87)</u>	<u>(34.93)</u>

Note 17

Equity share capital

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Authorised share capital*		
1200,00,00,000 equity shares of ₹1 each (31st March, 2022 : 1200,00,00,000 equity shares of ₹1 each)	1,200.00	1,200.00

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Issued, subscribed and paid up capital*		
10,756,540,264 equity shares of ₹1 each (31st March, 2022 : 10,756,540,264 equity shares of ₹1 each)	1,075.65	1,075.65
Total	<u>1,075.65</u>	<u>1,075.65</u>

* There are no movements / changes in authorised, issued, subscribed and fully paid up equity share capital.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	No. of Shares	Amount (₹. in Crores)
	Equity Shares of ₹. 1 each fully paid	
Shares outstanding at 1st April 2021	10,75,65,40,264	1,075.65
Add : Shares issued during the year	-	-
As at 31st March 2022	<u>10,75,65,40,264</u>	<u>1,075.65</u>
Shares outstanding at 1st April 2022	10,75,65,40,264	1,075.65
Add : Shares issued during the year	-	-
As at 31st March 2023	<u>10,75,65,40,264</u>	<u>1,075.65</u>

Details of shareholder(s) holding more than 5% Equity Shares / Details of shares held by parent company and ultimate holding entity and their subsidiaries/associates:

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Number of Equity Shares		
Government of Gujarat (Holding entity)*	5,98,63,28,531	3,48,94,49,630
Gujarat State Investment Limited *	3,76,79,10,793	6,26,47,89,694
Gujarat State Financial Service Limited *	-	17,00,00,000
Gujarat Gas Limited (Subsidiary)	2,00,00,000	2,00,00,000
% Holding in equity shares		
Government of Gujarat (Ultimate Holding entity)	55.65%	32.44%
Gujarat State Investment Limited (Holding Company)	35.03%	58.24%
Gujarat State Financial Service Limited (Associate of Holding Company)	0.00%	1.58%
Gujarat Gas Limited (Subsidiary)	0.19%	0.19%

* There has been change in shareholding of Gujarat State Petroleum Corporation Limited (GSPC) because of which Gujarat State Investment Limited (GSIL) ceased to be holding company of GSPC w.e.f. 20th October 2022. Accordingly, equity shares held by Associates of GSIL i.e. Gujarat State Financial Services Limited is not required to be disclosed as at 31st March 2023. Further, Government of Gujarat became holding entity of the Company with effect from 20th October 2022.

Notes:

- a. As per records of the Company, including its register of shareholders/members and declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of share.

Terms / Rights attached to equity shares

- b. The Company has only one class of equity shares having a face value of ₹1 per share. Each holder of equity shares is entitled to one vote per share.
- c. During the year ended 31st March, 2023 the amount of dividend per share recognized as distributions to equity shareholders is ₹NIL (31st March, 2022 : NIL).
- d. In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by each shareholder.
- e. No bonus shares issued by the Company during last five years immediately preceding the reporting date. Further during 2019-20, the Company issued:
- 686,640,640 fully paid up equity shares against conversion of Compulsorily Convertible Debentures of ₹550 Crore; and
 - 7,490,636,704 fully paid up equity shares on settlement of Non-Convertible Debenture of ₹6000 Crore (through Scheme of Arrangement).

f. Disclosure of Shareholding of Promoters

Promoter Name	Class of Shares	As at 31 March 2023		As at 1 April 2022		% Change during the year
		No. of Shares	%of total shares	No. of Shares	%of total shares	
Governor of Gujarat	Equity	5,98,63,28,531	55.65%	3,48,94,49,630	32.44%	71.56%

Promoter Name	Class of Shares	As at 31 March 2022		As at 1 April 2021		% Change during the year
		No. of Shares	%of total shares	No. of Shares	%of total shares	
Governor of Gujarat	Equity	3,48,94,49,630	32.44%	3,48,94,49,630	32.44%	0.00%

Note 18

Other equity

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital reserve	1.28	1.28
Securities premium	9,471.78	9,471.78
General Reserve	3,245.14	3,245.14
Retained Earnings	(9,909.38)	(12,896.71)
Other Comprehensive Income	2,044.42	2,052.06
Total other equity	4,853.24	1,873.55

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital reserve		
Opening Balance	1.28	1.28
Movements during the year	-	-
Total other equity	1.28	1.28

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Securities premium		
Opening Balance	9,471.78	9,471.78
Movements during the year	-	-
Total securities premium	9,471.78	9,471.78

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
General reserve		
Opening Balance	3,245.14	3,245.14
Movements during the year	-	-
Total General reserve	<u>3,245.14</u>	<u>3,245.14</u>

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Retained earnings		
Opening Balance	(12,896.71)	(14,080.99)
Add:		
Profit/(Loss) during the year	2,987.01	1,183.73
Remeasurement of post employment benefit obligation (net of tax)	0.32	0.55
Total Retained earnings	<u>(9,909.38)</u>	<u>(12,896.71)</u>

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Comprehensive Income		
FVOCI - equity investments		
Opening Balance	2,052.06	2,057.48
Movements during the year	(7.64)	(5.42)
Total FVOCI - equity investments	<u>2,044.42</u>	<u>2,052.06</u>

Note 19
Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-current borrowings		
Secured		
Term loan from banks	-	1,946.92
Unsecured		
Term loan from banks	-	1,261.31
Term loan from related party - GSFS	-	421.87
Total non-current borrowings	<u>-</u>	<u>3,630.10</u>
Current borrowings		
Secured		
From banks (Loans repayable on demand)	-	50.00
Unsecured		
From banks (Loans repayable on demand)	-	50.01
	<u>-</u>	<u>100.01</u>

Note 19

Borrowings

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current maturities of non-current borrowings		
Secured		
Term loan from banks	-	374.37
Unsecured		
Term loan from banks	-	272.07
Term loan from related party - GSFS	-	28.13
	-	674.57
Total current borrowings	-	774.58

Notes : Secured Loans

- a. State Bank of India had sanctioned a Rupee Term Loan (RTL / Corporate Loan 1) Facility amounting to Rs. 3,000 Crores (Current outstanding is Nil (PY - Rs. 558.60 Crores) in F.Y 2014-15. During the year, GSPC had converted the outstanding loan from T Bill arrangement to SBI 3 Month MCLR . During FY 2022-23, there was no instalment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term instalments in the repayment schedule, however the Company repaid the entire term loan from GSFS funds on 20th December 2022, and the bank has issued "No Dues Certificate" towards closure of term loan. The loan was secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3, the security / charge so offered to bank was released on 5th April 2023 .
- b. State Bank of India has sanctioned a Rupee Term Loan (RTL / Corporate Loan 2) of Rs. 2,100 Crores (Current Outstanding - Nil (PY : Rs. 813.55 Crores)) in FY 2019-20. During FY 2022-23, GSPC had converted the outstanding loan from T Bill arrangement to SBI 3 Month MCLR. The Company has repaid Rs. 39.375 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 19th October 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan. The security offered was (a) First pari-passu Pledge charge over GSPC's shareholding in GSPC Pipavav Power Co. Ltd to the extent of 8.71% out of its present shareholding of 97.50%, (b) First pari-passu Pledge charge over GSPC's shareholding of 32.60% in Gujarat State Energy Generation Ltd., (c) First pari-passu. Pledge charge over GSPC's entire 22.50% shareholding in Sabarmati Gas Ltd, the security / charge (including pledge of shares) so offered was released on 6th March 2023.
- c. State Bank of India has sanctioned a Rupee Term Loan (RTL / Corporate Loan 3) of Rs.764.78 Crores (Current Outstanding - Nil (PY : Rs. 623.78 Crores), wherein GSPC converted the External Commercial Borrowing (ECB) to INR term loan after RBI approval with State Bank of India to mitigated foreign exchange risk exposure. The Company has repaid Rs. 149.90 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 15th November 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan. The Company had provided security by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3 along with (a) First pari-passu Pledge charge over GSPC's shareholding in GSPC Pipavav Power Co. Ltd to the extent of 8.71% out of its present shareholding of 97.50%, (b) First pari-passu Pledge charge over GSPC's shareholding of 32.60% in Gujarat State Energy Generation Ltd., (c) First pari-passu. Pledge charge over GSPC's entire 22.50% shareholding in Sabarmati Gas Ltd, the security / charge (including pledge of shares) so offered was released on 6th March 2023.
- d. Consortium of member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL / Corporate Loan 4) of Rs. 4,500 Crore . During FY 2020-21, HDFC Bank had replaced the entire term loan (Current Outstanding - Nil (PY : Rs. 588.75 Crores)) from consortium of bank with same tenor and pricing linked to RBI repo rate + spread. During FY 2022-23, there was no instalment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term instalments in the repayment schedule, however the Company prepaid the entire term loan from internal accruals on 1st November 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan. The loan was secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 amounting to Rs. 485.71 Crores and

charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3, the security / charge so offered was released on 6th December 2022.

- e. GSPC has tied up for Working capital facility with consortium of banks for an amount of Rs. 750 crores, under the said arrangement, GSPC has drawn a Working Capital Demand Loan (WCDL) from State bank of India for an amount of Rs. Nil (PY: Rs. 50 Crores), the loan is secured by First Pari Passu hypothecation charge over gas trading inventory and gas trading receivable (both present and future) of the Company. Further during the year, the Company has also drawn a unsecured short term loan from IDBI Bank for an amount of Rs. 50 Crores for cash flow mismatch from business operations. The outstanding balance as on reporting date is Rs. Nil.

Unsecured Loans

- f. GSPC has replaced a Term loan (RTL / Corporate Loan 5) availed from GSFS (Gujarat State Financial Services Ltd) with Kotak Mahindra Bank for an amount of Rs. 492 Crores in August 2021 (Current Outstanding - Nil (PY : Rs. 246.00 Crores-GSFS)), with a pricing linked to Repo Rate + Spread. The Company has repaid Rs. 164.00 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 22nd November 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan.
- g. GSPC had availed a Term Loan (RTL / Corporate Loan 6) from GSFS for an amount of Rs. 1,050 Crore in FY 2019-20 for a tenor of 10 Years (2 years moratorium + 8 years quarterly repayment), for general business purpose. During FY 2021-22, Canara Bank replaced the existing term loan of GSFS (Current outstanding Nil (PY : Rs. 1,043.44 Crores) at same term and condition for a tenor of 7 Years, pricing linked to EBLR 2 (RBI repo rate) + Spread without any security. The Company has repaid Rs. 19.68 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 27th December 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan.
- h. During FY 2021-22, GSPC has drawn Medium Term Loan (RTL / Corporate Loan 7) from GSFS for an amount of Rs. 450 Crores (Outstanding Rs. Nil (PY: Rs. 450 Crores - GSFS)). The Company has prepaid the entire term loan from internal accruals on 9th March 2023, and GSFS has issued "No Dues Certificate" for closure of term loan. During the year, the Company has also availed Medium Term Loan (RTL / Corporate Loan 8) of Rs. 506 Crores from GSFS, for refinancing of term loan of SBI (Corporate Loan 1) with same term and conditions, the said loan was also repaid by the Company on 17th March 2023 from internal accruals, and GSFS has issued "No Dues Certificate" for closure of term loan.

Note 20

Other financial liabilities

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Other payables	8.55	8.55
Total non-current financial liabilities	8.55	8.55
Current		
Payable to/on behalf of joint arrangement	348.47	301.59
Payable to Indian Gas Exchange (a)	12.06	-
Other current financial liabilities	8.16	7.82
Deposits received from customers	7.11	5.80
Total current financial liabilities	375.80	315.21

- (a) During the year, the Company has obtained Proprietary Membership at Indian Gas Exchange Limited ('IGX'). The membership allows the Company to trade for gas through bids either on its own account or for other market players. The Company has registered its group companies as clients on this platform to increase the participation for various bids. The Company as a proprietary member of the exchange shall settle all the transactions entered, either on its own account or for its client (group entities), with IGX. This amount represents the amount collected from the clients (group companies) which are yet to be deposited with IGX as on the reporting date.

Note 21

Provisions

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Provision for decommissioning obligations	84.41	78.72
Provision for gratuity and loyalty bonus	0.69	-
Total non-current provisions	85.10	78.72
Current		
Provision for gratuity and loyalty bonus	1.54	1.05
Provision for leave benefits	0.39	-
Total current provisions	1.93	1.05

a. For movement in provision related to employee benefits refer note no.36

b. Movement in other provisions

Particulars	Provision for decommissioning obligations
At 1 April 2022	78.72
Less : Changes during the year	(1.13)
Add: Unwinding of Discounts	6.82
At 31 March 2023	84.41

Note 22

Other non financial liabilities

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current		
Statutory liability	194.57	274.59
Other non financial liabilities	19.52	16.63
Total current non-financial liabilities	214.09	291.22

Note 23

Trade payables

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total outstanding dues of micro enterprises and small enterprises	2.59	1.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,734.90	1,517.47
Total trade payables	1,737.49	1,519.44

a. Trade Payable ageing schedule:

As at 31st March 2023

(₹. in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.37	0.32	0.86	0.04	-	-	2.59
(ii) Others	278.98	743.32	26.04	1.37	0.63	6.27	1,056.61
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	77.74	570.41	-	-	-	30.14	678.29
TOTAL	358.09	1,314.05	26.90	1.41	0.63	36.41	1,737.49

As at 31st March 2022

(₹. in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.64	1.07	0.26	-	-	-	1.97
(ii) Others	48.64	3.39	1,095.09	0.62	2.58	3.76	1,154.08
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	48.30	284.95	-	-	-	30.14	363.39
TOTAL	97.58	289.41	1,095.35	0.62	2.58	33.90	1,519.44

b. Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1. The principal amount outstanding as at the end of accounting year.		
a) Trade payable	2.59	1.97
b) Capital creditors	-	-
2. Principal amount due and remaining unpaid as at the end of accounting year.	-	-
3. Interest paid by the company In terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year.	-	-
4. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
5. Interest accrued and remaining unpaid at the end of accounting year (Refer Note below).	-	-
6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

No interest has been paid by the Company to the enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006 according to the terms agreed with the enterprises,

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 24

Revenue from operations (₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of products		
Sale of natural gas - Trading	27,490.53	24,070.04
Sale of gas - Joint Arrangements	16.59	11.93
Sale of oil - Joint Arrangements	93.98	70.58
Sale of electricity - Windmills	33.43	36.73
	<u>27,634.53</u>	<u>24,189.28</u>
Sale of services		
Re-gasification income	42.82	127.26
Transportation income	13.73	17.72
	<u>56.55</u>	<u>144.98</u>
Other operating revenues	7.23	30.71
Total revenue from operations*	<u>27,698.31</u>	<u>24,364.97</u>

*For information on disaggregation of revenue, refer note 38 (Segment reporting)

Reconciliation of the amount of revenue recognized in the Statement of Profit and Loss with the contracted price:

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue as per contracted price		
Adjustments	27,698.68	24,365.37
Rebates	(0.37)	(0.40)
Revenue from contract with customers	<u>27,698.31</u>	<u>24,364.97</u>

Note 25

Other income (₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest Income		
Interest on Deposits with banks / financial institution	30.96	25.01
Others interest income	9.84	8.67
	<u>40.80</u>	<u>33.68</u>
Dividend from long term investments		
Dividend from subsidiary/ Joint Venture companies	87.40	51.45
Dividend from other companies	0.92	1.00
	<u>88.32</u>	<u>52.45</u>
Other non-operating income		
Lease Rental Income	2.21	2.32
Other income - Joint Arrangements	0.72	0.35
Other Non-Operating Income - G&G Projects	-	0.25
Net Foreign Exchange Gain	41.20	103.81
Others Non-Operating Income	1.40	1.96
	<u>45.53</u>	<u>108.69</u>
Total other income	<u>174.65</u>	<u>194.82</u>

Note 26
Production expenditure - E&P

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Production expenditure	58.71	40.59
Duties and taxes	29.00	10.14
Other G&A expenses	9.67	13.27
Total production expenditure - E&P	97.38	64.00

Note 27
Cost of traded goods

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Purchase of gas		
Local Purchase of Gas	8,886.64	8,164.71
Import Purchase of Gas	13,874.80	12,838.81
	<u>22,761.44</u>	<u>21,003.52</u>
Other costs		
Import Gas Regasification Charges	909.72	845.30
Gas Transmission Charges	759.57	657.59
Commodity Hedging Cost	-	159.08
Net movement on Deferred delivery of natural gas	(43.07)	11.90
Other expenses - Gas Trading	6.72	3.66
	<u>1,632.94</u>	<u>1,677.53</u>
Total cost of traded goods	24,394.38	22,681.05

Note 28
Changes in inventories of finished goods, stock in process and stock in trade

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Finished goods		
Closing stock of crude oil & Condensate	(14.63)	(21.37)
Opening stock of crude oil & Condensate	21.37	17.84
	<u>6.74</u>	<u>(3.53)</u>
Stock in trade		
Closing stock of liquefied gas	(447.47)	(336.38)
Opening stock of liquefied gas	336.38	274.46
	<u>(111.09)</u>	<u>(61.92)</u>
Total change in inventories of finished goods, stock in process and stock in trade - (A)+(B)	(104.35)	(65.45)

Note 29

Employee benefits expenses

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Salary and wages	22.64	12.08
Contribution to provident fund and other funds	4.40	0.90
Staff welfare expenses	0.10	0.15
Total employee benefit expenses^a	27.14	13.13

a. Amount represents net expenditure for corporate.

Note 30

Finance costs

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest Cost on Financial Liabilities	223.85	220.44
Exchange differences regarded as an adjustment to borrowing cost	-	111.18
Unwinding of discount on Provisions	6.82	4.99
Other Borrowing Costs (includes bank guarantee, LC charges, bank charges, etc.)	18.17	18.80
Total finance costs	248.84	355.41

Note 31

Other expenses

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Expenses related to wind mills		
Operation and maintenance expenses	12.58	11.40
Windmills insurance expenses	1.46	1.44
Total (A)	14.04	12.84
Administrative expenses		
Electricity expenses	0.97	0.84
Rent, rates and taxes	0.28	0.27
Repairs and maintenance		
Other repairs	1.94	1.54
Insurance expenses	1.01	1.12
Business development and promotion	3.86	-
Advertisement and publicity	-	0.05
Administration and establishment	5.14	3.45
Travelling expenses	0.65	0.35
Stationery and printing	0.24	0.34
Professional and technical expenses	8.63	7.96
Telephone, trunk calls and postage	0.06	0.08

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Vehicle running expenses	0.13	0.11
Bandwidth expenses	0.08	0.03
Payment to auditors (a)	0.24	0.16
Net Loss on Sale/discarding of PPE	0.17	0.28
Corporate social responsibility expenses (b)	14.30	10.07
Other expenses	0.07	1.49
Total (B)	37.77	28.14
Provision for doubtful advances (C)	-	(2.94)
Total other expenses (A+B+C)	51.81	38.04

a. Payment to auditors

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
For statutory audit	0.18	0.16
For other services	0.03	-
For reimbursement of expenses	0.03	-
Total payment to auditors	0.24	0.16

b. Corporate social responsibility expenses

As per Section 135 of the Companies Act, 2013, the Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Gross amount required to be spent by the Company during the year	14.29	8.22
Amount approved by the Board to be spent during the year	14.30	10.07
Amount spent during the year on (Paid in Cash) :		
Construction /acquisition of any asset	-	-
On purpose other than above	9.36	5.71
Amount spent during the year on (Yet to be Paid in Cash) :		
Construction /acquisition of any asset	-	-
On purpose other than above	4.94	4.36
Shortfall at the end of the year	4.94	4.36
Reason for Shortfall	For ongoing project	For ongoing project
The total of previous years' shortfall amounts	4.36	-

Nature of CSR Activities

(₹. in Crores)

Particulars	2022-23	2021-22
Expenditure during the year		
Fire Fighter Robot	-	4.40
PSA Oxygen Plant : Supply, Installation & Commissioning	-	0.48
Vocational Tourist Guide	-	0.19
Ambulance at PHC	-	0.64

Particulars	2022-23	2021-22
One Dialysis	9.36	-
Unspent amount in relation to ongoing project (included in Note 22 as current non-financial liabilities)		
Mini Sanitary Pad Production Plant	-	2.00
Vocational Tourist Guide	-	0.31
Aadhar Enrolment/Biometric Kits	-	1.55
U N Mehta Institute of Cardiology	3.94	-
Renovation of auditorium at SVPNPA	1.00	0.50
Total	14.30	10.07

Details of CSR expenses other than ongoing project :

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening balance	-	-
Amount required to be spent during the year	9.36	5.71
Amount spent during the year	(9.36)	(5.71)
Closing Balance	-	-

Details of CSR expenses - ongoing project :

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening balance		
- With Company **	4.36	-
Amount required to be spent	4.94	4.36
Amount spent during the year		
- In Separate CSR Unspent Account	2.81	-
Closing Balance		
-With Company*	4.94	4.36
-In Separate CSR Unspent Account	1.55	-

* Transferred to separate CSR Unspent Account on 24 April 2023.

* Transferred to separate CSR Unspent Account on 26 April 2022.

Note 32

Exceptional items

The exceptional Items comprises of the following:

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Impairment of oil and gas assets		
Provided During the year ^a	136.18	317.43
Less: Reversed during the year ^a	(5.97)	(49.85)
Impairment on Investment ^b	-	2.45
Exploration cost written off/ (written back) ^c	0.20	0.25
Litigation Settlement ^d	-	(4.31)
Gain on disposal of participating interest in joint arrangements ^e	-	(16.98)
Total exceptional items	130.41	248.99

Notes:

- a. The Company identifies each E&P field /PSC under E&P segment as separate Cash Generating Unit (CGU). The recoverable amount of CGU is determined at higher of its fair value less cost to sell and its value-in-use. For E&P fields which are classified as Assets held for sale, the Company has considered fair value less cost to sell as the recoverable amount whereas for other fields, value-in-use is considered as the recoverable amount of CGU.

Fair value is determined at estimated selling price of CGU using Level III Inputs. This calculation uses the estimated future cash flows that can be generated from the continuing use of these blocks and outflows at the end of its useful life which are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 10%.

The Value in Use of producing / developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under the circumstances where further development of the fields in the CGUs is under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are also taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of evaluation / development is also considered while determining the value in use.

In assessing value in use, the estimated future cash flows from the continuing use of assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 10% (as at March 31, 2022 -10%).

Future cash inflows from sale of crude oil and value added products have been computed using the future prices, on the basis of market-based average prices of Brent crude oil as discounted to match the quality of our crude oil and its Co-relations with benchmark crude. Future cash flows from sale of natural gas are also computed based on the expected future prices on the basis of notification issued by the Government of India/GSA.

The Company has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment to the extent the carrying amount exceeds the value in use, amounting to Rs. 130.21 crores.

During FY 2022-23, the Company has tested all its E&P fields and provided for impairment of Rs. 108.88 Crores, for Tarapur (Rs. 2.38 Crore reversal), Tarapur RFPSC (Rs. 9.20 Crores), Ahmedabad (Rs. 4.14 Crores), Ahmedabad RFPSC (Rs. 7.56 Crores), Sanand Miroli (Rs. 0.89 Crores reversal), Ankleshwar (Rs. 3.99 Crores), North Kathana (Rs. 0.11 Crores reversal), Kanawara (Rs. 0.66 Crores reversal), KG OSN 2001/3 (Rs. 89.65 Crores), Allora (Rs. 0.29 Crores), North Balol (Rs. 0.01 Crores reversal), Unawa (Rs. 1.44 Crores reversal) and Dholasan (Rs. 0.02 Crores) along with capital inventory (Rs. 0.48 Crores reversal) for impairment. Also, during the current financial year, the Company has issued notices of withdrawal of the Company's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full in previous years of which Rs 0.20 crores capital expenditure has been incurred in current financial year in MB-OSN-2005/1 block is transferred to exploration cost written off. Additional impairment of Rs. 21.33 crores is provided in ONGC operated CB-ONN-2004/2 block, in which ONGC has indicated its interest to acquire the entire Participating Interest of the Company in CB-ONN-2004/2 by matching the price of H1 bidder i.e. Rs. 24.67 crore (USD 3 Million) (Refer Note 16). Accordingly, total additional impairment is provided for Rs.136.18 crore and an impairment of Rs.5.97 crore earlier provided was reversed during the year.

During FY 2021-22, the Company has tested all its E&P fields and provided for impairment of Rs. 267.58 crores for Tarapur Block (Rs. 2.51 Crores reversal), Tarapur RFPSC (Rs.73.20 crores), Ahmedabad RFPSC (Rs. 16.72 crores reversal), Ahmedabad (Rs. 21.09 crores reversal), Sanand Miroli (Rs. 5.31 crores), Ankleshwar (Rs. 2.99 crores reversal), Palej (Rs. 1.95 crores), CB ONN 2004/2 (Rs. 44.75 crores), MB OSN 2005/1 (Rs. 97.48 crores), Kanawara (Rs. 6.53 crores reversal), KG OSN 2001/3 (Rs. 101.76 crores) along with capital inventory for impairment (Rs. 1.35 crores) and impairment reversal of Rs.8.38 crore arising out of Change in Current Assets and Current Liabilities of other Asset Held for Sale JVs.

- b. The Company had made an investment in GSPC (JPDA) LTD. amounting to Rs.117.61 crores (31st March, 2022 : Rs 117.61 crores) to carry out exploration activities in Australia. Provision for impairment has been created to the extent of investment in previous years. Considering the same, the Company has also provided for Rs Nil (PY: Rs.2.45 crore) against additional investment made during FY 2021-22.
- c. Exploration cost written off includes additional cost incurred towards fields already surrendered in earlier period.
- d. The Company was in dispute with central government with respect to (i) Royalty on Royalty and (ii) Royalty on sales price instead of well head price. During FY 2020-21, the Company has provided for royalty payable amounting to Rs.55.41 crores on arbitration award against the Company. Of the same, Rs. 4.31 crore being excess provision is reversed during FY 2021-22.
- e. During the previous year, the Company disposed off its participating interest in two of its joint arrangements i.e. Cambay & Bhandut. The net gains realised from the said transactions i.e. Rs. 15.53 Crore (Cambay) & Rs. 1.45 Crore (Bhandut) are recognised as part of exceptional items.

Note 33

Earnings per share

(₹. in Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit attributable to equity holders for (₹ in Crores):		
Basic earnings	2,987.01	1,183.73
Adjusted for the effect of dilution	2,987.01	1,183.73
Weighted average number of equity Shares for:		
Basic EPS	10,75,65,40,264	10,75,65,40,264
Adjusted for the effect of dilution	10,75,65,40,264	10,75,65,40,264
Earnings per equity share (EPS) (face value of ₹ 1/-)		
Basic (₹)	2.78	1.10
Diluted (₹)	2.78	1.10

Note 34

Contingent liabilities & assets

1. Claims against the Company not acknowledged as debts which in the opinion of the Management are not tenable/under appeal at various stages:

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax (Ref. note no.11 - C point no.3)	2,879.17	1,714.11
Joint arrangements (Ref. note a to f below)	67.71	66.40
Indirect tax relating matters	5.86	5.86
Other (Ref. note g to i below)	161.70	162.31

Above Contingent Liabilities Includes:-

- (a) Profit Petroleum paid under protest for Hazira Block: Joint arrangement (JV) partners are liable to pay profit petroleum to MoP&NG after recovery of cost petroleum. The Director General of Hydrocarbons (DGH) disallowed an amount of USD 17.745 million (mainly on account of purchase of compressor amounting to USD 11.328 million) from the cost petroleum recovered by JV and demanded profit petroleum on disallowed amount. In the Operating Committee meeting (10th June 2013) it was decided to deposit the amount demanded by the MoP&NG under protest. The Company had deposited Rs. 19.45 crore (PY: Rs.19.45 crores) on this account. Arbitration awarded in favour of the Company however government of India has preferred an appeal and has filed under the section 34 application before Delhi High Court challenging the arbitral award. As far as the dispute related to royalty is concerned, the Company has recognized the liability as per the arbitral award in previous financial year. Further, the Company has also voluntarily made a payment of the principal amount of Rs. 13.44 to Government of Gujarat towards the Company's share of additional royalty based on the outcome of the arbitration proceedings in previous financial year.
- (b) GSPC has surrendered the South East Tungal field in Indonesia. In the context of this case, the Company, via letter no. GSPC/Indonesia/SET/2014-167 dated 23rd December 2014, has requested to waive the minimum work program commitment and pending the response from the authority, contingent liability towards unfinished minimum work program amounting to Rs.16.61 crores (USD 2.02 Millions) (PY: Rs.15.31 crores (USD 2.02 Millions)) is disclosed.
- (c) GSPC has issued notices of withdrawal of GSPC's Participating Interest under article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1. GSPC may require to pay its share of expenditure, contribution towards Site Restoration Fund, Interest on Service tax payable and interest on delayed cash call etc. The amount of the same is unascertainable as on the reporting date.
- (d) Other liabilities with respect to joint arrangements taken line by line amounting to Rs.26.55 crores (PY: Rs.26.54 crores).
- (e) The Company has challenged the order of Revision Authority, P. Mallavaram dismissing the revision application which

challenged demand notice for House tax issued by the P. Mallavaram Gram panchayat on the Company's OGT building for the Year 2014-2015 to 2016-17 aggregating to 5.10 Crore (PY: Rs. 5.10 Crore). In the demand notices issued to the Company, the house tax is being levied at the rate of 1% of capital value which is also the maximum rate under the relevant Act and Rules. The Company has challenged these demand notices before Andhra Pradesh High Court on major contention that other private operators are being assessed at far lesser slab than the 1% rate applied to the Company. As per the Orders passed by Andhra Pradesh High Court, the Company has deposited a total amount of Rs. 4 Crores under protest and pursuant to such deposit, Andhra Pradesh High Court has granted stay on recovery proceedings initiated by the Gram Panchayat.

- (f) Jubilant Offshore Drilling Pvt Ltd (JODPL) has defaulted on cash calls raised by ONGC after August 4, 2017. As per the JOA, the Company being the non-defaulting partner may be required to further contribute to the defaulted cash calls of JODPL and the Company will have a right to recover such additional contribution from JODPL. The ratio in which the Company may be required to contribute the JODPL's defaulted cash calls is presently unascertainable in light of pendency of challenge to forfeiture notice before NCLT and also in light of balance PI of JODPL being subject to assumption by non-defaulting party(ies) depending upon the approval of management committee. In absence of clarity on the issue, the amount of contingent liability is unascertainable.
- (g) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PNGRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

All the parties have preferred appeals against the PNGRB Orders before Appellate Tribunal for Electricity (APTEL) and APTEL has passed an interim order on 23.01.2012 and directed GAIL, IOCL and BPCL to give direct connectivity at Dahej Terminal subject to GSPC giving undertaking in respect of the following:

- i) GSPC shall open a separate bank account and deposit an amount of Rs. 140 Crores. Accordingly, GSPC has opened and deposited equivalent amount in a separate bank account.
- ii) From the date of change of delivery point, GSPC shall also deposit differential amount in a separate bank account. (Accordingly the Company had deposited additional Rs. 75.36 crore in a separate bank account).

The Company has submitted the Undertaking to APTEL in respect of the same on 18.02.2012 and deposited amounts as aforesaid.

The APTEL has passed common judgment dated 18.12.2013 ("the APTEL Judgment") in the appeals filed by GAIL, IOCL and BPCL and set aside the PNGRB Order.

The Company filed an appeal before the Hon'ble Supreme Court against the APTEL Judgment and the Hon'ble Supreme Court has vide its order dated 28.02.2014 directed the Company, as an interim arrangement, to pay the interconnectivity charges at the rate of Rs. 12 / MMBTU from the account separately maintained for the said purpose in accordance with APTEL's Order dated 23.01.2012 as narrated in (i) & (ii) above.

Accordingly, the Company utilized Rs.176.55 crores for payments to GAIL, IOCL and BPCL as per Interim arrangement order of the Hon'ble Supreme Court. The amount paid net off amount recovered from customers is shown as amount paid under protest in the accounts amounting to Rs. 97.84 Crore (PY: Rs. 97.84 Crores).

Further, the Company has also not provided for differential amount charged by vendors above Rs.12/ MMBTU aggregating to Rs. 45.87 crores (PY: Rs. 45.87 Crores).

The appeal is pending before the Hon'ble Supreme Court.

- (h) The Company has implemented 7th Pay commission with effect from 1st December 2020 as per Government of Gujarat's Resolution. The gross arrears amounting to Rs. 17.99 crores for the period from 1st January 2016 to 30th November 2020 is paid during the current financial year (Rs. 18.60 crores was reported as contingent liability during the previous year).
- (i) On request of GSPC LNG Ltd (GLL), the Company had diverted LNG cargoes for regasification to GLL's Mundra terminal. This has been done to ensure continuity of plant operations at Mundra terminal. On account of this diversion of LNG cargoes, GSPC may face additional liabilities on account of take or pay from the existing LNG terminals wherein it has obligations. In absence of clarity on the issue, the amount of contingent liability is unascertainable.

Contingent Asset

- a) The consideration received from ONGC towards 80% PI transfer in KG-OSN-2001/3 block had two components i.e. (i) Consideration towards DDW
- (ii) Advance floor consideration for Other Six Discoveries amounting to USD 995.26 Million (Rs. 6,295.02 crores) and USD 200 Million (Rs. 1,265 crores) respectively. The advance consideration received towards Other Six Discoveries is non-refundable.

The final consideration for Other Six Discoveries shall be determined based on Field Development Plan (FDP) of Other Six

Discoveries prepared by ONGC for submission to Directorate General of Hydrocarbons (DGH). In the scenario, wherein final consideration as per FDP of Other Six Discoveries is assessed at a value higher than USD 200 Million, the advance consideration received by GSPC shall be adjusted against the same and the balance consideration shall be paid to GSPC. In a scenario, wherein final consideration assessed for Other Six Discoveries is less than or equal to USD 200 Million, GSPC shall retain the non-refundable advance consideration already received.

However, ONGC has already applied for extension in timeline for submission of FDP. Following the principle of conservatism, the Company has not arrived at the valuation of the six discoveries as it is subject to preparation of FDP by ONGC and GSPC & ONGC agreeing to a value as per the valuation parameters adopted for DDW. Hence, at present the receivable on account of six discoveries cannot be reasonably ascertained.

- b) **Guaranteed Gas Price:** The Company has executed Farm-in Farm-out Agreement with ONGC for farm-out of 80% PI in KG Block in FY 2017-18. The agreement involves annual valuation adjustment linked to existing gas prices during the currency of the respective financial year which is carried forward for the tenure of gas sales and purchase agreement between ONGC and GSPC. As per the terms of valuation adjustment clause of agreement, the Company shall be liable to annually adjust valuation i.e. pay any differential amount to ONGC which shall be evaluated based on difference between actual gas prices during the year and agreed prices for the respective financial year for the actual production quantity. The liability is unascertainable due to linkage of adjustment value to actual production during the year along with actual gas prices which is determined as per 6-month trailing market prices of varied mix of alternative fuels/sources of natural gas notified by PPAC. Both these factors cannot be accurately predicted/estimated, thus the valuation adjustment cannot be quantified with certainty. However, the Company has gas sales purchase agreement with ONGC for the entire natural gas produced from KG Block which is forms a component of gas trading pool, which effectively covers the risk of valuation adjustment under FIFO. Further, as on 31st March, 2023 there is an amount Rs.15.16 crores as surplus with the Company for valuation adjustment under FIFO.
- c) The Empowered Committee in meeting held on 14th May 2019, for the matter related to GSPC's claim on GLL for approximately Rs. 80.23 crores towards GLL's failure to receive the commissioning cargo, decided that the payment be made by GLL once requisite funds are available and as per term-sheet GSPC is entitled to recover any damages, cost and expenses on account of GLL's failure to receive commissioning cargo.
- d) In KG-OSN-2001/3 block ,GSPC and ONGC are under process to determine the amount for the final closing adjustment as per FIFO agreement.

Note 35

Capital commitments

A. Estimated amount of contracts remaining to be executed on capital accounts and not provided for:

1. In respect of Joint arrangements ₹108.61 crores (31st March 2022 : ₹108.61 crores)
2. In respect of others Nil (31st March 2022 : Nil)

B. Minimum work programme committed under various Production Sharing Contracts in India and Outside India.

1. In India: Nil (31st March 2022 : Nil)
2. Outside India: Nil (31st March 2022 : Nil)

Note 36

Employee Benefits:

A. Defined contribution plans

1. Company's contribution to Provident Fund is ₹3.86 Crores (FY 2021-22 - ₹ 2.46 Crores)
2. Company's contribution to Super Annuation fund is ₹2.66 Crores (FY 2021-22 ₹1.51 Crores)

B. Defined benefit plans

The following table sets out the funded status of the Gratuity, Loyalty Bonus, Leave Encashment Plan and Post Retirement Medical Benefit Scheme (PRMBS) and the amounts recognized in the Company's financial statements as at 31st March, 2023 and 31st March, 2022 as required by Ind AS 19 - Employee Benefits. The Company has participated in Group Gratuity scheme of LIC and HDFC Standard Life Insurance Company Limited.

(₹ in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		PRMBS (Funded)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Change in benefit obligation								
1 Liability at the beginning of the year	9.99	10.09	11.33	10.30	12.63	12.86	0.27	0.22
2 Interest cost	0.70	0.67	0.80	0.68	0.90	0.86	(0.01)	(0.01)
3 Current service cost	0.73	0.94	0.84	0.79	0.58	0.57	0.03	0.08
4 Benefit Paid	(0.78)	(0.83)	(0.35)	(0.32)	(0.62)	(0.61)	-	(0.00)
5 Actuarial (gain) / Losses	(0.35)	(0.88)	(0.27)	(0.12)	(0.20)	(1.04)	(0.01)	(0.02)
6 Liability at the end of the year	10.29	9.99	12.35	11.33	13.29	12.63	0.28	0.27
Change in fair value of plan assets								
1 Plan assets at the beginning of the year	9.62	9.14	10.64	9.75	12.88	12.81	0.36	0.35
2 Interest Income	0.70	0.63	0.78	0.67	0.93	0.88	0.01	0.01
3 Contributions	-	0.95	-	0.55	-	0.05	0.01	0.01
4 Benefit paid	(0.78)	(0.83)	(0.34)	(0.32)	(0.62)	(0.61)	-	(0.00)
5 Actuarial gain / (Loss)	0.08	(0.27)	(0.29)	-	(0.29)	(0.25)	0.01	-
6 Plan assets at the end of the year	9.62	9.62	10.79	10.64	12.90	12.88	0.39	0.36
7 Total Actuarial Gain/(Loss) To Be Recognized	0.43	0.61	(0.02)	0.12	(0.09)	0.79	0.02	0.02
Actual Return on plan assets								
1 Interest income	0.70	0.63	0.78	0.67	0.93	0.88	0.01	0.01
2 Actuarial gain / (loss)	0.08	(0.27)	(0.29)	-	(0.29)	(0.25)	0.01	-
3 Actual return on plan assets	0.78	0.36	0.49	0.67	0.64	0.63	0.02	0.01
Net (asset) / liability recognized in the Balance Sheet								
1 Liability at the end of the year	10.29	9.99	12.35	11.33	13.29	12.63	0.28	0.27
2 Plan assets at the end of the year	9.62	9.62	10.79	10.64	12.90	12.88	0.39	0.36
3 Amount recognized in the Balance Sheet	0.67	0.37	1.56	0.68	0.39	(0.24)	(0.11)	(0.09)
Current liabilities/ (asset)	0.67	0.37	0.87	0.68	0.39	(0.24)	(0.11)	(0.09)
Non-current liabilities/ (asset)	-	-	0.69	-	-	-	-	-
Expenses recognized in the Statement of Profit & Loss account for the year								
1 Current service cost	0.73	0.94	0.84	0.79	0.58	0.57	0.03	0.08
2 Interest cost	0.70	0.67	0.80	0.68	0.90	0.86	(0.01)	(0.01)
3 Expected return on plan assets	(0.70)	(0.63)	(0.78)	(0.67)	(0.93)	(0.88)	(0.01)	(0.01)
4 Actuarial (gain) / Losses	-	-	-	-	0.09	(0.79)	(0.02)	(0.02)
5 Total expenses*	0.73	0.98	0.86	0.80	0.64	(0.25)	(0.01)	0.04

(₹ in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		PRMBS (Funded)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Amounts recognized in the other comprehensive income								
Actuarial (gain) / Losses on obligations "								
Due to change in financial assumptions	(0.23)	(0.38)	(0.27)	(0.53)	-	-	(0.01)	(0.02)
Due to change in demographic assumption	-	-	-	-	-	-	-	-
Due to experience adjustment	(0.12)	(0.50)	-	0.41	-	-	-	-
Return on plan assets excluding amounts included in interest income	(0.08)	0.27	0.29	-	-	-	(0.01)	-
Total amount recognized in other comprehensive income	(0.43)	(0.61)	0.02	(0.12)	-	-	(0.02)	(0.02)
Other Information								
1 Expected contribution during next 12 months	0.67	0.37	0.87	0.68	0.55	(0.25)	0.02	0.18
2 Average Outstanding Term of the Obligations (Years)	10.69	11.60	11.27	11.99	11.49	12.32	15.68	24.71
3 Composition of plan assets								
Policy of Insurance	100%	100%	100%	100%	100%	100%	0%	0%
Special Deposit Scheme	0%	0%	0%	0%	0%	0%	0%	92%
Other Bank Balance	0%	0%	0%	0%	0%	0%	100%	8%
Actuarial Assumptions								
1 Discount Rate	7.45%	7.20%	7.40%	7.20%	7.40%	7.20%	7.45%	7.20%
2 Rate of return on plan assets	7.45%	7.20%	7.40%	7.20%	7.40%	7.20%	7.45%	7.20%
3 Salary Escalation	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	9.00%	7.00%
4 Withdrawal Rate	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%
5 Medical Inflation Rate	NA	NA	NA	NA	NA	NA	9.00%	9.00%
6 Mortality Rate	Indian Assured Lives Mortality (2012-14) table							
7 Retirement Age	60 years				60 years			

* The figures represent the amount before the allocation of salary expense.

** Benefits to KMPs - Refer note no. 39 - Related Party Transactions

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		PRMBS (Funded)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Discount rate varied by 0.5%	9.86 10.76	9.55 10.47	11.71 13.04	10.71 11.99	12.60 14.04	11.93 13.39	0.22 0.26	0.21 0.25
Salary growth rate varied by 0.5%	10.41 10.15	10.13 9.84	13.04 11.71	11.99 10.71	14.04 12.59	13.39 11.93	NA NA	NA NA
Withdrawal Rate (W.R.) varied by 10%	10.41 10.16	10.12 9.86	12.35 12.34	11.33 11.32	13.31 13.28	12.64 12.62	0.23 0.24	0.22 0.23
Medical Inflation rate Sensitivity	NA NA	NA NA	NA NA	NA NA	NA NA	NA NA	0.26 0.22	0.25 0.21

Notes
a. Plan Risks

The plans expose the Company to a number of actuarial risks such as Actuarial risk, investment risk, legislative risk, market risk and liquidity risk.

b. Asset-liability matching strategies:

For funded plans, Company is expecting to contribute the amount which can mitigate future liability. The estimate of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market. The above information is certified by the actuary.

c. Expected undiscounted future cash flows.

(₹ in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		PRMBS (Funded)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
1st Following year	0.70	0.85	0.35	0.47	0.39	0.47	0.00	0.00
2nd Following year	0.92	0.42	0.80	0.30	0.78	0.38	0.00	0.00
3rd Following year	0.75	0.88	0.55	0.74	0.85	0.74	0.00	0.00
4th Following year	0.90	0.70	0.75	0.50	0.85	0.79	0.01	0.01
5th Following year	0.94	0.85	0.79	0.69	0.86	0.81	0.01	0.01
6th year onwards for balance duration	4.39	4.10	4.79	4.05	4.77	4.20	1.38	1.39

#0.00 denotes value less than Rs. 50,000.

d. GSPC is maintaining the Provident Fund contribution corpus of employees through GSPC EPF Trust. In this regard, a decision was taken in the 249th Meeting of the Board of Directors held on 30th May 2022 vide which the Board had approved to initiate the process of liquidation of GSPC EPF Trust and to transfer the entire employee provident funds maintained in the name of GSPC EPF Trust to EPFO (Employee Provident Fund Organisation). Board of Directors has also approved that in the event Trust undergoes any loss due to premature withdrawals from the investments for the reason of liquidation of Trust or any additional contribution as required by EPFO, GSPC to make good such loss/contribution to the Trust/EPFO. In this regards EPFO has provided necessary approval for withdrawal of exemption / relaxation of trust, with an effective date of surrender being 1st May 2023.

Note 37

Joint Operations (un incorporated Joint arrangements)

The Company has entered into Production Sharing Contracts (PSCs) / Agreements in consortium with various Private/Public Sector & Foreign Companies as stated below with the Ministry of Petroleum & Natural Gas (Government of India), for exploration of oil and gas in the following fields. The Company has also entered into Production Sharing Agreements (PSAs)/Work Permits overseas relating to Oil & Gas/ Exploration Areas blocks along with various companies. Pursuant to the PSCs, Joint Operations (unincorporated Joint arrangements (JVs) have been formed to undertake necessary economic activities for production of Oil and Gas by entering into a Joint Operating Agreement with them. The details are stated below:

I Blocks/Fields currently under exploration, development and production

Sr No	Joint arrangements/PSCs	GSPC's PI*	Operatorship/Other Partners	PI
A	GSPC Operated			
1a	CB-ON/2 (Tarapur)		Exploration	
		80% (80%)	Geo Global Resources (Barbados) Inc.	20%
			Development	
		56% (56%)	Geo Global Resources (Barbados) Inc.	14%
			Oil and Natural Gas Corporation Limited	30%
1b	CB-ON/2 RFPSC - (Tarapur RFPSC) (Refer Node d)	80% (80%)	Geo Global Resources (Barbados) Inc.	20%
2a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%
2b	CB-ONN-2000/1 -(RFPSC)	50% (50%)	GAIL (India) Ltd	50%
3	CB-ONN-2002/3 (Sanand)	55% (55%)	Jubilant Oil & Gas Private Limited	20%
			Hindustan Petroleum Corporation Limited	15%
			Geo Global Resources (Barbados) Inc.	10%
4	CB-ONN-2003/2 (Ankleshwar)	75% (75%)	Exploration	
			GAIL (India) Ltd	25%
		50%(50%)	Development & Production:	
			GAIL (India) Ltd	20%
			Jubilant Capital Private Limited	20%
			Geo Global Resources (Barbados) Inc.	10%
B	GSPC Non Operated JVs			
5	Asjol	50% (50%)	Hindustan Oil and Exploration Company Limited (Operator)	50%
6	Palej (Refer Note b)	50% (50%)	Exploration	
			Hindustan Oil and Exploration Company Limited (Operator)	50%
		35% (35%)	Development	
			Hindustan Oil and Exploration Company Limited (Operator)	35%
			Oil and Natural Gas Corporation Limited	30%
7	North Balol	45% (45%)	Hindustan Oil and Exploration Company Limited (Operator)	25%
			GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
8	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
9	KG-OSN-2001/3	10% (10%)	JODPL Pvt. Ltd.	10%
			Oil and Natural Gas Corporation Ltd. (Operator)	80%

II Blocks/Fields identified as assets held for sale / Under surrender / relinquishment

Sr No	Joint arrangements/PSCs	GSPC's PI*	Operatorship/Other Partners	PI
A	GSPC Non Operated JVs			
1	CB-ONN-2004/2 (Refer Note a)	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%
2	CB-ONN-2004/3 (Refer Note a)	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%
3	MB-OSN-2005/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
4	CB-ONN-2004/1 (Refer Note a)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
5	GK-OSN-2009/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%
			Indian Oil Corporation Limited	20%
			Adani Welspun Exploration Ltd	20%

III Blocks/Fields for which company has proposed to surrender its PI

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	GSPC Operated			
1	Block No 19 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%
2	Block No 28 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%
3	Block No 57 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd,	30%
4	South East Tungal (Indonesia)	50.50% (50.50%)	Essar Oil Limited	49.50%
5	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd	40%
			Petrogas E&P LLC	20%
6	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%
B	GSPC Non Operated Jvs			
7	RJ-ONN-2004/1	22.225% (22.225%)	GAIL (India) Ltd (Operator)	22.225%
			Hindustan Petroleum Corporation Limited	22.22%
			BPCL	11.11%
			Hallworthy Shipping Ltd. SA	11.11%
			Nitin Fire Protection Industries Ltd.	11.11%
8	CY-ONN-2005/1	30% (30%)	GAIL (India) Ltd (Operator)	40%
			Bengal Energy Inc.	30%
9	KK-DWN-2005/2	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
10	AA-ONN-2003/1(Assam)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator)	10%
			Jubilant Securities Pvt. Ltd.	35%
			GAIL (India) Ltd	35%
11	CY-DWN-2004/3	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd.	10%
			Hindustan Petroleum Corporation Limited	10%

Sr No B	Joint arrangements/PSCs GSPC Non Operated Jvs	GSPC's PI	Operatorship/Other Partners	PI
12	CY-PR-DWN-2004/1	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
13	MB-OSN-2005/5	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
14	MB-OSN-2005/6	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
15	CB-ONN-2005/4	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
16	CB-ONN-2005/10	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
17	CB-ONN-2009/4	50% {50%}	Oil and Natural Gas Corporation Limited (Operator)	50%

*PI - Participating Interest

** Figures in bracket indicate previous year figures. There is no change in previous year figures unless otherwise stated.

Notes

- During the current financial year, the Company has issued notices of withdrawal of GSPC's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full. ONGC being operator in CB-ONN-2004/2 block, has indicated its interest to acquire the entire Participating Interest of GSPC in CB-ONN-2004/2 in accordance with its pre-emptive rights as participating interest holder in the block by matching the price of H1 bidder i.e. Rs. 24.67 crore (USD 3 Million). All these are classified as held for sale (Refer note 16 - Assets held for sale).
- In FY 2017-18 GSPC and HOEC has submitted the proposal for CB-ON/7 Ring Fenced PSC (RFPSC) to MOPNG. GSPC has already paid the requisite amount of USD 1.275 Million (Rs.8.17 Crores) as per the guidelines of MOPNG for signing of CB-ON/7 RFPSC. Signing of PSC is pending.
- During the financial year 2012-13, the Company along with its JV partners have recommended to surrender the three blocks by invoking the termination provision of the PSAs on account of continuation of force majeure events for more than six months. Vide letter dated 13th February, 2013, GSPC led consortium has terminated Production Sharing Agreements (PSAs) for 3 blocks awarded in Republic of Yemen (RoY). PSAs have been terminated on the ground of existence of force majeure event. The Consortium had initiated the arbitration proceedings under the PSAs before the International Chamber of Commerce (ICC), Paris and in the interim stage, obtained order Republic of Yemen not to take steps invoking SBLCs, while Consortium has been directed to extend the validity of SBLCs. Detailed pleadings were filed by both the parties and the final hearing was held from 8-12th September 2014 at the ICC hearing center in Paris. After the final hearing was concluded both the parties had submitted Post Hearing Briefs before the Arbitral Tribunal. Subsequently upon completion of the arbitration proceedings, the final award has been passed by the Arbitral Tribunal on 10th July 2015. The Arbitral Award inter alia:
 - Declared that the three Production Sharing Agreements (Blocks 19, 28, and 57) have been validly terminated by GSPC Consortium;
 - Declared that the Republic of Yemen and/or the Yemeni Ministry of Oil and Minerals were and are not entitled under the Production Sharing Agreements to draw on the related Standby Letters of Credits (US\$ 42 million i.e. ~Rs.308.72 crores) issued in their favor by the International bank of Yemen;
 - Arbitral Tribunal has awarded costs of approx. USD 3.92 million (~Rs.28.81 crores) in favour of GSPC Consortium.

The Said Arbitral Award has been challenged by the Yemen Government by filing Annulment Proceedings in Court Of Appeal at Paris. GSPC Consortium has filed the response to the Annulment Proceedings filed by Yemen Government. The hearing for the

matter took place on February 28, 2017. The Annulment Proceedings have also been held in favour of GSPC Consortium by the Paris Court.

- Following dismissal of Annulment Proceedings by Court of Appeal at Paris, GSPC consortium has initiated enforcement actions against Government of Yemen to secure the award money. The matter is sub-judice.

- d. With respect to Tarapur Extension phase the grant of Petroleum Mining License (PML) for the 570 sq km area in the block is pending because of existing issue of non-regularization of Petroleum Exploration License (PEL) since 23rd November 2008 by the Company. The Company has paid PEL license fee for the period 23rd November 2008 to 22nd December 2020 to Government of Gujarat in March 2021. However, the grant of PML from GoI is pending as on 31st March 2023.
- e. Of above fields/blocks, 9 blocks / fields are in production, namely Asjol, North Balol, CB-ON/7 (Palej), Kanawara, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3 and Sanand Miroli block. Net quantity of the Company's interest (on gross basis) in proved developed reserves is as follows:

Particulars	Proved Reserves (Oil) (Million MT)*	Proved Reserves (Gas) (Million Cubic Meter) *
Opening Balance for the year ended on 1st April, 2022	0.20	3,027.80
	(0.23)	(3,043.44)
Additions	-	-
	-	-
** Adjustments on account of change in Reserve estimate	-	-
	-	-
Deletions	-	-
	-	-
Production	0.03	12.84
	(0.03)	(15.64)
Closing Balance for the year ended on 31st March, 2023	0.17	3,014.96
	(0.20)	(3,027.80)

*Figures in brackets relate to period ended 31st March, 2022

The Company's share of reserve has been considered on the basis of the "Reserve" certification provided by Gujarat Energy Research & Management Institute (GERMI) as on 31st March, 2019 and accordingly the proved reserves as on 31st March, 2023 has been worked based on the reserve estimates certified by GERMI and only includes the blocks which are in production.

** Adjustments reflects change in current reserve estimation and earlier reserve estimation based on proved reserves.

- e. The financial statements of the Company reflect its share of Assets, Liabilities, Income and Expenditure of the Joint arrangement operations which are accounted on a line to line basis with similar items in the Company's accounts to the extent of participating interest of the Company as per the various joint arrangement agreements, in compliance of Ind AS 111 Joint Arrangements. The income and expenditure from Joint arrangements are disclosed separately in the Statement of Profit and Loss. The summary of the Company's share in Assets & Liabilities of Joint arrangements are as follow:

Particulars	₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Property Plant & Equipment (Gross Block)	4,973.70	4,807.10
Current Assets	88.08	104.55
Current Liabilities and Provisions	194.84	206.49
Contingent Liabilities	67.71	66.40

f. The Statement of Profit and Loss of the Company includes its share in Profit or Loss pertaining to the respective Joint arrangements. The summary of Statement of Profit and Loss for the year ended 31st March 2023 is given as under:

Particulars	(₹. in Crores)	
	For the Year Ended	
	31st March, 2023	31st March, 2022
	GSPC'S Share	GSPC'S Share
Income		
Sale of Crude Oil	93.98	70.58
Sale of Gas	24.04	15.83
Increase/(Decrease) in Stock	(6.74)	3.53
Other Income	0.72	0.35
Total	112.00	90.29
Expenditure		
Production Expenses	58.71	40.59
Duties & Taxes	29.00	10.14
Administrative exps.	9.67	13.27
Total Expenditure before Depreciation & Impairment	97.38	64.00
Profit before depreciation / impairment	14.62	26.29

Note 38

Segment Information

1. Description of segment and principal activities

The Company's Board of Directors monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified three reportable segments of its business:

- a) **Exploration and production (E&P)**: Company is engaged in oil and gas exploration and production operations.
- b) **Gas Trading**: Company is engaged in the procurement of gas from Domestic & International market to meet the demand of gas across India.
- c) **Wind power**: Generation of electricity through windmills.

2. Segment revenue and expenses

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

3. Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net Property, Plant & equipment, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions excluding borrowings and deferred tax liabilities.

4. Information about geographical areas

All non-current operating assets of the Company are held within India and whole revenue generated from external customers are related to Indian geography. The Company revenue comprises of revenue from 3 (PY:3) major customers (accounting for 10% or more of the Company's revenue).

5. Information about product and services

The Company's revenue from external customers for each product is same as that disclosed below under "segment revenue".

(₹ in Crores)

Particulars	As at 31st March, 2023					As at 31st March, 2022				
	E & P	Gas Trading	Wind Power	Unallocated	Total	E & P	Gas Trading	Wind Power	Unallocated	Total
A. Segment revenue										
External sales*	118.02	27,554.31	33.43	-	27,705.76	86.41	24,245.73	36.73	-	24,368.87
Inter segment sales	(7.45)	-	-	-	(7.45)	(3.90)	-	-	-	(3.90)
Total segment revenue	110.57	27,554.31	33.43	-	27,698.31	82.51	24,245.73	36.73	-	24,364.97
B. Segment results										
Profit(+)/loss(-)	13.90	3,263.57	19.39	-	3,296.86	25.94	1,622.70	23.89	-	1,672.53
Unallocated expenses	-	-	-	(64.91)	(64.91)	-	-	-	20.27	20.27
Operating Profit	13.90	3,263.57	19.39	(64.91)	3,231.95	25.94	1,622.70	23.89	20.27	1,692.80
Interest/ dividend										
Income	-	0.26	-	128.86	129.12	-	0.37	-	85.76	86.13
Other Income	0.72	-	0.16	44.65	45.53	0.35	-	0.83	107.51	108.69
Interest Expenses	-	-	-	(248.84)	(248.84)	-	-	-	(414.01)	(414.01)
Depreciation	(28.85)	-	(9.82)	(1.78)	(40.45)	(28.13)	-	(11.12)	(1.82)	(41.07)
Provision for taxation	-	-	-	0.11	0.11	-	-	-	0.18	0.18
Profit/Loss from ordinary Activities	(14.23)	3,263.83	9.73	(141.91)	3,117.42	(1.84)	1,623.07	13.60	(202.11)	1,432.72
Impairment Recognized	(136.18)	-	-	-	(136.18)	(317.43)	-	-	-	(317.43)
Impairment Reversed	5.97	-	-	-	5.97	49.85	-	-	-	49.85
Other Exceptional Item	(0.20)	-	-	-	(0.20)	16.14	-	-	2.45	18.59
Net profit/(loss)	(144.64)	3,263.83	9.73	(141.91)	2,987.01	(253.28)	1,623.07	13.60	(199.66)	1,183.73

* Segment Revenue includes other operating income which is directly attributable to each segment.

C. Segment assets										
Segment assets	1,511.92	1,601.80	71.30	-	3,185.02	1,584.58	2,511.15	82.19	-	4,177.92
Unallocated Assets	-	-	-	5,178.24	5,178.24	-	-	-	5,395.90	5,395.90
Total Assets	1,511.92	1,601.80	71.30	5,178.24	8,363.26	1,584.58	2,511.15	82.19	5,395.90	9,573.82
D. Segment Liabilities										
Segment Liabilities	463.09	1,423.73	10.55	-	1,897.37	401.25	1,108.02	11.12	-	1,520.39
Unallocated Liabilities	-	-	-	537.00	537.00	-	-	-	5,104.23	5,104.23
Total Liabilities	463.09	1,423.73	10.55	537.00	2,434.37	401.25	1,108.02	11.12	5,104.23	6,624.62
E. Other Information										
Capital Expenditure	70.14	1.27	-	0.09	71.50	10.74	0.12	-	0.19	11.05
Depreciation	28.85	-	9.82	1.78	40.45	28.13	-	11.12	1.82	41.07
Impairment Recognised	136.18	-	-	-	136.18	317.43	-	-	-	317.43
Impairment Reversed	(5.97)	-	-	-	(5.97)	(49.85)	-	-	-	(49.85)
Non Cash Expenses other than Depreciation	0.20	-	-	-	0.20	(16.14)	-	-	(2.45)	(18.59)

Note 39
RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" notified by Ministry of Corporate Affairs, the related parties of the Company are as follows.

39.1.1 Holding Company - Government of Gujarat (w.e.f. 20 October 2022) and Gujarat State Investments Limited (up to 19 October, 2022)*

39.1.2 Subsidiary Company - Gujarat State Petronet Limited, GSPC Pipavav Power Company Ltd, Guj Info Petro Limited, GSPC (JPDA) Ltd, Gujarat Gas Limited, GSPC Offshore Ltd (Refer Note 7 (c)), GSPC Energy Ltd.

39.1.3 Associate Companies - Gujarat State Energy Generation Limited, Alcock Ashdown (Gujarat) Limited (Refer Note 7 (c));

Entity over which Holding Company exercise significant influence * - Gujarat State Financial Services Ltd, Gujarat Narmada Valley Fertilizers & Chemicals Ltd, Gujarat State Fertilizers & Chemicals Ltd, Gujarat Alkalies & Chemicals Limited

39.1.4 Joint Ventures- GSPL India Gasnet Limited, GSPL India Transco Limited and Sabarmati Gas Ltd.

39.1.5 Key Managerial Personnel:

Name of Key Managerial Personnel:	F.Y.2022-23		F.Y.2021-22	
	From Date	To Date	From Date	To Date
Shri Anil Mukim, IAS (Chairman)	-	-	1-Apr-21	31-Aug-21
Shri Pankaj Kumar, IAS (Chairman)	1-Apr-22	1-Feb-23	7-Sep-21	31-Mar-22
Shri Pankaj Joshi, IAS - (Holding Company - Chairman)	-	-	1-Apr-21	6-Dec-21
Shri J P Gupta, IAS - (Holding Company - Chairman)	1-Apr-22	19-Oct-22	6-Dec-21	31-Mar-22
Shri Sanjeevkumar, IAS (Managing Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Milind Torawane, IAS - [Holding Company - (Managing Director)]	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Dr. Rajiv Kumar Gupta, IAS (Director)	1-Apr-22	8-Jun-22	1-July-21	31-Mar-22
Shri Raj Kumar, IAS [Director]	20-Jul-22	20-Feb-23	-	-
Shri Raj Kumar, IAS (Chairman)	21-Feb-23	31-Mar-23	-	-
Shri J. P. Gupta, IAS (Director)	1-Apr-22	31-Mar-23	25-Nov-21	31-Mar-22
Shri Pankaj Joshi, IAS (Director)	-	-	1-Apr-21	25-Aug-21
Smt. Sunaina Tomar, IAS (Director)	-	-	1-Apr-21	14-Jun-21
Dr. Manjula Subramaniam, IAS (Retd.) (Woman Independent Director)	1-Apr-22	12-Dec-22	1-Apr-21	31-Mar-22
Ms. Shridevi Shukla - (Holding Company - Woman Independent Director)	1-Apr-22.	19-Oct-22	1-Apr-21	31-Mar-22
Ms. Arti Kanwar, IAS - (Holding Company - Woman Director)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Shri Yamal Vyas, Independent Director	-	-	1-Apr-21	23-Dec-21
Shri M. M. Srivastava, IAS (Retd. (Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri K. Kailashnathan, IAS (Retd.) (Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Vasantkumar Raval - (Holding Company - Independent Director)	1-Apr-22	19-Oct-22	-	-
Dr. N. Ravichandaran (Independent Director]	1-Apr22	31-Mar-23	1-Apr21	31-Mar-22
Prof. Yogesh Singh (Independent Director)	1-Apr-22	31-Mar-23	1-Apr21	31-Mar-22
Dr. Ravindra Dholakia (independent Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Rajesh Sivadasan (CFO)	1-Apr22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Ghanshyam Pathak — (Holding Company - CFO)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Smt. Reena Desai (Company Secretary)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Sandeep Shah — (Holding Company - Company Secretary)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22

*Consequent to change in shareholding pattern of the Company pursuant to the sale of shares by Gujarat State Investments Limited (GSIL) to Government of Gujarat, GSIL has ceased to be the holding company of the Company with effect from 20 October 2022, Accordingly, GSIL and its associates are considered as related parties for the disclosures under Ind AS 24 only for the period upto 19 October 2022.

**39.1.6 Related party disclosure
Transactions during the year with related parties:**

(₹ in Crores)

Nature of Transaction	Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Income:												
Sale of LNG	9,905.44	12,409.92	2.72	87.31	458.39	526.57	-	-	1,189.40	788.78	11,555.96	13,812.57
Gujarat State Petronet Ltd.	57.13	124.17	-	-	-	-	-	-	-	-	57.13	124.17
Gujarat Gas Limited	9,845.68	11,982.77	-	-	-	-	-	-	-	-	9,845.68	11,982.77
GSPC Pipavav Power Company Ltd.	2.64	122.98	-	-	-	-	-	-	-	-	2.64	122.98
Sabarmati Gas Ltd.	-	-	-	-	319.22	526.57	-	-	-	-	319.22	526.57
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	-	548.73	472.40	548.73	472.40
Gujarat State Fertilizer Company	-	-	-	-	-	-	-	-	635.66	316.08	635.66	316.08
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	5.01	0.30	5.01	0.30
GSPC INDIA GASNET LTD	-	-	-	-	139.17	-	-	-	-	-	139.17	-
Gujarat State Energy Generation Ltd	-	-	2.72	87.31	-	-	-	-	-	-	2.72	87.31
GSPC Energy Ltd.	-	180.00	-	-	-	-	-	-	-	-	-	180.00
REGASIFICATION INCOME	29.39	32.66	-	-	-	-	-	-	0.70	14.31	30.09	46.97
Gujarat Gas Limited	29.39	32.66	-	-	-	-	-	-	-	-	29.39	32.66
GSPC Pipavav Power Company Ltd.	-	0.00	-	-	-	-	-	-	-	-	-	0.00
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	0.02	-	0.02
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	-	0.70	13.25	0.70	13.25
Gujarat State Fertilizer Company	-	-	-	-	-	-	-	-	-	1.04	-	1.04
TRANSPORTATION INCOME	3.15	-	-	-	1.41	-	-	-	0.41	8.80	4.97	8.80
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	-	0.41	8.14	0.41	8.14
Gujarat State Fertilizer Company	-	-	-	-	-	-	-	-	-	0.65	-	0.65
GSPC Pipavav Power Company Ltd.	1.07	-	-	-	-	-	-	-	-	-	1.07	-
Sabarmati Gas Ltd.	-	-	-	-	1.41	-	-	-	-	-	1.41	-
Gujarat Gas Limited	1.00	-	-	-	-	-	-	-	-	-	1.00	-
GSPC Energy Ltd.	1.08	-	-	-	-	-	-	-	-	-	1.08	-
Brokerage Income	2.53	-	-	-	0.26	-	-	-	-	-	2.79	-
GSPC Energy Ltd	0.69	-	-	-	-	-	-	-	-	-	0.69	-
Gujarat Gas Limited	1.16	-	-	-	-	-	-	-	-	-	1.16	-
GSPC Pipavav Power Company Ltd.	0.68	-	-	-	-	-	-	-	-	-	0.68	-
Sabarmati Gas Ltd.	-	-	-	-	0.26	-	-	-	-	-	0.26	-

(₹ in Crores)

Nature of Transaction	Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Rent received												
Gujarat State Petronet Ltd	1.19	1.13	0.23	0.22	-	-	-	-	-	-	1.42	1.35
GSPC Pipavav Power Company Ltd.	0.40	0.38	-	-	-	-	-	-	-	-	0.40	0.38
Gujarat Gas Limited	0.23	0.22	-	-	-	-	-	-	-	-	0.23	0.22
Guj Info Petro Ltd	-	0.00	-	-	-	-	-	-	-	-	-	0.00
Gujarat State Energy Generation Ltd	0.56	0.53	-	-	-	-	-	-	-	-	0.56	0.53
	-	-	0.23	0.22	-	-	-	-	-	-	0.23	0.22
Dividend Income												
Gujarat State Petronet Ltd	42.46	42.46	-	-	44.94	8.99	-	-	-	-	87.40	51.45
Sabarmati Gas Ltd.	42.46	42.46	-	-	-	-	-	-	-	-	42.46	42.46
	-	-	-	-	44.94	8.99	-	-	-	-	44.94	8.99
Interest Income												
GSPC Pipavav Power Company Ltd.	-	0.01	9.39	8.04	-	-	-	-	-	0.01	9.39	8.06
Gujarat State Energy Generation Ltd	-	0.00	-	-	-	-	-	-	-	-	-	0.00
GSPC Energy Ltd	-	-	9.39	8.04	-	-	-	-	-	-	9.39	8.04
Gujarat Narmada Valley Fertilizers & Chem. Ltd	-	0.01	-	-	-	-	-	-	-	-	-	0.01
	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Reimbursement of Exp-Received												
Gujarat Gas Limited	5.71	5.75	0.53	0.40	0.73	1.16	-	-	0.02	0.03	6.98	7.34
Gujarat State Petronet Ltd	1.41	1.32	-	-	-	-	-	-	-	-	1.41	1.32
GSPC Pipavav Power Company Ltd.	1.43	2.07	-	-	-	-	-	-	-	-	1.43	2.07
GSPC ENERGY LIMITED	0.97	0.76	-	-	-	-	-	-	-	-	0.97	0.76
Sabarmati Gas Ltd.	0.63	0.60	-	-	-	-	-	-	-	-	0.63	0.60
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	0.21	0.02	-	-	-	-	0.21	0.02
Gujarat State Fertilizer Company	-	-	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	0.01	-	0.01
Guj Info Petro Ltd	1.27	1.00	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Gujarat State Energy Generation Ltd	-	-	0.53	0.40	-	-	-	-	-	-	1.27	1.00
GSPL INDIA GASNET LTD	-	-	-	-	0.28	0.44	-	-	-	-	0.53	0.40
GSPL INDIA TRANSCO LTD	-	-	-	-	0.23	0.70	-	-	-	-	0.28	0.44
	-	-	-	-	-	-	-	-	-	-	0.23	0.70
Expenses:												
Purchase of Gas												
GSPC Pipavav Power Company Ltd.	209.08	-	-	-	-	2.14	-	-	-	-	209.08	2.14
	87.70	-	-	-	-	-	-	-	-	-	87.70	-

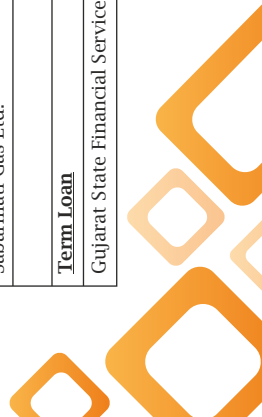


(₹ in Crores)

Nature of Transaction	Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
GSPC Energy Limited	89.72	-	-	-	-	-	-	-	-	-	89.72	-
Gujarat Gas Limited	15.63	-	-	-	-	-	-	-	-	-	15.63	-
Gujarat State Petronet Ltd	16.03	-	-	-	-	-	-	-	-	-	16.03	-
GSPL India Transco Ltd	-	-	-	-	2.14	-	-	-	-	-	-	2.14
Gas transportation charges	289.36	302.67	-	-	-	-	-	-	-	-	289.36	302.67
Gujarat State Petronet Ltd	289.36	302.67	-	-	-	-	-	-	-	-	289.36	302.67
Administrative & Other Expenses paid	0.41	0.62	-	-	-	-	-	-	0.00	0.00	0.41	0.62
Guj Info Petro Ltd	0.41	0.62	-	-	-	-	-	-	-	-	0.41	0.62
Gujarat Narmada Fertilizer Company	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
Interest on term loan	-	-	-	-	-	-	-	-	-	-	-	86.90
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	16.52	86.90	16.52	86.90
Purchase of Fuel	0.02	0.03	-	-	-	-	-	-	-	-	0.02	0.03
Gujarat Gas Limited	0.02	0.03	-	-	-	-	-	-	-	-	0.02	0.03
Reimbursement of Expenses: Paid	1.45	0.70	-	0.00	-	-	-	-	-	-	1.45	0.70
Guj Info Petro Ltd.	0.09	-	-	-	-	-	-	-	-	-	0.09	-
Gujarat State Petronet Ltd	1.36	0.66	-	-	-	-	-	-	-	-	1.36	0.66
GSPC Pipavav Power Company Ltd.	-	0.04	-	-	-	-	-	-	-	-	-	0.04
Gujarat State Energy Generation Ltd	-	-	-	0.00	-	-	-	-	-	-	-	0.00
Remuneration to Key Managerial Personnel	-	-	-	-	-	-	1.30	1.04	-	-	1.30	1.04
Key management personnel compensation	-	-	-	-	-	-	1.21	0.91	-	-	1.21	0.91
Director Sitting Fees	-	-	-	-	-	-	0.06	0.08	-	-	0.06	0.08
Post employment benefit plan	-	-	-	-	-	-	-	-	-	-	-	-
-Employee group gratuity scheme	-	-	-	-	-	-	0.02	0.01	-	-	0.02	0.01
Other Long term benefits	-	-	-	-	-	-	0.01	0.04	-	-	0.01	0.04
Purchase of Fixed Assets	0.16	0.18	-	-	-	-	-	-	-	-	0.16	0.18
Guj Info Petro Ltd	0.16	0.18	-	-	-	-	-	-	-	-	0.16	0.18

(₹ in Crores)

Nature of Transaction	Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Sale of Fixed Assets												
Gujarat State Petronet Ltd	-	0.01	-	-	-	-	-	-	-	-	-	0.01
	-	0.01	-	-	-	-	-	-	-	-	-	0.01
Current Assets & Liabilities:												
Trade Receivables	309.92	247.86	-	-	27.36	18.24	-	-	36.24	-	337.28	302.33
Gujarat State Petronet Ltd	-	34.66	-	-	-	-	-	-	-	-	-	34.66
Gujarat Gas Limited	307.53	211.57	-	-	-	-	-	-	-	-	307.53	211.57
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	29.78	-	-	-	29.78
Gujarat State Fertilizer Company	-	-	-	-	-	-	-	6.46	-	-	-	6.46
Sabarmati Gas Ltd.	-	-	-	-	27.36	18.24	-	-	-	-	27.36	18.24
GSPC Energy Limited	2.39	1.63	-	-	-	-	-	-	-	-	2.39	1.63
Loan Given	-	-	45.83	42.26	-	-	-	-	-	-	45.83	42.26
Gujarat State Energy Generation Ltd	-	-	45.83	42.26	-	-	-	-	-	-	45.83	42.26
Trade Payables	14.74	15.08	0.00	-	-	-	-	-	-	-	14.74	15.08
Gujarat State Petronet Ltd.	13.10	15.02	-	-	-	-	-	-	-	-	13.10	15.02
Gujarat Gas Limited	0.00	0.02	-	-	-	-	-	-	-	-	0.00	0.02
GSPC Pipavav Power Company Ltd.	0.73	-	-	-	-	-	-	-	-	-	0.73	-
Guj Info Petro Ltd.	0.16	0.04	-	-	-	-	-	-	-	-	0.16	0.04
Gujarat State Energy Generation Ltd.	-	-	0.00	-	-	-	-	-	-	-	0.00	-
GSPC Energy Limited	0.75	-	-	-	-	-	-	-	-	-	0.75	-
Advance/Receivables	1.80	1.13	1.54	1.10	0.47	0.11	-	-	-	-	3.81	2.34
Gujarat State Petronet Ltd	0.78	0.03	-	-	-	-	-	-	-	-	0.78	0.03
GSPC Pipavav Power Company Ltd.	0.61	0.21	-	-	-	-	-	-	-	-	0.61	0.21
Guj Info Petro Ltd	0.41	0.16	-	-	-	-	-	-	-	-	0.41	0.16
Gujarat Gas Limited	-	0.73	-	-	-	-	-	-	-	-	-	0.73
Gspl India Transco Ltd	-	-	-	-	0.19	0.09	-	-	-	-	0.19	0.09
Gspl India Gasnet Ltd	-	-	-	-	0.28	-	-	-	-	-	0.28	-
Gujarat State Energy Generation Ltd	-	-	1.54	1.10	-	-	-	-	-	-	1.54	1.10
Sabarmati Gas Ltd.	-	-	-	-	-	0.02	-	-	-	-	-	0.02
Term Loan	-	-	-	-	-	-	-	-	-	450.00	-	450.00
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	-	450.00	-	450.00



(₹ in Crores)

Nature of Transaction	Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Investment in Share Capital (Allotment)*												
Gujarat State Petronet Ltd	1,170.53	1,170.58	290.18	290.18	55.10	55.10	-	-	-	-	1,515.81	1,515.86
GSPC Pipavav Power Company Ltd.	213.31	213.31	-	-	-	-	-	-	-	-	213.31	213.31
GSPC (JPDA) Ltd.	840.00	840.00	-	-	-	-	-	-	-	-	840.00	840.00
Guj Info Petro Ltd	117.14	117.14	-	-	-	-	-	-	-	-	117.14	117.14
Gujarat State Energy Generation Ltd	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
Sabarmati Gas Ltd.	-	-	278.68	278.68	-	-	-	-	-	-	278.68	278.68
Alcock Ashdown (Gujarat) Limited (excluding provision for Diminution in value)	-	-	-	-	55.10	55.10	-	-	-	-	55.10	55.10
GSPC Energy Limited	0.05	0.05	11.50	11.50	-	-	-	-	-	-	11.50	11.50
GSPC Offshore Limited	-	0.05	-	-	-	-	-	-	-	-	0.05	0.05
	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Share Capital (Allotment pending-share application money)												
Gujarat State Energy Generation Ltd	-	-	84.28	78.85	-	-	-	-	-	-	84.28	78.85
	-	-	84.28	78.85	-	-	-	-	-	-	84.28	78.85
Bank Guarantee received												
Gujarat Gas Ltd.	1330.54	1,454.67	-	-	16.70	41.04	-	-	-	-	1,347.24	1,681.57
Sabarmati Gas Ltd.	1,330.54	1,454.67	-	-	-	-	-	-	-	-	1,330.54	1,454.67
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	16.70	41.04	-	-	-	-	16.70	41.04
	-	-	-	-	-	-	-	-	-	-	185.86	185.86
Term / Liquid Deposit												
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
Interest received Income												
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	14.81	13.88	14.81	13.88
Deposit - Placed/Renewed												
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	13,731.00	2,575.26	13,731.00	2,575.26
Deposit - Withdrawn/Redeemed												
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	12,831.58	3,723.00	12,831.58	3,723.00
Deposit - Asset												
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	-	34.85	-	34.85

* Investment in share capital excluding any addition on account of fair value / write off.

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and in ordinary course of business. Outstanding balances are unsecured. Apart from the above transactions, the Company has also entered into transactions including but not limited to transmission of natural gas, purchase and sale of natural gas, regassification, rendering & receiving of services, placement & maturity of term/liquid deposits, use of public utilities, receipt/payment of rent etc. with Government related entities (entities controlled, jointly controlled or significantly influenced by Government of Gujarat). These transactions are entered in ordinary course of business & are at arm's length prices based on the agreed contractual terms. Further, the Company has significant transactions with State Government related entity, being Gujarat State Financial Services Limited [GSFS] [w.e.f. 20th October, 2022]. The related party transactions with GSFS during the period are Placement/renewal of deposits Rs. 6,641 Crores, Withdrawal/maturity of Deposits Rs. 7,311.19 Crores and Interest Income Rs. 8.64 Crores. Further, the balance of deposit as on 31st March, 2023 is Rs. 264.11 Crores.

Note 40

A. Financial instruments by category and their fair value

(₹ in Crores)

As at 31st March, 2023	Carrying amount					Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1-Quoted price in active markets	Level-2-Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	-	28.06	-	2,633.65	2,661.71	28.06	-	-	28.06
Unquoted	-	31.83	-	1,294.59	1,326.42	-	-	31.83	31.83
Loans									
Non-current	-	-	3.38	-	3.38	-	-	-	-
Current	-	-	46.69	-	46.69	-	-	-	-
Trade Receivables	-	-	995.46	-	995.46	-	-	-	-
Cash and Cash Equivalents	-	-	278.95	-	278.95	-	-	-	-
Other Bank Balances	-	-	160.15	-	160.15	-	-	-	-
Other financial assets									
Non-current	-	-	93.93	-	93.93	-	-	-	-
Current	-	-	719.46	-	719.46	-	-	-	-
Total financial assets	-	59.89	2,298.02	3,928.24	6,286.15	28.06	-	31.83	59.89
Financial liabilities									
Other financial liabilities									
Non-current	-	-	8.55	-	8.55	-	-	-	-
Current	-	-	375.80	-	375.80	-	-	-	-
Trade Payables	-	-	1,737.49	-	1,737.49	-	-	-	-
Total financial liabilities	-	-	2,121.84	-	2,121.84	-	-	-	-

(₹ in Crores)

As at 31st March, 2022	Carrying amount					Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1-Quoted price in active markets	Level-2-Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	-	27.15	-	2,633.65	2,660.80	27.15	-	-	27.15
Unquoted	-	40.38	-	1,294.59	1,334.97	-	-	40.38	40.38
Loans									
Non-current	-	-	4.33	-	4.33	-	-	-	-
Current	-	-	43.45	-	43.45	-	-	-	-
Trade Receivables	-	-	1,671.71	-	1,671.71	-	-	-	-
Cash and Cash Equivalents	-	-	72.97	-	72.97	-	-	-	-
Other Bank Balances	-	-	656.81	-	656.81	-	-	-	-

(₹ in Crores)

As at 31st March, 2021	Carrying amount					Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1- Quoted price in active markets	Level-2- Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Other financial assets									
Non-current	-	-	87.03	-	87.03	-	-	-	-
Current	-	-	650.56	-	650.56	-	-	-	-
Total financial assets	-	67.53	3,186.86	3,928.24	7,182.63	27.15	-	40.38	67.53
Financial liabilities									
Borrowings									
Non-current	-	-	3,630.10	-	3,630.10	-	-	-	-
Current	-	-	774.58	-	774.58	-	-	-	-
Other financial liabilities									
Non-current	-	-	8.55	-	8.55	-	-	-	-
Current	-	-	315.21	-	315.21	-	-	-	-
Trade Payables	-	-	1,519.44	-	1,519.44	-	-	-	-
Total financial liabilities	-	-	6,247.88	-	6,247.88	-	-	-	-

Fair value of financial assets and liabilities measured at amortized cost is not materially different from Fair Value. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs for determining fair value are as under:

Level 1: Level 1 hierarchy includes financial instrument measured using quoted price such as quoted price for equity security on security exchange.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3. This is the case of unlisted equity securities included in level 3.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value	
FVTOCI in unquoted equity shares - Investments in Equity Shares of Other Entities	<ul style="list-style-type: none"> - Investment in equity shares of ONGC Petro Additions Ltd. ("OPAL") has been valued using Net Asset Value ("NAV") method (P.Y. NAV method). - Investment in equity shares of GSPC LNG Ltd. is fair valued using Comparable Companies Method ("CCM") i.e. based on Price/Book Value ratio of peer companies in current year and previous year.

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March, 2023 and 31st March, 2022 is as below:

Particulars	(₹. in Crores)
As at 1 April 2021	44.94
Gains/ (losses) recognized in other comprehensive income	(4.56)
As at 31 March 2022	40.38
Acquisitions/ (disposals)	
Gains/ (losses) recognized in other comprehensive income	(8.55)
As at 31 March 2023	31.83

Transfer out of Level 3

There were no transfers out of level 3 during the year 2022-23 and 2021-22.

Sensitivity analysis

Investments in unquoted equity shares comprises of investments in ONGC Petro Additions Ltd. & GSPC LNG Ltd.

Sensitivity analysis-ONGC Petro Additions Ltd. (OPAL)

Significant observable inputs	(₹. in Crores)			
	2022-2023		2021-22	
	10% Increase in NAV	10% Decrease in NAV	10% Increase in NAV	10% Decrease in NAV
Impact on other comprehensive income (Before Tax)	1.75	(1.75)	2.44	(2.44)

Sensitivity analysis-GSPC LNG Ltd.

Significant observable inputs	(₹. in Crores)			
	2022-2023		2021-22	
	10% Increase in Price/Book Value Multiple	10% Decrease in Price/Book Value Multiple	10% Increase in Price/Book Value Multiple	10% Decrease in Price/Book Value Multiple
Impact on other comprehensive income (Before Tax)	1.43	(1.43)	1.59	(1.59)

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

(i) Risk management framework

The Company is exposed to financial risks arising from business/operating activities as well as financial instruments. The risks include market risks pertaining to price risk, currency risk and interest rate risk; credit risk; and liquidity risk. The finance and commercial team advises the management (including the CFO) which oversees the risk management strategies and procedures. The objective of the teams is to inform the management on financial risks and propose appropriate financial risk governance framework for the Company. Based on the inputs from respective teams, analysis and understanding, the management issues directives for mitigation of risks. The Company regularly monitors the risks to ensure that financial risks are identified, measured and managed in accordance with risk management policies.

The Company's risk management activities pertaining gas trading business are managed by the commercial team, while those pertaining to financing activities are managed by the finance team. All derivative activities are carried out by teams with appropriate skills and experience under supervision as per directives of management. The teams are subject to necessary financial and management control.

(ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Company. The potential activities where credit risks may arise include from cash and cash equivalents, deposits with banks / financial institutions and principally from credit exposures to customers relating to outstanding trade receivables and other receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the Company along with relevant mitigation procedures adopted have been enumerated below:

Trade receivables

Customers of the Company in the gas trading business comprise of subsidiaries / associates / joint ventures and corporates which include public sector undertakings. The Company ratifies the counterparty creditworthiness prior to the contractual agreement for gas sale/purchase and adequate risk mitigation measures are incorporated in the agreement. The counterparty dealings with respect to receivables are governed by the Company's debtor's policy which is guiding document. Hence, at this point in time, the Company does not perceive credit risk on gas trading receivables. Gujarat Urja Vikas Nigam Limited (GUVNL), a public sector undertaking controlled by the Government of Gujarat, is the single customer for wind energy business. Thus customer being a PSU with timely payment track record and adequate credit rating, the Company perceives no credit risk.

Age of Receivables (Gross)
(₹. in Crores)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Unbilled	2.58	5.67
Not Due	889.07	1,308.81
Less than 6 months	18.20	272.37
6 months - 1 year	1.24	0.10
1-2 years	0.08	0.07
2-3 years	0.02	2.52
More than 3 years	84.27	82.17

The above receivables which are past due but not impaired are assessed on case-to-case basis. The instances pertain to third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Further, since the amounts are collected within one year, there is no loss on account of time value of money. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired. The provision for impairment of trade receivables, movement of which has been provided below, is not significant / material.

Movements in Expected Credit Loss Allowance
(₹. in Crores)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Balance at the beginning of the year	-	2.94
Movements in allowance	-	(2.94)
Closing balance	-	-

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and analysis of customer credit risk, including underlying customers' credit ratings if they are available. The trade receivables of the Company are located in India and there is no credit exposure located outside India. Since the Company has fairly diversified in terms of spread and hence no concentration risk is foreseen.

Other financial assets

Other financial assets comprises of an amount of Rs. 494.81 Crores (PY: Rs. 494.81 Crores) which is receivable from Jubilant Offshore Drilling Pvt Ltd (JODPL) pertaining to Production Sharing Contract executed between the parties for KG-OSN-2001/3 block. JODPL had filed a petition for insolvency and Insolvency Restructuring Professional (IRP) was appointed. However, the resolution process did not materialize subsequent to which JODPL has gone into liquidation and a liquidator has been appointed.

The Company has issued forfeiture notice to JODPL to recover the outstanding dues. The Company has adequate rights under the Production Sharing Contract to ensure recovery of receivable amounts from JODPL through the future cash flows of KG Block. The Company is assessing way forward and committed to undertake necessary steps.

Apart from this, other financial assets comprise of cash and cash equivalents, loans provided to employees and investments in equity shares of companies other than subsidiaries, associates and joint ventures.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating. The Company reviews their credit-worthiness at regular intervals.
- Investments are made in credit worthy companies.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Expiring within one year (working capital demand loan, line of credit and other facilities)	1,050.00	1,200.00

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross / undiscounted values and include estimated interest payments and exclude the impact of netting agreements.

31st March, 2023	Carrying amount	(₹. in Crores)		
		Contractual cash flows based on maturity		
		Total	Less than 12 months	More than 12 months
Non current financial liabilities	8.55	8.55	-	8.55
Current financial liabilities	375.80	375.80	375.80	-
Trade and other payables	1,737.49	1,737.49	1,737.49	-
Total	2,121.84	2,121.84	2,113.29	8.55

31st March, 2022	Carrying amount	(₹. in Crores)		
		Contractual cash flows based on maturity		
		Total	Less than 12 months	More than 12 months
Non current borrowings	3,630.10	4,590.12	-	4,590.12
Current borrowings	774.58	1,130.33	1,130.33	-
Non current financial liabilities	8.55	8.55	-	8.55
Current financial liabilities	315.21	315.21	315.21	-
Trade and other payables	1,519.44	1,519.44	1,519.44	-
Total	6,247.88	7,563.65	2,964.98	4,598.67

(iv) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the company is commodity price risk i.e. price risk of natural gas that could adversely affect the value of the Company's financial assets, liabilities or expected future cash flows. The currency risk for the Company involves exposure arising from External Commercial Borrowings and payments for supply of natural gas. The interest rate risk involves rate risk linked to borrowings of the Company. The currency risk of these foreign currency loans is covered through a natural hedge linked to revenue from E & P Blocks & margins from Gas Trading business denominated in USD. The borrowings outstanding as on 31 March 2023 is Nil.

Commodity price risk

The Company's integrated natural gas procurement and trading business (including Liquefied Natural gas (LNG)) is open to price risk which is substantially mitigated through contractual agreement with back-to-back customers through terms of pricing and also through conventional derivative instruments which ensures the hedging of the commodity price at marketable/acceptable level for sale to the customer. The Company executes commodity swaps and options linked to Brent Crude prices which are highly correlated to natural gas prices. These derivatives in conjunction with the long term rate contracts forming part of the gas trading business assist in mitigating the commodity price risk. Further, as mentioned above, the sales prices are modified appropriately to counter market price movements.

Equity price risk

The Company's exposure to equity securities price risk arises from investments held by the Company which are classified in the balance sheet as fair value through other comprehensive income (FVOCI). The captioned equity investments are publicly traded as they are listed on the NSE Nifty 50 Index.

Sensitivity

The table below summarizes the impact of increases/decreases of the index on the Company's other comprehensive income for the period. The analysis is based on the assumption that the index had increased average of the actual movements in quoted prices of equity shares held as investments for the respective periods. All other variables held constant.

(₹. in Crores)

Particulars	Impact on Other Comprehensive Income	
	As at 31st March, 2023	As at 31st March, 2022
NSE NIFTY 50 - increase 6%	1.68	1.63
NSE NIFTY 50 - decrease 6%	(1.68)	(1.63)

Currency risk

The functional currency of the Company is Indian Rupees. However, the Company has exposure from its accounts payables in foreign currency. The currency risk linked to the payables of gas trading business is mitigated by appropriately factoring the same in the sales prices for the natural gas sold to downstream customers.

Interest rate risk

Interest rate risk is the risk that either fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates i.e. Base Rate / MCLR / T Bill linked in INR denominated loans and 6-month LIBOR linked in USD denominated loans.

The Company has INR denominated borrowings. The Company manages the interest rate risk in INR denominated loans through contractual agreement (i.e. term loan agreement) clauses with the lenders wherein provisions are built-in to allow the Company to prepay the loans without penalty. This clause can be exercised in scenarios that the interest rate under the agreement are not moving in favourable directions and the Company has other available options to switch with borrowings bearing lower interest rates.

(₹. in Crores)

Variable-rate instruments	As at	As at
	31st March, 2023	31st March, 2022
Non current - Borrowings	-	3,630.10
Current - Borrowings	-	100.01
Current portion of Long term borrowings	-	674.57
Total	-	4,404.68

Sensitivity analysts

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in Interest rates. The profit or loss Impact on account of change In interest rates at the reporting date Is Indicated in the following table:

Particulars	(₹. in Crores)			
	Profit or loss		Equity (net of tax)	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
31st March, 2022				
Non current - Borrowings	(36.30)	36.30	(27.16)	27.16
Current - Borrowings	(1.00)	1.00	(0.75)	0.75
Current portion of Long term borrowings	(6.75)	6.75	(5.05)	5.05
Total	(44.05)	44.05	(32.96)	32.96

Note 41

Capital management

The Company defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The primary objective of the Company's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans / borrowings less cash and other bank balances. Adjusted equity comprises all components of equity. Outstanding loans and borrowings as on 31 March 2023 is Nil.

The Company's adjusted net debt to equity ratio on reporting date is as follows:

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Total liabilities comprising interest-bearing loans and borrowings	-	4,404.68
Less : Cash and bank balances	439.10	729.78
Adjusted net debt	(439.10)	3,674.90
Total equity	5,928.89	2,949.20
Adjusted net debt to adjusted equity ratio	-	1.25:1 times

**Note 42
Financial Ratios**

Ratio	Numerator	Denominator	2022-23	2021-22	% Variance	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.22	1.42	-14%	The change in Current ratio is mainly due to repayment of loans, wherein there were no current maturity of debts due in a year.
Debt-equity ratio (in times)	Current & Non-Current Borrowing	Shareholder's Equity	-	1.49	-100%	The company has during the financial year, repaid all loans, therefore there is no current & non current borrowing in the numerator, due to which the ratio in Nil.
Debt service coverage ratio (in times)	Net Profit after taxes + Depreciation & Amortization Expenses + Finance Costs - Other Income + Taxes	Interest + Principal Repayments including prepayments	0.67	1.82	-63%	Principal repayment of Loan is ₹ 4,424.12 crores during Current year as against previous year ₹ 412.74 crores.
Return on equity ratio (in %)	Net profits after taxes	Average Shareholder's Equity	67.29%	50.16%	34%	Profit after Tax is ₹ 2,987.01 crores during Current Year as against Previous year ₹ 1,183.73 crores
Inventory turnover ratio (in times)	Cost of Traded Goods + Changes in Inventories + Production Expenditure	Average Inventory	59.49	69.78	-15%	Average Inventory is ₹ 409.93 crores during Current Year as against Previous year ₹ 325.03 crores
Trade receivables turnover ratio (in times)	Revenue from operations	Avg. Accounts Receivables	20.77	19.16	8%	Average Receivable is ₹ 1,333.59 crores during Current Year as against Previous year ₹ 1,271.35 crores
Trade payables turnover ratio (in times)	Cost of Traded Goods + Production Expenditure	Avg. Trade Payables	15.04	17.26	-13%	Average Payable is ₹ 1,628.47 crores during Current Year as against Previous year ₹ 1,317.63 crores
Net capital turnover ratio (in times)	Revenue from Operations	Working Capital	53.93	19.95	170%	Working Capital is ₹ 513.64 crores during Current Year as against Previous year ₹ 1,203.74 crores
Net profit ratio (in %)	Profit After Tax	Total Revenue from Operations	10.78%	4.86%	122%	Profit after Tax is ₹ 2,987.01 crores during Current Year as against Previous year ₹ 1,183.73 crores
Return on capital employed (in %)	Net Profit after taxes + Depreciation & Amortization Expenses + Finance Costs - Other Income + Taxes	Tangible Net Worth + Deferred Tax Liability (Net)	53%	19%	178%	Profit after Tax is ₹ 2,987.01 crores during Current Year as against Previous year ₹ 1,183.73 crores
Return on investment (in %)	Change in Fair Value of Investments + Dividend	Investments	-10%	-6%	65%	Change in fair value of investments is ₹ 59.89 crores during Current Year as against Previous year ₹ 67.53 crores

Ratio	Numerator	Denominator	2021-22	2020-21	% Variance	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.42	1.10	2%	Current Assets increased during the year due to advance to vendors (for exchange traded transactions)
Debt-equity ratio (in times)	Current & Non-Current Borrowing	Shareholder's Equity	1.49	2.72	-45%	Due to loan repayment during the year and profits during the year
Debt service coverage ratio (in times)	Net Profit after taxes + Depreciation & Amortization	Interest + Principal Repayments including prepayments	1.82	0.61	199%	Due to loan repayment during the year and higher profits during the year
Return on equity ratio (in %)	Expenses + Finance Costs - Other Income + Taxes	Average Shareholder's Equity	50.16%	52.74%	-5%	Not Applicable
Inventory turnover ratio (in times)	Net profits after taxes	Average Inventory	69.78	63.39	10%	Not Applicable
Trade receivables turnover ratio (in times)	Cost of Traded Goods + Changes in Inventories + Production Expenditure	Avg. Accounts Receivables	19.16	15.59	23%	Not Applicable
Trade payables turnover ratio (in times)	Revenue from operations	Avg. Trade Payables	17.26	11.44	51%	Increase in trade payables is lower than increase in gas purchase cost
Net capital turnover ratio (in times)	Cost of Traded Goods + Production Expenditure	Working Capital	19.95	58.30	-66%	Trade Receivables and advance to vendors has increased during the year
Net profit ratio (in %)	Revenue from Operations	Total Revenue from Operations	4.86%	5.44%	-11%	Not Applicable
Return on capital employed (in %)	Profit After Tax	Total Revenue from Operations	19%	16%	23%	Not Applicable
Return on investment (in %)	Net Profit after taxes + Depreciation & Amortization	Tangible Net Worth + Deferred Tax Liability (Net)	-6%	1%	-653%	Change in value of listed investments
	Expenses + Finance Costs - Other Income + Taxes	Investments				
	Change in Fair Value of Investments + Dividend					



Note 43

In case of balances of Joint Venture parties, for cash call and other transactions and also in case of balances of other parties i.e. Trade Receivables, Trade Payables, Loans and Advances and other liabilities the Company is in the process of reconciling it with the parties. Adjustments if any will be accounted on reconciliation/settlement of the same. As per JOA, interest is receivable or payable on delayed payment of cash calls. Generally, delay in processing cash call occurs only in case of pending clarifications or disputed matters and hence collection or payment of interest is highly uncertain. Accordingly, the interest receivable or payable on delayed payment or receipt of cash calls is recognized in the books of accounts as and when realized.

Note 44
Leases
A. The Company as a lessee
Nature of the lease transaction:

The Company has taken several plots of land on lease with lease term ranging from 14.5 years to 99 years and factory shed buildings with a lease term of 99 years. Further the Company has taken office, guest house & equipment on lease with lease tenure of less than 12 months. Some of the lease contracts are having renewal option with mutual consent and also contain termination options. Such options are appropriately considered in determination of the lease term based on the management's judgement. In certain contracts, the Company is restricted from assigning and subletting the leased assets. For all these contracts, upfront payments have been made and accordingly, there is no lease liability required to be recognized. For leases where the lease term is less than 12 months with no purchase option, the Company has elected to apply exemption for short term lease and accordingly, right of use assets and lease liabilities for these contracts are not recognised.

Amounts recognized in profit or loss:

Particulars	(₹. in Crores)	
	2022-23	2021-22
Amortization charge for right-of-use assets	0.57	0.59
Expenses/Cash Outflows for short term leases	0.10	0.07

B. The Company as lessor

The Company has given certain portion of office building and guest house on lease with the lease term ranging from 11 months to 10 years. The lease rentals are subject to escalations over the period of lease tenure. The same is accounted as operating lease under Ind AS 116 Leases.

Particulars	(₹. in Crores)	
	2022-23	2021-22
Rental income	2.21	2.32

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Particulars	(₹. in Crores)	
	2022-23	2021-22
Operating leases under Ind AS 116		
Less than one year	0.42	0.40
One to two years	0.26	0.42
Two to three years	0.18	0.27
Three to four years	0.19	0.18
Four to five years	0.10	0.19
More than five years	-	0.10

Note 45

Receivables, Contract Assets And Contract Liabilities (Ind As 115 - Revenue From Contracts With Customers)

Revenue from contracts with customers (refer note 24):

Revenue from the sale of gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered/assessed measurements facility. In case of high sea sales, control is transferred to the customer on delivery of the gas outside the territorial water of India. The amount recognised as revenue is stated inclusive of royalty payable to Government of India and exclusive of profit petroleum, sales tax /value added tax (VAT) and Goods and service tax (GST).

Revenue from regasification services is recognised over time such services are performed by the Company and revenue from gas transmission is recognized over the period In which the related volumes of gas are delivered to the customers.

Revenue from sale of electricity is recognized at the point in time when control is transferred to the customer, generally on delivery of the electricity on metered/assessed measurements facility.

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	(Rs. in Crores)	
	As at 31st March 2023	As at 31st March 2022
Trade Receivables	995.46	1,671.71

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability Is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied,

Note 46

Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- (ii) On the basis of the information available with the Company as on the reporting date and as on the date on which financial statements are approved and authorised for issue, the Company does not have any transactions with the companies struck off. Further, the Company has not been declared as a wilful defaulter by any Bank / Financial Institution / any other lender.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company, (Ultimate Beneficiaries).
- (v) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the income Tax Act, 1961).
- (vii) All immovable properties shown in the Balance Sheet are held in the name of the Company. Further, in case of joint operations, the immovable properties are held in the name of the operator.
- (viii) For the working capital borrowings from the Banks (either sanction & utilized or unutilized), the quarterly returns / statements of working capital filed by the Company with the Banks reflect no material difference with the books of the accounts. Further, in case of specific borrowings, the funds are utilised for the purpose for which the same are borrowed.
- (ix) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact In the period when the Code becomes effective.
- (x) The Company does not undertake any transactions with respect to crypto currency / assets.
- (xi) The Company has not granted any loan or advances in the nature of loan to promoters, KMPs, Directors and related parties where it is repayable on demand or without specifying any terms of repayment.

Note 47

RECLASSIFICATION OF COMPARATIVE FIGURES

Certain reclassifications have been made to the comparative period's financial statements to:

- enhance comparability and ensure consistency with the current year's financial statements; and
- ensure compliance with the Guidance Note an Division II - Ind AS Schedule I} to the Companies Act, 2013 (Revised).

The Company believes that such presentation Is more relevant for understanding of the Company's performance. However, this does not have any material impact on the profit, equity and statement of cash flows for the comparative period.

Items of balance sheet before and after reclassification as at 31st March, 2022:

(Rs. in Crores)			
Particulars	Balance before reclassification	Reclassification amount	Balance after reclassification
Share Application Money Towards Securities			
Other Financial Assets - Non-Current	61.47	17.38	78.85
Other Financial Assets - Current	19.58	(17.38)	2.20

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Raj Kumar, IAS
Chairman
DIN : 00294527

Milind Torawane, IAS
Managing Director
DIN : 03632394

Garima Tater
Partner
Membership No. 407752

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 25th May, 2023
Place : Gandhinagar

Date : 25th May, 2023
Place : Gandhinagar

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
GUJARAT STATE PETROLEUM CORPORATION LIMITED.
GANDHINAGAR (GUJARAT)

Report - on the Audit of the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of **GUJARAT STATE PETROLEUM CORPORATION LIMITED** ("hereinafter referred to as "the Holding Company"), and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its Associates and Jointly Controlled entities which comprise the Consolidated Balance Sheet as at 31st March, 2023, and the consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of cash flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies (Hereinafter referred to as "the consolidated Ind AS financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 accounting principles generally accepted in India including Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the Consolidated state of affairs of the Group as at 31st March 2023, and its consolidated profit including other comprehensive income, its Consolidated Cash Flows and the Consolidated Changes In Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind As Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group 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 consolidated Ind AS 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind As Financial Statements.

Emphasis of Matter

- a) Para (s) Accounting for oil and gas joint operations of Note No. 1 Significant Accounting Policies, which describes that the financial statements of the joint operations (unincorporated joint ventures) prepared in accordance with the requirements prescribed by the respective Production Sharing Contracts or Joint Operating Agreement of the joint operations (unincorporated joint ventures). In view of the same, certain adjustments/disclosures required under the mandatory Indian Accounting Standards and the provisions of the Companies Act, 2013 have been made in the Consolidated Ind AS financial statements to the extent information available with the Group as on the date.
- b) We draw attention to the Note No. 8 matter regarding the forfeiture notice issued by the Company to Jubilant Offshore Drilling Pvt Ltd (JODPL) against the capital contribution of Rs. 494.81 Crore (PY: Rs. 494.81 Crore) made on behalf of JODPL in KG-OSN-2001/3 until 4th August 2017. Based on the relevant clauses of the Profit-Sharing Contract (PSC) and Joint Operating Agreement (JOA), it is reasonably expected by the Management that the forfeiture notice will be enforced, and the Gujarat State Petroleum Corporation (GSPC) will be assigned a commensurate Participating Interest (PI) towards the capital contribution. However, the liquidator of JODPL has challenged GSPC's action of forfeiture, which has resulted in liquidation due to the insolvency process. Additionally, the assignment of JODPL's PI is pending with the Management Committee (MC), and as the non-defaulting partner with a 10% PI in the block, the Company will be required to contribute against the cash call receivables from JODPL, as per the terms of the JOA.

Considering the pending assignment of JODPL's PI, the specific ration determining GSPC's share with respect to JODPL's share cannot be determined at this stage.

Our opinion is not modified in above matter.

- c) Note No. 32 to the Consolidated Ind AS financial statements regarding impairment aggregating to Rs. 108.88 Crore on E&P Fields along with capital inventory (Rs. 0.48 crores reversal) for impairment. Also during the year company has issued notices

of withdrawal of the Company's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full in previous years of which Rs 0.20 crores capital expenditure has been incurred in current financial year under exploration cost written off. Additional impairment of Rs. 21.33 crores are provided in ONGC operated CB-ONN-2004/2 block, in which ONGC has indicated its interest to acquire the entire Participating Interest of the Company in CB-ONN-2004/2 by matching the price of H1 bidder i.e. Rs. 24.67 crore (USD 3 Million).

- d) Note no. 34 to the Consolidated Ind AS financial statements regarding non provisioning of disputed Income Tax demands/ claims by the Income Tax Authority amounting to Rs. 2879.17 (Previous Year Rs. 1714.11) Crore, on account of joint arrangements Rs. 67.71 Crore (Previous Year Rs. 66.40), Indirect taxes Rs. 5.86 Crore (Previous Year Rs. 5.86) and other contingent liabilities Rs. 161.70 Crore (Previous Year Rs. 162.31) and disclosed by way of a note as contingent liability as the matter is disputed.
- e) Note No. 34 to the Consolidated Ind AS financial statements regarding reasonable uncertainty for an amount receivable on account of adjustment of advanced floor consideration received towards Other Six Discoveries amounting to Rs. 1,265 Crores (USD 200 Million) and subsequently to be adjusted towards final consideration receivable as per Field Development Plan (FDP) prepared by ONGC for submission to DGH.
- f) We would like to draw attention to note 11 in which it is conveyed that long outstanding amounts are cleared by GUVNL during the previous financial year 2021-22 and some amounts to the extent of Rs.1220.02 lakhs are being stipulated by GUVNL to be paid over a period of time. In this respect, the Company is conveyed to have demanded either interest on working capital on such amounts if paid in instalment or amounts to be paid in one go. Final outcome of the same will depend upon future events.
- g) We draw attention to Note number 34 of the Consolidated Financial Statements which describe the following matter:

In a matter, pursuant to the contractual dispute under arbitration between the company and M/s Fernas Construction Company Inc, (FCCI) amounting Rs. 9519.91 lacs (31st March, 2022: Rs. 8688.21 lacs), and (b) the Company and M/s Tehran Jonoob — Jai hind Consortium (TJJC) amounting Rs. 2911.77 lacs (Previous year Rs. 2911.77 lacs) in which the Arbitration Tribunal has issued award in favour of contractors.

However, the company has filed the application under Section 34 of the Arbitration and Conciliation Act, 1996 against contractor before the Hon'ble High Court of Gujarat for setting aside the Arbitral Award and in the interim seeking stay on the same, pending disposal of the matter.

The Management of the company believes that for these matters no provision is required in the books of accounts as on 31st March, 2023.

Our opinion is not modified in respect of above matters.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders Information and other information in the Holding Company's annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS 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.

Responsibility of Management and Those Charges with Governance for the Consolidated Ind AS financial statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive Income, consolidated cash flows and consolidated changes of equity of the Group including its associates and jointly controlled entities in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds' and other irregularities;

selection and application of appropriate accounting policies; making judgments 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 presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities, are responsible for assessing the ability of the Group and of its Associates and Joint Ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are also responsible for overseeing the Group financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibility for the Audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 financial 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 effectiveness of such Group have adequate internal financial controls system in place and the operating controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities include in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS 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 consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entities including in the consolidated Ind AS financial statement of which we are independent auditors 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.

Other Matter

- a) We did not audit the financial statements and other financial information of Seven (7) Subsidiaries whose financial statements and other financial information are considered in these Consolidated Ind AS financial statements. The Consolidated Ind AS Financial Statements of those subsidiaries reflect total assets of Rs. 19030.86 (Previous Year Rs. 17,172.27 Crore) & net assets of Rs. 13582.59 (Previous Year Rs 11,403.76 Crore) as at 31st March, 2023, total revenues of Rs. 19,290.49 Crore (Previous Year Rs. 19118.07 crore) and net cash flows amounting to Rs. 722.52 Crore amounting to (Previous Year Rs. (281.43) Crore) for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 74.69 Crores (Previous Year Rs. 147.80 Crores) for the year ended 31st March, 2023, as considered in the consolidated Ind AS financial statements, in respect of Three (3) Jointly Controlled Entities and One (1) associate whose financial statements and other financial information have not been audited by us. These Ind As financial statements and other financial information has been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, Jointly Controlled entities and Associate, is based solely on the reports of the other auditors (Subject to SA-600).
- b) The Consolidated Financial Statements also include the Group's share of net profit of Rs. NIL for the year ended 31st March, 2023, as considered in the Consolidated Financial Statements, in respect of One (1) associate, whose financial statements and financial information have not been audited by us. These financial statements and financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and financial information are not material to the Group.

Our opinion on the Consolidated Ind As Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors (Subject to SA-600).

- c) It is conveyed by the management of holding company that long outstanding amounts are cleared by GUVNL to GPPC (Subsidiary company) during the previous financial year 2021-22 and some amounts to the extent of Rs. 12.20 Crore are being stipulated by GUVNL to be paid over a period of time. In this respect, the GPPC (Subsidiary Company) is conveyed to have demanded either interest on working capital on such amounts if paid in instalment or amounts to be paid in one go. Final outcome of the same will depend upon future events.

Further, amounts which are not acknowledged as admissible are considered for 100% provision by the group during the year.

- d) It is conveyed by the Management that there are several issues pending with EPC Contractor of GPPC (Subsidiary Company) due to which balances are subject to confirmation / agreement. Certain transactions will be recorded in the books of accounts on reaching agreement with the party. It is conveyed to us that amounts payable and receivable will vary as the events take place in future.
- e) The Consolidated Ind As Financial Statements include the Holding Company's share of:
- Total assets aggregating to Rs. 1111.44 Crore, total liabilities aggregating to Rs. 7.08 Crore, income aggregating to Rs. 64.27 Crore and expenditure aggregating to Rs. 28.59 Crore in respect of Seven (7) Producing Joint Operations (unincorporated joint ventures), which have been incorporated on the basis of accounts audited by other auditors (Subject to SA-600).
 - Total assets aggregating to Rs. 3028.79 Crore, total liabilities aggregating to Rs. 38.78 Crore, income aggregating to Rs. 14.74 Crore and expenditure aggregating to Rs. 31.9 Crore in respect of Two (2) Producing Joint Operations (unincorporated joint ventures), which has been incorporated on the basis of unaudited financial information approved by the management and made available to us, in the absence of audited accounts.

- (iii) Total assets aggregating to Rs. 122.01 Crore, total liabilities aggregating to Rs. 1.59 Crore, income aggregating to Rs. Nil and expenditure aggregating to Rs. Nil in respect of One (1) Joint Operations (unincorporated joint ventures) under exploration and development phase or proposed to be surrendered/sold, which have been incorporated on the basis of accounts audited by other auditors (Subject to SA-600).
- (iv) Total assets aggregating to Rs. 725.84 Crore, total liabilities aggregating to Rs. 164.91 Crore, income aggregating to Rs. 74.63 and expenditure aggregating to Rs. 36.89 Crore in respect of Twenty-One (21) Joint Operations (unincorporated joint ventures), under exploration and development phase or proposed to be - surrendered/sold, which have been incorporated on the basis of unaudited financial information approved by the management made available to us, in the absence of audited accounts.
- f) We have placed reliance on technical/commercial evaluation by the Group's management in respect of categorization of wells as exploratory, development and producing, allocation of costs incurred on them, treatment of capitalization, depletion of producing properties on the basis of the proved hydrocarbon reserves, impairment, liability for decommissioning, liability for NELP and nominated blocks for underperformance against agreed minimum work programme and liability for abandonment costs.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable, 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 of Ind AS Consolidated Financial Statement except for the unaudited financial information relating to Eighteen (18) Joint Operations (unincorporated joint ventures) for the year ended March 31, 2023 referred to in sub paragraph (c) (ii) and (c) (iv) of other matter paragraph above and read with our comments in paragraph (a) of Emphasis of Matter.
 - b. In our opinion, proper books of account as required by law relating to preparation of Consolidated Ind As Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of Consolidated Ind AS Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Ind As Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
 - e. As the Group its associates and jointly controlled entities comprising of Government Companies, in terms of notification no. G.S.R. 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, New Delhi the sub-section (2) of section 164 is not applicable to the Group.
 - f. As the Group, its associates and jointly controlled entities comprising of Government Companies, in terms of notification no. G.S.R. 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, New Delhi the sub-section (16) of section 197 is not applicable to the Group.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary and associate companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure —A".
 - 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 Consolidated Ind As Financial Statements have disclosed the impact of pending litigations on its financial position of the Group, its associates and jointly controlled entities - Refer Note 34 to the consolidated Ind AS financial statements.
 - ii. Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts for the consolidated financial position of the Group, its associates and jointly controlled entities.
 - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies in India.

- iv. (a) The management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group its associates and jointly controlled entities to or in any other person or entity, including foreign entity ("Intermediaries"), which the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group its associates and jointly controlled entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group its associates and jointly controlled entities from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group its associates and jointly controlled entities shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Group, its associates and jointly controlled entities during the year is in accordance with Section 123 of the Act.
- (b) The Board of Directors of the Group, its associates and jointly controlled entities have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to company w.e.f April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- 2) With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by other auditor (Subject to SA-600) of Subsidiary company, Associates and Jointly Controlled Companies included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that there are no qualifications or adverse remarks in this CARO report.

For Singhvi & Mehta
Chartered Accountants
Firm Regn No. 002464W

(GARIMA TATER)
Partner
Membership. No. 407752
UDIN:23407752BGUFST6985

Place : Gandhinagar
Date : 25TH MAY,2023

“ANNEXURE -A” TO THE INDEPENDENT AUDITOR’S REPORT

The annexure referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of GUJARAT STATE PETROLEUM CORPORATION LIMITED for the year ended 31st March, 2023, we report that:

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 GUJARAT STATE PETROLEUM CORPORATION LIMITED (herein after referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its Subsidiaries together referred to as “the Group”), its Associates And Jointly Controlled Entities as of 31st March, 2023 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its Subsidiaries, its Associates and Jointly controlled entities is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 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 the respective 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, its Subsidiaries, Associates and Jointly controlled entities, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error,

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements.

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 Consolidated Ind As 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 Consolidated Ind As Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Ind As 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 fraud or error 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 and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its Subsidiaries, its Associates and Jointly controlled entities, which are Companies incorporated in India, have, maintained in all material respects, adequate internal financial controls system over financial reporting with reference to these Consolidated Ind As Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Ind As Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind As Financial Statements of the Holding Company, in so far as it relates to separate financial statements of 7 Subsidiaries, 2 Associate and 3 Jointly Controlled Entities, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and jointly controlled entities incorporated in India.

For Singhvi & Mehta
Chartered Accountants
Firm Regn No. 002464W

(GARIMA TATER)
Partner
Membership. No. 407752
UDIN:23407752BGUFST6985

Date : 25TH MAY,2023
Place : Gandhinagar

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE
CONSOLIDATED FINANCIAL STATEMENTS OF GUJARAT STATE PETROLEUM
CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH 2023**

The preparation of consolidated financial statements of Gujarat State Petroleum Corporation Limited for the year ended 31st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Gujarat State Petroleum Corporation Limited for the year ended 31 March 2023 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statement of **Gujarat State Petroleum Corporation Limited**, Subsidiaries (**Annexure-I**), Associate (**Annexure-II**) but did not conduct supplementary audit of the financial statements of subsidiaries (**Annexure-III**) and associates (**Annexure-IV**) for the year ended 31 March 2023. Further, Section 139(5) and 143(6) of the Act are not applicable to **Gujarat Gas Limited Employees Welfare Stock Option Trust** and **Social Welfare Trust** being private entities incorporated in foreign country under the respective laws for appointment of their Statutory Auditor nor for conduct of supplementary audit. This Supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquires of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report :

For and on behalf of the
Comptroller and Auditor General of India

(Vijay N. Kothari)
Accountant General (Audit-II),
Gujarat

Date : 05-09-2023
Place : Ahmedabad



Management's Reply to the Comments of the Comptroller and Auditor General of India received from AG Office, Ahmedabad under Section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statements of Gujarat State Petroleum Corporation Limited, for the year ended 31st March 2023.

Comments of C&AG	Management Reply
<p>With reference to Note 34 of the Consolidated financial statements, the above does not include Rs 24.64 crore being interest payable to the GOG on delayed payment of additional royalty as per the Rule 23 of the Petroleum and Natural Gas (Amendment) Rules, 2003, The Rule 23, inter-alia, provide that payments (including royalties), if not made within the specified time, be increased by a penal rate of 200 basis points over the prime lending rate of State Bank of India for the delayed period.</p> <p>It is to mention that in July 2013, GOI recovered its share of additional royalty, along with interest payable thereon from the GSPC-NIKO JV. The GSPC-NIKO JV initiated (October 2013) arbitration proceedings for refund of the recovery made by GOI. The Arbitration Tribunal rejected (August 2020) the claim of GSPC-NIKO JV. Based on the award, GSPC paid (18 August 2021) Rs 13.44 crore towards its share of principal amount of additional royalty to GOG but did not pay the interest payable on this additional royalty.</p> <p>This resulted in understatement of provision and interest expense by Rs 24.64 crore. Consequently, it resulted in overstatement of profit for the year to the same extent.</p>	<p>In Hazira Field, Government of India ("GoI") and Government of Gujarat ("GoG") were recovering royalty, in the ratio of 47:53 respectively, from GSPC NIKO JV on sale of natural gas to the customers. Further, GSPC NIKO JV recovered royalty at prescribed rate from the customers over and above the gas price charged. GoI started demanding additional royalty on the component of royalty recovered from the customers which demand was disputed by the GSPC-NIKO JV. However, pursuant to coercive recovery by GoI, GSPC-NIKO JV paid the amount towards additional royalty together with interest in July 2013. Such coercive recovery was immediately challenged by GSPC - NIKO JV in arbitration proceedings initiated against GoI in October 2013.</p> <p>In August 2020, the arbitration tribunal rejected the claim of GSPC-NIKO JV pertaining to refund of additional royalty recovered coercively by the GoI. In June 2021, the Board of Directors of GSPC decided not to appeal against the said findings of the arbitration award. Upon such decision of the Board and based on the award, GSPC on its own motion without any demand being raised by Government of Gujarat, paid its share of principal amount of such additional royalty to the GoG in August 2021.</p> <p>From the above, it is clear that the claim of additional royalty on royalty was disputed by GSPC since inception and was a sub-judice matter until August 2020 when the arbitration tribunal passed an award in this regard. Therefore, the liability of GSPC to pay additional royalty to GoG crystallized only in August 2020. Rule 23 of the PNG Rules provides for increased rate of royalty by way of penalty (and not interest) and therefore the same would have application only in case of deliberate delay or default in payment. However, since the liability was disputed under bona-fide belief and was under litigation till August 2020, GSPC cannot be said to have deliberately defaulted or delayed payment of additional royalty to GoG.</p> <p>The enhanced royalty under Rule 23 of the PNG Rules was neither disclosed as part of the contingent liability nor provided separately as it was unascertainable as on the reporting date. Therefore, the Management believes that there is no understatement of expenses or overstatement of profits for the Financial Year 2022-23 and the disclosure in Note No. 34 is sufficient and in line with the requirements of Indian Accounting Standards.</p> <p>It may be noted lastly that GoG, vide its letter dated 5th August 2023 raised a demand on GSPC for payment of Rs. 1.68 Crores towards enhanced royalty under Rule 23 of the PNG Rules towards delay in payment of additional royalty by GSPC after passing of the Arbitration Award i.e., for the period of October 2020 till 18th August 2021 being the date of payment by GSPC. GSPC has already made payment of such enhanced royalty on 19th August 2023. The Company shall provide appropriate accounting treatment of the same in the Financial Year 2023-24.</p>

Comments of C&AG	Management Reply
<p>With reference to Note 8 of the Standalone financial statements,</p> <p>I. The above includes Rs 20.00 crore shown as receivable from Jubilant Offshore Drilling Pvt Ltd (JODPL) being the share of the Company for the default by JODPL in cash calls raised by ONGC which is the Operator in Joint Venture at Deen Dayal West Field in the Block KG-OSN-2001/03 from August 2017 onwards.</p> <p>Since JODPL is under liquidation process as per NCLT order, there is a low probability of its recovery. Hence provision for the non-recoverable amount should have been made by the company.</p> <p>II. A reference is invited to Note 8[i] in which it is stated that the company has issued a forfeiture notice to JODPL for Rs 494.81 crore of the capital contribution made by the company on behalf of JODPL till August 2017.</p> <p>JODPL is under liquidation since December 2017 and as per the Statement of Claim of Financial Creditor, the liquidator has admitted total claims of financial creditors of JODPL to be Rs 2942.51 crore. Against this, the liquidator value of Rs 579.5 crore only i.e. around 20 percent. Therefore, against the company's claim of Rs 534.55 crore (Rs 494.81 crore + interest) admitted by the Official Liquidator, the recovery would be to the similar extent only.</p> <p>Thus, Note 8 [i] is deficient to above extent.</p>	<p>In KG-OSN-2001/3 Block, the Company contributed an amount of Rs. 494.81 Crores on account of JODPL's default in payment of its share of cash calls till August 2017 when the operatorship of the Block together with 80% PI was handed over to ONGC.</p> <p>Such contribution made by GSPC on behalf of JODPL is secured by various provisions of the JOA and PSC for the KG Block which provide that GSPC has right of lien as well as forfeiture over JODPL's share of revenues and PI. The JOA further provides that balance PI of JODPL may also be "assumed" by GSPC subject to approval of Management Committee. Both JOA and PSC provide that such contractual rights of GSPC have primacy over the rights of other lenders.</p> <p>In line with the above contractual rights, in December 2017, GSPC forfeited 2.73% PI of JODPL and also asserted that balance PI would also be assumed by GSPC at no cost subject to approval of Management Committee. Further, in January 2018, GSPC also intimated to the Liquidator that the entire PI of JODPL cannot form part of Liquidation Estate of JODPL in light of superior contractual rights having already been exercised by GSPC. While the Liquidator has challenged such forfeiture notice of GSPC in June 2019, there is no stay granted by NCLT and the matter is sub-judice.</p> <p>Since GSPC has already asserted that no part of JODPL's PI can form part of Liquidation Estate, satisfaction of GSPC's debt does not depend on the Liquidation Value of JODPL and the entire PI of JODPL remains at GSPC's disposal exclusively towards satisfaction of GSPC's debt. It may be noted that such security is available to GSPC in relation to not only the debt already incurred by JODPL but also in relation to any additional contribution that GSPC may be required to make towards default of JODPL after August 2017.</p> <p>The Company has accounted assets, liabilities, incomes, and expenses pursuant to KG Block considering the principles of Ind AS 111 Joint Arrangements i.e. line by line in proportionate to GSPC's existing PI Share. Further, considering the above facts and applicable guidance under Ind AS, the Company has recognized the financial asset for amount recoverable from JODPL. Such an asset represents GSPC's contractual right to recover (either in cash or in the form of JODPL's PI in KG Block) the contribution made by GSPC on behalf of JODPL. Since the fair value of 10% PI of JODPL in KG Block to be assumed by GSPC would be more than the outstanding value recoverable from JODPL, such receivable has been considered good and no additional provision has been made toward non-recovery in the books of accounts. This accounting treatment has been consistently followed since 2017-18 onwards.</p> <p>While the Company has given the required disclosures in Note 8(i), the Company has given an assurance to include additional clarification with reference to satisfaction of the Company's debt not being dependent on liquidation value of JODPL as elaborated above in the said note in the next financial year.</p>

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Balance Sheet as at 31st March, 2023

(₹ in Crores)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	12,098.77	11,879.71
Capital work-in-progress	2	1,454.33	1,291.56
Investment property	3	1.44	1.44
Goodwill on consolidation	4	186.14	186.14
Other intangible assets	4	621.14	548.54
Intangibles under development	4	129.65	137.69
Investment in equity accounted investees	5	2,067.77	2,096.43
Financial assets			
Other investments	6	177.87	189.03
Loans	7	13.76	16.88
Other financial assets	8	193.68	171.59
Non current tax asset (net)	20	241.44	219.09
Deferred tax assets (net)	20	0.89	0.72
Other non-financial assets	9	763.76	618.75
Total Non-Current Assets		<u>17,950.64</u>	<u>17,357.57</u>
Current Assets			
Inventories	10	766.94	660.54
Financial assets			
Trade receivables	11	1,925.84	2,574.23
Cash and cash equivalents	12	1,099.99	169.55
Other bank balances	12	785.70	731.88
Loans	7	52.16	47.91
Other financial assets	8	857.74	680.09
Other non-financial assets	9	380.20	1,030.52
Total Current Assets		<u>5,868.57</u>	<u>5,894.72</u>
Assets held for sale	22	36.08	22.50
TOTAL ASSETS		<u>23,855.29</u>	<u>23,274.79</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,073.65	1,073.65
Other equity	14	6,655.23	3,091.17
Equity attributable to owners of the Company		<u>7,728.88</u>	<u>4,164.82</u>
Non controlling interest		9,086.98	7,491.56
Total Equity		<u>16,815.86</u>	<u>11,656.38</u>
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	15	208.37	4,394.66
Lease Liabilities	43	118.37	118.48
Other financial liabilities	16	36.58	32.73

GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN : U23209GJ1979SGC003281)
Consolidated Balance Sheet as at 31st March, 2023

(₹ in Crores)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
Provisions	17	167.79	160.18
Deferred revenue/ contract liabilities	18	111.86	110.53
Deferred tax liabilities (net)	20	779.35	737.98
Total Non-Current Liabilities		<u>1,422.32</u>	<u>5,554.56</u>
Current Liabilities			
Financial liabilities			
Borrowings	15	174.12	1,153.39
Lease Liabilities	43	27.89	22.07
Trade payables	21		
Outstanding dues of micro enterprises and small enterprises		32.65	32.98
Outstanding dues of Creditors other than micro enterprises and small enterprises		2,128.79	1,723.57
Other financial liabilities	16	2,813.20	2,681.42
Other non-financial liabilities	19	294.96	360.35
Deferred revenue/ contract liabilities	18	95.21	47.16
Provisions	17	38.75	35.08
Current Tax Liability	20	0.13	2.08
Total Current Liabilities		<u>5,605.70</u>	<u>6,058.10</u>
Total Liabilities		<u>7,028.02</u>	<u>11,612.66</u>
Liabilities associated with assets held for sale	22	11.41	5.75
TOTAL EQUITY AND LIABILITIES		<u>23,855.29</u>	<u>23,274.79</u>

Significant Accounting Policies

1

The accompanying notes are integral part of the consolidated financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Garima Tater
Partner
Membership No. 407752

Date : 25th May, 2023
Place : Gandhinagar

Raj Kumar, IAS
Chairman
DIN : 00294527

Reena Desai
Company Secretary

Date : 25th May, 2023
Place : Gandhinagar

Milind Torawane, IAS
Managing Director
DIN : 03632394

Rajesh Sivadasan
Chief Financial Officer

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
INCOME			
Revenue from operations	23	36,623.34	30,622.10
Other income	24	222.86	250.67
TOTAL INCOME (A)		<u>36,846.20</u>	<u>30,872.77</u>
EXPENSES			
Production expenditure	25	97.38	64.00
Cost of material consumed	26	409.02	538.44
Cost of traded goods	27	27,110.02	22,921.90
Changes in inventories of finished goods, stock-in-process and stock-in-trade	28	(95.29)	(76.75)
Excise duty		546.76	331.13
Employee benefits expenses	29	320.78	287.40
Finance costs	30	365.85	516.53
Depreciation, depletion and amortization expenses	2, 3, 4	801.77	761.20
Other expenses	31	1,138.80	1,017.80
TOTAL EXPENSES (B)		<u>30,695.09</u>	<u>26,361.65</u>
Profit before exceptional items, share of profit/(loss) of joint ventures and associates and tax (A-B)		<u>6,151.11</u>	<u>4,511.12</u>
Exceptional items	32	(130.41)	(239.81)
Profit before share of profit/(loss) of joint ventures and associates and tax		<u>6,020.70</u>	<u>4,271.31</u>
Share of profit/(loss) of joint ventures and associates accounted for using the equity method			
Share of net profit/(loss) of joint ventures and associates accounted for using the equity method (Net of tax)		74.69	147.79
Profit before tax		<u>6,095.39</u>	<u>4,419.10</u>
Tax expense			
Current Tax			
- Current year		760.50	730.26
- Earlier year		(12.83)	(9.10)
Deferred tax		37.95	17.77
Profit after tax for the year (C)		<u>5,309.77</u>	<u>3,680.17</u>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss :			
Changes in fair value of FVTOCI equity instruments		(11.17)	(5.40)
Remeasurement of post-employment benefit obligations		2.12	2.09

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income tax relating to above items		(3.24)	1.02
Share of OCI in Associate and JV (Net of tax)		(3.47)	(2.89)
Other Comprehensive Income for the year, net of tax (D)		(15.76)	(5.18)
Total Comprehensive Income for the year (C+D)		5,294.01	3,674.99
Profit attributable to:			
Owners of the Company		3,584.88	2,064.48
Non-Controlling Interest		1,724.89	1,615.69
Other comprehensive income attributable to:			
Owners of the Company		(20.85)	(6.80)
Non-Controlling Interest		5.09	1.62
Total comprehensive income attributable to:			
Owners of the Company		3,564.03	2,057.68
Non-Controlling Interest		1,729.98	1,617.31
Earnings per equity share (EPS) - (Face Value of Rs.1/-)	33		
Basic (Rs.)		3.34	1.92
Diluted (Rs.)		3.34	1.92

Significant Accounting Policies

1

The accompanying notes are integral part of the consolidated financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
Firm Regn. No. 002464W

Raj Kumar, IAS
Chairman
DIN : 00294527

Milind Torawane, IAS
Managing Director
DIN : 03632394

Garima Tater
Partner
Membership No. 407752

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 25th May, 2023
Place : Gandhinagar

Date : 25th May, 2023
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Cash Flows for the period ended 31st March, 2023

Particulars	(₹ in Crores)	
	For the period ended 31st March, 2023	For the period ended 31st March, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,095.39	4,419.10
Adjustments for:		
Depreciation, Amortization & Depletion	801.77	761.20
Interest & Finance Charges	324.90	512.87
(Profit)/Loss on Sale of Assets	3.44	4.02
Share of profit of joint ventures and associates	(74.69)	(147.79)
Reversal in Impairment on account of expected credit loss assessment	-	2.94
Unrealized Foreign Exchange Loss/(Gain)	13.09	(1.13)
Employee benefit Expense	6.11	2.57
Other non-cash expenses	(4.57)	8.06
Exploration Cost Written off	0.20	0.25
Impairment of oil and gas assets / Gain on sale of participating interest in Joint arrangement (Net)	130.21	250.60
Provision/(Reversal) for Doubtful Advances	(11.59)	(4.30)
Litigation Settlement	-	(4.31)
	<u>7,284.26</u>	<u>5,804.08</u>
Interest and Dividend Income	(121.33)	(86.63)
Profit on Lease termination / modification / reassessment (net)	(0.44)	-
Operating Profit before working capital changes	<u><u>7,162.49</u></u>	<u><u>5,717.45</u></u>
Adjustments for changes in Working Capital		
Change in Current/non-current Assets		
(Increase)/decrease in Loans	(0.58)	0.46
(Increase)/decrease in Other Financial Assets	(42.87)	(39.21)
(Increase)/decrease in Inventories	(106.39)	(155.30)
(Increase)/decrease in Trade Receivables	519.68	(927.37)
(Increase)/decrease in Other Bank Balances	(0.16)	(0.40)
(Increase)/decrease in Other Assets	461.81	(647.59)
Change in Current/Non-current Liabilities		
Increase/(decrease) in Other Financial Liabilities	129.32	(150.21)
Increase/(decrease) in Provisions	14.69	(14.26)
Increase/(decrease) in Trade payables	528.88	428.05
Increase/(decrease) in Other Liabilities	(9.86)	402.59
Increase/(decrease) in Deferred Revenue/contract Liabilities	0.32	(0.01)
Cash Generated from/(Used in) Operations	<u><u>8,657.33</u></u>	<u><u>4,614.20</u></u>
Taxes (paid)/ refund (Net)	(766.76)	(752.62)
Net Cash Generated from/(Used in) Operating Activities (A)	<u><u>7,890.57</u></u>	<u><u>3,861.58</u></u>
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Purchase of PPE / CWIP / Intangible asset including Joint Arrangements	(1,349.76)	(1,306.48)
Sale proceeds from sale of Participating Interest in Joint Arrangements	-	18.80
Sale of Property, Plant and Equipment / CWIP	2.61	0.94
Proceeds from/(cash used in) Other Investments	-	(169.00)
Interest and Dividend Income received	153.85	95.44

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Cash Flows for the period ended 31st March, 2023

(₹ in Crores)

Particulars	For the period ended 31st March, 2023	For the period ended 31st March, 2022
Movement in Other bank balances	(129.57)	(308.00)
Net Cash Generated from/(Used in) Investing Activities (B)	<u>(1,322.87)</u>	<u>(1,668.30)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from /(Repayment of) Long Term Loans (net)	(5,054.63)	(1,932.87)
Proceeds from /(Repayment of) Short Term Loans (net)	(126.83)	0.50
Interest & Financing Charges paid	(285.53)	(500.47)
Dividend paid	(133.66)	(133.27)
Payment of interest portion of lease liabilities	(9.41)	(6.68)
Payment of principal portion of lease liabilities	(24.05)	(17.77)
Net Cash Generated from/(Used in) Financing Activities (C)	<u>(5,634.11)</u>	<u>(2,590.56)</u>
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	<u>933.59</u>	<u>(397.28)</u>
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	1.65	1.20
Fixed deposit with original maturity of less than 3 months	105.94	354.75
Bank overdraft / cash credit	(3.15)	-
Bank Balances	61.96	207.73
	<u>166.40</u>	<u>563.68</u>
Cash and Cash equivalents at the End of the Year		
Cash on hand	1.43	1.65
Fixed deposit with original maturity of less than 3 months	1,025.67	105.94
Bank overdraft / cash credit	-	(3.15)
Bank Balances	72.89	61.96
Total	<u>1,099.99</u>	<u>166.40</u>

Notes

(i) The above Statement of Cash Flow has been prepared using the "Indirect Method" as set out in the Ind AS 7 Statements of Cash Flows.

(ii) Previous year's figures have been regrouped and reclassified wherever considered necessary to confirm to the current year's figures

(iii) Change in Liability arising from Financing Activities

(₹ in Crores)

Particulars	1st April, 2022	Cash Flow	Foreign Exchange & Other Non Cash Movement	31st March, 2023
Non-current borrowing including current maturities (Refer Note 15)	5,374.88	(5,054.63)	54.76	375.01
Current borrowings (Refer Note 15)	173.17	(126.83)	(38.86)	7.48

(₹ in Crores)

Particulars	1st April, 2021	Cash Flow	Foreign Exchange & Other Non Cash Movement	31st March, 2022
Non-current borrowing including current maturities (Refer Note 15)	6,915.84	(1,932.87)	391.91	5,374.88
Current borrowings (Refer Note 15)	559.63	0.50	(386.96)	173.17

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
Firm Regn. No. 002464W

Garima Tater
Partner
Membership No. 407752

Date : 25th May, 2023
Place : Gandhinagar

Raj Kumar, IAS
Chairman
DIN : 00294527

Reena Desai
Company Secretary

Date : 25th May, 2023
Place : Gandhinagar

Milind Torawane, IAS
Managing Director
DIN : 03632394

Rajesh Sivadasan
Chief Financial Officer

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Changes in Equity (SOCIE) for the year ended on 31st March 2023

A. Equity Share Capital

For the Year ended 31st March 2023

Particulars	As at 1 April 2022	Changes in equity share capital due to prior period errors	Restated Balance As at 1 April 2022	Changes in equity share capital during the period	As at 31 March 2023
ISSUED, SUBSCRIBED AND PAID UP CAPITAL					
Equity Shares of ₹1/- each fully paid up					
No of shares	10,75,65,40,264	-	10,75,65,40,264	-	10,75,65,40,264
Amount in ₹ Crores	1,075.65	-	1,075.65	-	1,075.65
Treasury Shares held by subsidiary company	-				
No of shares	(2,00,00,000)	-	(2,00,00,000)	-	(2,00,00,000)
Amount in Rs. Crores	(2.00)	-	(2.00)	-	(2.00)
Closing balance of the year					
No of shares	10,73,65,40,264	-	10,73,65,40,264	-	10,73,65,40,264
Amount in ₹ Crores	1,073.65	-	1,073.65	-	1,073.65

For the Year ended 31st March 2022

Particulars	As at 1 April 2021	Changes in equity share capital due to prior period errors	Restated Balance As at 1 April 2021	Changes in equity share capital during the period	As at 31 March 2022
ISSUED, SUBSCRIBED AND PAID UP CAPITAL					
Equity Shares of ₹ 1/- each fully paid up					
No of shares	10,75,65,40,264	-	10,75,65,40,264	-	10,75,65,40,264
Amount in ₹ Crores	1,075.65	-	1,075.65	-	1,075.65
Treasury Shares held by subsidiary company					
No of shares	(2,00,00,000)	-	(2,00,00,000)	-	(2,00,00,000)
Amount in ₹ Crores	(2.00)	-	(2.00)	-	(2.00)
Closing balance of the year					
No of shares	10,73,65,40,264	-	10,73,65,40,264	-	10,73,65,40,264
Amount in ₹ Crores	1,073.65	-	1,073.65	-	1,073.65

(₹ in Crores)

Particulars	Attributable to owners of the Company										
	Capital reserve	Capital reserve on consolidation	Amalgamation and arrangement reserve*	Securities premium	General reserve	Capital reserve on common control & business combination	Retained earnings	Foreign currency translation reserve	Equity instruments through other comprehensive income	Total other equity	Non controlling interest
Balance at April 1, 2021**	10.01	6.21	358.00	9,627.04	3,261.77	(3,594.73)	(8,775.26)	57.54	80.51	1,031.09	6,010.81
Profit for the year	-	-	-	-	-	-	2,064.48	-	-	2,064.48	1,615.69
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	0.87	-	(7.67)	(6.80)	1.62
Total comprehensive income for the year	-	-	-	-	-	-	2,065.35	-	(7.67)	2,057.68	1,617.31
Dividend paid	-	-	-	-	-	-	-	-	-	-	(133.50)
Transfer from foreign currency translation reserve	-	-	-	-	-	-	57.54	(57.54)	-	-	-
Transaction with non controlling interest	(0.01)	-	0.39	-	-	-	2.07	-	(0.05)	2.40	(3.06)
Balance at March 31, 2022**	10.00	6.21	358.39	9,627.04	3,261.77	(3,594.73)	(6,650.30)	-	72.79	3,091.17	7,491.56
Profit for the year	-	-	-	-	-	-	3,584.88	-	0	3,584.88	1,724.89
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	(2.85)	-	(18.00)	(20.85)	5.09
Total comprehensive income for the year	-	-	-	-	-	-	3,582.03	-	(18.00)	3,564.03	1,729.98
Dividend paid	-	-	-	-	-	-	-	-	-	-	(133.48)
Distribution of ESOP Trust Fund	-	-	-	-	-	-	(0.22)	-	-	(0.22)	(0.83)
Transaction with non controlling interest	-	-	(0.05)	-	-	-	0.29	-	0.01	0.25	(0.25)
Transfer to General Reserve	-	-	-	-	1.20	-	(1.20)	-	-	-	-
Balance at March 31, 2023	10.00	6.21	358.34	9,627.04	3,262.97	(3,594.73)	(3,069.40)	-	54.80	6,655.23	9,086.98

* Includes Amalgamation and Adjustment Reserve of Rs. (118.10) Crore. (PY : Rs. (118.05) Crores).

** There are no changes in other equity due to prior period errors.

Purpose of Reserves:

- (i) **Capital Reserve:** Capital reserve was created on account of transition to Ind AS.
- (ii) **Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.
- (iii) **General Reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- (iv) **Retained Earnings:** The amount that can be distributed by the Group as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety. The same includes accumulated balances pertaining to remeasurement actuarial gain or loss on post employment defined benefit plans.
- (v) **Equity Instruments through Other Comprehensive Income:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity Investments through OCI reserves.

(vi) **Capital Reserve on common control business combination:** The reserve is created on account of using pooling of interest method under Appendix C to Ind AS 103 Business Combination for acquisition/restructuring within the Group.

(vii) **Capital reserve on consolidation:** The reserve is generated while consolidating the acquired entities on acquisition date under previous IGAAP.

(viii) **Foreign Currency Translation Reserve:** The reserve is created on translating the foreign operation's financial statements into presentation currency of the Group.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Raj Kumar, IAS
Chairman
DIN : 00294527

Milind Torawane, IAS
Managing Director
DIN : 03632394

Garima Tater
Partner
Membership No. 407752

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 25th May, 2023
Place : Gandhinagar

Date : 25th May, 2023
Place : Gandhinagar



Notes to Consolidated Financial Statements for the year ended 31st March, 2023

CORPORATE INFORMATION

Gujarat State Petroleum Corporation Limited ("GSPC" or "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office is situated at GSPC Bhavan, B/H Udyog Bhavan, Sector - 11, Gandhinagar - 382010. GSPC is a Government Company u/s 2(45) of Companies Act, 2013. The Company, along with its subsidiaries, is referred as "the Group". The Group has further investments in joint arrangements and associate.

The Group is primarily engaged in oil and gas activities comprising of oil & gas exploration, development and production and trading of natural gas. The Group is also engaged in transmission of natural gas, city gas distribution, PNG-CNG gas sale and generation and sale of electricity.

The Consolidated Financial Statements ('the financial statements') for the year ended March 31, 2023 were approved and authorized for issue in accordance with a resolution passed in the meeting of the Board of Directors held on 25 May 2023.

1. Significant accounting policies

This note provides list of the significant accounting policies applied in the preparation of these consolidated financial statements.

(a) Basis of preparation of Consolidated financial statements:

(i) Statement of compliance with Ind AS

The consolidated financial statements have been prepared in accordance with and comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [including the Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act (as amended from time to time), and the Guidelines issued by the Institute of Chartered Accountants of India for Oil and Gas Producing Activities (Ind AS).

Accounting policies have been consistently applied except whereby a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto.

(ii) Historical cost convention

The consolidated financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- certain financial assets and liabilities measured at fair value;
- defined benefit plans - plan assets measured at fair value;
- Assets held for sale - measured at fair value less cost to sell

(iii) Use of estimates and judgements

The presentation of the consolidated financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of consolidated financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Useful lives of property, plant and equipment, right of use assets and intangible assets
- Current / Deferred tax expense
- Measurement of defined benefit obligations (including key actuarial assumptions)
- Provisions and contingencies
- Expected credit loss for receivables
- Estimation of Oil and Gas reserves
- Impairment of assets

- Valuation of Inventory
- Fair valuation of unlisted securities and Assets held for sale
- Definition of lease, lease term and discount rate
- Identifying performance obligations under contracts with customers
- Timing of revenue recognition under contracts with customers
- Recognition and measurement of unbilled gas sales revenue Identification of investment properties

(iv) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- A. expected to be realised or intended to be sold or consumed in its normal operating cycle;
- B. held primarily for the purpose of trading;
- C. expected to be realised within twelve months after the reporting period; or
- D. cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The liability is classified as current when:

- A. it is expected to be settled in its normal operating cycle;
- B. it is held primarily for the purpose of trading;
- C. it is due to be settled within twelve months after the reporting period; or
- D. there is no unconditional right to defer settlement of the liability for an at least twelve months after the reporting period.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(b) Principles of consolidation and equity accounting

The consolidated financial statement of GSPC represents consolidation of its standalone financial statements with subsidiaries, associates and joint ventures (JV). The proportion of ownership interest in each subsidiary, associate and joint venture is as follows:

Name of Entity	Relationship with GSPC	Direct Control or Control through Subsidiary (indirect Control)	ownership interest as on 31st March 2023	ownership interest as on 31st March 2022
Gujarat State Petronet Limited (GSPL)	Subsidiary (By Management Control)	Direct Control	37.63%	37.63%
Gujarat Gas Limited (GGL) (earlier known as GSPC Distribution Networks Limited)	Subsidiary	Indirect Control	20.38%	20.38%
Guj Info Petro Limited (GIPL)	Subsidiary	Direct Control	60.24%	60.24%
GSPC Pipavav Power Company Limited (GPPC)	Subsidiary	Direct Control	97.47%	97.47%
GSPC (JPDA) Limited	Subsidiary	Direct Control	100.00%	100.00%
GSPC Energy Limited	Subsidiary	Direct Control	100.00%	100.00%
GSPC Offshore Limited*	Subsidiary	Direct Control	0	100.00%
GSPL India Gasnet Limited	JV	Indirect JV	19.57%	19.57%
GSPL India Transco Limited	JV	Indirect JV	19.57%	19.57%
Sabarmati Gas Ltd	JV	Direct JV	32.87%	32.87%

Name of Entity	Relationship with GSPC	Direct Control or Control through Subsidiary (indirect Control)	ownership interest as on 31st March 2023	ownership interest as on 31st March 2022
Gujarat State Energy Generation Limited	Associate	Associate	54.17%	54.17%
Alcock Ashdown (Gujarat) Limited	Associate	Associate	22.50%	22.50%
Social Welfare Trust	Subsidiary	Direct	100.00%	100.00%
Gujarat Gas Limited Employee welfare stock option trust	Subsidiary	Indirect	20.38%	20.38%

* GSPC Offshore Ltd. has been struck-off from the Register of Companies by the Ministry of Corporate Affairs effective from 10th October 2022.

Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, other equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been aligned where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

Associates

Associates are entities over which the Group has significant influence but not control or joint control, This is generally the case where the Group holds between 20% and 50% of the voting rights. Assessment of whether the Group has significant influence or not is made based on Ind AS 28 - Investments in Associates and joint ventures, which requires duly considering potential voting rights if any. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint ventures

Investments in joint arrangements are classified as either joint operations or joint ventures, The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The investments in joint ventures are accounted using the equity method based on requirements of Ind AS 111 - Joint arrangements, after initially being recognised at cost in the Consolidated Balance Sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

Any excess / short of the amount of investments in associate or joint venture over the Group's portion of in net assets of associate or joint venture, at the date of investments is considered as goodwill / capital reserve.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment

of the asset transferred. Accounting policies of equity accounted investees have been aligned where necessary to ensure consistency with the policies adopted by the Group.

The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets of liabilities.

This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated statement of profit and loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to consolidated statement of profit and loss where appropriate.

Business combination of entities under common control

Business combinations involving entities that are ultimately controlled by the same party before and after the business combination are considered as common control business combination to be accounted using the pooling of interest method which comprises of the below.

- The assets and liabilities of the combining entities are reflected at their carrying amount.
- No adjustments are made to reflect the fair values or recognise new assets or liabilities. Adjustments are made to align accounting policies.
- The financial information in the financial statements in respect of prior period is restated as the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve. Acquisition costs that the Group incurs in connection with a business combination are expensed as incurred.

The identity of the reserves is preserved, and the reserves of the transferor become the reserve of the transferee. The difference if any between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to "Capital Reserve on common control business combination" and is presented separately from other capital reserves.

(c) Property, plant and equipment

(i) Oil and Gas properties

The Group has adopted Contract Area (PSC-Production Sharing Contract) level cost center based accounting for the oil and gas operations with effect from 1st April, 2015 and accordingly, all costs incurred in acquisition, prospecting, exploration and development of a Contract Areas are accumulated considering a contract area as a cost center. Costs incurred at each of the following level are accounted for as stated below.

1) Pre-acquisition Cost

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

2) Acquisition, Exploration & Evaluation Costs:

Acquisition cost of an oil and gas property are costs incurred to purchase, lease or otherwise acquire a property or mineral

rights. All such costs are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development based on the nature of the expenditure.

Exploration and Evaluation activities cover the prospecting activities conducted in search for oil and gas after the Group has obtained legal rights to explore a specific area, as well as activities towards determination of the technical feasibility and commercial visibility of extracting the oil & gas. All such costs are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development based on the nature of the expenditure.

3) Development Cost

Development activities cover the activities conducted after determination of the technical feasibility and commercial viability of extracting oil & gas but before the well start actual commercial production and includes drilling cost of development wells, completion of successful exploration wells laying gathering lines, production facilities etc. All such costs are capitalised and accumulated as Development Cost under Capital Work In Progress or Intangible assets under Development based on the nature of the expenditure.

4) Producing properties

Producing Properties are created in respect of an area / field having proved developed oil and gas reserves, when the well in the area / field is ready to commence commercial production. All the exploration cost and development cost incurred for the producing wells are reclassified as Producing Properties or Property Plant & Equipment as the case may be. The exploration and evaluation expenditure on unsuccessful wells in a proved area are also capitalised as Producing Properties as per the guidance available para 23 of Guidance Notes issued by The Institute of Chartered Accountants of India for Oil and Gas Producing Activities (Ind AS).

5) Abandonment Cost

The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete / facilities are installed.

6) Surrender / Relinquishment of a Contract Area

The carrying cost of a Contract Area is written off in the Consolidated Statement of Profit and Loss in the year in which such a Contract area is surrendered after the required approvals. Further, the carrying cost of a Contract Area that is proposed for surrender during a year but approval for which is still awaited at the end of such year, Is also provided for in the Consolidated Statement of Profit and Loss under the head exploration cost written off.

7) Disposal of Interest

Gain (excess of net consideration over carrying value of the assets) or loss (excess of carrying value of the assets over net consideration) on sale of interest in a Contract Area is recognized in the consolidated statement of profit or loss in the year in which such agreement is executed.

(ii) Other property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost of acquisition / construction (net of recoverable taxes) less accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

In case of transmission and city gas distribution business, the Group capitalises all the cost directly attributable and ascertainable to project assets, till completing the project. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Costs of meter / regulator consumed for initial connection to customers are capitalized as per underlying contracts with customers and consumed for replacement during the year are charged to statements of profit & loss.

The present value of the expected cost for the decommissioning of an asset after its useful life is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital Work-in-progress includes expenditure that is directly attributable to the acquisition / construction of assets, which are yet to be commissioned and project inventory.

An item of property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the Consolidated statement of profit and loss.

(d) Investment properties

Investment properties comprise portions of free hold or lease hold land (right of use asset) and office buildings that are held for rental yield and / or capital appreciation. An investment property generates cash flow largely independently of the other assets held by the Group.

Property used In production or supply of goods or services and also held to earn rentals / capital appreciation is accounted separately as investment property only if portion of property held to earn rental / capital appreciation can be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Further property with provision of ancillary services to the occupants is treated as investment property if the services are insignificant to the arrangement as a whole. Investment property shall be recognised as an asset when and only when: (a) it is probable that the future economic benefits that are associated with the Investment property will flow to the entity; and (b) the cost of the investment property can be measured reliably.

Investment property is measured initially at its cost, including related transaction costs and applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed out as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets like software, licenses, right of way / right of use which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to the consolidated statement of profit and loss when the intangible asset is derecognised.

(f) Depreciation, depletion and amortisation methods, estimated useful lives and residual values

Depreciation on producing properties is provided on unit of production method and on other tangible items of property, plant and equipment is provided on written down value method (WDV) except otherwise stated.

The useful lives have been determined based on technical evaluation done by the management's experts which are in line with useful lives specified by Schedule II to the Companies Act, 2013. The residual values are at less than 5% of the original cost of the item of property, plant and equipment. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Mobile instruments purchased by the Group are fully written off as expenses in the year of purchase.

In case of Property, Plant and equipment, the right-of-use asset under Ind AS 116 is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation on property, plant and equipment used for exploration and drilling activities is initially capitalized as part of exploration or development costs.

The depletion on producing properties has been calculated and provided, using the unit of production method as described in the Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS) issued by ICAI, in proportion of oil and gas

production achieved vis a vis the proved reserves.

As Guidance Note is for "Producing Activities", the Group, keeping in mind the prudent industry practice, considers the assets for depletion only once the commercial production is commenced with the approval of the appropriate authority as per the provisions of the Production Sharing Contract (PSC), Till that time, neither the reserves are taken for depletion nor are the assets with respect to the said PSC are capitalized.

No depreciation or depletion is provided in the accounts of the Joint Ventures. However, the depreciation and depletion, as applicable, has been provided for by the Group in its own books based on its participating interest.

Depreciation on Plant and Machinery - pipelines (Steel and MDPE) is provided at 3.33 % on Straight-Line Method (SLM) considering useful life of thirty years.

City gas stations, skids, pressure regulating stations, meters & regulators are written off on SLM basis. These are estimated to have useful life of 18 years based on technical assessment made by technical expert and management

The Group has constructed / installed CNG stations' buildings and machineries, on land taken on lease from various lessors under lease deed for periods ranging from 35 years to 99 years. However, assets constructed / installed on such land have been depreciated at useful lives as referred above. Capital assets / facilities installed at the customers' premises on the land of the customers / CNG franchisee whose ownership is not with the Group have been depreciated at the useful lives specified as above.

On Power Generation Assets depreciation is provided on straight line method (SLM) following the rate and methodology as notified by Central Electricity Regulatory Commission (CERC) pursuant to provisions of Electricity Act, 2003.

For intangible assets, Right of Use in land for laying pipelines is indefinite life and hence it is not amortised. However, the same is tested for impairment annually. Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

Depreciation on items of property, plant and equipment acquired / disposed of during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated on written down value method (WDV) based on the useful lives prescribed in Schedule II to the Companies Act, 2013.

In case of intangible assets, software is amortized at 40% on written down value method.

(g) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 a 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 transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For impairment of Oil and Gas JV Fields, the Group considers the prevailing business conditions to make an assessment of future crude oil and natural gas prices and internal and external information / indicators of future economic conditions & future cashflows. The estimated future cash flows are calculated till end of its useful life or PSC end term, whichever is earlier.

In other cases, the Group bases its impairment calculation based on estimates, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years, For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit and loss, except for properties previously valued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(h) Leases

The Group assess whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised

The Group as a lessee

As a lessee, the Group has taken assets on lease including land, office building, factory shed, vehicles, plant and machinery and guest house. The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the lease liability recognized adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease or, if that rate cannot be readily determined. After the commencement date, lease liability is increased to reflect the accretion of interest and reduced for the lease payment made.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets:

The Group has applied the recognition exemption for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value. The Group recognises the lease payments associated with these leases as an expense in Consolidated Statement of Profit and Loss over the lease term.

Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Consolidated Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

The Group as a lessor

Leases for which the Group is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Finance lease

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. The Group has a scheme of providing certain assets viz, mobiles, laptops, vehicles to their employees. Under the said scheme, the Group initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Group has derecognised the items of PPE given to employees & reclassified it as finance lease. The difference between the cost of the asset and present value (or absolute value if the present value is not material) of the consideration to be received from the employee

over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

In case of modification of contractual terms, the same is accounted as a new lease, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

(i) Borrowing costs

The Group is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For interest capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the interest for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the interest is charged to the consolidated statement of profit and loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the consolidated statement of profit and loss.

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

(j) Non-current assets held for sale and discontinued operations

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss. Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Consolidated Balance Sheet. Once classified as held for sale, intangible assets, right of use assets and property, plant and equipment are no longer amortised or depreciated.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

(k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition

A financial asset is recognised in the Consolidated Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset except trade receivables (not containing significant financing component) are measured at transaction price.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- A. Financial assets measured at amortised cost;
- B. Financial assets measured at fair value through profit or loss (FVTPL); and

C. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Group classifies its financial assets in the above-mentioned categories based on:

- A. The Group's business model for managing the financial assets, and
- B. The contractual cash-flows are characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- B. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit or Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit or Loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- B. The asset's contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Trade receivables

Trade receivables are recognised initially at the transaction price if the trade receivables do not contain a significant financing component and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit or Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- A. The contractual rights to the cash flows from the financial asset have expired, or
- B. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - i) The Group has transferred substantially all the risks and rewards of the asset, or
 - ii) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.'

When the Group has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- (ii) Trade receivables and contract asset that result from transactions that are within the scope of Ind AS 115.
- (iii) Lease Receivables.

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

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

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables which do not contain significant financing component. Under the simplified approach, the Group is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the Consolidated Statement of Profit and Loss.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

- A. Financial liabilities measured at amortised cost
- B. Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities

designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the consolidated Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 'Financial Instruments' are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risks are recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the consolidated statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability initially it measures the financial guarantee at their fair values and subsequently measures at higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- The amount initially recognized less, when appropriate, the cumulative amount of Income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'.

Loan and borrowings :

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and de-recognition are recognised in consolidated statement of profit and loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Borrowings are Initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit and loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down. The said fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss as other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statement for issue, not to demand payment as a consequence of the breach.

Trade and other payables

These amounts represent liability for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

(l) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet when, and

only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

(m) Fair value measurement

The Group measures certain financial instruments, such as investment in equity shares, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- A. In the principal market for the asset or liability, or
- B. In the absence of a principal market, In the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Board of Directors (BOD) determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale / distribution in discontinued operations.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(n) Inventories

- Crude oil in flow lines is not valued as it is not stored.
- Natural Gas in pipeline is valued at cost or net realizable value whichever is lower.
- Inventory of crude oil & condensate with Joint Ventures is valued as per net realisable value as per the rate specified on sale agreement.
- Natural gas imported as LNG and stored in the storage tank of the LNG terminal are valued at cost or net realizable value whichever is lower.
- Chemicals, fuels, consumables, stores and spare parts are valued at Weighted Average Cost.
- Inventory of Gas (including inventory in own pipeline and CNG cascades) is valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.
- Inventories of Project materials, spares, stores, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost. However, stores and spares meeting the definition of property plant and equipment are capitalised and depreciated from the date of purchase.

(o) Employee benefits***(i) Short term employee benefit obligations***

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of reporting period that have terms approximating to the terms of related obligation.

The obligations are presented as current liabilities in the consolidated balance sheet if the Group does not have unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- A. Defined benefit plans such as gratuity, Post-Retirement Medical Benefit Scheme (PRMBS) & loyalty bonus etc. and
- B. Defined contribution plan such as provident fund, superannuation fund etc,

Gratuity / Post-Retirement Medical Benefit Scheme / Loyalty Bonus obligations

The liability or asset recognised in the consolidated balance sheet in respect of defined benefit gratuity plan / PRMBS / loyalty bonus is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The Group provides for loyalty bonus to eligible employees whereby a lump sum payment to eligible employees at the time of retirement, death, incapacitation or termination of employment is paid based on the respective employee's salary and the tenure of employment. Liabilities with regard to the loyalty bonus scheme are determined by independent actuarial valuation as on the balance-sheet date.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net Interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the consolidated statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are accumulated in retained earnings in the consolidated Statement of Changes in Equity and in the consolidated Balance Sheet,

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in the consolidated Statement of Profit and Loss as past service cost.

Defined contribution plans

The Group pays provident fund and superannuation fund contributions to Employee's Provident Fund / Trust and Group Superannuation Scheme of Life Insurance Corporation of India respectively. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date. Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(v) Employee Stock Option plan

Share-based compensation benefits are provided to employees via Employee Stock Option Scheme.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- A. including any market performance conditions (e.g. entity's share price)
- B. excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period); and
- C. including the impact of any non-vesting conditions (e.g. the requirements for employees to save or holding shares for specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

(p) Foreign currency transactions

(i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the "primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in the Consolidated Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs and MTM for derivatives taken for FCNR loan are presented as finance costs in the Consolidated Statement of Profit and Loss. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(q) Revenue recognition

- Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Group assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.
- Revenue is measured based on the amount of consideration to which the Group expects to be entitled in exchange of goods or services. The transaction price includes Excise Duty; however, it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Group collects on behalf of the government.
- In determining the transaction price, the Group estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.
- The Group recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs. :
- Income from sale of crude oil and gas produced from wells until start of commercial production is adjusted against the cost of such wells.
- Revenue from sale of gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered / assessed measurements facility. In case of high sea sales, control is transferred to the customer on delivery of the gas outside the territorial water of India. The amount recognised as revenue is stated inclusive

of royalty payable to Government of India and exclusive of profit petroleum, sales tax /value added tax (VAT) and Goods and service tax (GST).

- Profit Petroleum payable to the Government of India (MoP&NG) under a PSC is accounted for initially on an estimated basis and upon approval of the DGH, MoP&NG, difference, if any, is accounted for in the year of such of approval.
- Revenue from regasification services is recognised over time such service is performed by the Group and revenue from gas transmission is recognized over the period in which the related volumes of gas are delivered to the customers.
- Revenue from sale of electricity is recognized at the point in time when control is transferred to the customer, generally on delivery of the electricity on metered / assessed measurements facility.
- Revenue from transmission of gas through pipeline is recognised over the period in which the related services are performed. Customers are billed on fortnightly basis.
- In case of city gas distribution business, revenue from sale of Natural Gas is recognized at the point in time when the control is transferred to the customers, generally on delivery of the gas on metered / assessed measurement facility. Sales are billed bi-monthly for domestic customers, monthly / fortnightly for commercial and non-commercial customers and fortnightly for industrial customers.
- Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery to customers from retail outlets.
- Revenue recognised towards supply of natural gas already occurred for the period from the end of the last billing date to the balance sheet date has been reflected under Contract Asset (as unbilled revenue) which is calculated based on customer wise previous average consumption.
- In case of IT business, Revenue from sale of traded goods is recognised at the point in when control is transferred to the customers, generally on delivery of the goods to the customers. Revenue from operation & maintenance services, webcasting services, server co-location, software as a service model over specified period of time on a straight-line basis, because customers simultaneously receives and consumes the benefits provided by the Group. Facility Management Services are recognised at gross amount charged to customers with a corresponding charge in the consolidated statement of profit and loss.
- Revenue in respect of 'Take or Pay' quantity of gas (short lifted quantity of gas under the Gas Sale Agreements) is recognized on accrual basis in the period to which it relates to.
- Group's share of Revenue from Joint Operations is considered on the basis of Accounts submitted by Joint Operations.
- Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.
- The Company recognises revenue from software development services over time, using an input method to measure progress towards complete satisfaction of the service, because the software being developed does not have an alternative use to the Company and it has the enforceable right to payment for performance completed to date. Further, the Company recognises revenue from consultancy projects over time, using an output method to measure progress towards complete satisfaction of the service.
- Revenue recognized in excess of billing has been reflected under "unbilled revenue". Excess billing over revenue recognized has been reflected under "deferred revenue/contract liability".
- Revenue in respect of interest/ late payment charges on delayed realizations from customers and cheque bounce charges, if any, is recognized on grounds of prudence and on the basis of certainty of collection.
- Where the Group's performance obligation is to arrange for the provision of goods or services by another party, it is acting as an agent and hence the Group recognises revenue in the amount of any fee or commission or brokerage to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services. The Group's fee or commission or brokerage is the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

Other Income :

- Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal

outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to that asset's gross carrying amount on initial recognition.

- Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend in case of final dividend and when the Board of Directors of investee company declares the dividend in case of interim dividend. Income in respect of interest on delayed realizations from customers, if any, is recognized when it can be reliably measured, and it is reasonable to expect ultimate collection.
- Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contact with customers.
- Liquidity damages, if any are recognised at the time of recording the purchase of materials in books of accounts and the matter is considered settled by the management.
- Where the Group's performance obligation is to arrange for the provision of goods or services by another party, it is acting as an agent and hence the Group recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services. The Group's fee or commission is the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

(r) Allocation of General Administrative Expenses

In case of Joint Operations, in which the Group is an operator, the allocation of Common General and Administrative Expenses and Employee cost to various operated blocks, is done on the basis of time allocations notified by each employee.

(s) Accounting for oil and gas joint operations

All Oil and Gas Joint Operations are in the nature of unincorporated joint operations. Accordingly, the consolidated financial statements of the Group reflect the Group's share of assets, liabilities, income and expenditure of the Joint operations, which are accounted on a line by line basis, based on the available information as on the date of the Balance Sheet, with similar items in the Group's accounts, to the extent of the Participating Interest of the Group in each joint operation and related Joint Operating Agreements (JOA), if any, except in case of abandonment, impairment, depletion and depreciation, which are accounted for as per the accounting policies of the Group. The consolidated financial statements of the unincorporated joint operations are prepared by the respective Operators of the Contract Area in accordance with the requirements prescribed by the respective PSC and JOA. Hence, certain adjustments / disclosures required under the mandatory Indian Accounting Standards and the Companies Act, 2013 have been made in the consolidated financial statements of the Group only to the extent of information available with the Group as on the date of the balance sheet. Such information include information relating to foreign exchange differences, micro, small and medium enterprises, expenditure in foreign currency, earnings in foreign currency, CIF value of imports, transactions with related parties, details of commitments and contingencies, inventory of oil and gas and consumption of stores and spares.

(t) Taxation

Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, along with Income Computation and Disclosure Standards — ICDS as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Advance taxes and provisions for current income taxes are presented on net basis in the Consolidated Balance Sheet considering the legal offset right in the same tax jurisdiction for relevant tax paying units and intention of the Group to settle the same on net basis.

Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income.

Deferred taxes

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences (including carry forward of unused tax losses and credits) to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. However, when there is no convincing evidence available for future taxable profit, the Group recognises Deferred Tax assets arising from unused tax losses or tax credit only to the extent of Deferred Tax liability already recognised by the Group till date.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint Operations where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint operations where the parent, investor, joint venturer or joint operator is able to control the timing of the reversal of the temporary difference; and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the consolidated statement of profit and loss and shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(u) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(v) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any

reimbursement. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The Group records a provision for decommissioning costs of a leasehold land and producing properties, It is recognised as the windmills and oil and gas properties are constructed on leasehold lands which are to be returned to the lessor at the end of the lease tenure on 'as is' basis. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the respective assets, The cash flows are discounted at a current pre-tax rate that reflects the risk specific to the decommissioning liability. The unwinding of discount is expensed as incurred and recognised in the consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liability is disclosed in the case of:

- A. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- B. A present obligation arising from the past events, when no reliable estimate is possible;
- C. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for in the books of accounts and are disclosed by way of notes to accounts. Contingent assets are not recognized in consolidated financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(w) Cash and Cash Equivalents

Cash and cash equivalents comprise cash, cash at bank, cheque / demand draft on hand and deposits with banks / financial institutions and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks / financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(x) Consolidated Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(y) Insurance claims

The Group accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:

- In case of loss of asset /goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance".
- In case insurance claim is less than carrying cost the difference is charged to consolidated Statement of Profit and Loss. As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Consolidated Statement of Profit and Loss.

(z) Dividends

The Group recognises a liability for dividends to equity holders of the Group when the dividend is authorised, and the dividend is no longer at the discretion of the Group. As per the corporate laws in India, a dividend is authorised when it is approved by

the shareholders. A corresponding amount is recognised directly in other equity.

(aa) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The Board of Directors (BoD) of the Parent assesses the financial performance and position of the Group, and makes strategic decisions; hence, are CODM.

(bb) Rounding off

All amounts disclosed in the consolidated financial statements and notes have been rounded to the nearest Crore (up to two decimals) except when otherwise indicated.

(cc) Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date occurring after the balance sheet date are recognized in the consolidated financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed In the Directors' Report. Further, the shareholders of the Companyve the power to amend the Consolidated Financial Statements after the same has been authorised for issue by Board of Directors as per the provisions of Companies Act, 2013.

(dd) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the consolidated financial statements.

(ee) New and revised Indian Accounting Standards in Issue but not yet effective

Following are the amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 31st March 2023) which are effective for annual periods beginning after 1st April 2023. The Group intends to adopt these standards or amendments from the effective date, as applicable and relevant, These amendments are not expected to have a significant impact on the Group's consolidated financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Group when it will adopt the respective standards.

Amendments to Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction:

Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

Amendments to Ind AS 1 Presentation of Financial Statements - Disclosure of Accounting Policies:

The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy Information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates:

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

Note - 2
Property, plant, equipment as at 31st March 2023

Particulars	Gross Block						Depreciation, Depletion, Impairment and Amortization				Net Block	
	As at 1st April 2022	Addition during the year	Disposal/Adjustment during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/Adjustments during the year	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022		
Freehold Land	686.08	5.24	-	691.32	-	-	-	-	-	691.32	686.08	
Lease hold Land (i)	180.42	10.20	(3.34)	187.28	14.31	4.12	(0.09)	18.34	168.94	166.11		
Buildings (i)	594.76	16.52	(5.00)	606.28	164.15	23.68	(2.67)	185.16	421.12	430.61		
Plant and Machinery (i)	15,231.08	1,000.51	(5.82)	16,225.77	5,402.75	676.35	(3.30)	6,075.80	10,149.97	9,828.33		
Furniture and Fixture	35.13	1.76	(0.61)	36.28	23.73	2.35	(0.57)	25.51	10.77	11.40		
Office Equipments	29.26	2.81	(0.86)	31.21	21.93	2.41	(1.45)	22.89	8.32	7.33		
Computer Equipment	55.35	8.79	(1.34)	62.80	40.53	6.00	(1.22)	45.31	17.49	14.82		
Vehicles (i)	108.88	20.57	(2.71)	126.74	20.61	21.93	(1.68)	40.86	85.88	88.27		
Electrical Installation & Equipment	119.08	0.84	(0.01)	119.91	84.96	7.64	-	92.60	27.31	34.12		
Communication Equipment	62.68	1.52	(0.01)	64.19	43.80	3.23	(0.01)	47.02	17.17	18.88		
Ships	0.06	-	-	0.06	0.05	-	-	0.05	0.01	0.01		
Books	0.33	-	-	0.33	0.33	-	-	0.33	-	-		
Producing Properties (being Group's share in Joint Arrangement)	1,496.95	34.82	-	1,531.77	903.20	26.70	-	1,031.30	500.47	593.75		
Total tangible assets	18,600.06	1,103.58	(19.70)	19,683.94	6,720.35	774.41	(10.99)	7,585.17	12,098.77	11,879.71		
Capital work in progress:												
Exploration & Development									71.64	73.49		
CWIP Others									1,382.69	1,218.07		
Total capital work in progress									1,454.33	1,291.56		

*During the year, the Group has provided for impairment / (impairment reversal) to the extent of Rs. (0.48) Crore (PY Rs.1.35 crore) against non moving capital spares & Rs. Nil (PY: Rs. 97.48 Crores) pertaining to one E & P Block. Refer Note 32.

Particulars	Property, plant, equipment as at 31st March 2022											
	Gross Block					Depreciation, Depletion, Impairment and Amortization					Net Block	
	As at 1st April 2021	Addition during the year	Disposal/ Adjustment during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021		
Freehold Land (Refer note b)	696.25	5.98	(16.15)	686.08	-	-	-	-	686.08	696.25		
Lease hold Land (i)	149.81	1.55	29.06	180.42	8.33	5.71	0.27	14.31	166.11	141.48		
Buildings (i)	572.09	23.55	(0.88)	594.76	140.82	23.82	(0.49)	164.15	430.61	431.27		
Plant and Machinery (i)	14,381.07	865.67	(15.66)	15,231.08	4,763.75	641.45	(2.45)	5,402.75	9,828.33	9,617.32		
Furniture and Fixture	34.19	1.53	(0.59)	35.13	21.73	2.53	(0.53)	23.73	11.40	12.46		
Office Equipments	27.85	2.46	(1.05)	29.26	21.25	1.67	(0.99)	21.93	7.33	6.60		
Computer Equipment	57.45	1.33	(3.43)	55.35	37.76	6.00	(3.23)	40.53	14.82	19.69		
Vehicles (i)	38.86	78.99	(8.97)	108.88	13.23	16.35	(8.97)	20.61	88.27	25.63		
Electrical Installation & Equipment	113.79	5.29	-	119.08	75.79	9.17	-	84.96	34.12	38.00		
Communication Equipment	61.82	0.86	-	62.68	39.93	3.87	-	43.80	18.88	21.89		
Ships	0.06	-	-	0.06	0.05	-	-	0.05	0.01	0.01		
Books	0.33	-	-	0.33	0.33	-	-	0.33	-	-		
Producing Properties (being Group's share in Joint Arrangement)	1,370.45	126.50	-	1,496.95	822.03	25.88	-	903.20	593.75	548.42		
Total tangible assets	17,504.02	1,113.71	(17.67)	18,600.06	5,945.00	736.45	(16.39)	6,720.35	11,879.71	11,559.02		
Capital work in progress:												
Exploration & Development									73.49	185.58		
CWIP Others									1,218.07	952.95		
Total capital work in progress									1,291.56	1,138.53		



(i) the above includes the right of use (ROU) assets recognized under Ind AS 116 Leases: (₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion, Impairment and Amortization				Net Block		
	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Impairment during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 31st March 2022
ROU - Land	180.42	10.20	(3.34)	187.28	14.31	4.12	-	(0.09)	168.94	166.11
ROU - Building	9.84	3.85	(3.37)	10.32	4.81	1.76	-	(2.39)	6.14	5.03
Plant and Machinery	34.43	-	-	34.43	6.23	2.72	-	-	25.48	28.20
Vehicles	95.77	20.57	(1.78)	114.56	10.18	21.28	-	(0.80)	83.90	85.59
Total	320.46	34.62	(8.49)	346.59	35.53	29.88	-	(3.28)	284.46	284.93

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion, Impairment and Amortization				Net Block		
	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Impairment during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 31st March 2021
ROU - Land	149.81	1.55	29.06	180.42	8.33	5.71	-	0.27	166.11	141.48
ROU - Building	10.24	-	(0.40)	9.84	3.73	1.44	-	(0.36)	5.03	6.51
Plant and Machinery	31.30	3.13	-	34.43	3.88	2.35	-	-	28.20	27.42
Vehicles	26.21	78.44	(8.88)	95.77	3.38	15.67	-	(8.87)	85.59	22.83
Total	217.56	83.12	19.78	320.46	19.32	25.17	-	(8.96)	284.93	198.24

- a. The Group has taken several plots of land on lease with lease term ranging from 14.5 years to 99 years and factory shed buildings with a lease term of 99 years. Some of the lease contracts are having renewal option with mutual consent and also contain termination options. Such options are appropriately considered in determination of the lease term based on the management's judgement. For all these contracts, upfront payments have been made.
- b. During FY 2020-21, the Group had classified a land in Andhra Pradesh having carrying value of Rs.13.16 crores as assets held for sale and the process to sale the land was initiated by the Group. However, during the previous year the asset was reclassified back to land & building under PPE as the management has decided not to sale the property. The same did not have any impact on the results of the operations of the Group.

(ii) Capital Work in Progress Ageing Schedule
As on 31 March 2023

Particulars	Amount in CWIP for a period of				Project Inventory	Total
	(₹ in Crores)					
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years		
Projects in Progress	922.10	209.65	65.64	142.05	71.97	1,411.41
Projects temporarily suspended	0.06	1.94	6.68	34.24	-	42.92
Total	922.16	211.59	72.32	176.29	71.97	1,454.33

As on 31 March 2022

Particulars	Amount in CWIP for a period of				Project Inventory	Total
	(₹ in Crores)					
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years		
Projects in Progress	844.53	157.07	49.68	161.11	73.46	1,285.85
Projects temporarily suspended	0.02	-	2.17	3.52	-	5.71
Total	844.55	157.07	51.85	164.63	73.46	1,291.56

Notes:**In case of Parent Company - Gujarat State Petroleum Corporation Limited:**

- Exploration and Development cost incurred by the joint Arrangements has been bifurcated into CWIP tangible and intangible assets under Development as per the requirement of Guidance note on Accounting for Oil & Gas Producing Activities (Ind AS) issued by ICAI read with Ind AS 106 "Exploration for and Evaluation of Mineral Resources".
- The entire amount in CWIP is related to E&P business of the Group. The Group has considered each PSC for a separate Project. The Company does not have any assets under capital work in progress whose completion is overdue or whose costs have exceeded its original plan.

In the Case of Subsidiary - Gujarat State Petronet Limited:

The Group does not have any assets under capital work in progress whose completion is overdue or whose costs have exceeded its original plan for assets pertaining to its transmission business. For city gas distribution business, the Group is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

In the Case of Subsidiary - Guji Info Petro Limited:

Guji Info Petro Limited has entered into irrevocable lease arrangement for leasing office space at Infocity, Gandhinagar for an upfront one time consideration of Rs. 0.23 crores plus incidental charges. In addition to this, a freehold premium amounting to Rs. 0.02 crores is payable at the end of 58 years.

In the Case of Subsidiary - GSPC Pipavav Power Company Limited:

- GSPC Pipavav Power Company Limited had capitalized substantial portion of 702MW power plant during FY 2013 - 2014 that were ready for commercial production based on trial run as per terms of Power Purchase Agreement (PPA) with GUVNL. Further the work under EPC contract is not over and the Company has not issued Provisional Acceptance Certificate (PAC) to Bharat Heavy Electricals Ltd. (BHEL). Considering uncertainty in recoverability and crystallization of exact amount of liquidated damages on account of delay in execution of contract under the EPC contract with BHEL (including liquidated damages arising that may arise on Performance Acceptance Certificate), the management has decided to consider accounting of liquidated damages under EPC contract after PAC and Performance Guarantee test by BHEL.
- On 8th July 2020, a major fire broke out at Switch yard and control room of the Company's 5 MW Solar Plant in which factory building was destroyed. The Company had entered agreement with LANCO, whereby LANCO had indemnified the Company for any damage to assets at solar plant. In F.Y. 2020-21 the written down value of the building was removed from property, plant and equipment and loss pertaining to the same was debited to LANCO. The plant is partially recommissioned on 7th April, 2021 and entire plant came into service and available for generation from 17th April, 2021. Accordingly the written down value of the building was added back to property, plant and equipment in previous year.

e. The assets i.e. 702MW gas based combined cycle power plant located at Pipavav, Amreli is commissioned for generation of power (electricity). Presently, the Company is generating power as per the Power Purchase Agreement (PPA) executed with GUVNL. Although, GUVNL is the sole procurer of electricity generated from the assets at this point in time, the Company has right to use the assets for other customer/s in future, if any.

In light of the above aspects of the arrangement, the Company had examined the parameters of determining whether this arrangement contains a Lease in light of the Power Purchase Agreement, Articles of Association, its relationship with the promoters and the (Government of Gujarat). The Company had concluded that the arrangement did not fulfil the criteria for the determination of lease and accordingly classified as PPE).

f. Addition in Freehold land is due to stamp duty paid as directed by competent authority for existing land, there is no new additional land purchased. The Pipavav Project Land is comprised of 114.44 Hectares of acquired land and 16 Hectares of Government Land.

The acquired land has already been transferred in GPPC's name and subsequently the said land had been mortgaged in favour of Company's lenders. GPPC has already made full payment of outstanding term loan availed in connection with 702MW Pipavav Project. The process of the freeing the acquired land in revenue records, Sub Registrar office, Taluka Rajula District Amreli is going on.

During the FY 2022-23, as per the decision taken by the management of the Company, a request has been made to The District Collector, Amreli with respect to the whole Government land 16 Hectares for conveying the formalities (as may be necessary) for buying the said government land. Presently, GPPC continues to follow up in the matter.

Besides, it is also submitted that during FY 2022-23, as per the order passed by The Chief Controller Revenue Authority (CCRA), Gujarat State's order No. EGR/Legal/ 53-K/86/2020/22451-53 dated 02.06.2022, GPPC has deposited Rs. 1.91 crores in State Government Treasury on account of short payment of stamp duty amounting Rs. 1.91 crores during the course of transfer of the transfer of ownership of acquired land to GPPC in 2015.

Note 3

Investment property as at 31st March 2023

Particulars	Gross Block			Depreciation, Deplection and Amortization			Net Block	
	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 31st March 2022
Land and building *	1.56	-	-	0.12	-	-	1.44	1.44
Total Investment property	1.56	-	-	0.12	-	-	1.44	1.44

Investment property as at 31st March 2022

Particulars	Gross Block			Depreciation, Deplection and Amortization			Net Block	
	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 31st March 2021
Land and building *	1.56	-	-	0.08	0.04	-	1.44	1.48
Total Investment property	1.56	-	-	0.08	0.04	-	1.44	1.48

*Includes land of an amount of ₹1.44 crores (P.Y ₹1.44 crores) which is non depreciable.

Notes

- The assets are given on lease for various lease terms as agreed mutually. The leases are cancellable subject to agreed notice period.
- Amount recognised in profit or loss for investment properties :

Particulars	For the year ended	
	31st March, 2023	31st March, 2022
Rental Income	2.41	0.96
Profit from investment properties before depreciation	2.41	0.96
Depreciation	-	(0.04)
Net Profit from investment properties	2.41	0.92

In case of Subsidiary Gujarat Gas Limited:

Till Financial Year 2021 - 22, the Group had recognized the rental facilitation fees on investment property for the financial years 2016-17 and 2017-18 on the basis of provisional working submitted by tenants and for financial year 2018-19, 2019-20, 2020-21 and 2021-22 on the basis of previous years working, as no further working of rental facilitation fees was submitted by tenants post FY 2017-18. In this regard, the Group was contesting the issue of valuation of land for rental facilitation fees with tenant. During the year, the issue was resolved and hence, the Group has recognized rental facilitation fees of ₹ 1.15 Crores till March 31, 2022 being difference between rental facilitation fees agreed with tenant and the fees recognized so far on provisional basis. On similar lines, the Group has recognized rental facilitation fees of ₹ 0.46 Crores for the financial year 2022-23.

c. Contractual Obligations

Refer to Note 35 for disclosure of contractual obligations to purchase, construct or develop investment property or for its repair, maintenance or enhancements.

d. Leasing Arrangements

The investment property is leased to tenants under long term operating leases with rentals payable annually as per the formula given in the agreement executed by both the parties. The lease period is 10 years (extendable as mutually agreed). Either party can terminate the agreement by giving 6 months notice (Non cancellable period). The future minimum lease payments receivables for 6 months can not be determined as the amount of rent is dependent on variable lease payment factors.

Fair value of investment properties:

Particulars	(₹. in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Investment Properties	4.00	4.00
Total	4.00	4.00

In Case of Parent Company - Gujarat State Petroleum Corporation Limited:

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Company obtains independent valuations for its investment properties once in every three to five years interval. Last fair valuation was done on 31st March 2022.

In Case of Subsidiary Gujarat Gas Limited:

The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The Group obtains independent valuations for its investment properties once in every three to five years interval. Last fair valuation was done on 31st March 2021.



Note 4
Goodwill on Consolidation as at 31st March 2023

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 31st March 2022
Goodwill on consolidation	186.14	-	-	186.14	-	-	-	186.14	186.14
Total Goodwill on consolidation	186.14	-	-	186.14	-	-	-	186.14	186.14

Other intangible assets as at 31st March 2023

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 1st April 2022	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2023	As at 31st March 2022
Right of Use/ Right of Way**	606.31	89.01	(0.91)	694.41	84.89	17.23	(0.24)	592.53	521.42
Software	118.65	11.69	(0.08)	130.26	91.53	10.13	(0.01)	28.61	27.12
Total other intangible assets	724.96	100.70	(0.99)	824.67	176.42	27.36	(0.25)	621.14	548.54
Intangible assets under development Exploration & Development* Software								102.74 26.91	110.36 27.33
Total of intangible assets under development								129.65	137.69

Goodwill on Consolidation as at 31st March 2022

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1st April 2021	Addition during the year	Disposal/ Adjustment during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/ Adjustments during the year	As at 31st March 2022	As at 31st March 2021
Goodwill on consolidation	186.14	-	-	186.14	-	-	-	186.14	186.14
Total Goodwill on consolidation	186.14	-	-	186.14	-	-	-	186.14	186.14

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1st April 2021	Addition during the year	Disposal/Adjustment during the year	As at 31st March 2022	As at 1st April 2021	Addition during the year	Disposal/Adjustments during the year	As at 31st March 2022	As at 31st March 2021
Right of Use/ Right of Way**	565.65	41.52	(0.86)	606.31	69.38	15.51	-	521.42	496.27
Software	110.39	9.21	(0.95)	118.65	83.27	9.20	(0.94)	27.12	27.12
Total other intangible assets	676.04	50.73	(1.81)	724.96	152.65	24.71	(0.94)	548.54	523.39
Intangible assets under development									
Exploration & Development*								110.36	186.38
Software								27.33	0.36
Total of intangible assets under development								137.69	186.74

* During the FY 22-23, the Group has provided for Rs.9.2 Crores (P.Y. Rs. 73.21 Crores) as impairment. Refer Note No. 32.

**Includes RoU of Rs. 116.38 Crores (31st March 2022: Rs. 115.70 Crores).

(i) In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

a. Right of Use (ROU)

The Group acquires the 'right of use' (hereinafter referred to as 'ROU') for the purpose of laying and maintenance of the underground pipeline and vests in the Group and the Group has the right to use the same in the manner for which it has been acquired. The acquisition of ROU is governed by the legal process as per the Act, the Group has paid the compensation /consideration of the ROU - land determined by the competent authority under the Act and any person authorized by the Group, have unrestricted right of entry and lay pipeline or do any other act necessary for the purpose of laying of pipeline. The Group has disclosed the cost incurred for acquisition of ROU as 'Right of Use' in the Intangible Asset schedule. Right of Use has an indefinite life and hence it is not amortized. However, the same is tested for impairment annually.

b. Right of Way (ROW) :

Right of Way (ROW) is amortized over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

(ii) Intangible assets under development ageing schedule

As on 31 March 2023

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	15.17	5.98	9.12	98.03	128.30
Projects temporarily suspended	-	-	-	1.35	1.35
Total	15.17	5.98	9.12	99.38	129.65

As on 31 March 2022

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	13.73	14.16	18.37	88.96	135.22
Projects temporarily suspended	-	-	0.87	1.60	2.47
Total	13.73	14.16	19.24	90.56	137.69

In Case of Parent Company - Gujarat State Petroleum Corporation Limited :

The major amount in Intangibles under development is related to E&P business of the Company. The Company has considered each PSC for a separate Project. The Company does not have any assets whose completion is overdue or whose costs have exceeded its original plan.

In the Case of Subsidiary - Gujarat State Petronet Limited:

For Gas Transmission business, the Group does not have any intangible assets under development whose completion is overdue or whose costs have exceeded its original plan for assets pertaining to its transmission business. For city gas distribution business, the Group is engaged in the business of City Gas Distribution (CGD) in India which involves distribution of gas from sources of supply to the end user customers. The CGD project is designed considering demand, supply and future requirements based on the facilities envisaged for CGD network in authorised areas for 25 years on the basis of authorization from Petroleum and Natural Gas Regulatory Board (PNGRB) to lay, build, operate or expand city or local natural gas distribution network. On the basis of demand projections, the CGD network is planned. Project execution plans are modulated on the basis of continuous ongoing expansion and all the projects are executed and expanded on ongoing basis as per rolling annual plan. Hence, it is considered that there is no project whose completion is overdue or has exceeded its cost compared to its original plan.

Note 5
Investments in Equity accounted investees

Particulars	(₹ in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Investments in unquoted equity shares of equity accounted investees		
278,647,426 (31st March, 2022 : 278,647,426) fully paid up equity shares of Gujarat State Energy Generation Ltd of Rs.10 each	352.56	353.21
9,987,400 (31st March, 2022 : 9,987,400) fully paid up equity shares of Sabarmati Gas Ltd of Rs.10 each	621.07	559.97
11,500,000 (31st March, 2022 : 11,500,000) fully paid up equity shares of Alcock Ashdown (Gujarat) Ltd of Rs.10 each	11.50	11.50
Less : Provision for impairment	(11.50)	(11.50)
98,38,50,060 (31st March, 2022 : 98,3850,060) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Gasnet Limited	917.79	1,000.72
31,56,40,000 (31st March, 2022 : 31,56,40,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Transco Limited	176.35	182.53
Total investments in unquoted equity shares of equity accounted investees	<u><u>2,067.77</u></u>	<u><u>2,096.43</u></u>

Notes

- The percentage holding of the Group in Gujarat State Energy Generation Limited has increased to 53.70% in F.Y.2018-19. The Group holds majority shares of GSEG but does not have majority voting power and hence GSEG is still an associate and not subsidiary of the Group. The voting rights on such incremental equity shares acquired by the Group during FY 2018-19 are restricted on account of ongoing litigation. As per the principles of Ind AS 110 Consolidated Financial Statements, the Company needs to determine whether it exercises the control over GSEG basis the voting rights and other contractual arrangement, if any the Group has given undertaking to NCLT, Ahmedabad that it shall not exercise voting powers in respect of such shares as are allotted to the Group pursuant to the said offer for Right Issue of shares during the pendency of the petition no. 51 of 2018 filed by KRIBHCO and In view of that, NCLT has ordered to keep on hold the allotment against share application money of Rs.61.47 crores (PY : Rs. 61.47 crores). The interest accrued thereon is Rs. 22.81 Crores (PY: Rs. 17.38 Crores). The matter is still pending with NCLT.
- The Company had made investment in shares of Alcock Ashdown (Gujarat) Ltd. to the tune of Rs. 11.50 crores. As per audited financial statement of the company for FY 2011-12, accumulated losses of the company had exceeded its net worth. Hence, considering the same as other than temporary diminution in the value of investment, full provision for impairment on value of investment had been provided in the FY 2012-13 for Rs. 11.50 crores. Further, National Company Law Tribunal (Ahmedabad), vide its order dated 8th March 2021, appointed Insolvency Resolution Professional to initiate Corporate Insolvency Resolution Process of Alcock Ashdown (Gujarat) Limited.

Note 6

Other Investments

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
A. Investment in quoted equity shares of other company (measured at fair value through OCI)		
3,697,000 (31st March, 2022 : 3,697,000) fully paid up equity shares of Gujarat Industries Power Company Ltd. of Rs.10/ each	28.06	27.15
B. Investment in unquoted equity shares of other companies (measured at fair value through OCI)		
36,430,000 (31st March, 2022 : 36,430,000) fully paid up equity shares of GSPC LNG Ltd of Rs.10 each	45.72	50.86
29,004,033 (31st March, 2022 : 29,004,033) fully paid up equity shares of ONGC Petro Additions Ltd of Rs.10/ each	17.49	24.42
86,603,175 (31st March 2022 : 86,603,175) Fully Paid Up Equity Shares of Swan LNG Private Limited Rs. 10/- each	86.60	86.60
200 (31st March, 2022:200) fully paid up Equity shares of Kalupur Co Op Comm Bank Ltd of Rs. 25 /- each amounting to Rs 5000/-	-	-
Total non-current other investments	177.87	189.03
Market value of quoted investment	28.06	27.15
Aggregate value of unquoted investments	149.81	161.88

Notes

Refer Note 40 for determination of fair values of investments measured at fair value through Other Comprehensive Income (FVTOCI).

Note 7

Loans

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current (measured at amortized cost)		
Loans and Advances to Employees		
Considered good - Secured	10.46	12.80
Considered good - Unsecured	3.30	4.08
Total non-current loans	13.76	16.88
Current (measured at amortized cost)		
Loans and advances to employees		
Considered good - Secured	1.59	2.05
Considered good - Unsecured	4.73	3.60
Loans and Advance to Related Parties considered good - Unsecured*	45.84	42.26
Total current loans	52.16	47.91

*Refer Note 39

Loans or advances granted to specified persons:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(A) Loans / Advance in the nature of loan - Repayable on Demand - KMPs		
Amount Outstanding - Gross Carrying Amount of Total Loan and Advance in the nature of Loan	0.58	0.60
	0.88%	0.92%
(B) Loans / Advance in the nature of loan - without specifying any terms or period of repayment	-	-

Note 8
Other financial assets
(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Application Money paid towards securities (including interest accrued) - Gujarat State Energy Generation Ltd (refer note 5a)	84.28	78.85
Margin money deposit (bank guarantee / letter of credit) having original maturity of more than 12 months	0.28	0.02
Fixed Deposits with original maturity more than 12 Months	1.95	-
Advances recoverable in cash		
Receivable from employees (Considered good - Unsecured)	1.06	1.27
Security deposits**		
Considered good - Unsecured	96.23	83.47
Considered doubtful - Unsecured - Credit Impaired	10.43	11.78
Less: Loss allowance	(10.43)	(11.78)
Other receivables (Considered good)	0.45	0.04
Site restoration fund - Deposits with banks*	9.43	7.94
Other Receivables Unsecured - Credit Impaired	0.36	0.36
Less: Loss allowance	(0.36)	(0.36)
Total non-current financial assets	<u>193.68</u>	<u>171.59</u>
Current		
Advances recoverable in cash (Unsecured, considered good)	0.15	0.09
Dividend Receivables	54.82	-
Receivable from Joint Arrangements ***	689.66	647.54
Unbilled Revenue - Other Income	4.51	3.31
Advances recoverable in cash		
Unsecured, Credit Impaired	282.32	282.32
Less : Loss allowance	(282.32)	(282.32)
Security deposits**		
Unsecured - Considered good	1.06	0.75
Considered good - Unsecured	0.30	0.02
Receivable from employees (Unsecured - considered good)	0.91	1.28
Fixed Deposits with original maturity more than 12 Months	90.46	4.05
Other financial assets	15.87	23.05
Total Current financial assets	<u>857.74</u>	<u>680.09</u>

* The above amount has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purpose specified in the Scheme i.e. towards removal of equipment and installations in a manner agreed with Central Government pursuant to an abandonment plan to prevent hazards to life, property, environment etc. This amount is considered as restricted cash and hence not considered as 'Cash and Cash equivalents'.

**** Security deposits**

The Group has given refundable security deposits in form of fixed deposits to various project/government authorities to be held in their name and custody. It will be refunded after satisfactory completion of work. The Group has therefore shown these fixed bank deposits amounting Rs. 51.09 Crore (31st March, 2022: Rs. 38.66 Crore) and interest accrued on such fixed bank deposits Rs. 8.62 Crore (31st March, 2022: Rs. 7.81 Crore), till they are in custody with project authorities as "Security Deposits".

***** Receivable from Joint Arrangements**

(i) The Group has issued forfeiture notice to Jubilant Offshore Drilling Pvt Ltd (JODPL) against Rs. 494.81 Crore (PY: Rs. 494.81 Crore) of the capital contribution (excluding applicable interest on capital contribution) made by the Group on behalf of JODPL in KG-OSN-2001/3 until 4th August 2017. Based on relevant clauses of PSC and JOA, it can be reasonably ascertained that the forfeiture notice shall be effected and GSPC shall be assigned commensurate PI towards the capital contribution. JODPL has filed for CIRP. NCLT has passed the order for liquidation. Liquidator has challenged the Group's letter of forfeiture of JODPL's PI issued by the Group in December 2018 because of default of JODPL in making contributions to KG Block Cash Calls. JODPL has also defaulted on cash calls raised by Oil & Natural Gas Corporation Ltd. ('ONGC') after August 4, 2017. As per the JOA, the Group being the non-defaulting partner may be required to further contribute to the defaulted cash calls of JODPL and the Group will have a right to recover such additional contribution from JODPL. The ratio in which the Group may be required to contribute the JODPL's defaulted cash calls is presently unascertainable in light of pendency of challenge to forfeiture notice before NCLT and also in light of balance PI of JODPL being subject to assumption by non-defaulting party(ies) depending upon the approval of management committee. Accordingly, the Group has accounted Rs. 494.81 Crores (PY: Rs. 494.81 Crores) as receivable from JODPL.

(ii) During the year, ONGC has raised cash-calls amounting to Rs. 20.00 crores for additional contribution of the Group towards default of JODPL. Accordingly, the Group has accounted Rs. 20 Crores (PY: Rs. Nil Crores) as payable to ONGC.

Note 9

Other non financial assets

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Prepaid expense	93.43	81.31
Balances with Government Authorities	238.26	207.06
Capital Advances		
Unsecured - considered good	130.82	146.15
Credit Impaired	2.78	3.63
Less: loss allowance	(2.78)	(3.63)
Payment under Protest	29.13	29.13
Deferred employee cost	4.97	7.11
Other non current assets*	267.15	147.99
Total Other Non-current assets	763.76	618.75
Current		
Prepaid expense	37.36	37.26
Balances with Government Authorities	204.44	390.28
Prepaid expenses - CSR	0.28	-
Deferred employee cost	4.17	4.61
Advance to vendors		
Advance to vendors	1.35	2.08
Less: loss allowance	(0.02)	(0.02)
Other current assets**	132.62	596.31
Total Other Current assets	380.20	1,030.52

*Includes lease equalization asset & advances payment to vendors.

**Includes amount paid under protest, advances given to power exchange broker and assets related to employee benefits plan (refer note no. 36)

Note 10

Inventories (For valuation, refer significant accounting policy)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Finished goods - Crude oil	4.42	4.35
Traded goods - Liquefied natural gas	447.45	345.42
Line Pack Gas	178.20	155.03
Natural Gas Deferred Delivery (GIT)	2.89	-
Condensate	10.21	17.02
Stores and spares/Project materials	123.68	138.65
Certified Emission Rights (CERs)*	0.09	0.07
Total Inventories	766.94	660.54

* Refer Note No.47

Note 11

Trade receivable

(₹. in Crores)

Particulars	As at	
	31st March, 2023	31st March, 2022
Considered Good - Secured	1,137.84	1,539.53
Considered Good - unsecured*	648.58	948.73
Considered Doubtful - unsecured	25.14	31.27
Less : Impairment on account of expected credit loss assessment	(25.14)	(31.27)
Unbilled Revenue	139.42	85.97
Total Trade receivables	1,925.84	2,574.23

Trade Receivable ageing schedule

As at 31st March, 2023

(₹ in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment				Total	
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed Trade Receivables - Considered good	139.42	1,435.32	142.12	18.54	38.01	11.18	90.23	1,874.82
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	3.24	3.24
(iii) Undisputed Trade Receivables - Credit Impaired	-	3.32	3.75	2.77	1.24	0.40	1.29	12.77
(iv) Disputed Trade Receivables - Considered Good ^(a)	-	0.05	3.30	0.85	1.05	0.80	44.97	51.02
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	0.36	1.07	1.23	0.77	5.70	9.13
Total	139.42	1,438.69	149.53	23.23	41.53	13.15	145.43	1,950.98
Less: Allowance for bad and doubtful debts								(25.14)
Total	139.42	1,438.69	149.53	23.23	41.53	13.15	145.43	1,925.84

As at 31st March, 2022

(₹ in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment				Total	
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years		More than 3 years
(i) Undisputed Trade Receivables - Considered good	85.97	1,864.95	444.66	18.72	21.38	4.64	87.13	2,527.45
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	3.63	3.63
(iii) Undisputed Trade Receivables - Credit Impaired	-	1.50	2.79	1.14	0.96	0.35	1.94	8.68
(iv) Disputed Trade Receivables - Considered Good ^(a)	-	0.05	0.92	0.30	0.56	0.55	44.40	46.78
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	0.20	0.35	0.69	4.52	13.20	18.96
Total	85.97	1,866.50	448.57	20.51	23.59	10.06	150.30	2,605.50
Less: Allowance for bad and doubtful debts								(31.27)
Total	85.97	1,866.50	448.57	20.51	23.59	10.06	150.30	2,574.23

(a) Outstanding more than 3 years are net off ₹ 38.34 Crores (PY: ₹ 38.34 Crores) received from the customers and the matters are sub-judice.

Note 12

Cash and cash equivalents*

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and cash equivalents		
Balances with banks / financial institutions		
In current accounts	72.89	61.96
Fixed deposit with original maturity of less than 3 months	1,025.67	105.94
Cash on hand	1.43	1.65
Total cash and cash equivalents	1,099.99	169.55
Other bank balances		
Earmarked balances in unclaimed dividend accounts ^a	2.51	2.74
Escrow Account/Earmarked balances	32.75	3.94
Unspent CSR Account	17.88	14.83
Deposits with banks/financial institutions		
Margin money deposit - bank guarantee / letter of credit	37.98	523.75
With original maturity of more than 3 months up to 12 months**	694.57	186.61
With original maturity more than 12 months	0.01	0.01
Total Other bank balances	785.70	731.88

* Refer note 40 - Financial instruments, fair values and risk measurement

** includes Nil PY (Rs 42.78 Crores) as DSRA (Debt Service Reserve Account).

a. The balances in dividend accounts are not available for use by the Group and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.

Note 13

Equity share capital

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised share capital*		
1200,00,00,000 equity shares (31st March, 2022 : 1200,00,00,000) of Rs. 1/- each	1,200.00	1,200.00
Total	1,200.00	1,200.00

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Issued, subscribed and paid up capital*		
10,756,540,264 equity shares (31st March, 2022 : 10,756,540,264) of Rs. 1/- each	1,075.65	1,075.65
Treasury Share (held by Subsidiary company)		
2,00,00,000 equity shares (31st March, 2022 : 2,00,00,000) of Rs. 1/- each	(2.00)	(2.00)
Total	1,073.65	1,073.65

*There are no movements / changes in authorised, issued subscribed and fully paid up equity share capital over last three financial years.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹ in Crores)

Particulars	No. of shares	Amount
As at 1st April 2021		
At the beginning of the year	10,75,65,40,264	1,075.65
Add : Shares issued during the year	-	-
As at 31st March 2022	<u>10,75,65,40,264</u>	<u>1,075.65</u>
As at 1st April 2022		
At the beginning of the year	10,75,65,40,264	1,075.65
Add : Shares issued during the year	-	-
As at 31st March 2023	<u>10,75,65,40,264</u>	<u>1,075.65</u>

Reconciliation of Treasury Share (held by Subsidiary company) outstanding at the beginning and at the end of the reporting period.

(₹ in Crores)

Particulars	No. of shares	Amount
As at 1st April 2021		
At the beginning of the year	2,00,00,000	2.00
Add : Shares issued during the year	-	-
As at 31st March 2022	<u>2,00,00,000</u>	<u>2.00</u>
As at 1st April 2022		
At the beginning of the year	2,00,00,000	2.00
Add : Shares issued during the year	-	-
As at 31st March 2023	<u>2,00,00,000</u>	<u>2.00</u>

Details of shareholder(s) holding more than 5% Equity Shares / Details of shares held by parent company and ultimate holding entity and their subsidiaries/associates:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Number of Equity Shares		
Government of Gujarat (Holding Company)*	5,98,63,28,531	3,48,94,49,630
Gujarat State Investment Limited *	3,76,79,10,793	6,26,47,89,694
Gujarat State Financial Service Limited *	-	17,00,00,000
% Holding in equity shares		
Government of Gujarat (Holding Company)	55.65%	32.44%
Gujarat State Investment Limited	35.03%	58.24%
Gujarat State Financial Service Limited	0.00%	1.58%

* There has been a change in shareholding of Gujarat State Petroleum Corporation Limited (GSPC) because of which Gujarat State Investment Limited (GSIL) ceased to be holding company of GSPC w.e.f. 20 October 2022. Accordingly, equity shares held by Associates of GSIL i.e. Gujarat State Financial Services Limited is not required to be disclosed as at 31st March 2023. Further, Government of Gujarat became holding entity of the Company with effect from 20 October 2022.

Notes

a. As per records of the Company, including its register of shareholders/members and declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of share.

Terms /Rights attached to equity shares

b. The Company has only one class of equity share having a face value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share.

c. During the year ended 31st March, 2023, the amount of dividend per share recognized as distributions to equity shareholders as declared by the Company is Rs. NIL (31st March, 2022: NIL).

d. In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by each shareholder.

e. No bonus shares issued by the Company during last five years immediately preceding the reporting date. Further during 2019-20, the Company issued:

- 686,640,640 fully paid up equity shares against conversion of Compulsorily Convertible Debentures of Rs. 550 Crore; and

- 7,490,636,704 fully paid up equity shares on settlement of Non-Convertible Debenture of Rs. 6,000 Crore (through Scheme of Arrangement).

Disclosure of Shareholding of Promoters

Promoter name	Class of Shares	As at 31 March 2023		As at 01 April 2022		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of Shares shares	
Governor of Gujarat	Equity	5,98,63,28,531	55.65%	3,48,94,49,630	32.44%	71.56%

Promoter name	Class of Shares	As at 31 March 2022		As at 01 April 2021		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of Shares shares	
Governor of Gujarat	Equity	3,48,94,49,630	32.44%	3,48,94,49,630	32.44%	0.00%

Note 14

Other equity

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital reserve	10.00	10.00
Amalgamation and Arrangement Reserve	358.34	358.39
Securities premium	9,627.04	9,627.04
General Reserve	3,262.97	3,261.77
Capital Reserve on Common Control & Business combination	(3,594.73)	(3,594.73)
Capital reserve on consolidation	6.21	6.21
Retained Earnings	(3,069.40)	(6,650.30)
Equity instruments through other comprehensive income	54.80	72.79
Total Other equity	6,655.23	3,091.17

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital reserve		
Opening Balance	10.00	10.01
Transaction with non controlling interest	-	(0.01)
Total Capital reserve	<u>10.00</u>	<u>10.00</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital reserve on consolidation		
Opening Balance	6.21	6.21
Movements during the year	-	-
Total Capital reserve on consolidation	<u>6.21</u>	<u>6.21</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Securities Premium		
Opening Balance	9,627.04	9,627.04
Add: Addition during the Year	-	-
Total Securities Premium	<u>9,627.04</u>	<u>9,627.04</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
General Reserve		
Opening Balance	3,261.77	3,261.77
Movements during the year	1.20	-
Total General Reserve	<u>3,262.97</u>	<u>3,261.77</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Foreign Currency Translation Reserve		
Opening Balance	-	57.54
Add/ Less: Addition / (Utilization) during the year	-	(57.54)
Total Foreign Currency Transaction Reserve	<u>-</u>	<u>-</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital Reserve on Common Control & Business Combination		
Opening Balance	(3,594.73)	(3,594.73)
Movement during the Year	-	-
Total Capital Reserve on Common Control & Business Combination	<u>(3,594.73)</u>	<u>(3,594.73)</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Amalgamation and Arrangement Reserve*		
Opening Balance	358.39	358.00
Transaction with non controlling interest	(0.05)	0.39
Total Amalgamation and Arrangement Reserve	<u>358.34</u>	<u>358.39</u>

* Includes Amalgamation and Adjustment Reserve of Rs. (118.10) Crore (PY: Rs. (118.05) Crore).

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Retained earnings		
Opening Balance	(6,650.30)	(8,775.26)
Add: Profit during the year	3,584.88	2,064.48
Reversal of foreign currency translation reserve	-	57.54
Remeasurement of post employment benefit obligation, net of tax	(2.85)	0.87
Transaction with non controlling interest	0.29	2.07
Transfer to General Reserve	(1.20)	-
Distribution of ESOP Trust Fund	(0.22)	-
Total Retained earnings	<u>(3,069.40)</u>	<u>(6,650.30)</u>

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Equity instruments through other comprehensive income		
Opening Balance	72.79	80.51
Fair value gain / (loss) during the year	(15.23)	(8.76)
Income tax on net fair value gain or loss	(2.77)	1.09
Transaction with non controlling interest	0.01	(0.05)
Total Equity instruments through other comprehensive income	<u>54.80</u>	<u>72.79</u>

**Note 15
Borrowings**
(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Non-current borrowings		
Secured		
Term loan from banks	-	2,337.88
Unsecured		
Term loan from banks	-	1,261.31
Term loan from related party (GSFS)*	208.37	795.47
Total non-current borrowings	<u>208.37</u>	<u>4,394.66</u>
Current borrowings		
Secured		
From banks (Loans repayable on demand)	7.48	84.95
Unsecured		
From banks (Loans repayable on demand)	-	88.22
Current maturities of long term borrowings		
Secured		
Term loan from banks	-	514.01
Unsecured		
Term loan from banks	-	272.07
From financial institutions - Related Party (GSFS)*	166.64	194.14
Total current borrowings	<u>174.12</u>	<u>1,153.39</u>

*There has been a change in shareholding of Gujarat State Petroleum Corporation Limited (GSPC) because of which Gujarat State Investment Limited (GSIL) ceased to be holding company of GSPC w.e.f. 20 October 2022. Hence, the associate company of GSIL i.e. Gujarat State Financial Services Limited ceased to be related party of the Company w.e.f. 20 October 2022.

In case of Gujarat State Petroleum Corporation Limited
Secured Borrowings

- a. State Bank of India had sanctioned a Rupee Term Loan (RTL / Corporate Loan 1) Facility amounting to Rs. 3,000 Crores (Current outstanding is Nil (PY - Rs. 558.60 Crores) in F.Y. During the year, GSPC had converted the outstanding loan from T Bill arrangement to SBI 3 Month MCLR. During FY 2022-23, there was no instalment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term instalments in the repayment schedule, however the Company repaid the entire term loan from GSFS funds on 20th December 2022, and the bank has issued "No Dues Certificate" towards closure of term loan. The loan was secured by way of first ranking pari passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3, the security / charge so offered to bank was released by the Company on 5th April 2023.
- b. State Bank of India has sanctioned a Rupee Term Loan (RTL / Corporate Loan 2) of Rs. 2,100 Crores (Current Outstanding - Nil (PY : Rs. 813.55 Crores)) in FY 2019-20. During FY 2022-23, GSPC had converted the outstanding loan from T Bill arrangement to SBI 3 Month MCLR. The Company has repaid Rs. 39.375 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 19th October 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan. The security offered was (a) First pari-passu Pledge charge over GSPC's shareholding in GSPC Pipavav Power Co. Ltd to the extent of 8.71% out of its present shareholding of 97.50%, (b) First pari-passu Pledge charge over GSPC's shareholding of 32.60% in Gujarat State Energy Generation Ltd., (c) First pari-passu. Pledge charge over GSPC's

entire 22.50% shareholding in Sabarmati Gas Ltd, the security / charge (including pledge of shares) so offered was released by the Company on 6th March 2023.

- c. State Bank of India has sanctioned a Rupee Term Loan (RTL / Corporate Loan 3) of Rs.764.78 Crores (Current Outstanding - Nil (PY : Rs. 623.78 Crores), wherein GSPC converted the External Commercial Borrowing (ECB) to INR term loan after RBI approval with State Bank of India to mitigated foreign exchange risk exposure. The Company has repaid Rs. 149.90 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 15th November 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan. The Company had provided security by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3 along with (a) First pari-passu Pledge charge over GSPC's shareholding in GSPC Pipavav Power Co. Ltd to the extent of 8.71% out of its present shareholding of 97.50%, (b) First pari-passu Pledge charge over GSPC's shareholding of 32.60% in Gujarat State Energy Generation Ltd., (c) First pari-passu. Pledge charge over GSPC's entire 22.50% shareholding in Sabarmati Gas Ltd, the security / charge (including pledge of shares) so offered was released by the Company on 6th March 2023.
- d. Consortium of member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL / Corporate Loan 4) of Rs. 4,500 Crore . During FY 2020-21, HDFC Bank had replaced the entire term loan (Current Outstanding - Nil (PY : Rs. 588.75 Crores)) from consortium of bank with same tenor and pricing linked to RBI repo rate + spread. During FY 2022-23, there was no instalment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term instalments in the repayment schedule, however the Company prepaid the entire term loan from internal accruals on 1st November 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan. The loan was secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 amounting to Rs. 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3, the security / charge so offered was released by the Company on 6th December 2022.
- e. GSPC has tied up for Working capital facility with consortium of banks for an amount of Rs. 750 crores, under the said arrangement, GSPC has drawn a Working Capital Demand Loan (WCDL) from State bank of India for an amount of Rs. Nil (PY: Rs. 50 Crores), the loan is secured by First Pari Passu hypothecation charge over gas trading inventory and gas trading receivable (both present and future) of the Company. Further during the year, the Company has also drawn a unsecured short term loan from IDBI Bank for an amount of Rs. 50 Crores for cash flow mismatch from business operations. The outstanding balance as on reporting date is Rs. Nil.

Unsecured borrowings

- f. GSPC has replaced a Term loan (RTL / Corporate Loan 5) availed from GSFS (Gujarat State Financial Services Ltd) with Kotak Mahindra Bank for an amount of Rs. 492 Crores in August 2021 (Current Outstanding - Nil (PY : Rs. 246.00 Crores-GSFS)), with a pricing linked to Repo Rate + Spread. The Company has repaid Rs. 164.00 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 22nd November 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan.
- g. GSPC had availed a Term Loan (RTL / Corporate Loan 6) from GSFS for an amount of Rs. 1,050 Crore in FY 2019-20 for a tenor of 10 Years (2 years moratorium + 8 years quarterly repayment), for general business purpose. During FY 2021-22, Canara Bank replaced the existing term loan of GSFS (Current outstanding Nil (PY : Rs. 1,043.44 Crores) at same term and condition for a tenor of 7 Years, pricing linked to EBLR 2 (RBI repo rate) + Spread without any security. The Company has repaid Rs. 19.68 Crores towards instalment due in FY 2022-23, however the Company prepaid the entire term loan from internal accruals on 27th December 2022, with a prior notice, and the bank has issued "No Dues Certificate" for closure of term loan.
- h. During FY 2021-22, GSPC has drawn Medium Term Loan (RTL / Corporate Loan 7) from GSFS for an amount of Rs. 450 Crores (Outstanding Rs. Nil (PY: Rs. 450 Crores - GSFS)). The Company has prepaid the entire term loan from internal accruals on 9th March 2023, and GSFS has issued "No Dues Certificate" for closure of term loan. During the year, the Company has also availed Medium Term Loan (RTL / Corporate Loan 8) of Rs. 506 Crores from GSFS, for refinancing of term loan of SBI (Corporate Loan 1) with same term and conditions, the said loan was also repaid by the Company on 17th March 2023 from internal accruals, and GSFS has issued "No Dues Certificate" for closure of term loan.

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)
Secured borrowings
Term Loan - I

Term loan from bank is secured by first pari-passu charge on all immovable assets, movable assets (including plant and machinery, equipment, machinery, spares, tools and accessories, furniture, fixtures, vehicles, etc.), current assets, operating cash flows, loans and advances, book debts, receivables, commissions and revenues(except 36" pipeline from Hazira to Mora)

Term Loan -II

A first ranking pari passu charge over moveable fixed assets (both present and future) of the Borrower (except any ROU, ROW, any immovable fixed assets, lease assets and all other assets which are not permitted to be transferred in the name of the Borrower and/or creation of charge is not permissible in favour of the Bank).

The Company has obtained above secured borrowings from banks on basis of above security wherein submission of the quarterly returns/ statements of current assets is not required as per sanction letter.

In Case of Subsidiary GSPC Pipavav Power Company Limited:

The Company has Working capital loan sanctioned amounting to ₹ 280 Crores (P.Y. March 31, 2022: ₹ 280 Crores) which is secured through account receivables through GUVNL. The Interest would be payable at 6 month MCLR of Punjab National Bank (Outstanding Rs. 105.87 Crores (PY: 79.04 Crores)).

i. Loan repayment schedule
In case of Gujarat State Petroleum Corporation Limited
Maturity Profile and Rate of Interest of Term Loans

Terms of repayment	No. of Installments due	Interest rate	Maturity	(Rs. in Crores)	
				2021-22	
				Non-current	Current
Non-current Borrowings					
Quarterly installments	1	Repo rate + 0.50%	Apr-22	-	7.03
Quarterly installments	2	Repo rate +1%	Oct-22	-	4.78
Bullet Re-payment at Tenure end	1	Repo rate +1%	Oct-22	-	40.65
Quarterly installments	22	5.50%	Sep-22	390.97	86.95
Total				390.97	139.41
Less: Ind AS Adjustments [net]					(0.22)
Grand Total				390.97	139.19

In case of subsidiary - GSPC Pipavav Power Company Limited.

Particulars	Rate of Interest	Maturity	Outstanding as at March 31, 2023	Maturity Profile		
				2023-2024	2024-2029	2029-2034
Secured Term Loan from GSFS	7.00%	30-Jun-25	375.01	166.64	208.37	-

Note 16
Other financial liabilities

Particulars	(₹. in Crores)	
	As at 31 st March, 2023	As at 31 st March, 2022
Non-Current		
Security deposits received from customers	28.03	24.18
Other payables	8.55	8.55
Total non-current financial liabilities	36.58	32.73

Particulars	(₹. in Crores)	
	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Creditors for Capital Expenditure ⁴	391.18	372.35
Security Deposit from Vendors	49.46	57.41
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	88.94	100.87
Total outstanding dues of Creditors other than micro enterprises and small enterprises	310.55	302.43
Dividend payable / unclaimed ³	2.51	2.74
Other Expense Payable	6.37	5.52
Deposits from customers and others ²	1,597.65	1,523.02
Earnest Money Deposits	3.02	2.79
Other current financial liabilities	13.05	12.70
Payable to Indian Gas Exchange ¹	2.00	-
Payable to/on behalf of joint arrangement	348.47	301.59
Total current financial liabilities	<u>2,813.20</u>	<u>2,681.42</u>

Notes

In case of Gujarat State Petroleum Corporation Limited

- During the year, the Company has obtained Proprietary Membership at Indian Gas Exchange Limited ('IGX'). The membership allows the Company to trade for gas through bids either on its own account or for other market players. The Company has registered its group companies as clients on this platform to increase the participation for various bids. The Company as a proprietary member of the exchange shall settle all the transactions entered, either on its own account or for its client (group entities), with IGX. This amount represents the amount collected from the clients (group companies) which are yet to be deposited with IGX as on the reporting date.

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

- The Group obtained security deposits from the customers under contractual terms which are repayable after fixed contract tenure.
- The balance with the bank for unpaid dividend is not available for use by the Group and the money remaining unpaid will be deposited in Investor Protection and Education Fund u/s 124(5) of Companies Act, 2013 after the expiry of seven years from the date of declaration of dividend. No amount is due at the end of the period for credit to Investors education and protection fund.

In Case of Subsidiary GSPC Pipavav Power Company Limited:

- This amount includes Rs. 10.68 Crore (PY Rs. 10.68 Crore) retained towards Liquidated damage and other deductions from Lanco Solar Energy Pvt Ltd which is under arbitration.

Note 17

Provisions

Particulars	(₹ in Crores)	
	As at 31 st March, 2023	As at 31 st March, 2022
Non-Current		
Provision for decommissioning obligations	89.83	84.01
Provision for Employee Benefits*	77.96	76.17
Total non-current provisions	<u>167.79</u>	<u>160.18</u>
Current		
Provision for Employee Benefits*	36.46	31.64
Provision for Other Expenses	2.29	3.44
Total current provisions	<u>38.75</u>	<u>35.08</u>

*For movement in provision related to employee benefits refer note no. 36

(₹ in Crores)

Movements in Provisions	Non-current	Current
	Provision for decommissioning obligations and CSR Expenses	Provision for profit petroleum & Other Expenses
At 1 April 2022	84.01	3.44
Add: Unwinding of Discounts	7.19	-
Add: Change during the year	(1.37)	(1.15)
At 31 March 2023	<u>89.83</u>	<u>2.29</u>

Note 18
Deferred revenue/ contract liability

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Non-current		
Income received in advance	111.86	110.53
Total non-current deferred revenue/ contract liability	<u>111.86</u>	<u>110.53</u>
Current		
Income received in advance	95.21	47.16
Total non current deferred revenue/ contract liability	<u>95.21</u>	<u>47.16</u>

Note 19
Other non-financial liabilities

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current		
Statutory tax liability	245.40	324.68
Advance from customers	2.11	3.88
Liability towards corporate social responsibility	27.78	14.87
Others	19.67	16.92
Total current non-financial liabilities	<u>294.96</u>	<u>360.35</u>

Note 20
A) Non Current Tax Assets (Net)

(₹. in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Advance Income Tax	1,647.67	1,623.37
Provision of Tax	(1,406.36)	(1,406.36)
Net Advance Tax	<u>241.31</u>	<u>217.01</u>
Current Tax Liabilities (Net)	(0.13)	(2.08)
Non Current Tax Asset (Net)	241.44	219.09
Current Tax Assets (Net)	-	-

B) Tax expense

Amount recognized in Statement of Profit and Loss

(₹. in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Current income tax	760.50	730.26
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	37.95	17.77
Deferred tax expense	<u>798.45</u>	<u>748.03</u>
Adjustments of tax for earlier years	(12.83)	(9.10)
Total tax expense for the year	<u><u>785.62</u></u>	<u><u>738.93</u></u>

Amount recognized in Other Comprehensive Income

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Items that will not be reclassified to profit or loss	(3.24)	1.02
Net amount recognized in other comprehensive income	<u><u>(3.24)</u></u>	<u><u>1.02</u></u>

Reconciliation of effective tax rate

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Profit before tax	6,020.70	4,271.31
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	1,515.29	1,075.00
Tax effect of :		
Chapter VI Deductions	(32.59)	(23.72)
Items having no tax consequences/other items	(697.08)	(312.35)
Tax expense recognized in Statement of Profit and Loss	<u><u>785.62</u></u>	<u><u>738.93</u></u>

Deferred tax asset/ (liabilities) [Net]

Movement in deferred tax balances

(₹ in Crores)

Particulars	Net balance April 1, 2022	31 st March, 2023					
		Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)							
On account of difference of carrying value of PPE over Tax base	(970.63)	(96.89)	-	-	(1,067.51)	590.89	(1,658.40)
Other items	233.30	58.93	(3.24)	-	289.00	303.75	(14.75)
Tax assets/ (liabilities)	<u><u>(737.32)</u></u>	<u><u>(37.95)</u></u>	<u><u>(3.24)</u></u>	<u><u>-</u></u>	<u><u>(778.51)</u></u>	<u><u>894.64</u></u>	<u><u>(1,673.15)</u></u>
Offset						(893.75)	893.75
Net tax assets/ (liabilities)						<u><u>0.89</u></u>	<u><u>(779.35)</u></u>

**Deferred tax asset/ (liabilities) [Net]
Movement in deferred tax balances**

(₹ in Crores)

Particulars	Net balance April 1, 2022	31 st March, 2023					
		Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)							
On account of difference of carrying value of PPE over Tax base	(954.04)	(16.59)	-	-	(970.63)	604.11	(1,489.66)
Other items	233.52	(1.24)	1.02	-	233.30	-	148.29
Tax assets/ (liabilities)	(720.52)	(17.82)	1.02		(737.32)	604.11	(1,341.37)
Offset						(603.39)	603.39
Net tax assets/ (liabilities)						0.72	(737.98)

Tax losses carried forward

Particulars	31 st March, 2023	Expiry Date	31 st March, 2022	Expiry Date
Expire	7,424.14	31-Mar-25	10,571.95	31-Mar-25
Never Expire	1,290.79	-	1,441.25	-

Notes:

- The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
- Provision of Tax for the current year is Rs. NIL (31st March, 2022: NIL).

The Company has continuously maintained a position that allowances / claims U/s. 42 and deduction U/s. 80IB (9) is admissible under the Income Tax Act, 1961. The Company has been treating each well as a separate undertaking for the purpose of claiming deduction U/s 80IB(9). This view has not been accepted by the first assessing authorities. However, the Commissioner of Income Tax (Appeal) [C.I.T. (A)] has accepted the Company's contention regarding claim U/s. 80IB (9). The second appellate authority, i.e. Income Tax Appellate Tribunal (ITAT) has also upheld the Company's contention for A.Y. 2000-01 and allowed the claim U/s 80IB (9). Finance (No. 2) Act, 2009 has amended the provisions of Section 80IB (9) with retrospective effect from 1st April 2000, i.e. A.Y. 2000-01 in order to restrict the benefit of deduction U/s 80IB(9) to a "production sharing contract" instead of "well". The Company has been claiming deduction U/s. 80IB (9) by treating each well as a separate undertaking. The Company had challenged the above amendment by filing a writ petition before the Hon'ble High Court of Gujarat. Hon'ble High Court of Gujarat has decided the matter in favour of the Company by its order dated 26th March, 2015 and has struck down the retrospective application of law by holding it as ultra vires. The Union of India has further preferred an SLP before Hon'ble Supreme Court of India challenging the Judgment of High Court of Gujarat. The SLP is placed for hearing on Application for Interim Stay sought by Union of India. The matter is still sub-judice. From F.Y. 2009-10 (A.Y. 2010-11), the Company has been claiming deduction U/s. 80IB(9) by treating "Each Block" as a separate undertaking.

Further to the above, in case of claim U/s 42, the ITAT has upheld the department's contention for claim U/s. 42 in respect of Hazira Field. In view of the ITAT order, CIT (A) has also upheld department's contention for Claim U/s. 42 in respect of Hazira Field for the first time in A.Y. 05-06. However, due to this, the Company does not envisage any tax liability. Both the Company and department have preferred appeals before Hon'ble High Court of Gujarat against the order of ITAT on issues which are not decided in their favour. The Company is confident of its position.

No provision is made for such disputed Income tax liabilities, which is estimated at Rs.2,879.17 crores (31st March, 2022 : 1,714.11 crores). However the same is disclosed by way of a note as contingent liabilities vide note no.34.

The Company has availed deduction U/s.42 as well as claiming tax holiday U/s 80IB (9) of the Income Tax Act, 1961 for exploration / development costs. This has impact of temporary differences, which in the management's view, considering the past performance and future estimates will be reversed during the "Tax Holiday Period"- and to that extent the deferred tax is not recognized and accordingly no provision for deferred tax liability in respect thereof is made.

4. As stated in para 35 read with para 31 of Indian Accounting standard (Ind AS) 12 wherein it is specifically mentioned that, "When an entity has a history of recent losses, the entity recognizes a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity." As, the Company is also having history of losses and there is no other convincing evidence for sufficient future taxable profit, accordingly, Deferred Tax Assets of Rs. 2,930.87 Crores (PY: Rs. 3,757.52 Crores) and Deferred Tax Liabilities of Rs. 635.84 Crores (PY: Rs. 645.15 Crores) has been worked out. In view of paragraph 27, 28, 29, 31 and 35 of Ind AS - 12 on Income Taxes, Deferred Tax Assets has been created only to the extent of Deferred Tax Liabilities i.e. Rs. 635.84 Crores (PY: Rs. 645.15 Crores) and hence, Deferred Tax Assets of Rs. 2,295.03 Crores (PY: Rs. 3,112.37 Crores) has not been created.

Note 21

Trade payables

(₹. in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total outstanding dues of micro enterprises and small enterprises	32.65	32.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,128.79	1,723.57
Total Trade payables	2,161.44	1,756.55

Trade Payable ageing schedule

As at 31st March, 2023

(₹ in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.45	27.41	3.75	0.04	-	-	32.65
(ii) Others	401.14	990.01	44.03	2.36	0.86	8.72	1,447.12
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	77.74	572.57	0.03	0.48	0.06	30.79	681.67
Total	480.33	1,589.99	47.81	2.88	0.92	39.51	2,161.44

As at 31st March, 2022

(₹ in Crores)

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.97	31.28	0.73	-	-	-	32.98
(ii) Others	197.84	91.43	1,107.05	2.46	2.72	4.72	1,406.22
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	286.43	-	-	0.12	30.80	317.35
Total	198.81	409.14	1,107.78	2.46	2.84	35.52	1,756.55

Note 22
Assets held for sale
E&P Fields - Gujarat State Petroleum Corporation Limited

During the current financial year, the Company has issued notices of withdrawal of GSPC's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full. ONGC being operator in CB-ONN-2004/2 block, has indicated its interest to acquire the entire Participating Interest of GSPC in CB-ONN-2004/2 in accordance with its pre-emptive rights as participating interest holder in the block by matching the price of H1 bidder i.e. Rs. 24.67 crore (USD 3 Million).

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Assets		
<i>Non current assets (net of depreciation and amortization where applicable)</i>		
Producing Properties	102.16	67.25
Exploration & Development	0.20	-
Total carrying value of assets	<u>102.36</u>	<u>67.25</u>
Liabilities		
Liabilities associated with above group of assets	(11.41)	(5.75)
Net assets classified as held for sale (A)	<u>90.95</u>	<u>61.50</u>
Fair value less cost to sell of above group of assets (B)	<u>24.67</u>	<u>16.75</u>
Impairment loss relating blocks already recognised in previous year (C)	<u>44.75</u>	-
Impairment loss recognized in statement of profit and loss as an exceptional item (D) = (A) - (B) - (C)	<u>21.33</u>	<u>44.75</u>
Exploration Cost Written Off during current year	0.20	-

Details of profit and loss attributable to the above group of assets is below:

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Revenue	74.63	24.62
Expense	(66.97)	(14.80)
Impairment & exploration cost written off	(21.53)	(44.75)
Profit/(loss) before tax	<u>(13.87)</u>	<u>(34.93)</u>
Income tax expense	-	-
Profit/(loss) after tax	<u>(13.87)</u>	<u>(34.93)</u>

Note 23
Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Sale of products		
Sale of natural gas	34,909.95	28,572.55
Sale of gas - Joint Arrangement	16.59	11.93
Sale of oil - Joint Arrangement	93.98	70.58
Sale of electricity	351.56	538.88
	<u>35,372.08</u>	<u>29,193.94</u>

Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Sale of services		
Re-gasification income	13.43	94.60
Revenue from Transportation of Gas (net)	1,114.52	1,213.07
IT Service Income	25.13	17.20
	<u>1,153.08</u>	<u>1,324.87</u>
Other operating revenues		
Take or pay income	30.83	52.61
Connectivity Charges	67.35	50.68
Other Operating Income	-	-
	<u>98.18</u>	<u>103.29</u>
Total Revenue from operations	<u>36,623.34</u>	<u>30,622.10</u>

*For information on disaggregation of revenue, refer note 38 (Segment reporting)

Reconciliation the amount of revenue recognized in the statement of profit and loss with the contracted price:

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Revenue as per contracted price	36,682.78	30,649.90
Adjustments		
Provision for revenue contract price	(58.60)	(27.05)
Discounts	(0.84)	(0.75)
Revenue from contract with customers	<u>36,623.34</u>	<u>30,622.10</u>

Note 24

Other Income

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Dividend from long term investments		
Dividend from other companies	0.92	1.00
Other Non-Operating Income		
Lease rental income	0.39	0.57
Other income - Joint arrangements	0.72	0.35
Other Interest Income	49.92	38.73
Net Foreign Exchange Gain	41.20	103.81
Interest from Deposits with banks / Financial Institutions (measured at amortized cost)	84.42	47.98
Insurance Claim	-	0.03
Other Non Operating Income	45.29	58.20
Total Other Income	<u>222.86</u>	<u>250.67</u>

Note 25
Production expenditure - E&P

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Production expenditure	58.71	40.59
Duties and Taxes	29.00	10.14
Other G & A expenses	9.67	13.27
Total Production expenditure - E & P	<u>97.38</u>	<u>64.00</u>

Note 26
Cost of material consumed

(₹. in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Purchase of natural gas	3.03	17.50
Transportation charges	350.11	460.06
Consumable and commissioning charges	55.88	60.88
Total Cost of material consumed	<u>409.02</u>	<u>538.44</u>

Note 27
Cost of traded goods

(₹. in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Purchase of gas		
Local Purchase of Gas	11,877.52	8,888.15
Import Purchase of Gas	13,874.80	12,838.81
Purchase of IT equipment	0.14	0.04
Other costs		
Import Gas Regasification Charges	909.72	845.30
Gas Transmission Charges	484.19	354.92
Commodity Hedging Cost/ Other expenses	-	(20.88)
Other expenses - Gas Trading	6.72	3.66
Deferred delivery of natural gas	(43.07)	11.90
Total Cost of traded goods	<u>27,110.02</u>	<u>22,921.90</u>

Note 28
Changes in inventories of finished goods, stock in process and stock in trade

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Finished goods		
Closing stock of oil	(14.63)	(21.36)
Opening stock of oil	21.37	17.84
	(A)	(3.52)
Stock in trade		
Closing stock of liquified gas	(447.45)	(345.42)
Opening stock of liquified gas	345.42	272.19
	(B)	(73.23)
Total Change in inventories of finished goods, stock in process and stock in trade -(A)+(B)	<u>(95.29)</u>	<u>(76.75)</u>

Note 29

Employee benefit expenses

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Salary, wages and allowances	259.31	227.04
Contribution to provident fund and other funds (Refer note 36)	43.68	43.31
Staff welfare expenses	17.79	17.05
Total Employee benefit expense*	320.78	287.40

* Amount represents net expenditure for the Group.

Note 30

Finance costs

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Interest Cost on Financial Liabilities	288.30	344.49
Interest expense on lease liability	9.33	6.68
Unwinding of discount on Provisions & transaction cost on borrowings	7.18	5.71
Other Borrowing Costs	46.52	44.84
Exchange differences regarded as an adjustment to borrowing cost	14.52	114.81
Total Finance cost	365.85	516.53

In case of Gujarat State Petronet Limited, the borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project(s). The weighted average rate of borrowings used for projects is 7.11% for FY 2022-23 [P.Y. 7.35%]. Further, the borrowing costs of Rs. 0.08 Crore (PY : Rs. Nil Crore) is capitalized.

Note 31

Other expenses

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Expenses related to wind mills		
Operation and maintenance expenses	20.39	18.98
Windmills insurance expenses	1.46	1.44
Total (A)	21.85	20.42
Operation & Maintenance Expenditure (B)	402.31	353.99
Administrative expenses		
Electricity expenses	173.58	129.19
Rent, rates and taxes*	43.40	35.81
Repairs and maintenance		
Building repairs	2.05	2.94
Others***	18.65	17.86
Insurance expenses	18.54	22.59
Business development and promotion	10.05	3.68
Advertisement and publicity	5.93	0.83
Administration and establishment	29.99	28.11
Recruitment and training expense	0.15	0.17
Travelling expenses	3.21	1.61
Stationery and printing	2.77	2.13

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Professional and technical expenses	41.53	51.45
Donations	69.50	57.63
Telephone, trunk calls and postage	5.66	5.34
Vehicle running expenses	82.21	63.39
Bandwidth expenses	0.44	0.42
Payment to auditors	0.85	0.67
Net loss on sale/ discarding of property, plant and equipment	3.43	4.29
Diminution in Capital Inventory & Inventory	0.88	2.74
Franchisee and other Commission	56.86	45.69
Agency & Contract Staff Expenses	22.82	18.57
Billing & collection	13.57	11.39
Reduction of Insurance Claim**	0.32	-
Other expenses	97.37	119.30
Miscellaneous expenses	0.35	(0.00)
Total (C)	704.11	625.80
Network Operating and Project Expenses		
Network Operating Expenses	0.02	0.02
Project Expenses	4.39	4.03
Total (D)	4.41	4.05
Provision for doubtful advances (E)	6.12	13.54
Total Other expenses (A+B+C+D+E)	1,138.80	1,017.80

In Case of Subsidiary Gujarat State Petronet Limited & Gujarat Gas Limited:

*Includes rental charges of all assets that have lease period of 12 months or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges.

Vehicle Hiring, Operating & Maintenance Expenditure includes non lease component viz. manpower, fuel cost, repair and maintenance and rental charges of LCV/HCV lease assets that have lease period of 12 month or less.

In Case of Subsidiary GSPC Pipavav Power Company Limited:

**On 8th July 2020, a major fire broke out at Switch yard and control room of Company's 5 MW Solar Plant. Provisional estimate for insurance claim for Business Interruption works out to be around 951.76 Lakhs which was lodged with the insurance company along with the supporting claims documents during FY 2020-21.

The plant is partially recommissioned on 7th April, 2021 and entire plant came into service and available for generation from 17th April, 2021. During the Financial year 2021-22, Insurance Company surveyor has estimated the claim of business interruption loss of Rs. 8.14 Crores, However during FY 2022-23 the insurance company has confirmed the claim amount of Rs.7.82 Crores and accordingly Rs. 0.32 Crores has been reversed.

*** The amount includes Rs. 5.52 Crore (PY Rs. 5.61 Crores) incurred towards Repairs & Maintenance due to major impact caused due to Taukte Cyclone.

Note 32

Exceptional items

The exceptional Items comprises of the following:

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Impairment of oil and gas assets		
Provided During the year ^a	136.18	317.43
Less: Reversed during the year ^a	(5.97)	(49.77)
Impairment on Investment ^b	-	-
Exploration cost written off/ written back ^c	0.20	0.25
Provision written back	-	(18.72)
Stamp duty expense	-	11.90
Litigation Settlement ^d	-	(4.30)
Gain on disposal of participating interest in joint arrangements ^e	-	(16.98)
Total Exceptional items	130.41	239.81

Notes

a. The Group identifies each E&P field /PSC under E&P segment as separate Cash Generating Unit (CGU). The recoverable amount of CGU is determined at higher of its fair value less cost to sell and its value-in-use. For E&P fields which are classified as Assets held for sale, the Group has considered fair value less cost to sell as the recoverable amount whereas for other fields, value-in-use is considered as the recoverable amount of CGU.

Fair value is determined at estimated selling price of CGU using Level III Inputs. This calculation uses the estimated future cash flows that can be generated from the continuing use of these blocks and outflows at the end of its useful life which are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 10%.

The Value in Use of producing / developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under the circumstances where further development of the fields in the CGUs is under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are also taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of evaluation / development is also considered while determining the value in use.

In assessing value in use, the estimated future cash flows from the continuing use of assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 10% (as at March 31, 2022 -10%).

Future cash inflows from sale of crude oil and value added products have been computed using the future prices, on the basis of market-based average prices of Brent crude oil as discounted to match the quality of our crude oil and its Co-relations with benchmark crude. Future cash flows from sale of natural gas are also computed based on the expected future prices on the basis of notification issued by the Government of India/GSA.

The Group has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Group has recorded a net impairment to the extent the carrying amount exceeds the value in use, amounting to Rs. 130.21 crores.

During FY 2022-23, the Group has tested all its E&P fields and provided for impairment of Rs. 108.88 Crores, for Tarapur (Rs. 2.38 Crore reversal), Tarapur RFPSC (Rs. 9.20 Crores), Ahmedabad (Rs. 4.14 Crores), Ahmedabad RFPSC (Rs. 7.56 Crores), Sanand Miroli (Rs. 0.89 Crores reversal), Ankleshwar (Rs. 3.99 Crores), North Kathana (Rs. 0.11 Crores reversal), Kanawara (Rs. 0.66 Crores reversal), KG OSN 2001/3 (Rs. 89.65 Crores), Allora (Rs. 0.29 Crores), North Balol (Rs. 0.01 Crores reversal), Unawa (Rs. 1.44 Crores reversal) and Dholasan (Rs. 0.02 Crores) along with capital inventory (Rs. 0.48 Crores reversal) for impairment. Also, during the current financial year, the Group has issued notices of withdrawal of the Group's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full in previous years of which Rs 0.20 crores capital expenditure has been incurred in current financial year in MB-OSN-2005/1 block is transferred to exploration cost written off. Additional impairment of Rs. 21.33 crores is provided in ONGC operated CB-ONN-2004/2 block, in which ONGC has indicated its interest to acquire the entire Participating Interest of the Group in CB-ONN-2004/2 by matching the price of H1 bidder i.e. Rs.

24.67 crore (USD 3 Million) (Refer Note 22). Accordingly, total additional impairment is provided for Rs.136.18 crore and an impairment of Rs.5.97 crore earlier provided was reversed during the year.

During FY 2021-22, the Group has tested all its E&P fields and provided for impairment of Rs. 267.58 crores for Tarapur Block (Rs. 2.51 Crores reversal), Tarapur RFPSC (Rs.73.20 crores), Ahmedabad RFPSC (Rs. 16.72 crores reversal), Ahmedabad (Rs. 21.09 crores reversal), Sanand Miroli (Rs. 5.31 crores), Ankleshwar (Rs. 2.99 crores reversal), Palej (Rs. 1.95 crores), CB ONN 2004/2 (Rs. 44.75 crores), MB OSN 2005/1 (Rs. 97.48 crores), Kanawara (Rs. 6.53 crores reversal), KG OSN 2001/3 (Rs. 101.76 crores) along with capital inventory for impairment (Rs. 1.35 crores) and impairment reversal of Rs.8.38 crore arising out of Change in Current Assets and Current Liabilities of other Asset Held for Sale JVs.

- b. The Group had made an investment in GSPC (JPDA) LTD. amounting to Rs.117.61 crores (31st March, 2022 : Rs 117.61 crores) to carry out exploration activities in Australia. Provision for impairment has been created to the extent of investment in previous years. Considering the same, the Company has also provided for Rs Nil (PY: Rs.2.45 crore) against additional investment made during FY 2021-22.
- c. Exploration cost written off includes additional cost incurred towards fields already surrendered in earlier period.
- d. The Group was in dispute with central government with respect to (i)Royalty on Royalty and (ii)Royalty on sales price instead of well head price. During FY 2020-21, the Group has provided for royalty payable amounting to Rs.55.41 crores on arbitration award against the Group. Of the same Rs.4.31 crore being excess provision is reversed during FY 2021-22.
- e. During the previous year, the Group disposed off its participating interest in two of its joint arrangements i.e. Cambay & Bhandut. The net gains realised from the said transactions i.e. Rs. 15.53 Crore (Cambay) & Rs. 1.45 Crore (Bhandut) are recognised as part of exceptional items.

Note 33

Earnings per share

(₹ in Crores)

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Profit attributable to equity holders for (Rs. in Crores):		
Basic earnings	3,584.88	2,064.48
Adjusted for the effect of dilution	3,584.88	2,064.48
Weighted average number of equity Shares for:		
Basic EPS	10,73,65,40,264	10,73,65,40,264
Adjusted for the effect of dilution	10,73,65,40,264	10,73,65,40,264
Earnings Per Share (Rs.) (EPS) (Face Value of Rs.1/-)		
Basic	3.34	1.92
Diluted	3.34	1.92

Note 34

Contingent liabilities & Contingent Assets *

Contingent liabilities

Claims against the Group not acknowledged as debts which in the opinion of the Management are not tenable/under appeal at various stages:

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Direct & Indirect Tax matters (i)	3,341.36	2,165.60
Joint Arrangements (Refer note a to f below)	67.71	66.40
Guarantee / Letter of Credit	25.80	473.86
Other	816.14	784.54

* Refer note 44 (B) for details of associates and joint ventures.

Above Contingent Liabilities includes:

- (i) The Group is subject to legal proceeding and claim, which have arisen in the ordinary course of business. The Company does not reasonably expect that these claims, when ultimately concluded and determined, will have material and adverse effect on Company's results of operations or financial position.

The Group is contesting the demands and the management including its advisors believe that its position is likely to be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

In the Case of Gujarat State Petroleum Corporation Limited

- (a) Profit Petroleum paid under protest for Hazira Block: Joint arrangement (JV) partners are liable to pay profit petroleum to MoP&NG after recovery of cost petroleum. The Director General of Hydrocarbons (DGH) disallowed an amount of USD 17.745 million (mainly on account of purchase of compressor amounting to USD 11.328 million) from the cost petroleum recovered by JV and demanded profit petroleum on disallowed amount. In the Operating Committee meeting (10th June 2013) it was decided to deposit the amount demanded by the MoP&NG under protest. The Company had deposited Rs. 19.45 crore (PY: Rs.19.45 crores) on this account. Arbitration awarded in favour of the Company however government of India has preferred an appeal and has filed under the section 34 application before Delhi High Court challenging the arbitral award. As far as the dispute related to royalty is concerned, the Company has recognized the liability as per the arbitral award in previous financial year. Further, the Company has also voluntarily made a payment of the principal amount of Rs. 13.44 to Government of Gujarat towards the Company's share of additional royalty based on the outcome of the arbitration proceedings in previous financial year.
- (b) GSPC has surrendered the South East Tungal field in Indonesia. In the context of this case, the Company, via letter no. GSPC/Indonesia/SET/2014-167 dated 23rd December 2014, has requested to waive the minimum work program commitment and pending the response from the authority, contingent liability towards unfinished minimum work program amounting to Rs.16.61 crores (USD 2.02 Millions) (PY: Rs.15.31 crores (USD 2.02 Millions)) is disclosed.
- (c) Other liabilities with respect to joint arrangements taken line by line amounting to Rs.26.55 crores (PY: Rs.26.54 crores).
- (d) GSPC has issued notices of withdrawal of GSPC's Participating Interest under article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1. GSPC may require to pay its share of expenditure, contribution towards Site Restoration Fund, Interest on Service tax payable and interest on delayed cash call etc. The amount of the same is unascertainable as on the reporting date.
- (e) The Company has challenged the order of Revision Authority, P. Mallavaram dismissing the revision application which challenged demand notice for House tax issued by the P. Mallavaram Gram panchayat on the Company's OGT building for the Year 2014-2015 to 2016-17 aggregating to 5.10 Crore (PY: Rs. 5.10 Crore). In the demand notices issued to the Company, the house tax is being levied at the rate of 1% of capital value which is also the maximum rate under the relevant Act and Rules. The Company has challenged these demand notices before Andhra Pradesh High Court on major contention that other private operators are being assessed at far lesser slab than the 1% rate applied to the Company. As per the Orders passed by Andhra Pradesh High Court, the Company has deposited a total amount of Rs. 4 Crores under protest and pursuant to such deposit, Andhra Pradesh High Court has granted stay on recovery proceedings initiated by the Gram Panchayat.
- (f) Jubilant Offshore Drilling Pvt Ltd (JODPL) has defaulted on cash calls raised by ONGC after August 4, 2017. As per the JOA, the Company being the non-defaulting partner may be required to further contribute to the defaulted cash calls of JODPL and the Company will have a right to recover such additional contribution from JODPL. The ratio in which the Company may be required to contribute the JODPL's defaulted cash calls is presently unascertainable in light of pendency of challenge to forfeiture notice before NCLT and also in light of balance PI of JODPL being subject to assumption by non-defaulting party(ies) depending upon the approval of management committee. In absence of clarity on the issue, the amount of contingent liability is unascertainable.
- (g) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PNGRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

All the parties have preferred appeals against the PNGRB Orders before Appellate Tribunal for Electricity (APTEL) and APTEL has passed an interim order on 23.01.2012 and directed GAIL, IOCL and BPCL to give direct connectivity at Dahej Terminal subject to GSPC giving undertaking in respect of the following:

- i) GSPC shall open a separate bank account and deposit an amount of Rs. 140 Crores. Accordingly, GSPC has opened and deposited equivalent amount in a separate bank account.
- ii) From the date of change of delivery point, GSPC shall also deposit differential amount in a separate bank account. (Accordingly the Company had deposited additional Rs. 75.36 crore in a separate bank account).

The Company has submitted the Undertaking to APTEL in respect of the same on 18.02.2012 and deposited amounts as aforesaid.

The APTEL has passed common judgment dated 18.12.2013 ("the APTEL Judgment") in the appeals filed by GAIL, IOCL and BPCL and set aside the PNGRB Order.

The Company filed an appeal before the Hon'ble Supreme Court against the APTEL Judgment and the Hon'ble Supreme Court has vide its order dated 28.02.2014 directed the Company, as an interim arrangement, to pay the interconnectivity charges at the rate of Rs. 12 / MMBTU from the account separately maintained for the said purpose in accordance with APTEL's Order dated 23.01.2012 as narrated in (i) & (ii) above.

Accordingly, the Company utilized Rs.176.55 crores for payments to GAIL, IOCL and BPCL as per Interim arrangement order of the Hon'ble Supreme Court. The amount paid net off amount recovered from customers is shown as amount paid under protest in the accounts amounting to Rs. 97.84 Crore (PY: Rs. 97.84 Crores).

Further, the Company has also not provided for differential amount charged by vendors above Rs.12/ MMBTU aggregating to Rs. 45.87 crores (PY: Rs. 45.87 Crores). The appeal is pending before the Hon'ble Supreme Court.

- (h) The Company has implemented 7th Pay commission with effect from 1st December 2020 as per Government of Gujarat's Resolution. The gross arrears amounting to Rs. 17.99 crores for the period from 1st January 2016 to 30th November 2020 is paid during the current financial year (Rs. 18.60 crores was reported as contingent liability during the previous year).
- (i) On request of GSPC LNG Ltd (GLL), the Company had diverted LNG cargoes for regasification to GLL's Mundra terminal. This has been done to ensure continuity of plant operations at Mundra terminal. On account of this diversion of LNG cargoes, GSPC may face additional liabilities on account of take or pay from the existing LNG terminals wherein it has obligations. In absence of clarity on the issue, the amount of contingent liability is unascertainable.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

- j) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited (GGCL) (now known as Gujarat Gas Limited) had filed a complaint before Petroleum and Natural Gas Regulatory Board (PNGRB) against erstwhile GGCL alleging charging of tariff illegally under the City Gas Network Distribution Agreement entered into between the parties and filed claim of approx. Rs. 76.98 Crores (PY: Rs. 76.98 Crores). The matter was decided against the Group by PNGRB vide its Order dated 20.10.2014. The Group had preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the aforementioned PNGRB Order. APTEL has delivered final judgement on 10.03.2021 in favour of the Group by setting aside the aforementioned PNGRB Order, and has recorded that invocation of HAPI tariff by PNGRB for the negotiated arrangement between the parties was not only against the letter and spirit of regulations defining tariff zone but also tantamount to rewriting of contract.

UPL has preferred an appeal before the Hon'ble Supreme Court of India against the order of APTEL dated 10.03.2021. Presently, the matter is pending before Hon'ble Supreme Court of India.

- k) One of the gas suppliers of the Group has submitted claims of Rs. 212.14 Crores (P. Y. Rs. 189.59 Crores), for use of allocated gas for other than specified purpose, related to FY 2013-14 to FY 2021-22 and no claim received from supplier for FY 2022-23. The Group has refuted this erroneous claim and also there is no contractual provisions of the agreement executed with Group that allow such claim. The management is of the firm view that the Group is not liable to pay any such claim. The Group has already taken up the matter with concerned party to withdraw the claim.
- l) The Group has initiated an arbitration proceeding against one of the franchisees claiming compensation for loss of revenue. While replying to the claim, the said franchisee has also filed a counter claim of Rs. 177.14 Crores (P. Y. Rs. 177.14 Crores) against the Group claiming compensation for various losses. The Group has filed necessary rejoinder to the counter claim strongly refuting the same mainly on the grounds that the claims are wrong and without merits as are not flowing from the

same agreement under which the arbitral tribunal has been constituted. Currently arbitral proceedings of this matter is pending before the sole arbitrator.

- m) This mainly includes contractual disputes which led to arbitration proceedings between (a) the Group and M/s Fernas Construction Company Inc. (FCCI) amounting Rs. 95.19 Crores (31st March, 2022 : Rs. 86.88 Crores), and (b) the Group and M/s Tehran Jonoob- Jaihind Consortium (TJJC) amounting Rs. 29.12 Crores (31st March, 2022 : ₹ 29.12 Crores); in which the Arbitral Tribunals had issued arbitration awards in favour of contractors. However, the Group has filed applications under section 34 of the Arbitration and Conciliation Act, 1996 against Contractor before the Hon'ble High Court of Gujarat for setting aside the Arbitral Awards and has also filed the stay application for seeking stay on the Arbitral Award, pending disposal of the matter. The Group believes that for these matters no provision is required in the books of accounts as on 31 March 2023.

In the Case of Subsidiary Guj Info Petro Limited

- n) Company had filed appeal against order passed by Income Tax Department for A.Y 2008-09, the tax impact/ demand of appeal lying with the Income Tax Appellate Tribunal (ITAT) is Rs. 0.22 Crs (Previous Year : 0.22 Crs). No Income Tax assessment has been pending as on date.

- o) Adjusted Gross Revenue

The Company was regularly paying license fees @ 6% of the income from licensed activities based on the order of TDSAT dated 30th August 2007 and subsequent TRAI's guidelines considering income from licensed activities as the Adjusted Gross Revenue (AGR). The quarterly returns are filed from time to time and provisional assessment has also been completed by DoT up to the year 2008-09. No further provisional assessment done by DOT.

Subsequently, Supreme Court (SC) vide its order dated 11th October 2011 set aside the TDSAT order and remitted the matter to the Tribunal to pass fresh order in accordance with law. DOT has issued a letter no.820-01/2006-LR (Vol-II) Pt. dated 29/6/2012 increasing AGR at 7% from 01/07/2012 and 8% for the year 2013-14 onwards and clarified that Revenue for the purpose of license fee shall provisionally include all types of revenue from internet services allowing only those deductions available for pass through charges and taxes/levies as in the case of access services without any set-off for expenses.

The matter was reviewed and decided by TDSAT vide order dated 23/04/2015 holding that the AGR for the purpose shall include only revenues from licensed activities. The said order was challenged by DOT before the Supreme Court. On October 24, 2019, the Honorable Supreme Court delivered its judgement in relation to long outstanding dispute regarding the definition of AGR for the purpose of determining the License Fees upholding the stand of DOT.

Further, the Company has received the letter no: CCA/GUJ/LF/ISP-IT/GIPL/2009-10/55 dated 20-11-2019 from DoT, asking to comply the SC judgment. Then, the company has paid Rs. 5.00 Cr. towards AGR dues as an ad-hoc payment under protest.

Thereafter, DoT has carried out assessment of due license fees for the period F.Y. 2009-10 to F.Y. 2013-14 and issued assessment order about refund of license fees vide letter CCA/GUJ/ISP-IT/LF Assess/GIPL/2019-20/89 dated 04/12/2020. During the year, GIPL has received Final Assessment Order from DOT, Gol with respect to AGR / License fee vide letter No. CCA GUJ / L.F/ISP - I.T/ GIPL/2009-10/110 dated 11/07/2022. Accordingly, GIPL has received total refund amounting of Rs. 5.19 Crores(including refund of Deposit amounting Rs. 5 Crs. which was paid under protest) as well as cancelled Bank Guarantees amounting to Rs. 2.20 Crores.

In view of the above, GIPL has credited Rs. 0.82 Crs. to other income (including reversal of provision amounting to Rs. 0.63 Crs.) as the amount realised is in the normal course of business. Thus, as on 31.03.2023, against AGR dues, there is NIL contingent liability.

In the Case of Subsidiary GSPC (JPDA) Limited

- p) GSPC (JPDA) Limited has sought clarification from Advance Ruling Authority on taxability of settlement payment in terms of Production Sharing Contract (PSC) for the Joint Development Area 06-103 with ANP (previously the Timor sea Designated Authority).

As per our opinion, in terms of amended provision for levying tax on liquidated damages, for applicability of GST, above payment transaction will have to first pass the test of supply, which appears to be a difficult proposition. In view the above legal position, to avoid any dispute in this regard and additional liability of interest and penalty, GSPC JPDA has filled application before Appellate Authority for Advance Ruling in Gujarat seeking clarification on taxability of the above mentioned transaction.

However, as on date, aforesaid matter is pending before Appellate Authority for Advance Ruling on account of delay in proceedings, no order is passed till date.

The following demands / Litigations / matters are not included in above:

- q) Erstwhile Gujarat Gas Company Limited and Erstwhile GSPC Gas Company Limited (Now collectively known as Gujarat Gas Limited "GGL") had signed Gas Supply Agreement with Gujarat State Petroleum Corporation Limited (GSPCL) for purchase of Re-gasified liquified natural gas (RLNG). As per the provision of said agreement, GGL has to pay interconnectivity charges to GSPCL for the supply and purchase of RLNG at Delivery point which is charged to GSPCL by their supplier i.e. PLL Off takers (GAIL India, BPCL, IOCL).

PNGRB had vide its order dated 13.09.2011 and the majority members of PNGRB (three member panel of Board) had vide its order dated 10.10.2011 held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPCL and further, directed Respondents (PLL Off takers -GAIL India, BPCL, IOCL) to immediately give direct connectivity to GSPCL at Dahej Terminal.

The PLL Offtakers (GAIL) filed appeals against the said PNGRB orders before the Appellate Tribunal for Electricity (APTEL). On 23.02.2012 APTEL had issued an interim order for shifting the Delivery Point from GAIL-GSPL Delivery Point to GSPL-PLL Delivery Point. On 18.12.2013 APTEL issued its judgment and required GSPCL to pay the amount of the difference between Rs. 8.74/MMBTU (exclusive of Service Tax) - earlier connectivity charges and Rs. 19.83/MMBTU (Exclusive of Service Tax) - HVJ/DVPL Zone-1 tariff to GAIL for the period from 20th November 2008 to 29th February 2012.

GSPCL had filed an appeal against the APTEL's above referred judgment before Hon'ble Supreme Court of India (GSPCL vs. GAIL & Others, Civil Appeal No. 2473-2476 of 2014) and the Hon'ble Supreme Court of India had passed the Interim Order on 28th February 2014. The Court has stated that the ends of justice would be met if as a matter of interim arrangement, the appellant is directed to pay interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes). The Company has already provided and paid interconnectivity charges at the rate of Rs. 12.00 per MMBTU (exclusive of Taxes).

GGL has not received any bill / demand note for the amount over and above Rs. 12.00 per MMBTU from supplier till date. As the final liability would only be determined post the final order of the court, quantification of any amount as contingent liability in the interim is inappropriate due to the uncertainty involved and hence the same is not mentioned / disclosed in the financial statement.

- r) Gujarat Gas Limited ('GGL', a subsidiary of the Company) deposited Rs. 464.78 Crores (PY: Rs. 464.78 Crores) on 12th June, 2013 into the escrow account ("named BG Asia Pacific Holdings Pte. Limited GSPC Distribution Networks Limited Escrow Account") opened with Citibank N.A., acting as the escrow agent, pursuant to the escrow agreement executed between the BG Asia Pacific Holdings Pte. Limited (the Seller), Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited) (the Purchaser) and Citibank N.A. The Payment of said amount into Escrow Account was to be utilized to meet future tax withholding liability (if any) based on outcome of the applications to the Authority for Advance Rulings or otherwise to be remitted to BG Asia Pacific Holdings Pte. Limited (the Seller) directly.

GGL has received the ruling from the Hon'ble Authority for Advance Ruling ("AAR"), vide consolidated ruling order dated 25th February 2021 wherein the Hon'ble AAR has held that the transaction Price is not subject to any tax withholding in India and the Purchaser is not required to withhold tax since the capital gains is not subject to tax in India in view of Article 13(4) of the India Singapore Tax Treaty under India Singapore Double Tax Avoidance Agreement in the hands of the Seller. Pursuant to the ruling of the Hon'ble AAR and as per the terms of the Escrow Agreement, amount of ₹ 464.78 Crores kept in Escrow Account had been remitted to the BG Singapore on 7th April 2021.

- s) The revision of Trade margin with the Oil Marketing Companies (OMCs namely IOCL, HPCL and BPCL) is pending from earlier years and is subject to mutual agreement between OMCs and the Group. In November 2021, the Ministry of Petroleum & Natural Gas (MoP&NG) issued an advisory pertaining to revised Trade margin and subsequently citing MoP&NG advisory, OMCs have started to claim revised Trade margin discounts & deductions in CNG sales bill payment made to the Group. The Group has contested the decision of the OMCs in considering the revised trade margins without any mutual agreement with the Group. Pending settlement, the liability is provided to the extent considered appropriate by the Group. No provision has been made for period earlier to the advisory.
- t) Two entities, who have been authorized by the Petroleum and Natural Gas Regulatory Board (PNGRB), have filed complaints against the Group before the PNGRB for claiming compensation with respect to the unauthorized development / operations of

CGD infrastructure activities carried out by the Group in their authorised area. The Group has also filed a complaint against one of the entities before the PNGRB for unauthorized development / operations of CGD infrastructure in area authorised to the Group. Further, the Group has raised objections to the maintainability of the such complaints, which are yet to be determined by the PNGRB. The quantification of any liability is not ascertainable at this stage. However, the Group is hopeful of arriving at amicable resolution of the subject issues.

Contingent assets

The Group is having other certain claims, litigations and proceedings which are pursuing through legal processes. The management believe that probable outcome in all such claims, litigations and proceedings are uncertain. Hence, the disclosure of such claims, litigations and proceedings is not required in the financial statements.

In the Case of Gujarat State Petroleum Corporation Limited

- a) The consideration received from ONGC towards 80% PI transfer in KG-OSN-2001/3 block had two components i.e. (i) Consideration towards DDW (ii) Advance floor consideration for Other Six Discoveries amounting to USD 995.26 Million (Rs.6295.02 crores) and USD 200 Million (Rs.1265 crores) respectively. The advance consideration received towards Other Six Discoveries is non-refundable.

The final consideration for Other Six Discoveries shall be determined based on Field Development Plan (FDP) of Other Six Discoveries prepared by ONGC for submission to Directorate General of Hydrocarbons (DGH). In the scenario, wherein final consideration as per FDP of Other Six Discoveries is assessed at a value higher than USD 200 Million, the advance consideration received by GSPC shall be adjusted against the same and the balance consideration shall be paid to GSPC. In a scenario, wherein final consideration assessed for Other Six Discoveries is less than or equal to USD 200 Million, GSPC shall retain the non-refundable advance consideration already received.

However, ONGC has already applied for extension in timeline for submission of FDP. Following the principle of conservatism, the Company has not arrived at the valuation of the six discoveries as it is subject to preparation of FDP by ONGC and GSPC & ONGC agreeing to a value as per the valuation parameters adopted for DDW. Hence, at present the receivable on account of six discoveries cannot be reasonably ascertained.

- b) **Guaranteed Gas Price:** The Company has executed Farm-in Farm-out Agreement with ONGC for farm-out of 80% PI in KG Block in FY 2017-18. The agreement involves annual valuation adjustment linked to existing gas prices during the currency of the respective financial year which is carried forward for the tenure of gas sales and purchase agreement between ONGC and GSPC. As per the terms of valuation adjustment clause of agreement, the Company shall be liable to annually adjust valuation i.e. pay any differential amount to ONGC which shall be evaluated based on difference between actual gas prices during the year and agreed prices for the respective financial year for the actual production quantity. The liability is unascertainable due to linkage of adjustment value to actual production during the year along with actual gas prices which is determined as per 6-month trailing market prices of varied mix of alternative fuels/sources of natural gas notified by PPAC. Both these factors cannot be accurately predicted/estimated, thus the valuation adjustment cannot be quantified with certainty. However, the Company has gas sales purchase agreement with ONGC for the entire natural gas produced from KG Block which is forms a component of gas trading pool, which effectively covers the risk of valuation adjustment under FIFO. Further, as on 31st March, 2022 there is an amount Rs.15.16 crores as surplus with the Company for valuation adjustment under FIFO.
- c) The Empowered Committee in meeting held on 14th May 2019, for the matter related to GSPC's claim on GLL for approximately Rs. 80.23 crores towards GLL's failure to receive the commissioning cargo, decided that the payment be made by GLL once requisite funds are available and as per term-sheet GSPC is entitled to recover any damages, cost and expenses on account of GLL's failure to receive commissioning cargo and accordingly GSPC will be receiving interest on the claim amount.
- d) In KG - OSN - 2001/3 block, GSPC and ONGC are under process to determine the amount for the final closing adjustment as per FIFO agreement.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

- e) The Group has raised claim of Rs. 43.08 Crs (PY Rs. 43.08 Crs) for net credit of natural gas pipeline tariff as per PNGRB Order with one of the suppliers and supplier is disputing Group's claim and indicating for adjusting the partial claim of Rs. 30.72 Crs (PY Rs. 30.72 Crs) out of total claim Rs. 43.08 Crs (PY Rs. 43.08 Crs) against disputed liability for use of domestic allocated gas other than PNG (Domestic) and CNG segments' against demand in earlier year.
- f) The Group has filed an appeal before the Appellate Tribunal for Electricity (APTEL) against the PNGRB order related to the

matter held that the Gas Swapping Arrangement Guidelines of PNGRB is applicable erroneously. APTEL has issued the order in favor of the Group's subsidiary Gujarat Gas Limited ('GGL'). The said supplier has filed appeal at Hon'ble Supreme Court of India against the order of APTEL.

Presently, the matter is pending in Hon'ble Supreme Court of India. Currently, GGL is paying Rs. 19.83 per MMBtu as transmission charges for domestic gas being purchased and delivered by GAIL at one of the delivery points. If verdict is in favor of GGL, GGL will get refund of Rs. 193.65 crs (PY: Rs. 173.29 crs) from December 2013 till March 2020 and the Group shall endeavor to pass on the benefit to its customers as per relevant order of court.

Note 35

Commitments*

(₹. in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated Amount of Contracts remaining to be executed on capital accounts and not provided for		
i. In respect of Joint Arrangements	108.61	108.61
ii. In respect of Others	1,432.69	1,112.23
Investment Commitments	1,247.09	1,159.08
Estimated amount of Contracts remaining on revenue accounts	1,330.03	1,184.29

* Refer note 44 (B) for details of associates and joint ventures.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

- i) All term contracts for purchase of natural gas with suppliers, has contractual volume off take obligation of "Take or Pay" (ToP) as specified in individual contracts. Quantification of ToP amount is dependent on various factors like actual purchase quantity, gas purchase prices of respective contract etc. As these factors are not predictable, ToP commitment amount is not quantifiable.
- ii) The Group has been granted authorization for laying, building, operating and expanding CGD network in the total 27 geographical area under the Petroleum and Natural Gas Regulatory Board (Authorizing entities to lay, build, operate or expand city or local Natural Gas Distribution Networks) Regulation 2008, against which the Group is required to complete Minimum Work Programme (MWP) target for development of CGD network under the terms of authorisation awarded by Petroleum and Natural Gas Regulatory Board (PNGRB). For this purpose, the Group had submitted performance bank guarantees (issued by banks on behalf of the Group) amounting to ₹ 6,528.83 Crores (PY ₹ 6,528.83 Crores) to the Petroleum and Natural Gas Regulatory Board.

Note 36

Employee Benefits

A. Defined contribution plans

1. Company's contribution to Provident Fund is Rs. 19.43 Crores (FY 2021-22 - Rs. 16.72 Crores)
2. Company's contribution to Super Annuation fund is Rs. 4.98 Crores (FY 2021-22 Rs. 3.44 Crores)
3. Company's contribution to National Pension Scheme is Rs. 4.99 Crores (FY 2021-22 Rs. 4.42 Crores)

B. Defined benefit plans

The following table sets out the funded/unfunded status of the Gratuity, Loyalty Bonus, Post Retirement Medical Benefit Scheme (PRMBS) and Leave Encashment Plan and the amounts recognized in Group's consolidated financial statements as at 31st March, 2023 and 31st March, 2022 as required by Ind AS 19.

(₹ in Crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		Leave Encashment (Unfunded)		PRMBS (Funded)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<u>I Change in obligation during the year</u>										
1 Liability-Opening Balance	130.67	119.95	11.33	10.30	14.51	14.63	75.74	70.91	2.31	1.97
2 Interest cost	8.98	7.75	0.87	0.68	1.03	0.98	5.22	4.58	0.14	0.18
3 Current service cost	9.93	9.87	0.90	0.79	0.73	0.72	5.04	5.10	0.17	0.23
4 Benefit Paid	(8.27)	(5.25)	(0.37)	(0.32)	(0.64)	(0.70)	(5.13)	(3.99)	-	-
5 Actuarial (gain) / losses due to changes in financial, demographic and experience assumptions	(4.57)	(2.19)	(0.03)	(0.12)	(0.02)	(1.12)	(4.13)	(1.07)	(0.15)	(0.14)
6 Contribution by Employees	-	-	-	-	-	-	-	-	0.02	0.07
7 Transfer in Obligation	(1.53)	0.53	-	-	-	-	(1.19)	0.22	-	-
8 Liability - Closing Balance	135.21	130.67	12.70	11.33	15.61	14.51	75.55	75.74	2.49	2.31
<u>II Change in assets during the year</u>										
1 Plan assets - Opening Balance	131.11	111.59	10.65	9.75	14.46	14.10	-	-	1.27	1.12
2 Expected return of plan assets	6.80	5.87	0.78	0.67	1.05	1.22	-	-	0.01	0.01
3 Interest Income	2.50	1.63	-	-	-	-	-	-	0.07	0.06
4 Contributions	1.71	17.14	-	0.55	0.41	0.08	-	-	0.03	0.08
5 Benefit paid	(8.27)	(5.25)	(0.34)	(0.32)	(0.64)	(0.70)	-	-	-	0.01
6 Actuarial gain / (Loss)	(2.32)	(0.33)	(0.29)	-	(0.29)	(0.25)	-	-	(0.02)	-
7 Transfer in/(out) plan assets	(1.58)	0.46	-	-	-	-	-	-	-	-
8 Plan assets - Closing Balance	129.95	131.11	10.80	10.65	14.99	14.46	-	-	0.77	1.27
9 Total Actuarial Gain/ (Loss) To Be Recognized	2.25	1.86	(0.26)	0.12	(0.27)	0.87	4.13	1.07	0.13	0.14
<u>III Actual Return on plan assets</u>										
1 Expected return of plan assets	6.80	5.87	0.78	0.67	1.05	1.22	-	-	0.01	0.01
2 Actuarial gain / (loss)	(2.32)	(0.33)	(0.29)	-	(0.29)	(0.25)	-	-	(0.02)	-
3 Actual return on plan assets	5.54	5.54	0.49	0.67	0.76	0.97	-	-	(0.01)	0.01
<u>IV Net (asset)/ liability</u>										
1 Liability at the end of the year	135.21	130.67	12.70	11.33	15.61	14.51	75.55	75.74	2.49	2.31
2 Plan assets at the end of the year	(129.95)	(131.11)	(10.80)	(10.65)	(14.99)	(14.46)	-	-	(0.77)	(1.27)

(₹ in Crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		Leave Encashment (Unfunded)		PRMBS (Funded)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
3 Liability / (Asset) in Balance Sheet	5.26	(0.44)	1.91	0.69	0.62	0.05	75.55	75.74	1.72	1.04
V Expenses recognized in the Statement of Profit & Loss										
1 Current service cost	9.93	9.87	0.90	0.79	0.73	0.72	5.04	5.10	0.17	0.23
2 Interest cost	8.98	7.75	0.87	0.68	(0.64)	0.98	5.22	4.58	0.14	0.18
3 Expected return on plan assets	(6.80)	(5.87)	(0.78)	(0.67)	(0.02)	(1.22)	-	-	(0.01)	(0.06)
4 Actuarial (gain) / Losses	(2.02)	(1.25)	-	-	0.27	(0.87)	(4.13)	(1.07)	(0.13)	(0.14)
5 Total expenses	10.09	10.51	0.99	0.80	0.34	(0.40)	6.13	8.61	0.17	0.22
Expenses recognized in the Other Comprehensive Income										
1. Actuarial (gain) / Losses	(2.25)	(1.86)	0.26	(0.12)	-	-	-	-	(0.13)	(0.14)
VI Other Information										
1 Expected contribution during next 12 months	4.40	2.14	0.87	0.68	0.55	(0.25)	2.84	3.54	0.03	0.18
VII Actuarial Assumptions										
1 Discount Rate	7.45%-7.50%	6.85%-7.25%	7.40%-7.50%	7.20%	7.40-7.45%	7.20%	7.50%	6.80%-7.25%	7.45%- 7.50%	6.85%-7.20%
2 Rate of return on plan assets	7.45%- 7.50%	6.85% - 7.25%	7.40%- 7.50%	0.00%	7.40 - 7.45%	7.20%	NA	7.25%	7.45%- 7.50%	6.85%-7.20%
3 Salary Escalation	7.00%-10.00%	7.00%-10.00%	7.00%	7.00%	7.00%	7.00%	7.00%-10.00%	7% to 10%	9.00%	9.00%
4 Withdrawal Rate	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%	1.00% - 5.00%
5 Medical Inflation rate	NA	NA	NA	NA	NA	NA	NA	NA	9.00%	9.00%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in Crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		Leave Encashment (Unfunded)		PRMBS (Funded)	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Sensitivity %										
Discount rate varied by 0.5%										
Increase + 0.5%	128.21	123.62	13.02	10.71	14.80	13.70	70.80	71.00	2.22	1.84
Decrease - 0.5%	142.65	138.40	14.11	11.99	16.48	15.37	80.25	109.60	2.72	2.28
Salary growth rate varied by 0.5%										
Increase + 0.5%	142.45	137.97	14.46	11.99	16.48	15.37	80.54	80.93	NA	NA
Decrease - 0.5%	128.52	123.94	13.02	10.71	14.79	13.70	70.96	97.53	NA	NA
Withdrawal rate varied by 10%										
Increase + 10%	135.19	47.84	13.72	11.33	15.63	14.51	75.35	20.35	2.40	2.28
Decrease - 10%	135.29	47.53	13.70	11.32	15.60	14.49	75.76	12.21	2.49	1.84
Medical Inflation Rate varied by 0.5%										
Increase + 0.5%		-		-		-		-	2.72	2.00
Decrease - 0.5%		-		-		-		-	2.22	2.08

Notes

In the case of Parent - Gujarat State Petroleum Corporation Limited

a. Investment details and plan risks

The Company has participated in Group Gratuity scheme of LIC and HDFC Standard Life Insurance Company Limited. The plans expose the Company to a number of actuarial risks such as Actuarial risk, investment risk, legislative risk, market risk and liquidity risk.

Composition of the plan assets	2022-23			2021-22		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Policy of insurance	100%	100%	0%	100%	100%	0%
Special Deposit Scheme	0%	0%	0%	NA	NA	92%
Bank balance	0%	0%	100%	NA	NA	8%

b. Asset-liability matching strategies:

For the gratuity & leave encashment which are funded, Company is expecting to contribute the amount which can mitigate future liability. The estimate of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market. The above information is certified by the actuary.

C. Expected cashflows based on past service liability :

(₹ in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Funded)		Leave Encashment (Funded)		PRMBS (Funded)	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
1st Following year	0.7	0.85	0.35	0.47	0.39	0.47	0.00	0.00
2nd Following year	0.92	0.42	0.80	0.30	0.78	0.38	0.00	0.00
3rd Following year	0.75	0.88	0.55	0.74	0.85	0.74	0.00	0.00
4th Following year	0.9	0.70	0.75	0.50	0.85	0.79	0.01	0.01
5th Following year	0.94	0.85	0.79	0.69	0.86	0.81	0.01	0.01
Sum of years 6 to 10	4.39	4.10	4.79	4.05	4.77	4.20	1.38	1.39

d. GSPC is maintaining the Provident Fund contribution corpus of employees through GSPC EPF Trust. In this regard, a decision was taken in the 249th Meeting of the Board of Directors held on 30th May 2022 vide which the Board had approved to initiate the process of liquidation of GSPC EPF Trust and to transfer the entire employee provident funds maintained in the name of GSPC EPF Trust to EPFO (Employee Provident Fund Organisation). Board of Directors has also approved that in the event Trust undergoes any loss due to premature withdrawals from the investments for the reason of liquidation of Trust or any additional contribution as required by EPFO, GSPC to make good such loss/contribution to the Trust/EPFO. In this regards EPFO has provided necessary approval for withdrawal of exemption / relaxation of trust, with an effective date of surrender being 1st May 2023.

In the Case of Gujarat State Petronet Limited:

Composition of the plan assets	2022-23			2021-22		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Policy of insurance	99-100%	NA	94%	100%	NA	100%
Bank balance	0-1%	NA	6%	0.00%	NA	NA

The Group has provided long service award benefits to its employees who completed 15/20/25 Years of employment with the Group. Accordingly, the Group has provided ₹ 1.00 Crores (Previous year ₹ 1.00 Crores) on account of Long service award benefit. Current Liability as at 31st March 2023 is ₹ 0.07 Crores (Previous year ₹ 0.07 Crores) and Non- Current Liability is ₹ 0.98 Crores (Previous year ₹ 0.93 Crores). Discount rate considered for current year is 7.50% (previous year 7.00%).

In the Case of Subsidiary Guj Info Petro Limited:

- The employee's gratuity fund scheme managed by a Trust is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service to build up the final obligation.
- 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 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 management of plan assets.

Note 37

Joint Operations (un-incorporated Joint arrangements)

The Company has entered into Production Sharing Contracts (PSCs) / Agreements in consortium with various Private/Public Sector & Foreign Companies as stated below with the Ministry of Petroleum & Natural Gas (Government of India), for exploration of oil and gas in the following fields. The Company has also entered into Production Sharing Agreements (PSAs)/Work Permits overseas relating to Oil & Gas/ Exploration Areas blocks along with various companies. Pursuant to the PSCs, Joint Operations {unincorporated Joint arrangements (JVs)} have been formed to undertake necessary economic activities for production of Oil and Gas by entering into a Joint Operating Agreement with them. The details are stated below:

I Blocks/Fields currently under exploraiton, development and production

Sr No	Joint arrangements/PSCs	GSPC's PI*	Operatorship/Other Partners	PI
A	GSPC Operated			
1a	CB-ON/2 (Tarapur)	80% (80%)	Exploration	
			Geo Global Resources (Barbados) Inc.	20%
			Development	
		56% (56%)	Geo Global Resources (Barbados) Inc.	14%
			Oil and Natural Gas Corporation Limited	30%
1b	CB-ON/2RFPSC - (Tarapur RFPSC) (Refer Note d)	80% (80%)	Geo Global Resources (Barbados) Inc.	20%
2a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%
2b	CB-ONN-2000/1-(RFPSC)	50% (50%)	GAIL (India) Ltd	50%
3	CB-ONN-2002/3 (Sanand)	55% (55%)	Jubilant Oil & Gas Private Limited	20%
			Hindustan Petroleum Corporation Limited	15%
			Geo Global Resources (Barbados) Inc.	10%
4	CB-ONN-2003/2 (Ankleshwar)	75% (75%)	Exploration	
			GAIL (India) Ltd	25%
		50%(50%)	Development & Production:	
			GAIL (India) Ltd	20%
			Jubilant Capital Private Limited	20%
	Geo Global Resources (Barbados) Inc.	10%		
B	GSPC Non Operated JVs			
5	Asjol	50% (50%)	Hindustan Oil and Exploration Company Limited (Operator)	50%
6	Palej (Refer Note b)	50% (50%)	Exploration	
			Hindustan Oil and Exploration Company Limited (Operator)	50%
		35% (35%)	Development	
			Hindustan Oil and Exploration Company Limited (Operator)	35%
	Oil and Natural Gas Corporation Limited	30%		
7	North Balol	45% (45%)	Hindustan Oil and Exploration Company Limited (Operator)	25%
			GNRL Oil & Gas Limited (Operator) (Formerly Heramec Ltd.)	30%
8	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec Ltd.)	30%
9	KG-OSN-2001/3	10% (10%)	JODPL Pvt. Ltd.	10%
			Oil and Natural Gas Corporation Ltd.	80%

II Blocks/Fields identified as assets held for sale / Under surrender/ relinquishment

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
1	CB-ONN-2004/2 (Refer Note a)	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%
2	CB-ONN-2004/3 (Refer Note a)	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%
3	MB-OSN-2005/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
4	CB-ONN-2004/1 (Refer Note a)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
5	GK-OSN-2009/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%
			Indian Oil Corporation Limited	20%
			Adani Welspun Exploration Ltd	20%

III. Blocks/Fields for which company has proposed to surrender its PI

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	GSPC Operated			
1	Block No 19 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%
2	Block No 28 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%
3	Block No 57 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%
4	South East Tungal (Indonesia)	50.50% (50.50%)	Essar Oil Limited	49.50%
5	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd	40%
			Petrogas E&P LLC	20%
6	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%
B	GSPC Non Operated JVs			
7	RJ-ONN-2004/1	22.225% (22.225%)	GAIL (India) Ltd (Operator)	22.225%
			Hindustan Petroleum Corporation Limited	22.22%
			BPCL	11.11%
			Hallworthy Shipping Ltd. SA	11.11%
			Nitin Fire Protection Industries Ltd.	11.11%
8	CY-ONN-2005/1	30% (30%)	GAIL (India) Ltd (Operator)	40%
			Bengal Energy Inc.	30%
9	KK-DWN-2005/2	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
10	AA-ONN-2003/1(Assam)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator)	10%
			Jubilant Securities Pvt. Ltd.	35%
			GAIL (India) Ltd	35%
11	CY-DWN-2004/3	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%

B	GSPC Non Operated Jvs			
12	CY-PR-DWN-2004/1	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
13	MB-OSN-2005/5	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
14	MB-OSN-2005/6	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
15	CB-ONN-2005/4	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
16	CB-ONN-2005/10	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
17	CB-ONN-2009/4	50% (50%)	Oil and Natural Gas Corporation Limited (Operator)	50%

*PI - Participating Interest

** Figures in bracket indicate previous year figures. There is no change in previous year figures unless otherwise stated.

Notes

- During the current financial year, the Company has issued notices of withdrawal of GSPC's Participating Interest under Article of Joint Operating Agreement pertaining to four ONGC operated blocks namely MB-OSN-2005/1, CB-ONN-2004/1, CB-ONN-2004/3 and GK-OSN-2009/1 which already have been impaired in full. ONGC being operator in CB-ONN-2004/2 block, has indicated its interest to acquire the entire Participating Interest of GSPC in CB-ONN-2004/2 in accordance with its pre-emptive rights as participating interest holder in the block by matching the price of H1 bidder i.e. Rs. 24.67 crore (USD 3 Million). All these are classified as held for sale (Refer note 22 - Assets held for sale).
- In FY 2017-18 GSPC and HOEC has submitted the proposal for CB-ON/7 Ring Fenced PSC (RFPSC) to MOPNG. GSPC has already paid the requisite amount of USD 1.275 Million (Rs.8.17 Crores) as per the guidelines of MOPNG for signing of CB-ON/7 RFPSC. Signing of PSC is pending.
- During the financial year 2012-13, the Company along with its JV partners have recommended to surrender the three blocks by invoking the termination provision of the PSAs on account of continuation of force majeure events for more than six months. Vide letter dated 13th February, 2013, GSPC led consortium has terminated Production Sharing Agreements (PSAs) for 3 blocks awarded in Republic of Yemen (RoY). PSAs have been terminated on the ground of existence of force majeure event. The Consortium had initiated the arbitration proceedings under the PSAs before the International Chamber of Commerce (ICC), Paris and in the interim stage, obtained order Republic of Yemen not to take steps invoking SBLCs, while Consortium has been directed to extend the validity of SBLCs. Detailed pleadings were filed by both the parties and the final hearing was held from 8-12th September 2014 at the ICC hearing center in Paris. After the final hearing was concluded both the parties had submitted Post Hearing Briefs before the Arbitral Tribunal. Subsequently upon completion of the arbitration proceedings, the final award has been passed by the Arbitral Tribunal on 10th July 2015. The Arbitral Award inter alia:
 - Declared that the three Production Sharing Agreements (Blocks 19, 28, and 57) have been validly terminated by GSPC Consortium;
 - Declared that the Republic of Yemen and/or the Yemeni Ministry of Oil and Minerals were and are not entitled under the Production Sharing Agreements to draw on the related Standby Letters of Credits (US\$ 42 million i.e. ~Rs.308.72 crores) issued in their favor by the International bank of Yemen;
 - Arbitral Tribunal has awarded costs of approx. USD 3.92 million (~Rs.28.81 crores) in favour of GSPC Consortium.

The Said Arbitral Award has been challenged by the Yemen Government by filing Annulment Proceedings in Court Of Appeal at

Paris. GSPC Consortium has filed the response to the Annulment Proceedings filed by Yemen Government. The hearing for the matter took place on February 28, 2017. The Annulment Proceedings have also been held in favour of GSPC Consortium by the Paris Court.

- Following dismissal of Annulment Proceedings by Court of Appeal at Paris, GSPC consortium has initiated enforcement actions against Government of Yemen to secure the award money. The matter is sub-judice.

d. With respect to Tarapur Extension phase the grant of Petroleum Mining License (PML) for the 570 sq km area in the block is pending because of existing issue of non-regularization of Petroleum Exploration License (PEL) since 23rd November 2008 by the Company. The Company has paid PEL license fee for the period 23rd November 2008 to 22nd December 2020 to Government of Gujarat in March 2021. However, the grant of PML from GoI is pending as on 31st March 2023.

e. Of above fields/blocks, 9 blocks / fields are in production, namely Asjol, North Balol, CB-ON/7 (Palej), Kanawara, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3 and Sanand Miroli block. Net quantity of the Company's interest (on gross basis) in proved developed reserves is as follows:

Particulars	(₹ in Crores)	
	Proved Reserves (Oil) (Million MT)	Proved Reserves (Gas) (Million Cubic Meter)
Opening Balance for the year ended on 1st April 2022	0.20	3,027.80
Additions	(0.23)	(3,043.44)
** Adjustments on account of change in Reserve estimate	-	-
Deletions	-	-
Production	0.03	12.84
	(0.03)	(15.64)
Closing Balance for the year ended on 31st March, 2023	0.17	3,014.96
	(0.20)	(3,027.80)

*Figures in brackets relate to period ended 31st March, 2022

The Company's share of reserve has been considered on the basis of the "Reserve" certification provided by Gujarat Energy Research & Management Institute (GERMI) as on 31st March, 2019 and accordingly the proved reserves as on 31st March, 2023 has been worked based on the reserve estimates certified by GERMI and only includes the blocks which are in production.

** Adjustments reflects change in current reserve estimation and earlier reserve estimation based on proved reserves.

f. The financial statements of the Company reflect its share of Assets, Liabilities, Income and Expenditure of the Joint arrangement operations which are accounted on a line to line basis with similar items in the Company's accounts to the extent of participating interest of tkuhe Company as per the various joint arrangement agreements, in compliance of Ind AS 111 Joint Arrangements. The income and expenditure from Joint arrangements are disclosed separately in the Statement of Profit and Loss. The summary of the Company's share in Assets & Liabilities of Joint arrangements are as follow:

Particulars	(₹ in Crores)	
	As at 31 st March, 2023	As at 31 st March, 2022
Property Plant & Equipment (Gross Block)	4,973.70	4,807.10
Current Assets	88.08	104.55
Current Liabilities and Provisions	194.84	206.49
Contingent Liabilities	67.71	66.40

g. The Statement of Profit and Loss of the Company includes its share in Profit or Loss pertaining to the respective Joint arrangements. The summary of Statement of Profit and Loss for the year ended 31st March 2023 is given as under:

(₹. in Crores)

Particulars	For the Year Ended	
	31st March, 2023	31st March, 2022
	GSPC's Share	GSPC's Share
Income		
Sale of Crude Oil	93.98	70.58
Sale of Gas	24.04	15.83
Increase/(Decrease) in Stock	(6.74)	3.53
Other Income	0.72	0.35
Total	112.00	90.29
Expenditure		
Production Expenses	58.71	40.59
Duties & Taxes	29.00	10.14
Administrative Expenses	9.67	13.27
Total Expenditure before Depreciation & Impairment	97.38	64.00
Profit before depreciation / impairment	14.62	26.29

Note 38

Segment Information

1. Description of segment and principal activities

The Company's management monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified six reportable segments of its business:

- Exploration and production (E&P) : Group is engaged in oil and gas exploration and production operations.
- Gas Trading : Group is engaged in the procurement of gas from international market to meet the demand of gas across Gujarat and other states.
- Power Generation : Group is engaged in the generation of electricity through Gas based power plant and windmills.
- Gas Transmission : Group is engaged in transmission of natural gas across Gujarat.
- City Gas Distribution : Group is engaged in CNG, PNG & Industrial Gas supply across Gujarat and other states.
- Internet & IT : Group is engaged in providing IT related services.
- Wind power : Generation of electricity through windmills.

2. Segment revenue and expenses

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

3. Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net property, plant and equipment, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions, borrowings and deferred tax liabilities.

4. Information about geographical areas

All non-current operating assets of the Company are held within India and whole revenue generated from external customers are related to Indian geography. The Group's revenue comprises of revenue from 3 (PY:3) major customers (accounting for 10% or more of the Company's revenue).

5. Information about product and services

The Company's revenue from external customers for each product is same as that disclosed below under "segment revenue".

₹ in Crores

Particulars	As at 31st March, 2023							As at 31st March, 2022								
	E & P	Gas Trading	Power Generation	Gas Transmission	City Gas Distribution	Internet, IT	Unallo- cated	Total	E & P	Gas Trading	Power Generation	Gas Transmission	City Gas Distribution	Internet, IT	Unallo- cated	Total
A. Segment revenue																
External sales*	118.02	27,731.39	351.56	1,730.42	17,306.16	23.15	-	47,260.70	86.41	24,353.11	538.88	1,592.44	16,787.35	19.69	-	43,377.88
Inter segment sales	(7.45)	(10,223.32)	-	(404.61)	(1.98)	(1.98)	-	(10,637.36)	(3.90)	(12,442.60)	(306.79)	-	-	(2.49)	-	(12,755.78)
Total segment revenue	110.57	17,508.07	351.56	1,325.81	17,306.16	21.17	-	36,623.34	82.51	11,910.51	538.88	1,285.65	16,787.35	17.20	-	30,622.10
B. Segment results																
Segment results	-	-	-	-	-	-	-	-	25.94	1,622.70	23.89	1,674.41	1,240.03	1.84	949.37	4,588.81
Profit(+)/ loss(-)	13.90	3,207.94	210.47	1,319.40	2,493.26	8.02	0.02	7,253.01	25.94	1,622.70	23.89	1,674.41	1,240.03	1.84	949.37	4,588.81
Unallocated Other Income/ (expense)	-	-	-	-	-	-	(64.69)	(64.69)	-	-	-	-	-	-	-	-
Operating Profit	13.90	3,207.94	210.47	1,319.40	2,493.26	8.02	(64.67)	7,188.32	25.94	1,622.70	23.89	1,674.41	1,240.03	1.84	949.37	5,538.18
Interest/ dividend	-	0.26	-	-	-	-	128.86	129.12	-	0.37	-	-	-	2.22	85.12	87.71
Other income	0.72	-	0.16	-	-	-	92.86	93.74	0.35	-	0.83	-	-	0.17	161.61	162.96
Finance Cost	-	(0.03)	(46.97)	(4.68)	(40.35)	(0.01)	(273.81)	(365.85)	-	-	-	-	-	-	(516.53)	(516.53)
Depreciation	(28.85)	-	(150.54)	(193.86)	(428.26)	(0.30)	0.04	(801.77)	(28.13)	-	(11.12)	(194.55)	(384.91)	(0.34)	(142.15)	(761.20)
Share of profit/loss from JV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	147.79	147.79
Provision for taxation	-	(0.09)	-	(283.60)	(499.18)	-	(2.75)	(785.62)	-	-	-	-	-	-	(738.93)	(738.93)
Profit/Loss from ordinary Activities	(14.23)	3,208.08	13.12	837.26	1,525.47	7.71	(119.47)	5,457.94	(1.84)	1,623.07	13.60	1,479.86	855.12	3.89	(53.72)	3,919.98
Impairment Recognized	(136.18)	-	-	-	-	-	-	(136.18)	(317.43)	-	-	-	-	-	-	(317.43)
Impairment Reversed	5.97	-	-	-	-	-	-	5.97	49.77	-	-	-	-	-	-	49.77
Other Exceptional Items	(0.20)	-	-	-	-	-	(0.20)	(0.20)	21.03	-	18.72	-	(11.90)	-	-	27.85
Net profit/(loss)	(144.64)	3,208.08	13.12	837.26	1,525.47	7.71	(119.47)	5,327.53	(248.47)	1,623.07	32.32	1,479.86	843.22	3.89	(53.72)	3,680.17
C. Segment assets																
Segment assets	1,514.47	1,611.87	1,693.90	4,918.31	10,895.09	75.04	-	20,708.68	1,587.20	2,519.85	1,874.06	5,706.68	9,587.36	70.87	1,928.77	21,346.02
Unallocated Assets	-	-	-	-	-	-	3,146.61	3,146.61	-	-	-	-	-	-	-	-
Total Assets	1,514.47	1,611.87	1,693.90	4,918.31	10,895.09	75.04	3,146.61	23,855.29	1,587.20	2,519.85	1,874.06	5,706.68	9,587.36	70.87	1,928.77	23,274.79
D. Segment Liabilities																
Segment Liabilities	463.21	1,432.38	812.15	815.10	2,969.25	10.25	537.09	6,502.34	401.37	1,115.57	984.30	384.30	2,590.77	10.96	6,131.14	5,487.27
Unallocated Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	463.21	1,432.38	812.15	815.10	2,969.25	10.25	537.09	7,039.43	401.37	1,115.57	984.30	384.30	2,590.77	10.96	6,131.14	11,618.41
E. Other information																
Capital Expenditure	70.14	1.27	4.59	200.97	1,002.63	0.34	0.09	1,280.03	10.74	0.12	77.89	77.89	1,211.35	-	1,300.10	1,300.10
Depreciation	28.85	-	150.54	193.86	428.26	0.30	(0.04)	801.77	28.13	11.12	194.55	194.55	384.91	0.34	761.20	761.20
Impairment Recognized	136.18	-	-	-	-	-	-	136.18	317.43	-	-	-	-	-	317.43	317.43
Impairment Reversed	(5.97)	-	-	-	-	-	-	(5.97)	(49.77)	-	-	-	-	-	(49.77)	(49.77)
Other Exceptional Items	0.20	-	-	-	-	-	-	0.2	(21.03)	-	(18.72)	-	11.90	-	(27.85)	(27.85)

* Segment Revenue includes other operating income which is directly attributable to each segment.

Note 39

Related Party Disclosure

As per the Indian Accounting Standard (Ind AS) 24 on “Related Party Disclosures” notified by Ministry of Corporate Affairs, the related parties of the Company are as follows.

39.1.1 Holding Company - Government of Gujarat (w.e.f. 20 October 2022) and Gujarat State Investments Limited (up to 19 October, 2022)*

39.1.2 Subsidiary Company - Gujarat State Petronet Limited, GSPC Pipavav Power Company Ltd, Guj Info Petro Limited, GSPC (JPDA) Ltd, Gujarat Gas Limited, GSPC Offshore Ltd (Refer Note 7 (c)), GSPC Energy Ltd.

39.1.3 Associate Companies - Gujarat State Energy Generation Limited, Alcock Ashdown (Gujarat) Limited (Refer Note 7 (c));

Entity over which Holding Company exercise significant influence * - Gujarat State Financial Services Ltd, Gujarat Narmada Valley Fertilizers & Chemicals Ltd, Gujarat State Fertilizers & Chemicals Ltd, Gujarat Alkalies & Chemicals Limited

39.1.4 Joint Ventures- GSPL India Gasnet Limited ,GSPL India Transco Limited and Sabarmati Gas Ltd.

39.1.5 Key Managerial Personnel:

Name of Key Managerial Personnel:	F.Y.2022-23		F.Y.2021-22	
	From Date	To Date	From Date	To Date
Shri Anil Mukim, IAS (Chairman)	-	-	1-Apr-21	31-Aug-21
Shri Pankaj Kumar, IAS (Chairman)	1-Apr-22	1-Feb-23	7-Sep-21	31-Mar-22
Shri Pankaj Joshi, IAS - (Holding Company - Chairman)			1-Apr-21	6-Dec-21
Shri J P Gupta, IAS - (Holding Company - Chairman)	1-Apr-22	19-Oct-22	6-Dec-21	31-Mar-22
Shri Sanjeevkumar, IAS (Managing Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Milind Torawane, IAS - (Holding Company - Managing Director)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Dr. Rajiv Kumar Gupta, IAS (Director)	1-Apr-22	8-Jun-22	1-Jul-21	31-Mar-22
Shri Raj Kumar, IAS (Director)	20-Jul-22	20-Feb-23	-	-
Shri Raj Kumar, IAS (Chairman)	21-Feb-23	31-Mar-23	-	-
Shri J. P. Gupta, IAS (Director)	1-Apr-22	31-Mar-23	25-Nov-21	31-Mar-22
Shri Pankaj Joshi, IAS (Director)	-	-	1-Apr-21	25-Aug-21
Smt. Sunaina Tomar, IAS (Director)	-	-	1-Apr-21	14-Jun-21
Dr. Manjula Subramaniam, IAS (Retd.) (Woman Independent Director)	1-Apr-22	12-Dec-22	1-Apr-21	31-Mar-22
Ms. Shridevi Shukla - (Holding Company - Woman Independent Director)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Ms. Arti Kanwar, IAS - (Holding Company - Woman Director)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Shri Yamal Vyas, Independent Director	-	-	1-Apr-21	23-Dec-21
Shri M. M. Srivastava, IAS (Retd.) (Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri K. Kailashnathan, IAS (Retd.) (Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Vasantkumar Raval - (Holding Company - Independent Director)	1-Apr-22	19-Oct-22	-	-
Dr. N. Ravichandaran (Independent Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Prof. Yogesh Singh (Independent Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Dr. Ravindra Dholakia (Independent Director)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Rajesh Sivadasan (CFO)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Ghanshyam Pathak - (Holding Company - CFO)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22
Smt. Reena Desai (Company Secretary)	1-Apr-22	31-Mar-23	1-Apr-21	31-Mar-22
Shri Sandeep Shah - (Holding Company - Company Secretary)	1-Apr-22	19-Oct-22	1-Apr-21	31-Mar-22

*Consequent to change in shareholding pattern of the Company pursuant to the sale of shares by Gujarat State Investments Limited (GSIL) to Government of Gujarat, GSIL has ceased to be the holding company of the Company with effect from 20 October 2022. Accordingly, GSIL and its associates are considered as related parties for the disclosures under Ind AS 24 only for the period upto 19 October 2022.

₹ in Crores

Nature of Transaction	Associates		Joint Ventures		KMP		Associate of GSIL		TOTAL	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
	Income:									
Sale of LNG										
Sabarmati Gas Limited	2.72	87.31	458.39	526.57	-	-	1,189.40	788.78	1,650.51	1,402.66
Gujarat State Energy Generation Ltd	-	-	319.22	526.57	-	-	-	-	319.22	526.57
Gujarat Narmada Valley Fertilizer Company	2.72	87.31	139.17	-	-	-	548.73	472.40	141.89	87.31
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	635.66	316.08	548.73	472.40
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	5.01	0.30	635.66	316.08
Regasification Income										
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	0.70	14.31	0.70	14.31
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	0.70	13.25	-	0.02
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	-	1.04	0.70	13.25
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	-	-	-	1.04
Gas Transportation Income										
Sabarmati Gas Limited	0.09	3.25	74.37	71.48	-	-	22.29	55.32	96.75	130.05
Gujarat Narmada Valley Fertilizer Company	-	-	74.37	71.48	-	-	-	0.01	74.37	71.49
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	8.83	39.20	8.83	39.20
Gujarat State Energy Generation Ltd	0.09	3.25	-	-	-	-	13.46	15.60	13.46	15.60
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	-	0.51	0.09	3.25
GSPL India Gasnet Ltd	-	-	-	-	-	-	-	-	-	0.51
Brokerage Income										
Sabarmati Gas Limited	-	-	0.26	-	-	-	-	-	0.26	-
Line Crossing Charges Received										
Sabarmati Gas Limited	-	-	0.04	-	-	-	-	-	0.04	-
Rent received										
Gujarat State Energy Generation Ltd	0.23	0.22	1.84	1.71	-	-	-	-	2.07	1.93
GSPL India Gasnet Ltd	0.23	0.22	-	-	-	-	-	-	0.23	0.22
GSPL India Transco Ltd	-	-	0.72	0.64	-	-	-	-	0.72	0.64
Sabarmati Gas Limited	-	-	0.26	0.24	-	-	-	-	0.26	0.24
Dividend Received										
Sabarmati Gas Ltd	0.27	0.27	99.87	19.97	-	-	15.29	15.29	15.56	15.56
Gujarat State Energy Generation Ltd	-	-	99.87	19.97	-	-	-	-	99.87	19.97
	0.27	0.27	-	-	-	-	-	-	0.27	0.27

Nature of Transaction	Associates		Joint Ventures		KMP		Associate of GSIL		TOTAL	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
	₹ in Crores									
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	1.65	1.65	1.65	1.65
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	4.26	4.26	4.26	4.26
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	9.38	9.38	9.38	9.38
Interest Income	9.39	8.04	-	-	-	-	-	0.01	9.39	8.05
Gujarat State Energy Generation Ltd	9.39	8.04	-	-	-	-	-	-	9.39	8.04
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	0.01	-	0.01
Reimbursement of Exp-Received	0.79	0.61	6.75	6.36	-	-	0.03	0.03	7.57	7.00
Sabarmati Gas Limited	-	-	0.21	0.07	-	-	-	-	0.21	0.07
Gujarat State Energy Generation Ltd	0.79	0.61	-	-	-	-	-	-	0.79	0.61
GSPL India Gasnet Ltd	-	-	4.34	4.10	-	-	-	-	4.34	4.10
GSPL India Transco Ltd	-	-	2.20	2.19	-	-	-	-	2.20	2.19
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	0.02	0.01	0.02	0.01
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	-	0.01	-	0.01
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	0.01	0.01	0.01	0.01
Sale of Material -Inventory	-	-	2.84	0.85	-	-	-	-	2.84	0.85
GSPL India Gasnet Ltd	-	-	1.68	0.81	-	-	-	-	1.68	0.81
GSPL India Transco Ltd	-	-	1.16	0.04	-	-	-	-	1.16	0.04
Other Income	-	-	2.90	0.26	-	-	-	0.05	2.90	0.31
Sabarmati Gas Limited	-	-	2.90	0.26	-	-	-	-	2.90	0.26
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	-	0.05	-	0.05
Expenses:										
Purchase of Gas	-	-	-	2.14	-	-	-	-	-	2.14
GSPL India Transco Ltd	-	-	-	2.14	-	-	-	-	-	2.14
Gas transportation charges	-	-	235.54	256.24	-	-	-	-	235.54	256.24
GSPL India Gasnet Ltd	-	-	234.78	255.56	-	-	-	-	234.78	255.56
Sabarmati Gas Limited	-	-	0.76	0.68	-	-	-	-	0.76	0.68
Reimbursement of Expenses: Paid	0.58	0.47	1.74	0.77	-	-	-	-	2.32	1.24
Gujarat State Energy Generation Ltd	0.58	0.47	-	-	-	-	-	-	0.58	0.47
GSPL India Gasnet Ltd	-	-	0.36	-	-	-	-	-	0.36	-

₹ in Crores

Nature of Transaction	Associates		Joint Ventures		KMP		Associate of GSIL		TOTAL	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
GSPIL India Transco Ltd	-	-	1.38	0.77	-	-	-	-	1.38	0.77
Expenses for Services received	0.09	0.03	4.14	2.24	-	-	-	-	4.38	2.05
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	0.15	0.23	0.07	0.16
Sabarmati Gas Limited	-	-	3.97	2.15	-	-	-	-	3.97	2.15
Gujarat State Energy Generation Limited	0.09	0.03	-	-	-	-	-	-	0.09	0.03
GSPIL India Gasnet Ltd	-	-	0.14	0.08	-	-	-	-	0.14	0.08
GSPIL India Transco Ltd	-	-	0.03	0.01	-	-	-	-	0.03	0.01
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	0.03	-	0.03	-
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	0.05	0.07	0.05	0.07
Operating Charges	-	-	-	-	-	-	-	-	-	-
GSPIL India Gasnet Ltd	-	-	-	0.34	-	-	-	-	-	0.34
	-	-	-	0.34	-	-	-	-	-	0.34
Rent Expense	-	-	0.73	0.71	-	-	0.45	0.60	1.18	1.31
GSPIL India Gasnet Ltd	-	-	0.68	0.67	-	-	-	-	0.68	0.67
GSPIL India Transco Ltd	-	-	0.05	0.04	-	-	-	-	0.05	0.04
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	0.04	0.07	0.04	0.07
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	0.41	0.53	0.41	0.53
Remuneration to KMP	-	-	1.30	-	1.04	-	-	-	1.30	1.04
Key management personnel compensation	-	-	1.21	0.91	0.91	-	-	-	1.21	0.91
Director Sitting Fees	-	-	0.06	0.08	0.08	-	-	-	0.06	0.08
Employee group gratuity scheme	-	-	0.02	0.01	0.01	-	-	-	0.02	0.01
Other Long Term benefit	-	-	0.01	0.04	0.04	-	-	-	0.01	0.04
Bank guarantee Issued by group Companies	-	-	23.80	48.14	-	-	-	188.81	23.80	236.95
Sabarmati Gas Limited	-	-	23.80	48.14	-	-	-	-	23.80	48.14
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	0.32	-	0.32
Gujarat State Fertilizers & Chemicals Ltd	-	-	-	-	-	-	-	188.14	-	188.14
Gujarat Alkalies & Chemicals Ltd	-	-	-	-	-	-	-	0.35	-	0.35
Bank guarantee Issued to group Companies	-	-	0.27	-	-	-	-	-	0.27	-
GSPIL India Gasnet Ltd	-	-	0.07	-	-	-	-	-	0.07	-
Sabarmati Gas Limited	-	-	0.20	-	-	-	-	-	0.20	-
Corporate guarantee given	-	-	25.00	65.00	-	-	-	-	25.00	65.00
GSPIL India Gasnet Ltd	-	-	-	40.00	-	-	-	-	-	40.00
GSPIL India Transco Ltd	-	-	25.00	25.00	-	-	-	-	25.00	25.00

₹ in Crores

Nature of Transaction	Associates		Joint Ventures		KMP		Associate of GSIL		TOTAL	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	
Current Assets & Liabilities:										
Trade Receivable										
Gujarat State Fertilizer Company Ltd.	-	-	60.21	21.49	-	-	-	108.98	60.21	130.47
Gujarat Narmada Valley Fertilizer Company Sabarmati Gas Ltd	-	-	60.21	21.49	-	-	-	29.78	-	79.20
	-	-	-	-	-	-	-	-	60.21	29.78
	-	-	-	-	-	-	-	-	-	21.49
Advance/Receivables										
Gujarat State Energy Generation Ltd.	1.60	1.15	52.80	39.43	-	-	-	-	54.40	40.58
Sabarmati Gas Ltd	1.60	1.15	-	-	-	-	-	-	1.60	1.15
GSPL INDIA TRANSCO LTD	-	-	0.02	0.03	-	-	-	-	0.02	0.03
GSPL INDIA GASNET LTD	-	-	1.53	0.31	-	-	-	-	1.53	0.31
	-	-	51.25	39.09	-	-	-	-	51.25	39.09
Payable										
GSPL INDIA TRANSCO LTD	-	-	18.65	17.46	-	-	-	-	18.65	17.46
GSPL INDIA GASNET LTD	-	-	0.19	0.05	-	-	-	-	0.19	0.05
Sabarmati Gas Ltd	-	-	10.86	10.24	-	-	-	-	10.86	10.24
	-	-	7.60	7.17	-	-	-	-	7.60	7.17
Investment in Share Capital (Allotment)										
Gujarat State Energy Generation Ltd.	290.18	290.18	55.10	55.10	-	-	-	-	345.28	345.28
Sabarmati Gas Ltd.	278.68	278.68	-	-	-	-	-	-	278.68	278.68
Alcock Ashdown (Gujarat) Limited (excluding provision)	-	-	55.10	55.10	-	-	-	-	55.10	55.10
	11.50	11.50	-	-	-	-	-	-	11.50	11.50
Investment in Share Capital (Allotment-pending-Share application money)										
Gujarat State Energy Generation Ltd.	84.28	78.85	-	-	-	-	-	-	84.28	78.85
	84.28	78.85	-	-	-	-	-	-	84.28	78.85
Inter Corporate Loan										
Gujarat State Energy Generation Ltd. - Given	45.83	42.26	-	-	-	-	-	-	45.83	42.26
	45.83	42.26	-	-	-	-	-	-	45.83	42.26
Interest on Term Loan paid										
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	91.69	16.52	91.69
	-	-	-	-	-	-	-	91.69	16.52	91.69
Security deposits paid/released										
Sabarmati Gas Ltd.	-	-	12.16	10.47	-	-	-	0.02	12.16	10.49
GSPL INDIA GASNET LTD	-	-	0.16	0.18	-	-	-	-	0.16	0.18
Gujarat Alkalies & Chemicals Ltd.	-	-	12.00	10.29	-	-	-	-	12.00	10.29
	-	-	-	-	-	-	-	0.02	-	0.02

₹ in Crores

Nature of Transaction	Associates		Joint Ventures		KMP		Associate of GSIL		TOTAL	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Security deposits Received										
Sabarmati Gas Ltd.	-	-	0.43	10.21	-	-	-	0.08	0.43	10.29
Gujarat Alkalies & Chemicals Ltd.	-	-	0.35	0.04	-	-	-	-	0.35	0.04
GSPL INDIA GASNET LTD	-	-	-	-	-	-	-	0.08	-	0.08
	-	-	0.08	10.17	-	-	-	-	0.08	10.17
Term / Liquid Deposit										
Gujarat State Financial Services Ltd.										
Interest Income received	-	-	-	-	-	-	-	33.02	28.22	33.02
Deposit - Placed/Renewed	-	-	-	-	-	-	-	16,025.96	21,453.70	16,025.96
Deposit - Withdrawn/Redeemed	-	-	-	-	-	-	-	17,428.23	19,698.96	17,428.23
Gujarat State Financial Services Ltd. - Availment of Loan	-	-	-	-	-	-	-	68.00	-	68.00
Gujarat State Financial Services Ltd. - Repayment of Loan	-	-	-	-	-	-	-	454.33	-	454.33
Transfer of Employee Related Assets/Liabilities										
GSPL INDIA GASNET LTD	-	-	2.66	0.40	-	-	-	-	2.66	0.40
GSPL INDIA TRANSCO LTD	-	-	2.06	0.13	-	-	-	-	2.06	0.13
	-	-	0.60	0.27	-	-	-	-	0.60	0.27

The above figures do not include provision for leave salary, gratuity, post retirement medical benefit & other non-monetary benefits like Mediclaim, life insurance etc. as per the Company HR policy as separate figures are not available for KMPs.

Terms / Notes

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and in ordinary course of business. Outstanding balances are unsecured.

Apart from the above transactions, the Group has also entered into transactions including but not limited to transmission of natural gas, purchase and sale of natural gas, regassification, rendering & receiving of services, placement & maturity of term/liquid deposits, use of public utilities, receipt/payment of rent etc. with Government related entities (entities controlled, jointly controlled or significantly influenced by Government of Gujarat). These transactions are entered in ordinary course of business & are at arm's length prices based on the agreed contractual terms. Further, the Group has significant transactions with State Government related entity, being Gujarat State Financial Services Limited [GSFS] [w.e.f. 20th October, 2022]. The related party transactions with GSFS during the period are Placement/renewal of deposits Rs. 6,641 Crores, Withdrawal/maturity of Deposits Rs. 7,311.19 Crores and Interest Income Rs. 8.64 Crores. Further, the balance of deposit as on 31st March, 2023 is Rs. 264.11 Crores.

In case of Subsidiary Company, Gujarat Gas Limited, the Company sells natural gas to domestic, commercial, industrial and CNG consumers. The above related party transaction do not include the transactions of gas sales to the related parties in ordinary course of business, as all such transactions are done at arm's length basis. As per Para 11(c)(iii) of Ind AS-24 "Related Party Disclosures", normal dealings of the Company with related parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.

Note 40
A. Financial instruments by category and their fair value

(₹ in Crores)

As at 31 st March, 2023	Carrying amount			Fair value					
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1- Quoted price in active markets	Level-2- Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	-	28.06	-	-	28.06	28.06	-	-	28.06
Unquoted	-	149.81	-	-	149.81	-	-	149.81	149.81
Loans									
Non-current	-	-	13.76	-	13.76	-	-	-	-
Current	-	-	52.16	-	52.16	-	-	-	-
Trade Receivables	-	-	1,925.84	-	1,925.84	-	-	-	-
Cash and Cash Equivalents	-	-	1,099.99	-	1,099.99	-	-	-	-
Other Bank Balances	-	-	785.70	-	785.70	-	-	-	-
Other financial assets									
Non-current	-	-	193.68	-	193.68	-	-	-	-
Current	-	-	857.74	-	857.74	-	-	-	-
Total financial assets		177.87	4,928.87		5,106.74	28.06		149.81	177.87
Financial liabilities									
Borrowings									
Non-current	-	-	208.37	-	208.37	-	-	-	-
Current	-	-	174.12	-	174.12	-	-	-	-
Lease Liability									
Non-current	-	-	118.37	-	118.37	-	-	-	-
Current	-	-	27.89	-	27.89	-	-	-	-
Other financial liabilities									
Non-current	-	-	36.58	-	36.58	-	-	-	-
Current	-	-	2,813.20	-	2,813.20	-	-	-	-
Trade Payables									
Total financial liabilities			3,378.53		3,378.53				



(₹ in Crores)

As at 31 st March, 2022	Carrying amount			Fair value					
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1- Quoted price in active markets	Level-2- Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	-	27.15	-	-	27.15	27.15	-	-	27.15
Unquoted	-	161.88	-	-	161.88	-	-	161.88	161.88
Loans									
Non-current	-	-	16.88	-	16.88	-	-	-	-
Current	-	-	47.91	-	47.91	-	-	-	-
Trade Receivables	-	-	2,574.23	-	2,574.23	-	-	-	-
Cash and Cash Equivalents	-	-	169.55	-	169.55	-	-	-	-
Other Bank Balances	-	-	731.88	-	731.88	-	-	-	-
Other financial assets									
Non-current	-	-	171.59	-	171.59	-	-	-	-
Current	-	-	680.09	-	680.09	-	-	-	-
Total financial assets		189.03	4,392.13		4,581.16	27.15		161.88	189.03
Financial liabilities									
Borrowings									
Non-current	-	-	4,394.66	-	4,394.66	-	-	-	-
Current	-	-	1,153.39	-	1,153.39	-	-	-	-
Lease Liability									
Non-current	-	-	118.48	-	118.48	-	-	-	-
Current	-	-	22.07	-	22.07	-	-	-	-
Other financial liabilities									
Non-current	-	-	32.73	-	32.73	-	-	-	-
Current	-	-	2,681.42	-	2,681.42	-	-	-	-
Trade Payables	-	-	1,756.55	-	1,756.55	-	-	-	-
Total financial liabilities			10,159.30		10,159.30				

Fair value of financial assets and liabilities measured at amortized cost is not materially different from Fair Value. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs for determining fair value are as under:

Level 1: Level 1 hierarchy includes financial instrument measured using quoted price such as quoted price for equity security on security exchange.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3. This is the case of unlisted equity securities included in level 3.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVTOCI in unquoted equity shares - Investments in Equity Shares of Other Entities	<ul style="list-style-type: none"> - Investment in equity shares of ONGC Petro Additions Ltd. ("OPAL") has been valued using Net Asset Value ("NAV") method (P.Y. NAV method). - Investment in equity shares of GSPC LNG Ltd. is fair valued using Comparable Companies Method ("CCM") i.e. based on Price/Book Value ratio of peer companies in current year and previous year. - Investment in equity shares of SWAN LNG Limited is fair valued using Net Asset Value method (PY: NAV Method).
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Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March, 2023 and 31st March, 2022 is as below:

Particulars	Amount (₹ in Crores)
As at 1 April 2021	166.42
Gains/ (losses) recognized in other comprehensive income	(4.54)
As at 31 March 2022	161.88
Acquisitions/ (disposals)	-
Gains/ (losses) recognized in other comprehensive income	(12.07)
As at 31 March 2023	149.81

Transfer out of Level 3

There were no transfers out of level 3 during the year 2022-23 and 2021-22.

Sensitivity analysis

Investments in unquoted equity shares comprises of investments in ONGC Petro Additions Ltd. & GSPC LNG Ltd.

Sensitivity analysis-ONGC Petro Additions Ltd. (OPAL)

Significant observable inputs	2022-23		2021-22	
	10% Increase in NAV	10% Decrease in NAV	10% Increase in NAV	10% Decrease in NAV
Impact on other comprehensive income (Before Tax)	1.75	(1.75)	2.44	(2.44)

Sensitivity analysis-GSPC LNG Ltd.

Significant observable inputs	2022-23		2021-22	
	10% Increase in Price/ Book Value Multiple	10% Decrease in Price/ Book Value Multiple	10% Increase in Price/ Book Value Multiple	10% Decrease in Price/ Book Value Multiple
Impact on other comprehensive income (Before Tax)	1.43	(1.44)	1.59	(1.60)

Sensitivity analysis- Swan LNG Private Limited

(₹. in Crores)

Significant observable inputs	2022-23		2021-22	
	10% Increase in Price/ Book Value Multiple	10% Decrease in Price/ Book Value Multiple	10% Increase in Price/ Book Value Multiple	10% Decrease in Price/ Book Value Multiple
Impact on other comprehensive income (Before Tax)	433.02	(433.02)	433.02	(433.02)

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk; and
- c. Market risk

(i) Risk management framework

The Group is exposed to financial risks arising from business/operating activities as well as financial instruments. The risks include market risks pertaining to price risk, currency risk and interest rate risk; credit risk; and liquidity risk. The finance and commercial team advises the management (including the CFO) which oversees the risk management strategies and procedures. The objective of the teams is to inform the management on financial risks and propose appropriate financial risk governance framework for the Group. Based on the inputs from respective teams, analysis and understanding, the management issues directives for mitigation of risks. The management regularly monitors the risks to ensure that financial risks are identified, measured and managed in accordance with risk management policies.

The Group's risk management activities pertaining gas trading business are managed by the commercial team, while those pertaining to financing activities are managed by the finance team. All derivative activities are carried out by teams with appropriate skills and experience under supervision as per directives of management. The teams are subject to necessary financial and management control.

(ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the Group. The potential activities where credit risks may arise include from cash and cash equivalents, deposits with banks / financial institutions and principally from credit exposures to customers relating to outstanding trade receivables and other receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the Group along with relevant mitigation procedures adopted have been enumerated below:

(iii) Trade receivables

Customers of the Group across the business segments viz. gas trading, power generation, city gas distribution and gas transmission comprise of equity accounted entities and corporates which include public sector undertakings. The Group ratifies the counterparty creditworthiness prior to the contractual agreement and adequate risk mitigation measures are incorporated in the agreement. The counterparty dealings with respect to receivables are governed by the respective group company's debtor's policy which is guiding document. Hence, at this point in time, the group does not perceive credit risk on gas trading receivables.

Gas transmission services are generally subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the company's receivables are secured. The Group provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

In CGD business, sales to domestic customers for household purposes like cooking, geyser application, etc., invoices are raised periodically. Security deposits along with connection deposits are taken for mitigation of potential credit risk arising in the event of non-payment of invoices. CNG sales made through operators of the CNG stations owned by the Group and CNG Franchises outlet are exposed to credit risk as amounts so collected is deposited/transferred in company bank account on next working day. Bank Guarantee / Security Deposit is taken to mitigate the credit risk. For CNG sales made through Oil Marketing Companies (OMCs), the Group raises the invoice for quantities sold based on periodicity as per the agreement. The OMCs are well established companies viz. HPCL, BPCL, IOC, Essar Oil Ltd. where no significant credit risk is anticipated.

Gujarat Urja Vikas Nigam Limited (GUVNL), a public sector undertaking controlled by the Government of Gujarat, is the single customer for the power generation business. Being a PSU with timely payment track record and adequate credit rating, the group perceives no credit risk.

Since all the customers for the group are based within India, there is no credit risk expected from the outside India. The Group creates an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Movements in Expected Credit Loss Allowance

(₹. in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Balance at the beginning of the year	31.27	18.18
Movements in allowance	(6.13)	13.09
Closing balance	25.14	31.27

Value of receivables outstanding beyond one year from the due date is not significant. Such receivables which are past due but not impaired are assessed on case-to-case basis. The instances pertain to third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired. The provision for impairment of trade receivables, movement of which has been provided above, is not significant / material. Since the Group has a fairly diversified in terms of spread and hence no concentration risk is foreseen.

Other financial assets

Other financial assets comprises of an amount of Rs. 494.81 Crores (PY: Rs. 494.81 Crores) which is receivable from Jubilant Offshore Drilling Pvt Ltd (JODPL) pertaining to Production Sharing Contract executed between the parties for KG-OSN-2001/3 block. JODPL had filed a petition for insolvency and Insolvency Restructuring Professional (IRP) was appointed. However, the resolution process did not materialize subsequent to which JODPL has gone into liquidation and a liquidator has been appointed. The Group has issued forfeiture notice to JODPL to recover the outstanding dues. The Group has adequate rights under the Production Sharing Contract to ensure recovery of receivable amounts from JODPL through the future cash flows of KG Block. The Group is assessing way forward and committed to undertake necessary steps.

Apart from this, other financial assets comprise of cash and cash equivalents, loans provided to employees and investments in equity shares of companies other than subsidiaries, associates and joint ventures.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating. The Group reviews their credit-worthiness at regular intervals.
- Investments are made in credit worthy companies.
- The Group has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Government of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Group does not have exposure to any credit risk.
- Loan and advances to employees (for housing advances) are majorly secured in nature and hence the Group does not have exposure to any credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Group's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Group has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	(₹ in Crores)	
	As at 31st March, 2023	As at 31st March, 2022
Expiring within one year (working capital demand loan, line of credit and other facilities)	2,556.28	2,023.47
Expiring beyond one year (working capital demand loan, line of credit and other facilities)	500.00	0.10

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross / undiscounted values and include estimated interest payments and exclude the impact of netting agreements.

(₹. in Crores)

31 st March, 2023	Carrying amount	Contractual cash flows based on maturity		
		Total	Less than 12 months	More than 12 months
Non current borrowings	208.37	241.19	14.59	226.60
Current borrowings	174.12	200.37	200.37	-
Non current lease liabilities	118.37	177.86	-	177.86
Current lease liabilities	27.89	35.25	35.25	-
Non current financial liabilities	36.58	126.34	-	126.34
Current financial liabilities	2,813.20	2,813.20	2,813.20	-
Trade and other payables	2,161.44	2,161.44	2,161.44	-
Total	5,539.97	5,755.64	5,224.84	530.80

(₹ in Crores)

31 st March, 2022	Carrying amount	Contractual cash flows based on maturity		
		Total	Less than 12 months	More than 12 months
Non current borrowings	4,394.66	5,494.72	140.03	5,354.69
Current borrowings	1,153.39	1,168.54	1,168.54	-
Non current lease liabilities	118.48	181.21	-	181.21
Current lease liabilities	22.07	29.24	29.24	-
Non current financial liabilities	32.73	122.46	-	122.46
Current financial liabilities	2,681.42	2,681.42	2,681.42	-
Trade and other payables	1,756.55	1,756.55	1,756.55	-
Total	10,159.30	11,434.14	5,775.78	5,658.36

(iv) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the Group is commodity price risk i.e. price risk of natural gas that could adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. The currency risk for the Group involves exposure arising from External Commercial Borrowings and payments for supply of natural gas. The interest rate risk involves rate, risk linked to borrowings of the Group. The currency risk of these foreign currency loans is covered through a natural hedge linked to revenue from E & P Blocks & margins from Gas Trading business denominated in USD. The forex denominated borrowings outstanding as on 31 March 2023 is Nil (PY :Nil).

Commodity price risk

The Group's integrated natural gas procurement and trading business (including Liquefied Natural gas (LNG)) is open to price risk which is substantially mitigated through contractual agreement with back-to-back customers through terms of pricing and also through conventional derivative instruments which ensures the hedging of the commodity price at marketable/acceptable level for sale to the customer. The Company executes commodity swaps and options linked to Brent Crude prices which are highly correlated to natural gas prices. These derivatives in conjunction with the long term rate contracts forming part of the gas trading

business assist in mitigating the commodity price risk. Further, as mentioned above, the sales prices are modified appropriately to counter market price movements.

Equity price risk

The Company's exposure to equity securities price risk arises from investments held by the Company which are classified in the balance sheet as fair value through other comprehensive income (FVOCI). The captioned equity investments are publicly traded as they are listed on the NSE Nifty 50 Index.

Sensitivity

The table below summarizes the impact of increases/decreases of the index on the Group's other comprehensive income for the period. The analysis is based on the assumption that the index had increased average of the actual movements in quoted prices of equity shares held as investments for the respective periods. All other variables held constant.

(₹. in Crores)

Particulars	Impact on Other Comprehensive Income	
	As at 31 st March, 2023	As at 31 st March, 2022
NSE NIFTY 50 - increase 6%	1.68	1.63
NSE NIFTY 50 - decrease 6%	(1.68)	(1.63)

Currency risk

The functional currency of the Company is Indian Rupees. However, the Company has exposure from its accounts payables in foreign currency. The currency risk linked to the payables of gas trading business is mitigated by appropriately factoring the same in the sales prices for the natural gas sold to downstream customers.

Interest rate risk

Interest rate risk is the risk that either fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates i.e. Base Rate / MCLR / T Bill linked in INR denominated loans and 6-month LIBOR linked in USD denominated loans.

The Company has INR denominated borrowings. The Company manages the interest rate risk in INR denominated loans through contractual agreement (i.e. term loan agreement) clauses with the lenders wherein provisions are built-in to allow the Company to prepay the loans without penalty. This clause can be exercised in scenarios that the interest rate under the agreement are not moving in favorable directions and the Company has other available options to switch with borrowings bearing lower interest rates.

(₹ in Crores)

Variable-rate instruments	As at 31 st March, 2023	As at 31 st March, 2022
Non current - Borrowings	-	2,337.88
Current - Borrowings	7.48	173.17
Current portion of Long term borrowings	-	514.01
Total	7.48	3,025.06

(₹ in Crores)

Fixed-rate instruments	As at 31 st March, 2023	As at 31 st March, 2022
Non current - Borrowings	208.37	2,056.78
Current portion of Long term borrowings	166.64	466.21
Total	375.01	2,522.99

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The profit or loss impact on account of change in interest rates at the reporting date is indicated in the following table:

(₹ in Crores)

Particulars	Profit or loss		Equity, net of tax	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
31st March, 2023				
Current - Borrowings	(0.07)	0.07	(0.06)	0.06
Total	(0.07)	0.07	(0.06)	0.06

(₹. in Crores)

Particulars	Profit or loss		Equity, net of tax	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
31st March, 2022				
Non current - Borrowings	(23.38)	23.38	(17.49)	17.49
Current - Borrowings	(1.73)	1.73	(1.30)	1.30
Current portion of Long term borrowings	(5.14)	5.14	(3.85)	3.85
Total	(30.25)	30.25	(22.64)	22.64

Note 41
Capital management

The Group defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the parent (which is the Group's net asset value). The primary objective of the Group's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base. The Group aims to maintain the net debt ratio, that is, the ratio of net debt to net debt plus equity.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and bank balances. Adjusted equity comprises all components of equity. The Group's adjusted net debt to equity ratio on reporting date is as follows:

(₹ in Crores)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total liabilities comprising interest-bearing loans and borrowings	382.49	5,548.05
Less : Cash and bank balances	1,885.69	901.43
Adjusted net debt	(1,503.20)	4,646.62
Total equity	7,728.88	4,164.82
Adjusted net debt to adjusted equity ratio	-	1.12:1 times

Note 42

RECEIVABLES, CONTRACT ASSETS AND CONTRACT LIABILITIES UNDER IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

Performance obligations -Connection, Service and Fitting Income

The following table provides information about contract assets and contract liabilities from contract with customers:

Particulars	(₹ in Crores)	
	As at 31 st March, 2023	As at 31 st March, 2022
Unbilled revenue - Other Financial Assets	4.51	3.31
Advance from customers - Other Non-Financial Liability (Contract Liabilities)	2.11	3.88
Security Deposits from customers - (Other Current Financial Liabilities)	1,597.65	1,523.02
Trade receivables (including unbilled receivables)	1,925.84	2,574.23
Revenue received in advance - Other Non-Financial Liability (Income recognized during the year out of opening balance Rs. 16.05 Crore (PY: Rs. 14.67 Crore))	207.07	157.69

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. Performance Obligation for Gas Transmission is to transmit Natural Gas as per the contractual arrangement with the customer. Connection charges from customers deferred over the period when the performance obligation is satisfied. Industrial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas over the tenure of the contract. Consequently, the connection charges is to be deferred over the contract period. Domestic Customer: The connection charges is to be deferred over the period of delivery of gas. It is reasonably expected by the Company that the gas is procured by the customer and supplied by the Company on a perpetual basis. Consequently the connection charges are to be deferred over the useful life of the connection facility (i.e. 18 years). In case of GSPC Pipavav Power Company Limited the 702MW Combined Cycle Power Plant (CCPP) had already been commissioned during FY 2013 - 2014 and the company has started receiving bare minimum fixed cost reimbursement component which comprise of actual interest, repayments and other variable overheads w. e. f 1st July 2014 from GUVNL. During FY 2022-23, the company generated revenue of 273.36 crores (P.Y. March 31, 2022: 319.08 crores) towards fixed cost reimbursement and 1.73 crores (P.Y. March 31, 2022 140.21 crores) towards other variable overheads. Thereby the total revenue from 702MW CCPP for FY 22-23 is 275.09 crores (P.Y. FY 21-22: 459.29 crores). The Company had generated revenue (net off Rebate) of 11.66 crores during F. Y. 2022-23 (9.00 crores F.Y. 2021-22) from 5 MW Solar Power Project.

Note 43

Lease

Nature of the lease transaction:

The Group has taken various parcel of land on lease with lease term ranging from 11 Months to 99 years, office building/warehouse building on lease with lease term ranging from 11 Months to 10 years, various commercial vehicles, CNG Cascade, IT equipment etc. on lease with lease term ranging from 6 months to 10 years, LNG Trucks and regasification facilities for 5 years and various guest houses / yards / vehicles / office containers on lease with the lease term of 6 to 11 months. Some lease contract can be renewed with mutual consent and some lease contract also contains the termination options. Such options are appropriately considered in determination of the lease term based on the management's judgement. In certain contacts, the Group is restricted from assigning and subletting the leased assets. For leases where the lease term is less than 12 months with no purchase option, the Group has elected to apply exemption for short term leases and accordingly, right of use assets and lease liabilities for these contracts are not recognised.

Refer Note 2 for details relating to Right of Use Assets.

The following is the movement in lease liabilities during the year ended March 31, 2023:

	(₹ in Crores)	
Particulars	2022-23	2021-22
Opening Balance	140.55	75.75
Additions During the Year	34.44	82.59
Lease modifications during the year	(4.68)	(0.03)
Add: Interest Expenses	9.41	6.68
Less: Payments	(33.46)	(24.44)
Closing Balance	146.26	140.55
Non-current	118.37	118.48
Current	27.89	22.07

	(₹ in Crores)	
Particulars	2022-23	2021-22
Amounts recognized in statement of cash flows		
Total Cash outflow for Leases	74.33	58.66

	(₹ in Crores)	
Particulars	2022-23	2021-22
Maturity Analysis of lease liabilities:		
Less Than 12 Months	35.25	29.24
More than 12 Months	177.86	181.21

	(₹ in Crores)	
Particulars	2022-23	2021-22
Amounts recognized in profit or loss		
Depreciation on Right of Use Assets	29.88	25.17
Interest expense on lease liability	9.33	6.68
Expenses relating to leases *	40.87	34.22

*It includes rental charges of all assets that have lease period of 12 month or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges.

B. The Group as lessor

The Group has given certain portion of land, office building and guest house on lease with the lease term ranging from 11 months to 30 years. The lease rentals are subject to escalations over the period of lease tenure. The same is accounted as operating lease under Ind AS 116 Leases. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	(₹ in Crores)	
Particulars	2022-23	2021-22
Less than one year	1.14	0.52
One to two years	1.00	0.34
Two to three years	0.33	0.21
Three to four years	-	0.00
Four to five years	-	0.00
More than five years	0.01	0.01

(₹ in Crores)

Name of the entity	Net Assets i.e. total assets minus total liabilities			Share in profit or loss			Other Comprehensive Income			Total Comprehensive Income				
	As % of consolidated net assets as on 31.03.2023	Amount as on 31.03.2023	as % of consolidated net assets as on 31.03.2022	Amount as on 31.03.2022	As % of consolidated profit or loss for FY 2022-23	Amount FY 2022-23	As % of consolidated profit or loss for FY 2021-22	Amount FY 2021-22	As % of consolidated profit or loss for FY 2022-23	Amount FY 2022-23	As % of consolidated profit or loss for FY 2021-22	Amount FY 2021-22		
Parent	23.57%	3,962.66	2.23%	259.43	43.62%	1,605.34	117.08%	(18.45)	93.43%	(4.84)	57.41%	3,039.33	43.55%	1,600.50
Subsidiaries:														
Indian														
Gujarat State Petromet Limited	9.53%	1,602.14	11.04%	1,287.03	4.09%	201.12	4.38%	(0.69)	-7.30%	0.38	3.79%	200.43	4.10%	150.82
Gujarat Gas Limited	0.86%	143.85	5.23%	609.58	6.63%	236.50	-11.01%	1.74	-10.62%	0.55	4.50%	238.23	6.65%	244.32
Guj Info Petro Limited	0.23%	39.06	0.31%	35.78	0.05%	3.46	1.19%	(0.19)	0.47%	(0.02)	0.06%	3.28	0.05%	1.94
GSPC Pipavav Power Company Limited	4.76%	800.22	6.85%	797.98	0.05%	2.46	1.36%	(0.21)	-0.38%	0.02	0.04%	2.24	0.90%	32.95
GSPC (JPDA) Limited	0.01%	2.43	0.02%	2.49	0.00%	(0.06)	0.00%	-	0.00%	-	0.00%	(0.06)	0.00%	(0.14)
GSPC Energy Limited	0.01%	1.43	0.01%	1.16	0.01%	0.27	0.01%	0.19	0.00%	-	0.01%	0.27	0.01%	0.19
GSPC Offshore Limited	0.00%	-	0.00%	-	0.01%	-	0.00%	0.33	0.00%	-	0.00%	-	0.01%	0.33
Gujarat Gas Limited Employee Welfare Stock Option Trust	0.00%	0.00	0.00%	0.20	0.01%	0.58	0.03%	1.18	0.00%	-	0.01%	0.58	0.03%	1.18
Social Welfare Trust	0.03%	4.61	0.04%	4.59	0.00%	0.02	0.00%	(0.14)	0.00%	-	0.00%	0.02	0.00%	(0.14)
Non Controlling Interest In All Subsidiaries	54.04%	9,086.98	64.27%	7,491.56	43.90%	1,724.89	-32.30%	5.09	-31.27%	1.62	32.68%	1,729.98	44.01%	1,617.31
Associates (Investment as per the equity method)														
Indian														
Gujarat State Energy Generation Limited	2.10%	352.56	3.03%	353.21	0.04%	2.16	17.81%	(2.81)	56.24%	(2.91)	-0.01%	(0.64)	0.38%	14.11
Sabarmati Gas Limited	2.43%	408.21	3.10%	368.13	2.14%	113.89	0.07%	(0.01)	-0.09%	0.00	2.15%	113.88	0.75%	27.67
GSPIL India Transco Limited	0.39%	66.36	0.59%	68.68	-0.04%	(2.32)	0.04%	(0.01)	-0.19%	0.01	-0.04%	(2.33)	-0.83%	(30.43)
GSPIL India Gasnet Limited	2.05%	345.35	3.23%	376.56	-0.58%	(30.99)	1.38%	(0.22)	-0.29%	0.01	-0.59%	(31.21)	0.39%	14.37
Alcock Ashdown (Gujarat) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	100.00%	16,815.86	100.00%	11,656.38	100.00%	5,309.77	100.00%	(15.76)	100.00%	(5.18)	100.00%	5,294.01	100.00%	3,674.99

Note 44 (A)
Additional information - Instruction No 2 of Schedule III



Note 44 (B)
Statement of salient features of the financial statements of subsidiaries, associates & joint ventures. (Form AOC-1)
Subsidiaries

The Group's subsidiaries as at 31st March 2023 are as below:

Name of Entity	Place of business	% of effective ownership interest held by the Group		% of effective ownership interest held by Non-Controlling Interest ^a	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Gujarat State Petronet Limited (GSPL)	India	37.63%	37.63%	62.37%	62.37%
Gujarat Gas Limited (GGL)	India	20.38%	20.38%	79.62%	79.62%
Guj Info Petro Limited (GIPL)	India	60.24%	60.24%	39.76%	39.76%
GSPC Pipavav Power Company Limited (GPPC)	India	97.47%	97.47%	2.53%	2.53%
GSPC (JPDA) Limited	India	100.00%	100.00%	0.00%	0.00%
GSPC Energy Limited	India	100.00%	100.00%	0.00%	0.00%
GSPC Offshore Limited*	India	-	100.00%	-	0.00%
Social Welfare Trust	India	100.00%	100.00%	0.00%	0.00%
Gujarat Gas Limited Employee welfare stock option trust	India	20.38%	20.38%	79.62 %	79.62%

* GSPC Offshore Limited is struck off from Registrar of Companies by MCA w.e.f 10th Oct, 2022.

Non-Controlling Interest

Set out below is summarized financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

(₹ in Crores)

Name of the Subsidiary	Balance Sheet							
	Non-current Assets	Current Assets	Total Assets	Non-current Liabilities	Current Liabilities	Total Liabilities	Net Assets	Accumulated NCI
Gujarat State Petronet Limited								
As at 31.03.2023	8,905.74	1,182.54	10,088.28	570.33	244.77	815.10	9,273.18	4,581.49
As at 31.03.2022	8,916.83	423.13	9,339.96	558.00	339.05	897.05	8,442.91	1,878.03
Gujarat Gas Limited								
As at 31.03.2023	8,167.68	1,390.04	9,557.72	1,446.64	2,510.78	3,957.42	5,600.30	4,458.96
As at 31.03.2022	8,915.90	1,979.19	10,895.09	1,096.10	2,803.37	3,899.47	6,995.62	5,569.21
GSPC Pipavav Power Company Limited								
As at 31.03.2023	1,465.12	157.48	1,622.60	222.73	578.87	801.60	821.00	20.77
As at 31.03.2022	1,603.15	188.73	1,791.88	386.77	586.41	973.18	818.70	20.71
Guj Info Petro Limited								
As at 31.03.2023	4.07	70.97	75.04	2.51	7.74	10.25	64.79	25.76
As at 31.03.2022	4.70	65.63	70.33	2.14	8.82	10.96	59.37	23.61

(₹ in Crores)

Name of the Subsidiary	Statement of Profit & Loss					Cash Flow Statement			
	Revenue for the year	Profit for the year	Other Comprehensive Income	Total Comprehensive Income	Profit allocated to NCI	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Net Increase/(Decrease) in cash and cash equivalents
Gujarat State Petronet Limited									
For the financial year 2022-23	1,930.21	944.95	(1.84)	943.11	742.68	966.42	(701.89)	(202.65)	61.88
For the financial year 2021-22	2,124.52	1,009.75	1.00	1,010.75	859.93	1,086.29	(154.57)	(1,081.77)	(150.05)
Gujarat Gas Limited									
For the financial year 2022-23	17,407.49	1,525.51	8.51	1,534.02	1,295.79	2,375.47	(1,039.02)	(678.38)	658.07
For the financial year 2021-22	16,878.21	1,285.74	2.70	1,288.44	1,044.12	1,661.73	(1,293.53)	(609.88)	(241.68)
GSPC Pipavav Power Company Limited									
For the financial year 2022-23	377.08	2.52	(0.22)	2.30	0.06	224.26	1.05	(224.51)	0.80
For the financial year 2021-22	469.00	33.79	0.02	33.81	0.86	214.29	(3.51)	(211.33)	(0.55)
Guj Info Petro Limited									
For the financial year 2022-23	27.38	5.75	(0.31)	5.44	2.16	(0.40)	2.16	(0.06)	1.70
For the financial year 2021-22	22.14	3.26	(0.04)	3.22	1.28	(2.39)	2.19	(0.15)	(0.35)

Associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 March 2023.

(₹ in Crores)

Name of Entity	Place of business	Relationship	Accounting method	% of ownership interest		Carrying Amount	
				31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Sabarmati Gas Limited	India	Joint Venture	Equity Method	32.87%	32.87%	621.07	559.97
GSPL India Gasnet Limited	India	Joint Venture	Equity Method	19.57%	19.57%	917.79	1,000.72
GSPL India Transco Limited	India	Joint Venture	Equity Method	19.57%	19.57%	176.35	182.53
Gujarat State Energy Generation Limited	India	Associate	Equity Method	54.17%	54.17%	352.56	353.21
Alcock Ashdown (Gujarat) Limited*	India	Associate	Equity Method	22.50%	22.50%	-	-
Total equity accounted investments						2,067.77	2,096.43

* Fully provided for impairment.

Set out below is summarized financial information for each associate/joint venture that are material to the Group.

(₹ in Crores)

Name of the Associate/ Joint Venture	Balance Sheet							
	Non-current Assets	Current Assets	Total Assets	Non-current Liabilities	Current Liabilities	Total Liabilities	Net Assets	Company's Share in Net Worth
Sabarmati Gas Limited								
As at 31.03.2023	914.71	871.18	1,785.90	113.61	430.38	543.98	1,241.92	621.07
As at 31.03.2022	899.58	609.78	1,509.36	108.47	280.90	389.38	1,119.98	559.97
GSPL India Gasnet Limited								
As at 31.03.2023	5,552.55	201.14	5,753.68	3,838.13	150.58	3,988.71	1,764.97	917.79
As at 31.03.2022	5,211.28	613.14	5,824.42	3,575.47	324.49	3,899.96	1,924.46	1,000.72
GSPL India Transco Limited								
As at 31.03.2023	962.76	178.42	1,141.18	673.21	128.84	802.05	339.13	176.35
As at 31.03.2022	982.79	181.73	1,164.51	680.61	132.89	813.50	351.01	182.53
Gujarat State Energy Generation Limited								
As at 31.03.2023	738.53	246.77	985.30	39.46	269.24	308.71	676.59	352.56
As at 31.03.2022	822.73	232.11	1,054.85	81.68	295.39	377.07	677.78	353.21

(₹ in Crores)

Name of the Associate/ Joint Venture	Statement of Profit & Loss					Cash Flow Statement			
	Revenue for the year	Profit for the year	Other Compreh- ensive Income	Total Compreh- ensive Income	Company's Share in Total Compreh- ensive Income	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Net Increase /(Decrease) in cash and cash equivalents
Sabarmati Gas Limited									
For the financial year 2022-23	2,423.00	322.00	(0.07)	321.93	113.88	513.72	(306.69)	(203.19)	3.85
For the financial year 2021-22	1,921.34	346.48	0.03	346.51	27.67	368.41	(250.24)	(44.55)	73.62
GSPL India Gasnet Limited									
For the financial year 2022-23	225.08	(158.36)	(1.11)	(159.48)	(31.21)	40.74	(465.25)	(93.06)	(517.56)
For the financial year 2021-22	248.31	73.36	0.08	73.44	14.37	243.34	(535.58)	278.58	(13.66)
GSPL India Transco Limited									
For the financial year 2022-23	92.76	(11.85)	(0.03)	(11.88)	(2.33)	97.39	(48.07)	(89.62)	(40.30)
For the financial year 2021-22	45.25	(155.56)	0.05	(155.51)	(30.43)	66.39	(72.24)	(70.78)	(76.63)
Gujarat State Energy Generation Limited									
For the financial year 2022-23	154.43	3.99	(5.18)	(1.19)	(0.64)	107.41	(95.48)	(92.82)	(80.89)
For the financial year 2021-22	290.45	31.44	(5.38)	26.06	14.11	130.09	3.91	(99.64)	34.35

(₹ in Crores)

Particulars	31st March, 2023	31st March, 2022
Commitments - joint ventures	53.08	113.20
Commitments - associates	2.11	2.11
Contingent liabilities - joint ventures	26.22	25.77
Contingent liabilities - associates	7.46	7.40
Total commitments and contingent liabilities	<u>88.87</u>	<u>148.48</u>

Note 45**Reclassification Of Comparative Figures**

Certain reclassifications have been made to the comparative period's financial statements to:

- enhance comparability and ensure consistency with the current year's financial statements; and - ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013 (Revised).

The Group believes that such presentation is more relevant for understanding of the Company's performance. However, this does not have any material impact on the profit and equity for the comparative period.

Items of balance sheet before and after reclassification as at 31st March, 2022

(₹ in Crores)

Particulars	Balance before reclassification	Reclassification amount	Balance after reclassification
Lease hold Land			
Lease hold Land - Property, plant, equipment	163.8	2.31	166.11
Right of Use/ Right of Way - Other Intangible assets	523.73	(2.31)	521.42
Share Application Money Towards Securities			
Other Financial Assets - Non-Current	61.47	17.38	78.85
Other Financial Assets - Current	40.43	(17.38)	23.05
Margin money deposit (bank guarantee / letter of credit) having original maturity of more than 12 months			
Other Financial Assets - Non-Current	-	0.02	0.02
Cash and cash equivalents	105.96	(0.02)	105.94
Unbilled Revenue - Other Income			
Other Financial Assets - Current	-	3.31	3.31
Trade receivables	2,577.54	(3.31)	2,574.23
Fixed Deposits with original maturity more than 12 Months			
Other Financial Assets - Current	4.08	(0.03)	4.05
Other bank balances	523.72	0.03	523.75
Other Expense Payable			
Financial liabilities - Current	5.96	(0.44)	5.52
Trade payable - MSME	32.91	0.07	32.98
Trade payable - Other than MSME	1723.2	0.37	1,723.57
Advance To Vendor			
Loans and advance to vendor - Current	2.06	(2.06)	-
Other non-financial assets - Current	0.02	2.06	2.08

Impact on Statement of Cash Flows before and after reclassification as at 31st March, 2022

(₹ in Crores)

Particulars	Balance before reclassification	Reclassification amount	Balance after reclassification
Net Cash Flow from Operating Activities (A)	3,851.08	10.50	3,861.58
Net Cash Flow from Investing Activities (B)	(1,657.78)	(10.52)	(1,668.30)
Net Cash Flow from Financing Activities (C)	(2,590.56)	-	(2,590.56)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	(397.26)	0.02	(397.28)
Cash and Cash Equivalents at the beginning of the period	563.68	-	563.68
Cash and Cash Equivalents at the end of the period	166.42	0.02	166.40

Note 46

Other Statutory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- (ii) Basis the information available with the Group as on the reporting date and as on the date on which financial statements are approved and authorised for issue, the Group does not have any transactions with the companies struck off. Further, the Group has not been declared as a wilful defaulter by any Bank / Financial Institution / any other lender.
- (iii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).
- (iv) The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) For the working capital borrowings from the Banks (either sanction & utilized or unutilized), the quarterly returns / statements of working capital filed by the Group with the Banks reflect no material difference with the books of the accounts. Further, in case of specific borrowings, the funds are utilized for the purpose for which the same are borrowed.
- (vii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- (viii) The Group does not undertake any transactions with respect to crypto currency / assets.
- (ix) As the companies of the Group are Government Companies, in terms of section 2(45) of the Companies Act, compliance with number of layers of the companies as per section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules 2017, is not applicable.
- (x) The Group does not have any Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Note 47

Certified Emission Rights

Total 9814 Number of Certified Emission Rights are held as inventory valued as per Indian Accounting Standards 2 (Ind As 2) "Inventories". United Nations Framework Convention on Climate Change (UNFCCC) was adopted in 1992, with the objective of limiting the concentration of Green House Gases (GHGs) in the atmosphere. In case of Clean Development Mechanism (CDMs), entities in developing/least developed countries can set up a GHG reduction project, get it approved by UNFCCC and earn carbon credits. Such carbon credits generated can be bought and sold with emission reduction targets. The unit associated with Clean Development Mechanism (CDM) is Certified Emission Reduction (CER) where one CER is equal to one metric tonne of carbon dioxide equivalent.

The Group in initial year of Solar Power Plant has generated around 9814 CERs which was validated and Certified and accordingly recognised as asset (inventory) in financial statements of 2021-22 as per guidance note on CERs issued by ICAI read with Ind AS framework. CERs are to be recognised when there is a reasonable assurance that future economic benefits will flow from the CERs to the entity.

The Group might have generated CERs apart from 9814 CERs, However the Cost of validation and approvals with UNFCCC is quite high compared to the expected benefits. Keeping the Cost benefit analysis, the Company has not validated any further CERs, and there are no any CERs under certification/validation process as on 31.03.2023.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Singhvi & Mehta
Chartered Accountants
(Firm Regn. No. 002464W)

Garima Tater
Partner
Membership No. 407752

Date : 25th May, 2023
Place : Gandhinagar

Raj Kumar, IAS
Chairman
DIN : 00294527

Reena Desai
Company Secretary

Date : 25th May, 2023
Place : Gandhinagar

Milind Torawane, IAS
Managing Director
DIN : 03632394

Rajesh Sivadasan
Chief Financial Officer





 **GSPC**

GUJARAT STATE PETROLEUM CORPORATION LIMITED



GUJARAT STATE PETROLEUM CORPORATION LIMITED

(A Govt. of Gujarat Undertaking)

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