41st Annual Report 2019-2020

GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(A Govt. of Gujarat Undertaking)

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GUJARAT STATE PETROLEUM CORPORATION LIMITED
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Board of Directors

Shri Anil Mukim, IAS (w.e.f. 10.12.2019)	**Chairman**
Shri Pankaj Joshi, IAS (w.e.f. 21.12.2019)	**Director**
Smt. Sunaina Tomar, IAS (w.e.f. 4.01.2020)	**Director**
Dr. Manjula Subramaniam, IAS (Retd.)	**Independent Women Director**
Shri M. M. Srivastava, IAS (Retd.)	**Director**
Shri K. Kailashnathan, IAS (Retd.)	**Director**
Dr. N. Ravichandran	**Independent Director**
Dr. Ravindra Dholakia	**Independent Director**
Dr. Yogesh Singh	**Independent Director**
Shri Sanjeev Kumar, IAS (w.e.f. 22.08.2019)	**Managing Director**

Cessation of Director

Dr. J. N. Singh, IAS (Retd.) (upto 10.12.2019)
Shri Arvind Agrawal, IAS (upto 6.12.2019)
Dr. T. Natarajan, IAS (upto 22.08.2019

Executives

Shri Samir Biswal, Director (Exploration)
Shri Rajesh Sivadasan, Chief Financial Officer
Ms. Manisha Parikh, Asst. General Manager (HR & CC)
Shri Hemen Bhatt, Asst. General Manager (IT)
Ms. Reena Desai, Company Secretary

RT&A

Karvy Computershare Pvt.Ltd.

Statutory Auditors	**Secretarial Auditor**	**Internal Auditors**	**Cost Auditors**
Talati & Talati, LLP	M/s Manoj Hurkat & Associates	KPMG	M/s. Kailash Sankhlecha & Associates
Chartered Accountants.	Company Secretary	Ahmedabad	Cost Accountants
Ahmedabad	Ahmedabad		Ahmedabad

Bankers

State Bank of India
Bank of Baroda
IDBI Bank
Bank of India
Corporation Bank
Bank of Maharashtra
Indian Bank
Punjab and Sind Bank
Punjab National Bank
Andhra Bank
EXIM Bank
Syndicate Bank
UCO Bank
Allahabad Bank
Axis Bank
ICICI Bank
Union Bank of India

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 41st Annual Report on the business and operations of Gujarat State Petroleum Corporation Limited for the financial year ended March 31, 2020 along with Audited Financial Statement for the financial year ended 31st March 2020.

STATEMENT OF COMPANY's AFFAIRS

Financial Performance

The audited Standalone Financial performance for the year ended March 31, 2020 is summarized below:

(₹ In Crores)

Particulars	FY 2019-20	FY 2018-19
INCOME		
Revenue from Operations	15,232.37	14,368.58
Other Income	115.87	104.66
Total Revenue	**15,348.24**	**14,473.24**
EXPENSES		
Production Expenditure - E&P	81.03	92.33
Cost of Traded Goods	13,515.58	12,929.97
Changes in inventories of Finished Goods, Stock in process and Stock in Trade	(19.77)	117.08
Employee Benefits Expense	17.49	20.19
Other Expense	73.38	37.56
Total Expense	**13667.71**	13197.13
Profit Before Interest Depreciation and Tax (PBIDT)	**1680.53**	**1,276.11**
Finance Cost	624.90	702.20
Profit/(Loss) Before Depreciation and Tax (PBDT)	**1,055.63**	**573.91**
Depreciation and Amortization Expenses	137.35	170.68
Profit/(Loss) Before Exceptional Items	**918.28**	**403.23**
Exceptional Items	(552.13)	(143.72)
Profit/(Loss) Before Tax and Adjustments	**366.15**	**259.51**
Tax Expense	-	-
Profit/(Loss) After Tax	**366.15**	**259.51**
Other Comprehensive Income	(10.02)	(9.14)
Total Comprehensive Income For the period	**356.13**	**250.37**

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

1. The Company has recorded Turnover of Rs 15,232.37 Crores as compared to Rs. 14,368.58 Crore in Previous Year recording increase of 6.01 %.
2. The Company has recorded Profit before Depreciation Interest and Tax (Operational Profit) of Rs 1,680.53 Crore as compared to Rs. 1,276.11 Crore in Previous Year recording increase of 31.69 %.
3. The Company has recorded Profit Before Tax and Adjustments of Rs. 366.15 Crores as compared to Rs. 259.51 crores in previous financial year.
4. The Company has recorded Profit After Tax of Rs. 356.13 Crores as compared to Rs. 250.37 Crores in previous financial year.

The Company has implemented debt realignment plan to address the issues associated with high leveraging and negative net worth. The Company has been able to achieve positive Net worth through Financial Realignment Strategy as follows;

- A Scheme of Arrangement was entered between Gujarat State Petroleum Corporation Limited (GSPC), Gujarat State Investment Limited (GSIL) and Non convertible debenture holders of GSPC. MCA has vide order dated 25th April, 2019 approved the scheme of Arrangement and the same was effective from the date of filing it with ROC i.e. 18th May, 2019.

  The Company had fixed 28th May, 2019 as record date for suspension of trading as well as to determine list of NCD holders eligible for issue and allotment of new NCDs of GSIL. Subsequently GSIL has issued NCDs to such eligible NCD holders which are now listed on NSE.

  The Company has allotted equity shares to GSIL as against taking over of GSPC NCDs as per the scheme. Accordingly, after the allotment of equity shares to GSIL, the Company has become subsidiary of GSIL w.e.f. 18th May, 2019.

  The transfer of NCDs from GSPC to GSIL has benefited in various ways not only to the Company but also to the security holders.

  The Scheme shall also derive administrative synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration for the ultimate shareholders (i.e. the Government of the State of Gujarat acting through the Governor of the State of Gujarat) of both the companies.
- The Company is also in the process of selling of the unproductive Assets of the Company.

  The Realignment plan has improved the financial and operating performance of the Company.

Share Capital

During the financial year, the authorized share capital of the Company was increased from Rs. 300 crores to Rs. 1200 crores divided into equity share of Rs. 1 each pursuant to scheme of arrangement among GSPC, GSIL and GSPC NCD holders approved by MCA vide order dated 25th April, 2019.

There was also change in the paid up share capital of the Company on account of following;

- The Company has allotted 749,06,36,704 equity shares of face value of Rs. 1 each (at a price of Rs. 8.01 per Equity Share including premium of Rs. 7.01/- per Equity Share) to GSIL pursuant to scheme of arrangement among GSPC, GSIL and GSPC NCD holders approved by MCA vide order dated 25th April, 2019.
- The Company has also allotted 18,72,65,730 equity shares to IDBI, 12,48,43,146 equity shares to IFCI and 37,45,31,764 equity shares to SBI upon allotment on conversion of CCD. Equity share of Rs. 1 each has been issued on conversion at a price of Rs. 8.01 per Equity Share including premium of Rs. 7.01/- per Equity Share.

The total paid up capital of the Company stands at 10,75,65,40,264 equity shares of Rs. 1 each after completion of the aforesaid allotments during the financial year.

DIVIDEND

The Company has not declared any dividend during the financial year.

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**" 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 successfully continued to expand it Gas Trading business by procuring competitive gas from international markets, independently as well as through other suppliers and supplying the same to customers in various segments across the country. Your Company achieved highest marketing volumes of **17.18 MMSCMD gas** in the financial year 2019-20 with sales outside Gujarat accounting for approx. 12% of the total sale volumes. Concerted efforts were made by your Company not only in terms of persistent gas marketing in States outside Gujarat but also with regards to gas sourcing by using different procurement strategies to achieve flexibilities.

The major achievements in Gas trading business for the current financial year 2019-20 are summarized below:

- Despite stiff competition from new entrants in the market, the Company achieved **Sales turnover of more than Rs. 15,000 crores** with steady growth in demand from various sectors, especially CGD & Power sector in Gujarat, as well as demand from customers outside Gujarat.
- The Company has procured a total of 55 LNG cargoes under its long term string as well as spot deals during the year
- The Company supported commissioning of Mundra LNG Terminal in Feb' 20 by committing to utilize capacity in the terminal and managed ~30% utilization in the first 2 months.
- The Company has continued with its image of a reliable supplier managed to procure competitive gas, competing for Tender / Spot volumes along with providing flexibility to its customers across India.
- Increased gas marketing efforts and structuring of gas contracts ensured average yearly volumes of more than 2 MMSCMD outside Gujarat during the year
- The Company has turned out to be Power sector's most reliable supplier

➢ GSPC ensured competitive gas supplies of over 500 MMSCM to power plants in Gujarat

- The Company is currently marketing gas in 9 States/UT namely Gujarat, Maharashtra, Karnataka, Uttar Pradesh, Uttarakhand, Dadra & Nagar Haveli, Punjab, Rajasthan, and Haryana.
- The Company has also entered into 49 Master LNG sales & purchase agreements with leading global companies for its short/ medium term gas requirements.

The Company has also incorporated two wholly owned subsidiaries i.e. GSPC Offshore Limited and GSPC Energy Limited having paid up capital of Rs. 5 lakhs.

GSPC Offshore Limited has no financial or operational performance during the financial year. GSPC Offshore Limited has recorded Loss after Tax of Rs. 0.90 lakhs during the financial year 2019-20.

GSPC Energy Limited which is wholly owned subsidiary of GSPC is also engaged in the business of Gas Trading. The financial performance is as follows;

- GSPC Energy Limited has recorded total Income of Rs. 213.66 crore during the financial year 2019-20 as against 113.73 crore in previous financial year recording an increase by 87.87 %.
- GSPC Energy Limited has recorded PBT of Rs. 33.01 Lacs during the financial year 2019-20 as against PBT of Rs. 34.35 Lacs in previous financial year recording an decrease by 3.9 %.
- GSPC Energy Limited has recorded PAT of Rs. 24.08 Lacs during the financial year 2019-20 as against PBT of Rs. 29.34 Lacs in previous financial year recording an decrease by 17.93%.

II. EXPLORATION AND PRODUCTION

The Company has significant growth potential with a diversified portfolio of E&P blocks along with combination of matured blocks and blocks under exploration and development.

Technology plays an important role in E&P sector. The Company has inducted best in class technology in all spheres of its operations.

The major achievements are summarized below:

2.1 Operated Blocks

➢ **CB-ONN-2000/1**

▪ GSPC holds 50% Participating Interest (PI) in both Old Production Sharing contract (PSC) and Ring Fenced Production Sharing Contract (RFPSC). Oil production from Ingoli & Sanand East (SE) Fields of Ahmedabad block is approximately 300 BOPD (Barrels of Oil per Day). Drilling of 1 well as per approved Addendum to FDP for Kalol oil discovery in Sanand East Field has been deferred to next financial year. Tender activity including evaluation has been completed for award of Work Order to L1 bidder for 3rd party studies to prepare Redevelopment Plan for Ingoli field's Basement and Kalol/Intra Cambay Formations based on the recently reprocessed 3D seismic data. New wells based on the outcome of this Redevelopment Plan shall be drilled in the coming financial years. Screening for application of Enhanced Recovery (ER) Methods as required by Govt. of India's ER Policy has been completed and draft reports submitted to MOP&NG for Ingoli and SE fields.

In Balpura field, production testing of 2 existing oil wells (GSAH#5 and #5A1) is successfully in progress with maximum recorded production of 160 BOPD. Tendering activity of installation of QPS in Balpura field is in progress.

- **CB-ON/2**

- GSPC holds 56% PI in Old PSC and 80% PI in RFPSC. In Old PSC (Production Sharing Contract) Block is currently under production from three fields viz.Tarapur-1 oil field, Tarapur-G gas field & Tarapur-6 oil field. The Company is producing Oil & Gas of about 120 BOPD & about 34000 SCMD from these three fields. A third party agency (M/s Halliburton) has carried out study for the redevelopment and production enhancement strategy in Tarapur-1 and Tarapur-6 fields. The final report based on the study is yet to be received by the Company. The Company is also planning for a northward and eastward extension of the Mining Lease (ML) of Tarapur-6 field based on the in-house and Third party study.

  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. The Field Development Plan for the discoveries made in the block (PNE-1, PNE-2, TS-10, Kheda-1, Changara-1, Vaso-2 & Prospect-1) approved by the MC on 30.12.2019 with an ML of 570 Sq.Km. GSPC as the Operator has applied for the ML and the approval is under process at the State Government.

- **CB-ONN-2002/3:**

- GSPC holds 55% PI in the PSC. Addendum to Field Development Plan for new oil pool in Kalol reservoir is approved by Management Committee. Commercial production from SE#4 Kalol pool was commenced since May 2017 and open market sale from SE#3 well was commenced since Feb. 2020. SE#4 Kalol pool is currently producing Oil of about 90 Barrel (BBL) per day. Owing to the non-commercial production from Miroli Field, the field is opted for farming out, further in absence of non-acceptance of sale notice by all the JV partners, it wasn’t concluded. Hence, Company shall do P&A activity followed by site restoration.

- **CB-ONN-2003/2:**

- GSPC holds 50% PI in the block. Production of Oil from Ank-21 continued at the rate of about 40 BBL per day.

  Facility creation for production from Ank-40s was completed. Production commenced with 3 mm beamn since 28 May 2019 at a rate of about 20 BBL per day.

  Appraisal well Ank-41s-A1 was drilled during May 2018. Testing results suggests that the well intersects non-reservoir facies and concluded as dry well. DoC for Ank-41s Gas Discovery was reviewed by Management Committee on 25 Nov. 2019. FDP of Ank-41s is under preparation and may be submitted to DGH on or before 12 June 2020. Company seeks extension of PEL license of about 26 Sq. Km. from DoP, GoG.

2.2 Non Operated Blocks -Domestic

- **ONGC Operated:**

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

- ✓ 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 25 BBL of Oil from well Karannagar#4. Recently well Karannager#4 is ceased to produce, a work-over operation is planned to restore the production.

- ✓ CB-ONN-2004/2: GSPC holds 45% PI in the block. Currently, Vadatal#1, Vadatal#3 & 5 are producing Oil of about 350 Barrel (BBL) per day after drilling four development wells (one in Vadatal#3 ML area and three in Vadatal#5 ML area). The joint venture is preparing to drill more development wells to enhance the production from Vadatal#3 & 5 pools.

- ✓ 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. Well UBER-2 is connected to Jambusar GGS by 4" pipeline (about 15KM). Laying of Pipeline and metering faculties at Jambusar GGS was completed. Work-over of well Uber - 2 was also completed. EC was granted on 06.03.2019. Production from well Uber-2 started on 15.08.2019 and rates were about 30,000 SCMD of Gas and 50 BBL of Condensate.

- ✓ MB-OSN-2005/1: GSPC holds 20% PI in the block. Operator has carried out drilling of two wells NBA-2 and NAA-2 to appraise the two discoveries in wells NBA-1 & NAA-1 respectively. NBA-2 was dry and new discovery was encountered in NAA-2 for which one more appraisal well NAA-3 has been drilled which has gone dry. DoC for these discoveries has been approved by Management Committee (MC). It has 367.9 BCF of gas and 7.34 MMBBL of condensate as recoverable reserves. One more appraisal well MBSO51NAA-4 was drilled between approval of DoC and before submission of FDP which has gone dry. FDP is under preparation and needs to submit before 25.07.2019.

- ✓ GK-OSN-2009/1: GSPC holds 20% PI in the block. The appraisal plan is being carried out by Operator while GSPC has opted out.

- ✓ KG-OSN-2001/3: GSPC holds 10% PI in the block. During the Financial Year regular production from two wells namely: DDW-D2 & DDW-D4 is continued. Operator has deployed DeepDriller-8 Jack up Rig for Drilling of Development Wells. Batch drilling of development wells DDW-D6 & DDW-D7 is in progress. The 12.25" hole of DDW-D7 is drilled to 4740m, well will be logged, cased and cemented. and has been drilled to 4400m. The annulus influx mitigation and influx observation of DDW-D6 well is in progress.

- **OILEX Operated:**

  Cambay Field: GSPC holds 55% PI in the field. GoI has approved Revised FDP and PSC extension for next 10 years. M/s. Oilex will further delineate the areal extent of the tight Eocene and shallower Oligocene reservoirs within the field in-view-of approved RFDP. Process of farmng-out GSPC’s 55% PI to H1 bidder is under progress.

  Bhandut Field: GSPC holds 60% PI in the field. GoI has approved Revised FDP and PSC extension for next 10 years. M/s. Oilex will further delineate the areal extent of the Miocene reservoirs within the field as per approved RFDP. Process of farming-out GSPC’s 60% PI to H1 bidder is under progress. Application for transfer of PI in favor of M/s Kiri & Company Logistics Pvt. Ltd. has been submitted to DGH for approval.

- **GNRL Oil & Gas Ltd Operated:**

  Dholasan Field: GSPC holds 70% PI in the field. Operator has continued regular production from the field.

  Allora Field: GSPC holds 70% PI in the field. Operator has continued regular production from the field.

  North Kathana Field: GSPC holds 70% PI in the field. Operator has continued regular production from the field.

  Process of farming-out GSPC’s 70% PI is under progress for Allora, Dholasan and North Kathana Fields. Company has signed Farm-in Farm-out (FIFO) agreement with GNRL for Allora, Dholasan and North Kathana Fields.

Kanawara Field: GSPC holds 70% PI in the field. Operator has continued regular production from the field. Drilling of 2 new wells planned as per the approved RFDP of Kanawara field has been temporarily deferred due to non-availability of suitable drilling rig.

- **Sun Petro Operated:**

  Hazira field: GSPC holds 66.67% PI in the field. Currently it is producing about 35,000 SCMD of Gas and 65 BOPD. PI (Participating Interest) transfer application was submitted by GSPC to DGH for the transfer of its 66.67% PI to M/s Sun Petro.

- **HOEC Operated:**

  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 2 new wells in Asjol.

  North Balol Field: GSPC holds 45% PI in the field. Operator has continued regular production as per plan. Draft of developmental drilling plan of 4 wells in North Balol field is currently under review of JV partners.

  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.

2.3 Non Operated Blocks - International

- **OILEX Operated:**

  The Company holds 20% participating interest in JPDA 06-103 block through its wholly owned subsidiary GSPC (JPDA) Limited. The continuation of activities in the block was hampered due to dispute between the Government of Timor Leste and the Government of Australia with respect to the Certain Maritime Arrangements in the Timor Sea (CMATS) Treaty for which the Timor Leste Government initiated arbitration proceedings against the Government of Australia. These developments created significant commercial uncertainty which negatively impacted the ability of the Joint Venture partners to meet the obligations under the PSC. On JV's request, Autoridade Nacional do Petroleo (ANP) terminated the PSC of the block. Thereafter negotiations started between the JV partners and ANP to arrive at a final settlement for the unfinished work program. After lengthy negotiations, which failed to arrive at a settlement, both the parties have approached International Court of Arbitration of the International Chambers of Commerce for resolution of dispute.

  GSPC (JPDA) Limited has recorded total Income of Rs. 5.93 Lakhs in the financial year 2019-20. The Company has Loss after Tax of Rs. 0.08 lakhs during the financial year 2019-20.

III. GAS TRANSMISSION

Operational Performance of Subsidiaries in Gas Transmission Business.

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, which provides connectivity to major demand centers and supply sources in the State of Gujarat. GSPL owns and operates more than 2682 Kilometers of Gas Pipeline as on 31st March, 2020.

GSPL, the pipeline and gas transmission company of the GSPC group, is not only India's 2nd largest gas transmission Company but also has a highly enviable safety track record. GSPL is re-certified to Integrated Management Systems (ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007) with validity till 30th October, 2020.

GSPL has also set up a 52.5 MW wind farm in Gujarat.

The Petroleum & Natural Gas Regulatory Board has awarded three major cross-country gas pipeline projects to GSPL consortium. GSPL has a majority stake of 52% along with IOCL (26%), BPCL (11%) and HPCL (11%) in all the projects.

Accordingly, GSPL has incorporated following subsidiaries to carry out the aforesaid projects:

GSPL India Gasnet Ltd (GIGL)

GSPL India Gasnet Ltd (GIGL) is a Joint Venture of Gujarat State Petronet Ltd (GSPL), Indian Oil Corporation Ltd (IOCL), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). HPCL has 11% equity participation in the company and balance being held by GSPL (52%), IOCL (26%) & BPCL (11%).

GIGL has been authorized to lay two cross country gas pipelines viz 1,834 KM Mehsana to Bathinda Pipeline and 740 KM Bathinda to Srinagar Pipeline. The initial sections of the Projects covering approx. 440 kms viz. Barmer-Pali Pipeline, Palanpur-Pali Pipeline and Jalandhar Amritsar Pipeline were completed during FY 2018-19 and have commenced commercial operations. The Company has transported approx. 2,63,71,735.33 MMBTU of gas and has earned total revenue of Rs 108.96 Crores through transportation of gas till 31st March, 2020.

The Company is also implementing various sections of MBPL Project planned under Phase II and has awarded EPC contracts for several Sections covering approx. 930 Kms. which will traverse through the states of Rajasthan, Haryana and Punjab and will cater the gas demands of various industrial customers and city gas networks en-route the Pipeline. Project implementation activities for these sections are in full swing.

GSPL India Transco Ltd (GITL)

GSPL India Transco Ltd (GITL) is a Joint Venture of Gujarat State Petronet Ltd (GSPL), Indian Oil Corporation Ltd (IOCL), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). HPCL has 11% equity participation in the company and balance being held by GSPL (52%), IOCL (26%), & BPCL (11%). GITL has been authorised to lay 1,881 KM pipeline Mallavaram to Bhilwara.

The initial section of Project from Reliance Gas Transmission India Limited interconnection point at Kunchanapalli to Ramagundam Fertilizers & Chemicals Limited's Plant at Ramagundam has been commissioned on 14th October, 2019 and the gas transportation to RFCL has started w.e.f. 1st November, 2019. The Company has transported approx. 2.17 MMSCM of gas and has earned meagre revenue through transportation of gas as the tariff is lower in initial years of operations.

Financial Performance of Subsidiaries in Gas Transmission Business.

Gujarat State Petronet Limited (GSPL)

- GSPL has recorded total Income Rs. 2434.13 crore during the financial year 2019-20 as against Rs. 1936.62 crore in previous financial year.
- GSPL has recorded PBT of Rs. 1278.60 crore during the financial year 2019-20 as against Rs. 1202.78 crore in previous financial year.

- GSPL has recorded PAT of Rs. 1108.73 crore during the financial year 2019-20 as against Rs. 794.67 crore in previous financial year.
- GSPL has recorded Total Comprehensive Income (comprising of PAT and Other Comprehensive Income) of Rs. 1106.04 crore during the financial year 2019-20 as against Rs. 790.69 crore in previous financial year.

GSPL India Transco Limited (GITL)

- GITL has recorded total Income of Rs. 15.23 crores in the financial year 2019-20. The Company has Loss after Tax of Rs. 43.22 Crores during the financial year 2019-20.

GSPL India Gasnet Limited (GIGL)

- GIGL has earned total income of Rs 116.22 Crores in the financial year 2019-20. The Company has Net loss of Rs. 36.02 Crores during the financial year 2019-20.

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 toward developing the Gas Transmission business in the entire gas value chain.

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

GSPC LNG Limited (GLL) was incorporated for developing LNG Receiving, Storage and Regasification Terminal at Mundra, Kutch, Gujarat with an initial capacity of 5 MMTPA.

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

The terminal received its first LNG ship i.e. commissioning cargo named 'Murwab' on 22.01.2020 sourced by GSPC. The terminal was successfully commissioned and started R-LNG send out from 11.02.2020. The Company declared 01.03.2020 as the start date for its commercial operations. The terminal received four LNG cargoes including commissioning cargo and achieved a capacity utilization of approximately 30% till 31.03.2020. The Company has received two more regular LNG cargoes till mid April 2020 taking the total number of LNG cargoes received till date (23.04.2020) to six. The entire regasification capacity of the terminal is being utilized by GSPC.

During the financial year, Gujarat Maritime Board (GMB) has infused equity of Rs.500 crores in GLL and Government of Gujarat has infused equity of Rs.50 Crores against which equity shares have been allotted to GMB and GoG on 30.04.2019 and 13.01.2020 respectively.

GSPC along with GSPL presently holds 4.12% in GLL.

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 launch of CGD bid Round 9 and 10, the CGD sector shall ensure availability of convenient, environment-friendly and cheaper natural gas to more than 70 % of the country's population spread across 28 States and 8 Union Territories.

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 is India's largest city gas distribution player with its presence spread across various States in the country namely Gujarat, Haryana, Punjab, Rajasthan, Maharashtra, Madhya Pradesh and Union Territory of Dadra and Nagar Haveli.

Gujarat Gas Limited in an endeavor to grow and retain the leadership position of being the Largest CGD in the country has till date secured 25 licenses for development of CGD Networks and 1 license for Natural Gas Transmission pipeline i.e. Hazira- Ankleshwar pipeline and has now spread its pipeline infrastructure in 42 Districts in the State of Gujarat, Haryana, Punjab, Rajasthan, Maharashtra, Madhya Pradesh and Union Territory of Dadra and Nagar Haveli. With these newly added Geographical Areas, Gujarat Gas Limited has now extended its foot prints beyond the State of Gujarat.

Gujarat Gas Limited is supplying natural gas to more than 14.4 Lakh residential, over 12,600 commercial and non-commercial segments and over 3,700 industrial customers.

Gujarat Gas Limited also supplies natural gas in the form of Compressed Natural Gas (CNG) through 396 CNG stations catering to the automotive sector in the operational areas as on 31st March, 2020.

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, thus benefiting the people of Gujarat at large and has now starting spreading its infrastructure beyond the State of Gujarat as well.

Audited financial performance of Gujarat Gas Limited

- Gujarat Gas has recorded Total Income of Rs. 10,610.15 crore during the financial year 2019-20 as against Rs. 8,073.76 crore in previous financial year.
- Gujarat Gas has recorded PBT of Rs. 1,207.78 crore during the financial year 2019-20 as against Rs. 593.85 crore in previous financial year.
- Gujarat Gas has recorded PAT for the period (before other comprehensive income) of Rs. 1,193.32 crore during the financial year 2019-20 as against Rs. 417.03 crore in previous financial year.
- Gujarat Gas has recorded Total Comprehensive Income (after tax) of Rs. 1,189.62 crore during the financial year 2019-20 as against Rs. 414.97 crore in previous financial year.

➢ **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 1,89,333 domestic customers, 336 industrial customers and 801 commercial establishment as well as 105 CNG stations in three Districts of North Gujarat.

As a result of competitive CNG price, Sabarmati Gas limited has been able to increase the Average daily sales to 3,57,780 -------- KG during the financial year 2019-20 as against 3,05,289 KG during financial year 2018-19 recording a growth of 17% over previous FY.

CNG is fast gaining significant share in the sales volume of Company 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. 1179.11 Crores during the financial year 2019-20 as against Rs. 1122.57 Crores in the previous financial year.
- SGL has recorded PBT of Rs 171.16 crores during the financial year 2019-20 against the PBT of Rs. 151.40 Crores in the last financial year recording an increase of 13.05%
- SGL has recorded PAT of Rs. 129.21 crores during the financial year 2019-20 as against the PAT of Rs. 100.47 Crores in the last financial year recording an increase of 28.60%.

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:

5.1 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 and both the plants are available to the grid for generation of power.

Financial performance of Gujarat State Energy Generation Limited (GSEG)

- GSEG has recorded total Income of Rs. 452.99 Crores during the financial year 2019-20 as against Rs. 468.99 Crores in previous financial year.
- GSEG has recorded PBT of Rs. 31.82 Crores during the financial year 2019-20 as against profit of Rs. 68.36 Crores in the previous financial year.
- GSEG has recorded PAT Rs. 30.12 Crores during the financial year 2019-20 as against profit of Rs. 53.59 Crores in previous financial year.

The percentage holding of GSPC in GSEG has increased to 53.70% as against 32.59% in previous financial year. 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 are restricted on account of ongoing litigation. 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 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 filed by KRIBHCO. The matter is still pending with NCLT.

➢ **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. During the year the Plant has been kept in preservation mode in absence of scheduling from SLDC/ GUVNL due to higher variable cost and running the Plant on costly imported RLNG is not commercially viable for GUVNL with whom GPPC has entered into PPA.

Financial performance of GSPC Pipavav Power Company Limited (GPPC)

- GPPC has recorded total Income of Rs. 1402.22 Crores during the financial year 2019-20 as against Rs. 1463.79 Crores in previous financial year.
- GPPC has recorded a PBT of Rs. 25.51 Crores during the financial year 2019-20 as against the profit of Rs. 27.85 Crores in previous financial year.
- GPPC has recorded a Loss after Tax of Rs. 79.69 Crores during the financial year 2019-20 as against profit of Rs. 21.83 Crores in previous financial year.

5.2 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 since last quarter of FY 2011-12. The said power plant has recorded best performance in terms of power generation as compared to all other Solar plants at Gujarat Solar Park, District Patan, Gujarat. During financial year 2019-20, GPPC exported total approx. 8.25 million units of power to the State Grid, which is well above average generation of the other plants in Solar park.

VII. Other Operations.

6.1 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 organisations.

Financial Performance of Guj Info Petro Limited (GIPL)

- GIPL has recorded total Income of Rs. 18.03 crores during the financial year 2019-20 against Rs. 18.48 crores in previous financial year.
- GIPL has recorded PBT of Rs. 0.14 crores during the financial year 2019-20 as against Rs. 4.26 crores in previous financial year.
- GIPL has recorded PAT of Rs. (0.06) crores during the financial year 2019-20 as against Rs. 2.98 crores in previous financial year.

GIPL has contributed, by way of providing IT/ ITeS services including infrastructure for various government organizations including GSPC and its group Companies.

6.2 Gujarat Energy Research and Management Institute (GERMI)

GERMI is promoted by GSPC 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. This 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, solar and environmental research.

GERMI is DSIR (Department of Scientific and Industrial research) approved research institute engaged in the field of advance level research in petroleum, solar and nuclear energy, climate change and also offers training and consultancy services to the industry.

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 has also initiated process for optimizing it portfolio of E&P Blocks/Fields by initiating process for 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

CARE has revised its credit rating from CARE BBB+ (Continue on Rating Watch with Developing Implication) to CARE A+ (Stable) for the Long Term Loan

CARE has also revised its credit rating from CARE A2 to CARE A1 for Short Term Loan.

The main reason for revision in the rating of CARE is on account of following factors

- Stepwise completion of its envisaged debt rationalization plan to sustainable levels leading to improvement in debt coverage indicators for its gas trading business along with largely ridding itself off its loss-incurring legacy oil & gas exploration business.
- Strong parentage along with demonstrated support.
- Strong presence of the GSPC group across the natural gas energy value chain
- Favorable growth prospects in gas trading business

During the year FY 2019-20, i.e. in August 2019, the credit rating of CRISIL was withdrawn by the company, mainly on account of transfer of NCDs to GSIL.

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 SUBSIDARY, 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 Company being infrastructure Company as specified under Schedule – VI of the Companies Act, 2013, is exempted from the provision of Section – 186 except sub-section-186(1) of Companies Act, 2013 with respect to Inter-Corporate loans, guarantees and securities. However, the relevant details are furnished in the notes to financial statement, which forms part of the Annual Report.

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 KPMG 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) as well as to develop 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 financial year 2019-20.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT

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 and consistently maintained zero incident record. 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, company organized various promotional programs like; Celebration of National Safety Day, Swachhata Pakhawada and World Environment Day. During the celebration campaign, company organized various programs and competitions like; safety quiz, safety slogan and hazard identification quiz. 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 Training.

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

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure - III** to this Report.

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, reasons for not spending CSR expenditure and other required disclosures related to CSR are attached herewith as **Annexure - IV** as per the format prescribed under the Companies (Corporate Social Responsibility) Rules, 2014.

The Company has recorded loss for the average of last three financial years as per the provision of Section – 135 and hence it was not required to spend towards CSR during the financial year.

Covid-19 was declared as Pandemic and India as a Country and Gujarat as a State has witnessed its impact. State Government is continuously incurring huge amount of money in order to deal and overcome with this public health situation. In this time is was very pertinent for corporate sector to play important role towards its corporate social responsibility to fight the pandemic.

The Company had shouldered the responsibility in spite the financial position was not favorable by way of contributing Rs. 10 Crores to CM relief fund during the year 2019-20 as voluntary CSR expenditure for the project COVID19.

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, employees were sent for various training programs and seminars both internal and external trainings.
- We have accomplished this 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 following learning activities for the employees:**
  - ➢ A session on "How we can manage our Health and Stress by Clapping."
  - ➢ Programme on "Emerging Leaders Programme" at IIM Ahmedabad
  - ➢ Training for Health & safety awareness as per Mines Vocational Training Rules
  - ➢ Training for Government e-marketplace (GeM)
- ✓ **Various Employee Engagement Activities**
  - ➢ Winter Sports conducted in the month of December 2019
  - ➢ Women's Day Celebration
  - ➢ Celebration of International Yoga Day
  - ➢ Celebration of World Environment Day with the theme "Biodiversity". The celebration will raise awareness & urge governments, industry, communities, and individuals to come together to understand more about the biological diversity of the planet and how we can contribute to preserving it in the times of Covid-19.
  - ➢ Celebration of 'Swachhta Pakhwada' at all GSPC sites for spreading awareness regarding cleanliness.
  - ➢ On the occasion of 49th National Safety week employees at all onshore installations & GSPC Bhavan participated with an objective to create work place safety awareness & enhance motivation among the GSPC & Contractor employees. The theme for 49th National Safety Day-2019 was **"ENHANCE SAFETY & HEALTH PERFORMANCE BY USE OF ADVANCE TECHNOLOGIES".**

DIRECTORS & KEY MANAGERIAL PERSONNELS

Appointment of Directors

- Shri Pankaj Joshi, IAS, was appointed as Additional Director on the Board of Directors of the Company w.e.f. 20th September, 2019 when he was in charge of Energy & Petrochemicals Department. Subsequently he has tendered his resignation as Director w.e.f. 16th December, 2019 on account of his transfer to Finance Department.

- Shri Anil Mukim IAS, Chief Secretary, was appointed as Additional Director and Chairman on the Board of Directors of the Company w.e.f. 10th December, 2019.
- Smt. Sunaina Tomar IAS, Additional Chief Secretary, Energy and Petrochemicals Department was appointed as Additional Director on the Board of Directors of the Company w.e.f. 4th January, 2020.
- Shri Pankaj Joshi IAS, Additional Chief Secretary, Finance Department was appointed as additional Director on the Board of Directors of the Company w.e.f. 21st December, 2019.
- The Company has also proposed re-appointment of Shri M. M. Srivastava, IAS (Retd.) as a Director who shall retire by rotation at the ensuing Annual General Meeting.

Independent Directors

Presently the Company has Dr. Ravindra Dholakia (DIN:-00069396) Dr. Manjula Subramaniam, IAS (Retd.) (DIN: 00085783) Prof. Yogesh Singh (DIN: 06600055) and Dr. N. Ravichandran (DIN:02065298) as Independent Directors on the Board.

REAPPOINTMENT OF INDEPENDENT DIRECTOR

The shareholders at its Extra-Ordinary General Meeting held on 31st December, 2019 has re-appointed following Independent Director on the Board;

- Dr. N. Ravichandran [DIN: 02065298] was reappointed as an Independent Director of the Company to hold office for a period of five (5) consecutive years w.e.f. 30th December, 2019.
- Dr. Manjula Subramaniam, IAS (Retd.) (DIN: 00085783) was reappointed as an Independent Director of the Company to hold office for a period of five (5) consecutive years w.e.f. 30th March, 2020.
- Prof Yogesh Singh (DIN:06600055) was reappointed as an Independent Director of the Company to hold office for a period of five (5) consecutive years w.e.f. 30th March, 2020.
- Dr. Ravindra Dholakia (DIN:00069396) was reappointed as an Independent Director of the Company to hold office for a period of five (5) consecutive years w.e.f. 2nd March, 2020.

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.

In the opinion of the Board all the Independent Directors appointed during the financial year possesses requisite integrity, expertise and experience (including the proficiency).

Resignation and Cessation of Directors

- Dr. J. N. Singh, IAS (Retd.) ceases to be the Director and Chairman of the company w.e.f. 10th December, 2019 on account of his superannuation from services of Government of Gujarat.
- Shri Arvind Agarwal, IAS has ceased to be the Director of the Company w.e.f. 6th December, 2019 on account of his resignation due to transfer as Chairman and Managing Director, GSFC.
- Shri Pankaj Joshi, IAS has tendered his resignation as Director w.e.f. 16th December, 2019 on account of his transfer to Finance Department. Thereafter he was again appointed on the Board w.e.f. 21st December, 2019.

The Board of Director place on record appreciation of services rendered by Dr. J. N. Singh, IAS (Retd.), Shri Arvind Agarwal, IAS and Shri Pankaj Joshi, IAS.

Appointment and Resignation of Key Managerial Personnel's.

- Dr. T. Natarajan, IAS has ceased to Managing Director of the Company w.e.f. 22nd August, 2019 on account of his resignation due to transfer as IMF, as Senior Advisor to ED, IMF.
- Shri Sanjeev Kumar, IAS has been appointed as Managing Director of the Company w.e.f 22nd August, 2019.
- Shri Sandeep Dave has ceased to be the Company Secretary of the Company w.e.f. 20.02.2020 on account of his Secondment to Gujarat Gas Limited.
- Ms. Reena Desai has been appointed as Company Secretary of the Company w.e.f. 27.02.2020.

The Board of Director of the Company has placed on record appreciation of services rendered by Dr. T. Natarajan, IAS and Shri Sandeep Dave.

The company has following Key Managerial Personnel as on the end of the financial year:

- Shri Sanjeev Kumar, IAS, 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

6 meetings of Board of Directors were held during the financial year 2019-20.

Sr. No.	Date of Board Meetings
1	29th April, 2019
2	13th May, 2019
3	2nd July, 2019
4	2nd August, 2019
5	22nd November, 2019
6	27th February, 2020

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 provision of evaluation 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;

Separate meeting of Independent Director for evaluation of performance of non-Independent Director was also held in compliance with the provision of 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. Ravindra Dholakia	Chairman
Shri Pankaj Joshi, IAS	Member
Dr. N. Ravichandran	Member
Dr. Yogesh Singh	Member
Shri Sanjeev Kumar, IAS	Member

During the financial year Shri Arvind Agrawal, IAS has ceased to be member on account of his resignation as Director and Shri Pankaj Joshi, IAS has been inducted as member of Audit Committee after his appointment.

The Audit Committee has recommended the financial statement for the year ended on 31st March, 2020 for approval of the Board at its meeting held on 22nd June, 2020.

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

Detail of Audit Committee Meeting held during the F.Y. 2019-20 is as under:

Sr. No.	Date of Audit Committee Meetings
1	13th May, 2019
2	29th June, 2019
3	22nd November, 2019
4	27th February, 2020

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, M/s Talati & Talati Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company for the financial year2019-20.

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

C&AG has given Nil comment report on the financial statement of the Company for the financial year 2019-20 which shall form part of the Annual Report.

SECRETARIAL AUDITOR

The Board of Directors have appointed M/s Manoj Hurkat and Associates, Practicing Company Secretary to conduct Secretarial Audit for the Financial Year 2019-20.

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

The Secretarial Audit Report for the financial year ended on March 31, 2020 is annexed herewith as **Annexure – V** 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. The Board of Director has appointed M/s. Kailash Sankhlecha & Associates as Cost auditor for the financial year 2019-20.

The Company has filed the Cost Audit Report for the financial year 2018-19. The Cost Audit for the financial year 2019-20 is being finalized and the same shall be filed as required.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that,

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(ii) Accounting policies are 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 of the company for that period.

(iii) They have taken proper and sufficient care 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 is taken.

(iv) They have prepared annual accounts on a going concern basis.

(v) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Since the disclosure of Related Party Transactions as required under Section - 134(3)(h) read with Rule - 8(2) of the Companies (Accounts) Rules, 2014 in form AOC - 2 is not applicable, your Directors draw attention of the members to Notes to Accounts 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.

GENERAL

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 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	NIL
Outgo	8425.06

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

Sd/-

Chairman

Date: 29th September, 2020

Place: Gandhinagar

Annexure – I

MANAGEMENT DISCUSSION & ANALYSIS

Natural gas has been termed at the “fuel of future” and the trends in 2019 indicated of gas being the future. The Year 2019 witnessed the start of a re-shaping of the LNG industry, with natural gas prices at various hubs reaching multi-year lows, gas production and consumption hitting at record rate and rapid growth in gas infrastructure owing to significant LNG liquefaction and regasification capacity coming on stream.

The year of 2019 also witnessed a record increase in annual LNG production, with commissioning of new liquefaction facilities and ramp-up in the United States, Russia and Australia._As per GIIGNL[1], 21 MTPA of new liquefaction capacity was added globally. Moreover, 2019 was a re-cord year for new investment decisions, which reached 71 MTPA worldwide by the end of the year.

Asian LNG import market share in 2019 was around 70%[2], registering a decline over 2018, owing to nuclear restarts in Japan and Korea, reduction in LNG imported by China as a consequence of lower economic growth and slowdown of the coal-to-gas switching programmes. With Asian demand lower than expected, Europe alone absorbed over 80% of incremental LNG supply last year, with LNG imports increasing by over 75% to reach an all-time high.

However, cashing-in on low LNG prices, Indian LNG imports hit record high and was pegged at 25.3 MTPA[3] (H”92 MMSCMD) with total gas consumption being H”154 MMSCMD. LNG imports accounted for over 50% of total gas consumed in the Country and exceeded the domestic gas supplied during the year.

Evidently, LNG played a key role in meeting the burgeoning energy demand of the Country. India added 7.5 MTPA of LNG receiving & regasification capacity in 2019-2020 taking the total regasification capacity of the country to 42.5 MTPA.

LNG terminal	Name plate capacity (MTPA)	Remark
Dahej	17.5	Expansion of 2.5 MTPA in Jun’19
Hazira	5.0	
Kochi	5.0	
Dabhol*	5.0	
Ennore	5.0	Commissioned in Mar’19
Mundra	5.0	Commissioned in Feb’20
Total	**42.5**	

*actual capacity available is 1.6 MTPA; would reach nameplate capacity after construction of break-water facilty

With addition of greenfield terminals at Jafrabad, Chhara on the west coast and Dhamra in the East coast, the said regasification capacity is expected to be over 55 MTPA by 2025. In fact as per IEA[2], China would overtake Japan as the top LNG importer in 2023, while India is expected to close in on South Korea by 2025 with additional regassification capacity in place.

However, the onslaught of the pandemic COVID-19 in the last month of the Financial Year, drastically changed the picture. The spread of coronavirus across the world has generated an unprecedented global health and economic crisis, and presented the LNG and other energy industries with a demand shock like no other in history. IEA in its Global Energy Review 2020, notes drastic curtailment of global economic activity and mobility during the first quarter of 2020 pushed down global energy demand by 3.8% relative to the first quarter of 2019. Moreover, the Report goes on to mention that if lockdowns last for many months and recoveries are slow across much of the world, as is increasingly likely, annual energy demand will drop by 6% in 2020.

In so far as global gas demand is concerned, IEA states that the same could decrease by 5% in 2020. However, faster post-lockdown recovery in Europe and North America and shorter lockdowns in other regions would reduce the negative impacts on Asian manufacturing economies and gas exporting regions, may lead natural gas consumption to decrease by about 2.7% instead of 5%.

In India, introduction of a nationwide lockdown on 25 March, 2020 led to a sharp and immediate decrease in gas demand. As per IEA[2], preliminary data indicates that gas consumption was down by 25% y-o-y in April, with small industries and CNG segment being the hardest hit, while gas-based power generation was up 14% in spite of a 24% fall in electricity demand, as cheaper spot LNG was used to meet the peaking demand. The progressive lifting of restrictions in May’20 has allowed fertilizer plants and downstream industries to restart, leading to a rebound in gas consumption

The combination of continued strong supply growth, mild winter temperatures and the imposition of Covid-19 related lockdowns pushed natural gas prices to lows not seen in over a decade across all major consuming regions. With spot gas prices reaching record low levels, recent market fundaments have also changed and have been reflected in LNG contractual terms.

Though much will depend on economic recoveries of nations from COVID-19, the developments in Indian gas market pre-COVID 19 are expected to help in dealing with the pandemic effects. With increased focus by the Govt. on infrastructure development for gas transportation across the country, India is bound to witness a growth in gas consumption over the coming years. Energy Information Administration (EIA)[4] in a recent article has indicated that future growth in India’s LNG imports is contingent on connecting LNG regasification terminals on coasts to demand centers further inland via pipeline.

While one of the GSPC Group company is developing over 900 kms of network in western and northwestern region of India, GAIL is working on connecting cities in eastern India. There are other developments in Southern India with regards to connecting

Directors' Report

Kochi and Ennore terminals. All these developments, supported by a push for CGD networks – PNGRB has authorized Geographical Areas covering 406 districts for development of CGD Network across the country till the 10th CGD Bidding Round, which covers around 70% of India's population and 53% of its area[5] – shall give the Indian gas demand the required impetus. This is the reason why IEA in its Gas 2020 report states that "*Most of the post-2021 growth takes place in Asia, led by China and India where gas benefits from strong policy support.*"

Your Company has tied up firm regasification capacity at Mundra LNG terminal. Regasification access to Mundra LNG terminal would provide the required leverage and necessary diversification to GSPC to bring in LNG cargoes.

With an aim to increase the share of natural gas in the energy basket from over 6% to 15% by 2030, Govt. of India is promoting setting up of natural gas trading hub / exchange which will help push investment in infrastructure and facilitate buyers and sellers connect directly. The exchange will help bring down the price of natural gas through competitive trade, boosting usage in the country that relies heavily on cheaper fuel for its energy needs.

Your Company expects a steady growth in its trading portfolio in view of availability of competitively priced gas in international markets and renewed demand from various sectors, including Power and industries. Moreover, your Company is also expecting latent demand on cross country pipelines of its Group companies outside Gujarat to give a boost to its trading business.

In the last year, your Company was successful in increasing domestic volumes in its portfolio by purchasing gas from Reliance's R-Series block. Your Company has been able to increase its market share outside Gujarat. Your Company was also able to marginally increase gas sales volumes through increased marketing efforts and structuring of gas contracts.

In line with the objective of developing gas pipeline infrastructure to increase the reach of its trading business, GSPC Group has been successfully continued to market gas outside Gujarat. Though trunk pipeline infrastructure was recorded as 16,324 kms[4], several major trunk pipeline networks (totaling over 14000 kms) are under development. Amongst them, phase 2 of GSPL India Gasnet Limited (GIGL) – a subsidiary of GSPL, is also underway and a total of 930 kms are under construction. Development of GIGL's network is crucial not only for the State of Gujarat, but also for the northern hinterlands as it shall provide customers enroute with access to all the LNG receiving terminals in Gujarat (3 are already operational) and the greenfield ones being developed.

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 results of operations. Currently, all of our producing fields are within the Cambay basin, where company holds participating interests in 18 producing blocks and 01 producing block 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 1,680.53 Crore as compared to Rs. 1,276.11 Crore in Previous Year recording increase of 31.69 %.

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 :- 22nd June, 2020

Place :- Gandhinagar

(Footnotes)

[1] GIIGNL Annual Report 2020
[2] Gas 2020 report of International Energy Agency (IEA)
[3] Petroleum Planning Analysis Cell (PPAC) data
[4] EIA Article on "Growth in India's LNG imports will depend on completion of connecting pipelines", May 2020
[5] Press release of Ministry of Petroleum & Natural Gas, Posted on 18 Nov 2019

ANNEXURE II

AOC - 1 Statement Pursuant to Section 129 of the Companies Act, 2013 relating to Company's interest in the subsidiary companies (Figures 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 OFFSHORE LIMITED	GSPC Pipavav Power Company Limited (GPPC)	GSPC (JPDA) Limited	Guj Info Petro Limited (GIPL)	Gujarat Gas Limited
1	The date since when subsidary was acquired**/Subsidary since incorporation date#	23.12.1998	13.10.2011	13.10.2011	18.12.2015	23.09.2015	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	3/31/2020	3/31/2020	3/31/2020	3/31/2020	3/31/2020	3/31/2020	3/31/2020	3/31/2020	3/31/2020
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	N.A
4	Share capital	564.10	942.02	492.00	0.05	0.05	861.84	99.39	0.05	137.68
5	Reserves & surplus	6,158.45	(57.43)	(35.51)	0.37	(0.37)	(240.20)	(101.89)	51.97	3,152.94
6	Total assets	9,102.88	3,013.03	1,212.45	4,154.73	0.01	2,141.35	1.04	72.86	7,897.27
7	Total Liabilities	2,380.33	2,128.44	755.96	4,154.31	0.33	1,519.71	3.54	20.85	4,606.65
8	Investments	4,611.11	-	-	-	-	-	-	-	-
9	Turnover	2,369.27	109.14	12.42	212.25	-	1,399.20	-	15.15	10,526.49
10	Profit before taxation	1,274.44	(47.07)	(62.39)	0.33	(0.01)	25.28	(3.24)	0.00	1,202.77
11	Provision for taxation	168.40	(10.92)	(18.84)	0.09	-	105.15	-	0.17	13.15
12	Profit after taxation	1,106.04	(36.15)	(43.55)	0.24	(0.01)	(79.87)	(3.24)	(0.16)	1,189.62
13	Proposed Dividend (%)	20.00	-	-	-	-	-	-	-	62.50%
14	% of Ownership (Extent of shareholding)	GSPC holds 37.64%	GSPC holds 19.58%	GSPC holds 19.58%	GSPC holds 100%	GSPC holds 100%	GSPC holds 97.47%	GSPC holds 100%	GSPC holds 60.24%	GSPC holds 20.39%

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

* Name of subsidiaries which are yet to commence operations - GSPL India Transco Limited(GITL) and GPSC Offshore Limited

Chairman **Managing Director**

Date : 22.06.2020
Place : Gandhinagar

Company Secretary **Chief Financial Officer**

AOC - 1 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**	**06.06.2006**	**05.09.1994**
2	**Latest audited Balance Sheet Date**	**31- Mar- 20**	**31- Mar- 20**	**31- Mar- 19**
3	**Shares of Associate/Joint Ventures held by the company on the year end**			
	No. of Shares held	272,397,426	4,494,330	11,500,000
	Amount of Investment	278.69	55.10	11.50
	Extent of Holding in %	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**	264.97	134.27	(122.46)
7	**Profit / Loss for the year**			
	Considered in Consolidation	**22.04**	**40.54**	-
	Not Considered in Consolidation			

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

**The percentage holding of GSPC in GSEG 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 are restricted on account of ongoing litigation. 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 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 filed by KRIBHCO. The matter is still pending with NCLT.*

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

Chairman **Managing Director**

Date : 22.06.2020
Place : Gandhinagar **Company Secretary** **Chief Financial Officer**

ANNEXURE – III

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.	**REGISTRATION AND OTHER DETAILS:**	
Sr. No.	**Particulars**	**Remark**
i)	Corporate Identification Number	U23209GJ1979SGC003281
ii)	Registration Date	January 29, 1979
iii)	Name of the Company	Gujarat State Petroleum Corporation Limited
iv)	Category/ Sub- Category of the Company	Government Company (Public Company/Limited by Shares)
v)	Address of the Registered office and contact details	GSPC Bhavan, B/h Udhyog Bhavan, Sector – 11, Gandhinagar PIN :- 382010.
vi)	Whether listed company	No. The Unsecured Non-Convertible Debentures (NCDs) issued by the Company were listed on National Stock Exchange). However, during the financial year in accordance with the Scheme of Arrangement ("Scheme") between the Company and Gujarat State Investment Limited (GSIL) ("Transferee Company") and the GSPC NCD Holders for assignment of obligations of NCD holders to GSIL, as approved by the Ministry of Corporate Affairs vide its order dated 26th April, 2019, the NCD are takeover by GSIL and consequent to the implementation of the Scheme, the NCDs of the Company cease to exist as well as the Company ceased to be a listed entity.
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES PRIVATE LIMITED Karvy Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad, Rangareddi, Telangana - 500032. Phone :- +91-40-23312454, +91-40-67162222/ 33211000
II.	**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**	
	All the business activities contributing 10% or more of the total turnover of the company	As per **Annexure – A**
III.	**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**	
	Particulars of Holding, Subsidiary and Associate companies	As per **Annexure - B**
IV.	**SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**	
i)	Category-wise Share holding	As per **Annexure – C**
ii)	Shareholding of Promoters	As per **Annexure – D**
iii)	Change in Promoters Shareholding	As per **Annexure – E**
		There is no change in shareholding pattern of Promotes during the financial year 2019-20.
iv)	Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):	As per **Annexure – F**
v)	Shareholding of Directors and Key Managerial Personnel	As per **Annexure – G**
V.	**INDEBTEDNESS**	
i)	Indebtedness of the Company including interest outstanding/ accrued but not due for payment	As per **Annexure – H**
VI.	**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**	
i)	Remuneration to Managing Director , Whole-time Directors and/or Manager:	As per **Annexure – I**
ii)	Remuneration to other directors	As per **Annexure – J**
iii)	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	As per **Annexure – K**
VII.	**PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES**	
iii)	Penalties / Punishment/ Compounding of offences	There were no Penalties / Punishment/ Compounding of offences under Companies Act, 2013.

Date : 22nd June, 2020
Place: Gandhinagar

Chairman

Annexure - A

All the business activities contributing 10% or more of the total turnover of the company			
Sl. No.	**Name and Description of main products/ services**	**NIC Code of the Product/ Service**	**% to total turnover of the company**
1	Gas Trading	Not Applicable	99.28

Annexure - B

Particulars of Holding, Subsidiary and Associate Companies					
Sr. No.	**Name and Address of the Company**	**CIN/GLN**	**Holding/ Subsidiary/ Associate**	**% of shares held**	**Applicable Section**
1	Gujarat State Investment Limited#	U64990GJ1988SGC010307	Holding	69.85	2(46)
2	Gujarat State Petronet Limited (GSPL)	L40200GJ1998SGC035188	Subsidiary	37.64	2(87)
3	GSPL India Gasnet Limited (GIGL)****	U40200GJ2011SGC067449	Subsidiary	NIL	2(87)
4	GSPL India Transco Limited (GITL)****	U40200GJ2011SGC067450	Subsidiary	NIL	2(87)
5	Gujarat Gas Limited (GGL)*	L40200GJ2012SGC069118	Subsidiary	NIL	2(87)
6	GSPC (JPDA) Limited	U23201GJ2006SGC049229	Subsidiary	100	2(87)
7	Guj Info Petro Limited	U72900GJ2001PLC039162	Subsidiary	49.94	2(87)
8	GSPC Pipavav Power Company Limited	U40100GJ2006SGC047783	Subsidiary	97.47	2(87)
9	GSPC Offshore Limited	U11202GJ2015SGC084562	Subsidiary	100	2(87)
10	GSPC Energy Limited	U11102GJ2015SGC085438	Subsidiary	100	2(87)
12	Gujarat State Energy Generation Limited**	U40100GJ1998SGC035212	Associate	53.7	2(6)
13	Sabarmati Gas Limited***	U40200GJ2006PLC048397	Associate	22.47	2(6)
14	Alcock Ashdown (Gujarat) Limited	U74999GJ1994SGC022952	Associate	22.55	2(6)

**Gujarat Gas Limited is subsidiary of GSPL which is subsidiary of GSPC and hence Gujarat Gas Limited is subsidiary of GSPC.*

***The percentage holding of GSPC in GSEG 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 are restricted on account of ongoing litigation. 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 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 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*

*****GIGL, GITL are subsidiaries of GSPL which is a subsidiary of GSPC and hence GIGL, GITL are subsidiaries of GSPC.*

#The Company has allotted equity shares to GSIL as against taking over of GSPC NCDs as per the scheme of Arrangement approved by MCA vide order dated 25th April, 2019. Accordingly, after the allotment of equity shares to GSIL, the Company has become subsidiary of GSIL w.e.f. 18th May, 2019. GSIL presently holds 69.85% equity shares in GSPC.

Annexure-C

Category-wise Share holding

		No. Of shares held at the beginning of the year				No. Of shares held at the end of the year				% Change
Category of Shareholders		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total shares	
A.	**(Promoters)**									
1	**Indian**									
a)	Individual/ HUF	-	-	-	-	-	-	-	-	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government	0	2241010179	2241010179	86.89	0	2241010179	2241010179	20.83	-66.05
d)	Bodies corporates	-	-	-	-	-	-	-	-	-
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	Sub total (A) (1):-	**0**	**2241010179**	**2241010179**	**86.89**	**0**	**2241010179**	**2241010179**	**20.83**	**-66.05**
2	**Foreign**									
a)	NRIs- Individuals	-	-	-	-	-	-	-	-	-
b)	Other- Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporates	-	-	-	-	-	-	-	-	-
d)	Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
f)	**Sub total (A) (2):-**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholding of Promoter (A)=		**0**	**2241010179**	**2241010179**	**86.89**	**0**	**2241010179**	**2241010179**	**20.83**	**-66.05**
B.	**Public Shareholding**									
1	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks/Financial Institutions	-	0	-	-	561797494	0	561797494		-
c)	Central Govt	-	-	-	-	-	-	-	-	-
d)	State Govt(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	**0**	**0**	**0**	**0.00**	**561797494**	**0**	**561797494**	**0.00**	**0.00**
1	Non-institutions									
a)	Bodies Corporation									
i)	Indian	281857641	56401100	338258741	13.11	7897331491	56401100	7953732591	73.94	60.83
ii)	Overseas	-	-	-	-	-	-	-	-	
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii)	Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
c)	Others (specify)	-	-	-	-	-	-	-	-	
	Sub-total (B)(2):-	**281857641**	**56401100**	**338258741**	**13.11**	**7897331491**	**56401100**	**7953732591**	**73.94**	**60.83**
Total Public Shareholding - (B)		**281857641**	**56401100**	**338258741**	**13.11**	**8459128985**	**56401100**	**8515530085**	**73.94**	**60.83**
C.	**Shares held by Custodian for GDRs &ADRs**		-	-	-	-	-	-	-	-
Grand Total - (A+B+C)		**281857641**	**2297411279**	**2579268920**	**100.00**	**8459128985**	**2297411279**	**10756540264**		

Annexure - D

Shareholding of Promoters								
Sl	**Shareholder's name**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			**% change in shareholding during the year**
		No. of shares	**% of total shares of the company**	**% of shares pledged/ encumbered to total shares**	**No. of shares**	**% of total shares of the company**	**% of shares pledged/ encumbered to total shares**	
1	Government of Gujarat	2241010179	86.89	-	2241010179	20.83	-	-66.06
	Total	**2241010179**	**86.89**	-	**2241010179**	**20.83**	-	**-66.06**

**includes shares of 07 nominees of GoG holding 200 shares each.*

Annexure - E

Change in Promoter's Shareholding							
Sr. No.	**Particulars**	**Shareholding at the beginning of the year**		**Increase/Decrease in Shareholding**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	Government of Gujarat	2241010179	86.89	-	-	2241010179	86.89
	Total	**2241010179**	**86.89**	-	-	**2241010179**	**86.89**

**includes shares of 07 nominees of GoG holding 200 shares each.*

Annexure - F

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)					
Sr. No.	**For each of the top 10 shareholders**	**Shareholding at the beginning of the year (i.e. 1st April, 2018)**		**Cumulative Shareholding during the year (i.e. 31st March, 2019)**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	Governor of Gujarat (Promoter)*	2241010179	86.89	2241010179	20.83
2	Gujarat Alkalies & Chemicals Limited	21543200	0.84	21543200	0.20
3	Gujarat Industrial Development Corporation	12345600	0.48	12345600	0.11
4	Gujarat Industrial Investment Corporation Limited	20555500	0.80	20555500	0.19
5	Gujarat Mineral Development Corporation Limited	26172800	1.01	26172800	0.24
6	Gujarat Narmada Valley Fertilizers Company Limited	21543200	0.84	21543200	0.20
7	Gujarat State Fertilizers & Chemicals Limited	23500000	0.91	23500000	0.22
8	Gujarat State Investments Limited	192592441	7.47	7513229145	69.85
9	Gujarat State Financial Service Limited	-	-	170000000	1.58
10	Gujarat Gas Company Limited	20000000	0.78	20000000	0.19
11	SBI	-	-	374531764	3.48
12	IDBI	-	-	187265730	1.74
13	IFCI	-	-	124843146	1.16
	Total	**2579262920**	**100.00**	**10756540264**	**100.00**

**includes shares of 07 nominees of GoG holding 200 shares each.*

Annexure - G

Shareholding of Directors and Key Managerial Personnel					
Sr. No.	**Particulars of Directors and KMP**	**Shareholding at the beginning of the year (i.e. 1st April, 2019)**		**Cumulative Shareholding during the year (i.e. 31st March, 2020)**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
NIL					

Annexure - H

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principla Amount	5,742	1,050		6,792
ii) Interest due but not paid				
iii) Interest acrrued but not due	18.26	5		23
Total (i+ii+iii)	**5,760**	**1,055**		**6,815**
Change in Indebtedness during the financial year				
- Addition	(1,847)	1,045		(802)
- Reduction				
Net Change	**(1,847)**	**1,045**		**(802)**
Indebtedness at the end of the financial year				
i) Principla Amount	3,913	2,100		6,013
ii) Interest due but not paid				
iii) Interest acrrued but not due	0	-		0
Total (i+ii+iii)	**3,913**	**2,100**		**6,013**

Note :- The amounts outstanding for various loans as on 31st March, 2020

Annexure - I

Remuneration to Managing Director, Whole Time Director and/or Manager

Sl. No.	Particulars of Remuneration	Dr. T. Natarajan, IAS	Shri Sanjeev Kumar, IAS
		Managing Director - upto 25th Aug, 2020	Managing Director - w.e.f. 1st September 2019
		2019-20	2019-20
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,278,093	1,246,788
	(b) Value of perquisites u/ 17(2) of the Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		
2	**Stock Option**		
3	**Sweat Equity**		
4	**Commission**		
	- As % of Profits		
	- Others, Specfiy		
5	**Others, please specify**		

Ceiling as per the Act not applicable to Government Companies

Annexure - J

Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Dr. J. N. Singh, IAS	Shri Anil Mukim, IAS	Shri Arvind Agarwal, IAS	Shri Pankaj Joshi, IAS	Smt. Sunaina Tomar, IAS	Dr. Manjula Subramaniam, IAS (Retd.)	Shri M. M. Srivastava, IAS (Retd.)	Shri K. Kailashnathan, IAS (Retd.)	Shri Rajgopal	Dr. Ravindra Dholakia	Prof. N. Ravichandran	Prof. Yogesh Singh	Total Amount
	Period of Directorship	**01.04.2019 to 10.12.2019**	**10.12.2019 to 31.03.2020**	**01.04.2019 to 06.12.2019**	**20.09.2019 to 31.03.2020**	**04.01.2020 to 31.03.2020**	**2019- 20**	**2019- 20**	**2019- 20**	**Director upto 01.02.2019**	**2019- 20**	**2019- 20**	**2019- 20**	
1	**Independent Directors**													
	- Fees for attending Board/ Committee Meetings						187,500				52,500	45,000		**285,000**
	- Commission													
	-Others (Out of Pocket Expenses)						18,000				10,500	9,000		**37,500**
	Total (1)						**205,500**				**63,000**	**54,000**		**322,500**
2	**Other Non Executive Directors**													
	- Fees for attending Board/ Committee Meetings	105,000		45,000				67,500	22,500	15000				**255,000**
	- Commission													
	-Others (Out of Pocket Expenses)		4500		4500	4500		19,500	4,500.00					**37,500**
	Total (2)	**105,000**	**4,500**	**45,000**	**4,500**	**4,500**	**0**	**87,000**	**27,000**	**15000**	**0**	**0**	**0**	**292,500**
	Total (3) = (1 + 2)	**105,000**	**4,500**	**45,000**	**4,500**	**4,500**	**205,500**	**87,000**	**27,000**	**15,000**	**63,000**	**54,000**	**0**	**615,000**

Overall Ceiling as per Act :- Not applicable to Government Companies.

Amounts mentioned in this table is actual payment made to the director during financial year 2019-20 which may include sitting fees/out of pocket paid/withdrwan/deposited to treasury for meetings attended in previous financial years.

Payment towards sitting fees to IAS officers is deposited with Government

Annexure - K

Remuneration to Key Managerial Personnel othe than Managing Director/M/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
			Shri Sandeep Dave	Ms. Reena Desai	Shri Rajesh Shivadasan
		CEO	KMP (CS & Head Legal)*	KMP (CS & Head Legal)	KMP (CFO)*
1	**Gross Salary**		upto 19/02/2020	from 20/02/2020	2019-20
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		3,714,482	180,147	2,928,733
	(b) Value of perquisites u/ 17(2) of the Income-tax Act, 1961		225,745		304,397
	(c)Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961				
2	**Stock Option**				
3	**Sweat Equity**				
4	**Commission**				
	- As a % of Profits				
	-Others, Specify				
5	**Others, Please Specify**				
	Fixed Pay				

**Including performance linked incentive*

ANNEXURE - IV

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company along with its subsidiaries and associates has evolved as an "Integrated Energy Company" 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 always focused on the objectives of energy security, promoting fuel efficiency and conservation of natural resources.

The Company undertakes Corporate Social responsibility as a genuine expression of goodwill and gratitude towards society. The Company being a state sector entity is fully recognizing its social responsibilities and is keen to make significant contributions towards development of social infrastructure, economic, environmental and social upliftment of communities in and around the work centers in the major thrust areas such as community development, infrastructure, literacy enhancement, education aids and healthcare. The Company is committed towards its corporate social responsibility in the areas of its operation. The Company has contributed from time to time for the benefit of local communities.

The cultural programs, social awareness campaigns and volunteer activities are just the right opportunities for GSPC to act and reinforce its commitment towards the society. GSPC prides itself in being always there for the society and desires to be closely intertwined with the society in the future as well.

GSPC assumes leading role in promoting awareness about various social issues affecting the society today like education, women empowerment, preserving scarce natural resources, etc.

The company has always focused on the objective of promoting fuel efficiency and conservation aspect of natural resources in line with national wide oil and gas Conservation campaign.

The Company is committed to enhance value creation in the society in which it operates, through its service, conduct, business practise and social initiatives. The objective of the 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 contents of the CSR policy of GSPC are displayed on website of GSPC:

http://gspcgroup.com/documents/pagecontent/Corporate-Social-Responsibility-Policy-GSPC.pdf

2. **The Composition of the CSR Committee.**

The Company has constituted CSR Committee of Director as follows;

CSR Committee of Director		**Committee Position**
1	Shri Anil Mukim, IAS	Chairman
2	Shri Sunaina Tomar, IAS	Member
3	Dr. N. Ravichandran	Member
4	Shri Sanjeev Kumar, IAS	Member

3. **Average net loss recorded by the company for last three financial years** :- Rs. (897.55) crores

4. **Prescribed CSR Expenditure (i.e 2 % Average net loss of the company for last three financial years) :-** Rs. (17.95) crores

5. **Details of CSR spent during the financial year.**
   (a) Total amount to be spent for the financial year :- **Nil**
   (b) Amount unspent, if any; - **N.A.**

Covid-19 was declared as Pandemic and India as a Country and Gujarat as a State has witnessed its impact. State Government is continuously incurring huge amount of money in order to deal and overcome with this public health situation. In this time is was very pertinent for corporate sector to play important role towards its corporate social responsibility to fight the pandemic.

GSPC either as a part of its corporate social responsibility or otherwise has been undertaking from time to time various activities for various social causes as a genuine expression of goodwill and gratitude towards the society even when the financial position of the company is not most favourable.

MCA has issued clarification dated 23rd March, 2020 clarifying that spending of CSR funds for COVID19 is eligible CSR activity. The Company has after obtaining approval of CSR committee and Board contributed Rs. 10 Crores to "Chief Minister Relief Fund, Government of Gujarat" with special objective in the situation of Disaster Relief for helping COVID 19 affected areas before 31st March and considered the same as CSR.

The Manner in which the amount spent towards CSR during the financial year is detailed below

Sr. No.	CSR Activity identified	Sector in which the project is covered	Area in which CSR activity to be undertaken	Amount (Budget)	Amount Spent on the programe	Cumulative Expenditure	Manner in which the amount is spent
1	COVID19 by way of Contribution to Chief Minister Relief Fund	Various activities related to COVID19 Pandemic – Promotion of health Care, preventive health care, sanitization, disaster management	Gujarat	Rs. 10 crores	Rs. 10 crores	Rs. 10 crores	Implementing Agency

However, subsequently on 10th April, 2020, MCA had issued COVID-19 related Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR) where in it was clarified that "'Chief Minister's Relief Fund' or 'State Relief Fund for COVID-19' is not included in Schedule VII of the Companies Act, 2013 and therefore any contribution to such funds shall not qualify as admissible CSR expenditure. The Company has made representation to Government for considering contribution to CM Relief Fund as eligible CSR expenditure.

6. **In case the company has failed to spend two percent of average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report. – N.A.**

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

   We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Managing Director **Chairman**

Date :- 22nd June, 2020
Place :- Gandhinagar

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN: U23209GJ1979SGC003281**)**
GSPC Bhavan, B/h Udyog Bhavan,
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** (hereinafter called the **"Company"**). 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 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, 2020 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, 2020 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 thereunder;

IV. The 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;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act')** to the extent applicable to the Company:-

    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, 2015;

    c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

    d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

    e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

    f) 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;

    g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

    h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

    We 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

    We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

VI. We 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 laws applicable specifically to the Company:

    a) The Petroleum and Natural Gas Regulatory Board Act, 2006

    b) The Petroleum Act, 1934 and Rules made thereunder

    c) The Oilfield (Regulation & Development) Act, 1948 and Rules made thereunder

    d) The Oil Industry (Development) Act, 1974

    e) The Oil Mines Regulations, 1984

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes.

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 during the audit period, the following event/action has taken place, which have major bearing on the affairs of the Company:

a) In terms of the Scheme of Arrangement (“Scheme”) between the Company and Gujarat State Investment Limited (GSIL) (“Transferee Company”) and the GSPC NCD Holders for assignment of obligations of NCD holders to GSIL as approved by the Ministry of Corporate Affairs vide its order dated 26th April, 2019 which was filed with the ROC/MCA in E-form INC-28 on 18th May, 2019, the Company on 18th May, 2019 has allotted 749,06,36,704 Equity shares of Rs. 1/- each at price of Rs. 8.01/- per share aggregating to Rs. 6000 Crores to GSIL. Consequent to the implementation of the Scheme, the Unsecured Redeemable Non-Convertible Debentures (NCD) of the Company were transferred to GSIL and the said NCD as issued by GSIL were listed on the Debt segment of NSE w.e.f. 14th June, 2019. Thus, the NCDs of the Company cease to exist and listed on the debt segment of NSE. In view of this, the Company ceased to be a listed entity.

b) In terms of conversion of the Cumulative Convertible Debentures, the Company on 29th May, 2019 has allotted 18,72,65,730 Equity shares to IDBI Bank Limited, 12,48,43,146 Equity shares to IFCI Limited and 37,45,31,764 Equity shares to State Bank of India aggregating to 68,66,40,640 Equity shares of Rs. 1/- each at price of Rs. 8.01/- per share.

Barring this, during the audit period, no other events/actions has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

Place: Ahmedabad
Date: 22nd June, 2020

MANOJ R HURKAT
Partner
FCS No. 4287 C P No.: 2574
UDIN: P004287B000346145

Note: This Report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this Report.

ANNEXURE A

To
The Members
GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN: U23209GJ1979SGC003281**)**
GSPC Bhavan, B/h Udyog Bhavan,
Sector -11, Gandhinagar - 382011

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 records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. 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, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

Place: Ahmedabad
Date: 22nd June, 2020

MANOJ R HURKAT
Partner
FCS No. 4287 C P No.: 2574
UDIN: P004287B000346145

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Standalone Ind AS financial statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **GUJARAT STATE PETROLEUM CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of cash flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the standalone Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March 2020, and its Profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Ind AS financial statements section* of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 standalone Ind AS financial statements.

Emphasis of Matter

Without modifying our opinion, we draw attention to:

a) Para (p) 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 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) Note No. 31 to the Standalone Ind AS financial statements regarding impairment of 9 continuing E&P blocks amounting to Rs. 386.48 Crore and impairment of 12 E&P blocks classified as Asset Held for Sale amounting to net Rs. 153.84 Crore due to significant fall in crude oil price primarily consequent to the outbreak of COVID 19 and shown under Exceptional Items.

c) Note no. 33 to the Standalone Ind AS financial statements regarding non provisioning of disputed Income Tax demands/ claims by the Income Tax Authority amounting to Rs. 1,701.78 Crores (P.Y. Rs. 1,701.78 Crores) and disclosed by way of a note as contingent liability as the matter is disputed.

d) Note No. 33 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

e) Note no. 44 to the Standalone Ind AS financial statements which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the standalone financial statements of the Company as at the balance sheet date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments.

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 auditor's 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 Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes of equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Those 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 standalone 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 standalone 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 standalone 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 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 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 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 standalone 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 Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone Ind AS financial statements.

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

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

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. 1198.83 Crores, total liabilities aggregating to Rs. 3.71 Crores, income aggregating to Rs. 54.10 Crores and expenditure aggregating to Rs. 26.22 Crores in respect of Eight (8) 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. 4,927.47 Crores, total liabilities aggregating to Rs. 68.50 Crores, income aggregating to Rs. 51.55 Crores and expenditure aggregating to Rs. 55.13 Crores in respect of Eleven (11) 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. 0.17 Crores, total liabilities aggregating to Rs. 0.38 Crores, income aggregating to Rs. Nil and expenditure aggregating to Rs. 0.23 Crores in respect of Eight (8) 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. 223.50 Crores, total liabilities aggregating to Rs. 422.13 Crores, income aggregating to Rs. Nil and expenditure aggregating to Rs. 0.30 Crores in respect of Thirty-Six (36) 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, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the **"Annexure – A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order to the extent applicable.

2) As required by Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the unaudited financial information relating to Forty-Seven (47) Joint Operations (unincorporated joint ventures) for the year ended March 31, 2020 referred to in other matter paragraph b (ii) and b (iv) 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 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, the Statement of Cash flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone 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 Company is a Government Company, in terms of notification no. G.S.R. 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, the sub-section (2) of section 164 is not applicable to the Company.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure – B"**.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 33 to the standalone Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

3) In terms of section 143 (5) of the Act, we give in **"Annexure – C"** a statement on the directions and sub directions issued under the aforesaid section by the Comptroller and Auditor General of India.

For Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 20122131AAAAAB3028)

Place of Signature: Gandhinagar
Date: 22/06/2020

"ANNEXURE – A" TO INDEPENDENT AUDITOR'S REPORT

The annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, of even date, to the standalone Ind AS financial statements of **GUJARAT STATE PETROLEUM CORPORATION LIMITED** for the year ended 31st March 2020, we report that:

(i) In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. According to the information and explanations provided by the management, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except in respect of following immovable properties for which title deeds are not made available for our verification:

(Rs. In Crores)

Nature	Number of Assets	Gross Block	Net Block
Freehold Land	13	2.92	2.92
Building	2	6.3	2.21
Total	**15**	**9.22**	**5.13**

(ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

(iii) In respect of the loans secured or unsecured to the Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013:

According to the information and explanation given to us, the Company has granted unsecured loan to parties covered in the register required to be maintained under Section 189 of the Act.

In respect of aforesaid loans:

a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, as per the terms of loan agreement, fixed schedule of repayment of principal and payment of interest is not stipulated and hence we are unable to make specific comment on the regularity of repayment of principal and payment of interest amount in such cases.

c. There is no overdue amount in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act, in accordance with the terms and conditions on which the loan has been granted.

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

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) 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.

(vii) In respect of statutory dues:

a. According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

Name of the statute	**Nature of dues**	**Amount under dispute and not yet deposited as on 31.03.2020 (₹ in Crore)**	**Period to which the amount relates (Financial Year)**	**Forum where the dispute is pending**
Income Tax Act 1961	Income Tax Including interest and penalty as applicable.	1.62	1996-1997	High Court
		8.7	1997-1998	
		16.81	1998-1999	
		0.25	1999-2000	
		0.71	2001-2002	
		1.18	2003-2004	
		1.75	2008-2009	
Name of the statute	**Nature of dues**	**Amount under dispute and not yet deposited as on 31.03.2020 (₹ in Crore)**	**Period to which the amount relates (Financial Year)**	**Forum where the dispute is pending**
Income Tax Act 1961	Income Tax Including interest and penalty as applicable	18.02	1999-2000	Income Tax Appellate Tribunal
		32.39	2000-2001	
		79.10	2001-2002	
		163.11	2002-2003	
		160.66	2003-2004	
		242.34	2004-2005	
		183.08	2005-2006	
		172.28	2006-2007	
		301.84	2007-2008	
		332.81	2008-2009	
		204.85	2009-2010	
		263.24	2010-2011	
		337.34	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	
Customs Act, 1962	Customs Duty Including interest and penalty as applicable	3.80	2014-2015	Central Excise and Service Tax Appellate Tribunal

(viii) No default towards repayment of dues to any financial institution, bank, debenture holders or government exist on the balance sheet date from our examination of the books of account and the information and explanations given to us by the Company.

(ix) In our opinion and according to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under audit.

(x) Based on the audit procedures performed and representation obtained from management we report that, no case of material fraud by the Company or on the Company by its officers or employee has been noticed or reported during the year under audit.

(xi) Section 197 of the Companies Act, 2013 is not applicable to the Government Company. Therefore, clause (xi) of paragraph 3 of “the Order” is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of “the Order” is not applicable to the Company.

(xiii) As per the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with the provision of section 177 and section 188 of Companies Act, 2013. The relevant disclosure as required by the applicable accounting standards has been made in Note No. 38 to the standalone Ind AS financial statements.

(xiv) During the year the Company has neither made any preferential allotment or private placement of shares nor has issued any fully or partly convertible debenture as required under section 42 of Companies Act 2013. Therefore, clause (xiv) of paragraph 3 of the order is not applicable to the Company.

(xv) As per the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered in to any non cash transactions with directors or persons connected with him. Therefore, clause (xv) of paragraph 3 of "the order" is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC. Therefore, clause (xvi) of paragraph 3 of "the order" is not applicable to the Company.

For Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 20122131AAAAAB3028)

Place of Signature: Gandhinagar
Date: 22/06/2020

“ANNEXURE B” TO THE 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 31" March, 2020 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 (“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 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 20122131AAAAAB3028)

Place of Signature: Gandhinagar
Date: 22/06/2020

"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, 2020

a) 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. There are no financial implications of the same 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.

   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 and there are no 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. There are no financial implications of the same during the period under audit.

3. Whether funds received / receivable for specific schemes from Central/State 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 has been received/ receivable by the Company for specific schemes from Central/State Agencies during the period under audit.

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

Power Sector

Generation

1. In the cases of Thermal power projects, compliance of the various pollution control Acts and the impact thereof including utilization and disposal of ash and the policy of the Company in this regard, may be checked and commented upon.

   Reply: Not Applicable

2. Has the Company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the Company?

   Reply: Not Applicable

3. Does the Company have a proper system for reconciliation of quantity/quality of coal ordered and received and whether grade of coal/moisture and demurrage etc., are properly recorded in the books of accounts?

   Reply: Not Applicable

4. How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?

   Reply: NIL

5. In the case of Hydroelectric Projects, the water discharge is as per policy/guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/payable may be reported.

   Reply: Not Applicable

Services Sector

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 sales activities may be examined and reported.

   Reply: In our opinion and according to the information and explanation given to us, the Company periodically prepares debtors outstanding and ageing reports and follow-ups with outstanding debtors, if any. The Company has also adequate amount of security against debtors in the form of Bank guarantee or Security Deposits except some debtors (considered doubtful) which are outstanding beyond 6 months and no security is available for which provision has been made during the respective previous years including period under audit as per Debtors Policy of the Company.

For Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 20122131AAAAAB3028)

Place of Signature: Gandhinagar
Date: 22/06/2020

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GUJARAT STATE PETROLEUM CORPORATION LIMI TED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of standalone financial statements of **Gujarat State Petroleum Corporation Limited** for the year ended 31 March 2020 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 22 June 2020.

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 2020 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 inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143 (6)(b) of the Act.

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

(H. K. Dharmadarshi)
Principal Accountant General (E&RSA), Gujarat

Place: Ahmedabad
Date: 08/09/2020

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Balance Sheet as at 31st March, 2020

(₹ in Crores)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2	878.02	1,098.80
Capital work-in-progress	2	182.59	156.91
Investment property	3	1.16	0.79
Other Intangible assets	4	1.30	1.87
Intangible Assets under development	4	190.74	483.05
Financial assets			
Investment in subsidiary & equity accounted investees	5	3,928.29	3,928.29
Other Investments	6	73.21	80.90
Loans	7	6.97	7.31
Other financial assets	8	66.58	65.52
Non Current Tax Assets (Net)	19	151.31	133.24
Other Non Financial assets	9	0.95	4.53
Total non-current assets		**5,481.12**	**5,961.21**
Current assets			
Inventories	10	99.08	76.52
Financial assets			
Trade receivables	11	818.61	618.30
Cash and cash equivalents	12	413.24	155.72
Other bank balances	12	231.29	201.34
Loans	7	48.35	45.27
Other financial assets	8	1,209.57	1,610.19
Other Non Financial assets	9	3.30	3.30
Total current assets		**2,823.44**	**2,710.64**
Non Current Assets held for sale	22	371.31	483.32
TOTAL ASSETS		**8,675.87**	**9,155.17**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,075.65	257.93
Instruments entirely equity in nature	13A	-	6,550.00
Other equity	14	(44.19)	(6,132.31)
Total Equity		**1,031.46**	**675.62**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	5,412.50	6,111.81
Other financial liabilities	16	12.93	10.94
Provisions	17	109.54	94.86
Deferred revenue/ contract liabilities	18	0.24	0.46
Other Non Financial liabilities	20	-	-
Total non-current liabilities		**5,535.21**	**6,218.07**

Standalone Financial Statements

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Balance Sheet as at 31st March, 2020

(₹ in Crores)

Particulars	**Notes**	**As at 31st March, 2020**	**As at 31st March, 2019**
Current Liabilities			
Financial liabilities			
Borrowings	15	149.67	482.94
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	700.44	126.30
Other financial liabilities	16	966.30	1,329.18
Other Non Financial liabilities	20	155.94	134.68
Deferred revenue/ contract liabilities	18	0.42	0.15
Provisions	17	2.85	57.65
Total current liabilities		**1,975.62**	**2,130.90**
Liabilities associated with non current assets held for sale	22	133.58	130.58
Total Liabilities		**7,644.41**	**8,479.55**
TOTAL EQUITY AND LIABILITIES		**8,675.87**	**9,155.17**
Significant Accounting Policies	1		

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22nd June, 2020
Place: Gandhinagar

Date : 22nd June, 2020
Place: Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Profit and Loss for the period ended 31st March, 2020

(₹ in Crores)

Particulars	Notes	For the period ended 31st March, 2020	For the period ended 31st March, 2019
INCOME			
Revenue from operations	23	15,232.37	14,368.58
Other income	24	115.87	104.66
TOTAL INCOME (A)		**15,348.24**	**14,473.24**
EXPENSES			
Production expenditure	25	81.03	92.33
Cost of traded goods	26	13,515.58	12,929.97
Changes in inventories of finished goods, Stock-in-process and stock-in-trade	27	(19.77)	117.08
Employee benefits expenses	28	17.49	20.19
Finance costs	29	624.90	702.20
Depreciation, depletion and amortization expenses		137.27	170.68
Other expenses	30	73.38	37.56
TOTAL EXPENSES (B)		**14,429.88**	**14,070.01**
Profit before exceptional items and tax (A-B)		**918.36**	**403.23**
Exceptional items	31	(551.98)	(143.72)
Profit before tax		**366.38**	**259.51**
Tax expense			
Current Tax		-	-
Adjustments of tax for earlier years		-	-
Deferred Tax		-	-
Profit after tax for the period (C)		**366.38**	**259.51**
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Changes in fair value of equity instruments		(7.68)	(9.50)
Remeasurement of post-employment benefit obligations		(2.34)	0.36
Income tax relating to these items		-	-
(B) Items that will be reclassified to profit or loss		-	-
Other comprehensive income for the period, net of tax (D)		**(10.02)**	**(9.14)**
Total Comprehensive Income for the Period (C+D)		**356.36**	**250.37**
Earnings per equity share (EPS) (Face Value of Re.1/- each)	32		
Basic (Rs.)		0.38	1.01
Diluted (Rs.)		0.34	0.29

Significant Accounting Policies 1

The accompanying notes are integral part of the financial statements.

As per our report of even date attached. **For and on behalf of the Board of Directors**

For Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Amit Shah
Partner
Membership No. 122131

Date : 22nd June, 2020
Place : Gandhinagar

Anil Mukim, IAS
Chairman
DIN : 02842064

Reena Desai
Company Secretary

Date : 22nd June, 2020
Place : Gandhinagar

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Rajesh Sivadasan
Chief Financial Officer

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Cash flows for the period ended 31st March, 2020

(₹ in Crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit /(loss) before tax	366.38	259.51
Adjustments for:		
Depreciation, Amortisation & Depletion	137.27	170.68
Interest & Finance Charges	624.90	702.20
Net Loss on Sale of Assets	0.03	0.63
Unrealised Foreign Exchange Loss/(Gain)	85.27	48.22
Employee benefit Expense	(2.34)	0.36
Reversal in Impairment on account of expected credit loss assessment	(0.18)	
Exploration Cost Written off/(Written back)	0.67	(93.79)
Litigation Settlement	8.11	-
Impairment of oil and gas assets	540.32	236.51
Impairment on Investment	-	1.00
	1,760.43	1,325.32
Interest and Dividend Income	(107.82)	(76.37)
Operating Profit before working capital changes	1,652.61	1,248.95
Adjustments for changes in operating Assets & Liabilities		
Change in Current/non-current Assets		
Loans	7.57	65.95
Other Financial Assets	387.39	803.79
Other Assets	(27.27)	3.85
Inventories	(22.56)	119.76
Trade Receivables	(200.13)	(57.37)
Change in Current/Non-current Liabiliies		
Other Financial Liabilities	(602.22)	466.99
Provisions	(40.12)	6.43
Deferred Revenue/contract Liabilities	0.05	0.21
Other Liabilities	24.38	38.45
Trade payables	574.14	(631.85)
Cash Generated from/(Used in) Operations	1,753.84	2,065.16
Taxes (paid)/ refund	(18.07)	(20.37)
Net Cash Generated from/(Used in) Operating Activities (A)	1,735.77	2,044.79
CASH FLOW FROM INVESTING ACTIVITIES		
Cash Paid for Purchase of Assets / CWIP including Joint Arrangements	(43.94)	(36.70)
Sale of Fixed Assets	0.10	0.35
Sale of Investments in Subsidiaries /(Investment in Subsidiaries)	-	(1.00)
Investments in Associates - Pending Allotment	-	(61.47)
Investments in Associates	0.00	(158.86)
Inter Corporate Loan returned by group Company	-	153.44
Interest and Dividend Income	97.51	64.17
Movement in other bank balances	(29.95)	(110.36)
Net Cash Generated from/(Used in) Investing Activities (B)	23.72	(150.43)

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Cash flows for the period ended 31st March, 2020

(₹ in Crores)

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
CASH FLOW FROM FINANCING ACTIVITIES		
Equity Share issue expenses	(0.55)	-
Proceeds /(Repayment) to Long Term Loans (net)	(562.77)	1,409.66
Proceeds /(Repayment) to Short Term Loans (net)	(333.27)	(2,484.53)
Interest & Financing Charges	(605.38)	(670.69)
Net Cash Generated from/(Used in) Financing Activities (C)	(1,501.97)	(1,745.56)
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	257.52	148.80
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	0.01	0.02
Fixed deposit with original maturity of less than 3 months	141.31	-
Bank Balances	14.40	6.90
	155.72	6.92
Cash and Cash equivalents at the End of the Year		
Cash on hand	0.08	0.01
Draft on hand	23.00	-
Fixed deposit with original maturity of less than 3 months	201.46	141.31
Bank Balances	188.70	14.40
	413.24	**155.72**

Notes

(i) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Ind AS-7 Statements of Cash Flows.

(ii) 749,06,36,704 fully paid equity shares of face value Rs. 1 each at premium of Rs.7.01 per share were issued to GSIL during FY 2019-20 against transfer of Rs.6000 crores NCD. Similarly,Rs. 550 crores CCD were converted into 686,640,640 fully paid up equity shares during FY 2019-20 of face value Rs. 1 each at premium of Rs.7.01 per share.

(iii) Change in Liability arising from Financing Activities

(₹ in Crores)

	1st April, 2019	Cash Flow	Foreign Exchange & Other Non Cash Movement	31st March, 2020
Borrowing-Long Term including current portion (Refer Note 15)	6321.79	(562.77)	104.79	5,863.81
Borrowing-Current (Refer Note 15)	482.94	(333.27)	-	149.67

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22nd June, 2020
Place : Gandhinagar

Date : 22nd June, 2020
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of changes in equity (SOCIE) for the period ended on 31st March 2020

A. Equity Share Capital

Particulars	No. of Shares	Amount (₹ In crores)
Issued, subscribed and paid up share capital		
Equity Shares of Rs. 1/- each fully paid up		
As at 1st April 2018	**2,57,92,62,920**	**257.93**
Equity shares issued during the year		
As at 31st March 2019	**2,57,92,62,920**	**257.93**
Changes in equity share capital	8,177,277,344	817.72
As at 31st March 2020	**10,756,540,264**	**1,075.65**

B. Instruments entirely equity in nature

Particulars	No. of Debentures	Amount (₹ In crores)
As at 1st April 2018		-
Movement during the year		-
Add : Consideration to be settled in Equity - NCD (refer note 41)	60,000	6,000.00
Add : Compulsory Convertible Debentures due for Conversion [refer note no.15(i)]	67,901,130	550.00
As at 31st March 2019		**6,550.00**
Less : Equity Shares issued against NCD liability transfer (refer note 41)	(60,000)	(6,000.00)
Less : Compulsory Convertible Debentures converted during the year [refer note no.15(i)]	(67,901,130)	(550.00)
As at 31st March 2020	-	-

C. Other equity

(₹ in Crores)

Particulars	Reserves & Surplus					Other Compre-hensive Income	Total Equity
	Capital reserve	Securities Premium	Debenture redemption reserve	General reserve	Retained earnings		
Balance at April 1, 2018	**1.28**	**3,740.06**	**347.74**	**3,245.14**	**(15,791.82)**	**2,074.92**	**(6,382.68)**
Profit for the year	-	-	-	-	259.51	-	259.51
Other comprehensive income for the year	-	-	-	-	-	(9.14)	(9.14)
Items of OCI recognised directly in retained earnings	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	0.36	(0.36)	-
Total comprehensive income for the year	**1.28**	**3,740.06**	**347.74**	**3,245.14**	**(15,531.95)**	**2,065.42**	**(6,132.31)**
Addition during the year	-	-	-	-	-	-	-
Transfer from DRR to Retained Earnings		-	(347.74)		347.74	-	-
Any Other Change	-	-	-	-	-	-	-
Balance at March 31, 2019	**1.28**	**3,740.06**	**-**	**3,245.14**	**(15,184.21)**	**2,065.42**	**(6,132.31)**
Changes in accounting policy due to Ind-As 116 adoption	-	-	-	-	0.04	-	0.04
Profit for the year	-	-	-	-	366.38	-	366.38
Other comprehensive income for the year	-	-	-	-	-	(10.02)	(10.02)
Items of OCI recognised directly in retained earnings	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	(2.34)	2.34	-
Total comprehensive income for the year	**1.28**	**3,740.06**	**-**	**3,245.14**	**(14,820.13)**	**2,057.74**	**(5,775.91)**
Addition during the year	-	5,732.27	-	-	-	-	5,732.27
Utilisation during the year	-	(0.55)	-	-	-	-	(0.55)
Balance at March 31, 2020	**1.28**	**9,471.78**	**-**	**3,245.14**	**(14,820.13)**	**2,057.74**	**(44.19)**

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

For Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Amit Shah
Partner
Membership No. 122131

Date : 22nd June, 2020
Place : Gandhinagar

Anil Mukim, IAS
Chairman
DIN : 02842064

Reena Desai
Company Secretary

Date : 22nd June, 2020
Place : Gandhinagar

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Rajesh Sivadasan
Chief Financial Officer

Notes to standalone financial statements for the year ended 31st March, 2020

Corporate information

Gujarat State Petroleum Corporation Limited (GSPC) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GSPC is a Government Company u/s 2(45) of Companies Act, 2013. The Company 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 Financial Statements for the year ended March 31, 2020 are approved by the Board of Directors and authorised for issue on 22nd June, 2020.

1. Significant accounting policies

This note provides list of the significant accounting policies applied in the preparation of these standalone financial statements. These policies have been applied consistently, unless otherwise stated.

(a) Basis of preparation of Financial Statements:

(i) Statement of compliance with Ind AS

The standalone financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015],as amended from time to time, 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 Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hither to.

(ii) Historical cost convention

The 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; and
- 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 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:

- Current / Deferred tax expense
- Measurement of defined benefit obligations, Key Actuarial Assumptions
- Provisions and contingencies
- Expected credit loss for receivables
- Estimation of Oil and Gas reserves
- Impairment
- Valuation of Inventory
- Going Concern
- Fair Value of Assets held for sale

(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) 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 cost 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 an entity 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 cost 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 cost 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 & 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 & 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 or loss in the year in which such agreement is executed.

8) Accounting for Carried interest

The "carried interest" arrangements whereby the assignee (the carrying party) agrees to defray all costs of drilling, developing, and operating the property and is entitled to all of the revenue from production from the property, excluding any third party interest, until all of the assignee's costs have been recovered, after which the assignor will share in both costs and production, based on the agreed arrangement. In such an arrangement, the company being the carrying party records all costs, including those carried, as per its normal accounting policy, and records all revenue from the property including that applicable to the recovery of costs carried during pay-out period.

(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 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 & 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.

(c) Investment properties

Investment properties comprises portions of free hold or lease hold 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 where 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.

(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.

(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 fixed assets 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 off 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.

The Company bases its impairment calculation based 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, including impairment on inventories, 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

On 30 March 2019, the Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019, if any. Accordingly, the comparative information is not restated – i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are 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. The Company applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019. The Company uses judgement in assessing the lease term (including anticipated renewals/termination options).

Refer note 1 – Significant accounting policies – Leases in the Annual report of the Company for the year ended March 31, 2019, for the policy as per Ind AS 17.

The Company as a lessee

As a lessee, the Company leases many assets including 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 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 Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company reclassified prepaid rent, lease hold land and ARO to right-of-use assets for most of these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments, if any. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

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 & 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 Company recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss over the lease term.

The Company used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Company:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019
- Did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application;

On transition, for leases that are classified as finance lease under Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of transition to Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17.

The Company as a lessor

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. mobiles, laptops, 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 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 Company is a lessor is recognised in income on a straight-line basis over the lease term. In accordance with Ind AS 116,the Company recognised lease equalisation asset as on transition date for straight lining of the lease rentals.

(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 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.

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.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the Company 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.

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.

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.

The Company has elected to Fair Value Investments in equity share of subsidiaries, associates & joint ventures at transition date and carry the same as deemed cost thereafter.

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 profit or loss. The losses arising from impairment are recognised in the 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 represents 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’).

As per announcement of The Institute of Chartered Accountants of India (ICAI) relating to Accounting for derivative contracts, derivative contracts other than those covered under Ind AS 107, as specified in the Companies (Accounting Standard) Rules, 2016 and as amended, the effect of change in rates, are Marked to Market on a portfolio basis and the net loss after considering the offsetting effects on the underlying hedge item, is charged to Statement of Profit & Loss. Net gains are ignored.

Trade receivables

Trade receivables are recognised initially at fair value 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 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 P&L.

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

The Company assesses impairment based on expected credit loss (ECL) model to the following:

A. Financial assets measured at amortised cost

B. Financial assets measured at fair value through other comprehensive income

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. Full time 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 revenue receivables. 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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 & Loss. The balance sheet presentation for various financial instruments is described below:

A. Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

B. Loan commitments and financial guarantee contracts - ECL is presented as a provision in the balance sheet, i.e. as a liability.

C. Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

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, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

A. Financial liabilities measured at amortised cost

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

Financial liabilities 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 profit or 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 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss 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 or 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 at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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 profit or 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 profit or 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 draw down to the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a payment for liquidity services and amortised over the period of the facility to which it relates.

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 good 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.

Derivatives

The Company uses derivative financial instruments i.e. swaps, commodity hedging contracts and option contracts, to hedge its price fluctuation risk and interest rate risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

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 or loss.

(j) 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.

(k) Fair value measurement

The Company measures certain financial instruments, such as derivatives, 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 distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the Company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the BOD after discussion with and approval by the management. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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.

This note summarises the accounting policy for fair value.

(l) 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.

(m) 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 & loyalty bonus etc. and

B. Defined contribution plan such as provident fund, superannuation fund etc.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan 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 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 included 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 profit or loss as past service cost.

Loyalty bonus

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. Liabilities with regard to the loyalty bonus scheme are determined by independent actuarial valuation as on the balance-sheet date.

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

(n) **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 profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements 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.

In case of overseas unincorporated joint operation, that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- The summarized revenue and expenses reflected in Statement of Profit and Loss at an average of Reserve Bank of India Reference Rate for the year.
- The assets and liabilities at the closing exchange rate prevailing on balance sheet date as notified by Reserve Bank of India.

All resulting exchange differences are recognised in other comprehensive income as foreign currency translation reserve.

(o) Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue corresponds to the fair value of the consideration received or receivable for goods and services sold, in the normal course of the Company's activities. Revenue is recognized when the control of the goods or services has been transferred.

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 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.

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

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.

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.

(p) Accounting for oil and gas joint operations (un incorporated 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 Venture 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 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, 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.

(q) 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.

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. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a 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. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in standalone financial statements. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, the carry forward of unused tax losses and the carry forward of unused tax credits.

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 recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. 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 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 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.

A specific measurement requirement applies to a deferred tax asset or liability that arises from investment property. This requirement establishes a rebuttable presumption that the carrying amount of investment property will be recovered through sale. The presumption may be rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property, rather than through sale. If the presumption is rebutted, then the normal requirements of measuring deferred tax asset or liability are applicable.

Where an investment property comprises land only, then because the land would not be depreciated, the presumption cannot be rebutted. Accordingly, the Company has created deferred tax asset on indexation benefit available on freehold land held as investment properties at the appropriate tax rate.

(r) 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.

(s) 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 windmills 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 & if material, 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.

(t) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. 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 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.

(u) 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.

(v) 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.

(w) 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. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

(x) Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

(y) 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.

(z) 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.

(aa) Allocation of General Administrative Expenses

In case of Joint ventures, 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.

Amendments to existing Ind AS

- **Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.
- **Amendments to Ind AS 19, Employee Benefits:** On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.
- **Amendment to Ind AS 12 'Income Taxes':** On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

Note 2

Property, plant, equipment as at 31st March 2020

(₹ in Crores)

Particulars	Gross Block				Depreciation, Depletion and Amortization					Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Impairment during the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Tangibles assets :											
Freehold Land	121.04	-	-	121.04	-	-	-	-	-	121.04	121.04
Lease hold Land (i)	3.66	4.83	-	8.49	0.15	0.47	-	-	0.62	7.87	3.51
Buildings (i)	36.77	-	(1.03)	35.74	6.08	1.49	-	(0.33)	7.24	28.50	30.69
Plant and Machinery	1,248.14	-	(2.90)	1,245.24	1,001.84	94.79	-	(2.16)	1,094.47	150.77	246.30
Furniture and Fixture	4.86	-	(0.05)	4.81	2.99	0.43	-	(0.03)	3.39	1.42	1.87
Office Equipments	4.09	-	(0.01)	4.08	2.54	0.19	-	(0.01)	2.72	1.36	1.55
Computer Equipments	3.38	0.47	(0.65)	3.20	1.52	0.33	-	(0.54)	1.31	1.89	1.86
Vehicles	0.33	0.18		0.51	0.22	0.07	-	-	0.29	0.22	0.11
Producing Properties	1,369.10	14.16	(13.39)	1,369.87	677.23	38.86	101.36	(12.53)	804.92	564.95	691.87
Total tangible assets	**2,791.37**	**19.64**	**(18.03)**	**2,792.98**	**1,692.57**	**136.63**	**101.36**	**(15.60)**	**1,914.96**	**878.02**	**1,098.80**
Capital work in progress :											
Exploration & Development*										156.77	131.09
CWIP Building										-	-
CWIP Others										25.82	25.82
Total capital work in progress										**182.59**	**156.91**

* During the FY 19-20, the Company has provided for Rs.3.18 Crores as impairment.Refer note No-31 (a)

Property, plant, equipment as at 31st March 2019

(₹ in Crores)

	Gross Block				Depreciation, Depletion and Amortization					Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Impairment during the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Tangibles assets :											
Freehold Land	123.08	-	(2.04)	121.04	-	-	-	-	-	121.04	123.08
Lease hold Land*	3.66	-	-	3.66	0.11	0.04	-	-	0.15	3.51	3.55
Buildings	38.60	-	(1.83)	36.77	4.72	1.65	-	(0.29)	6.08	30.69	33.88
Plant and Machinery	1,247.78	1.11	(0.75)	1,248.14	895.33	106.91	-	(0.40)	1,001.84	246.30	352.45
Furniture and Fixture	5.03	-	(0.17)	4.86	2.46	0.64	-	(0.11)	2.99	1.87	2.57
Office Equipments	4.34	0.07	(0.32)	4.09	2.25	0.34	-	(0.05)	2.54	1.55	2.09
Computer Equipments	4.03	0.23	(0.88)	3.38	1.77	0.31	-	(0.56)	1.52	1.86	2.26
Vehicles	0.48	-	(0.15)	0.33	0.26	0.04	-	(0.08)	0.22	0.11	0.22
Producing Properties	1,660.46	8.66	(300.02)	1,369.10	795.14	59.78	(125.61)	(52.08)	677.23	691.87	865.32
Total tangible assets	**3,087.46**	**10.07**	**(306.16)**	**2,791.37**	**1,702.04**	**169.71**	**(125.61)**	**(53.57)**	**1,692.57**	**1,098.80**	**1,385.42**
Capital work in progress :											
Exploration & Development										131.09	92.64
CWIP Building										-	0.14
CWIP Others										25.82	25.82
Total capital work in progress										**156.91**	**118.60**

(i) the above includes the right of use assets recognised under Ind AS 116 Leases.Refer note 43

(₹ in Crores)

Particulars	Gross Block				Depreciation, Depletion and Amortization					Net Block	
	As at 1st April 2019	Addition during the year #	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Impairment during the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
ROU - Land	3.66	4.83	-	8.49	0.15	0.47	-	-	0.62	7.87	3.51
ROU - Building	3.05	-	-	3.05	0.55	0.13	-	-	0.68	2.37	2.50
Total	**6.71**	**4.83**	-	**11.54**	**0.70**	**0.60**	-	-	**1.30**	**10.24**	**6.01**

Right of Use Assets of Rs.4.83 crores recognised as on 1 April, 2019 on transition to Ind AS 116.

Notes

a. 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".

b. 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 and accordingly, there is no lease liability required to be recognised as on transition date (1 April 2019).

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Note 3

Investment property as at 31st March 2020 **(₹ in Crores)**

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Land and building*	0.92	0.49	-	1.41	0.13	0.04	0.08	0.25	1.16	0.79
Total Investment property	**0.92**	**0.49**	**-**	**1.41**	**0.13**	**0.04**	**0.08**	**0.25**	**1.16**	**0.79**

Investment property as at 31st March 2019 **(₹ in Crores)**

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Land and building*	0.92	-	-	0.92	0.10	0.03	-	0.13	0.79	0.82
Total Investment property	**0.92**	**-**	**-**	**0.92**	**0.10**	**0.03**	**-**	**0.13**	**0.79**	**0.82**

*Includes land of an amount of Rs.0.15 crores (P.Y Rs. 0.15 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 recognised in profit or loss for investment properties : **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Rental Income	1.41	1.19
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	**1.41**	**1.19**
Depreciation	(0.04)	(0.03)
Profit from investment properties	**1.37**	**1.16**

c. **Fair Value**

Management conducted the fair value assessment based on principles of Ind AS 113 for investment properties. Consequently, the fair value was determined not to be substantially different from the carrying value of the assets.

Note 4

Other intangible assets as at 31st March 2020

(₹ in Crores)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Software	6.77	0.06	(0.03)	6.80	4.90	0.60	-	5.50	1.30	1.87
Total other intangible assets	**6.77**	**0.06**	**(0.03)**	**6.80**	**4.90**	**0.60**	**-**	**5.50**	**1.30**	**1.87**
Intangible assets under development*										
Exploration & Development									190.60	482.91
Software									0.14	0.14
Total of Intangible assets under development									**190.74**	**483.05**

* During the FY 19-20, the Company has provided for Rs.281.94 Crores as impairment.Refer note No-31 (a)

Other intangible assets as at 31st March 2019

(₹ in Crores)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Software	6.67	0.21	(0.11)	6.77	4.00	0.94	(0.04)	4.90	1.87	2.67
Total other intangible assets	**6.67**	**0.21**	**(0.11)**	**6.77**	**4.00**	**0.94**	**(0.04)**	**4.90**	**1.87**	**2.67**
Intangible assets under development										
Exploration & Development									482.91	932.39
Software									0.14	0.14
Total of Intangible assets under development									**483.05**	**932.53**

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Note 5

Investments in Subsidiary and Equity accounted investees **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
A. Investments in quoted equity shares of subsidiary companies [a]		
212,305,270 (31st March, 2019 : 212,305,270) fully paid up equity shares of Gujarat State Petronet Ltd. of Rs.10 each	2,633.65	2,633.65
	2,633.65	**2,633.65**
B. Investments in unquoted equity shares of subsidiary companies [a]		
840,002,936 (31st March, 2019 : 840,002,936) fully paid up equity shares of GSPC Pipavav Power Co. Ltd of Rs.10 each	840.00	840.00
25,000 (31st March, 2019 : 25,000) fully paid up equity shares of Guj Info Petro Ltd. of Rs.10 each	0.03	0.03
	840.03	**840.03**
C. Investments in unquoted equity shares of subsidiary companies (at cost)		
50,000 (31st March, 2019 : 50,000;) fully paid up equity shares of GSPC Offshore Ltd. of Rs.10 each	0.05	0.05
50,000 (31st March, 2019 : 50,000) fully paid up equity shares of GSPC Energy Ltd. of Rs.10 each	0.05	0.05
99,390,060 (31st March, 2019 : 99,390,060) fully paid up equity shares of GSPC (JPDA) Ltd of Rs.10 each	99.39	99.39
Less : Provision for impairment on shares of GSPC (JPDA) Ltd [c]	(99.39)	(99.39)
	0.10	**0.10**
D. Investments in unquoted equity shares of equity accounted investees [a]		
272,397,426 (31st March, 2019 : 272,397,426) fully paid up equity shares of Gujarat State Energy Generation Ltd of Rs.10 each [b]	278.96	278.96
4,494,330 (31st March, 2019 : 4,494,330) fully paid up equity shares of Sabarmati Gas Ltd of Rs.10 each	175.55	175.55
11,500,000 (31st March, 2019 : 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 on shares of Alcock Ashdown(Gujarat) Ltd. [C]	(11.50)	(11.50)
	454.51	**454.51**
Total investments in subsidiary and equity accounted investees	**3,928.29**	**3,928.29**
Total quoted investments	**2,633.65**	**2,633.65**
Total unquoted investments	**1,405.53**	**1,405.53**
Provision for impairment on unquoted investments	**(110.89)**	**(110.89)**
Total investments	**3,928.29**	**3,928.29**
Market Value of Quoted Investments in Subsidiaries	**3,661.20**	**4,048.66**

Notes

a. The Company has opted to consider Fair valuation of investments in Subsidiaries & Equity Accounted Investees on transition date as deemed cost and carry the same as cost after the transition date.

b. The percentage holding of GSPC in GSEG has increased to 53.70% as against 32.59% in FY 2018-19. 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. 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 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 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. 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 permanent 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. The company had made an investment through Special Purpose Vehicle (SPV) in GSPC (JPDA) Ltd. amounting to Rs.99.39 crores (31st March, 2019 : Rs 99.39 crores) to carry out exploration activities in Australia.The exploration activites had created significant commercial uncertainty which has negatively impacted the ability of the Joint arrangement partners to meet the obligations under the PSC. Hence, the Company has fully provided impairment in its books of accounts.

Note 6

Other Investments **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
A. Investment in quoted equity shares of other company (measured at fair value through OCI)		
3,697,000 (31st March, 2019 : 3,697,000) fully paid up equity shares of Gujarat Industries Power Company Ltd. of Rs.10 each	18.45	26.29
B. Investment in unquoted equity shares of other companies (measured at fair value through OCI)		
11,430,000 (31st March, 2019 : 11,430,000) fully paid up equity shares of GSPC LNG Ltd of Rs.10 each	25.76	25.61
29,004,033 (31st March, 2019 : 29,004,033) fully paid up equity shares of ONGC Petro Additions Ltd of Rs.10 each	29.00	29.00
Total non-current investments	**73.21**	**80.90**
Market Value of Investment in quoted equity shares of other company	**18.45**	**26.29**

Notes

a. Refer Note 39 for determination of their fair values for investments carried at cost and investments measured at fair value through Other Comprehensive Income (FVTOCI)

Note 7

Loans **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Loans and Advances to Employees - NC		
Loans Receivables considered good - Secured	6.97	7.31
Total non-current loans	**6.97**	**7.31**
Current		
Loans and Advances to Employees - NC		
Loans Receivables considered good - Secured	0.29	0.53
Advances to Related Parties considered good - Unsecured	48.06	44.74
Total current loans	**48.35**	**45.27**

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Note 8

Other financial assets (₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Application Money paid towards securities (Refer note no 5b)	61.47	61.47
Receivable from employees (Unsecured - considered good)	0.15	0.14
Site restoration fund - Deposits with banks [a]	4.96	3.91
Total non-current financial assets	**66.58**	**65.52**
Current		
Advances recoverable in cash or in kind or for value to be received (Unsecured, considered good)		
Others Advances Recoverable (Refer note no.41)	537.79	890.10
Amount receivable under Joint arrangements	671.39	719.42
Advances recoverable in cash or in kind or for value to be received (Unsecured, considered doubtful)		
Amount receivable under Joint arrangements	290.01	290.01
Less : Provision for doubtful advances	(290.01)	(290.01)
Security deposit given	0.15	0.15
Receivable from employees (Unsecured - considered good)	0.24	0.52
Total current financial assets	**1,209.57**	**1,610.19**

Notes

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 equipments 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’.

Note 9

Other non-financial assets (₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Prepaid expense	0.01	3.74
Deferred employee cost	0.87	0.79
Other current assets*	0.07	-
Total non-current non-financial assets	**0.95**	**4.53**
Current		
Prepaid expense	2.02	2.47
Deferred employee cost	1.28	0.83
Total current non-financial assets	**3.30**	**3.30**

*Includes lease equalisation asset.

Note 10

Inventories (₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Finished goods - Crude oil (valued at rate specified in COSA)	1.84	3.40
Condensate (As per condensate sale agreement)	14.30	28.29
Traded goods - Liquified natural gas	82.94	44.83
Total inventories	**99.08**	**76.52**

Note 11

Trade receivables **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Trade Receivable considered good - Secured	561.49	446.55
Trade Receivable considered good - Unsecured	257.12	171.75
Trade Receivable Credit Impaired	2.94	3.12
Less : Impairment on account of expected credit loss assessment	(2.94)	(3.12)
Total trade receivables	**818.61**	**618.30**

IMPACT OF COVID-19 PANDEMIC:-

Subsequent to the outbreak of Coronavirus (COVID-19) followed by countrywide lock down, the Company continued its uninterrupted supply of Natural Gas to its customers based on their requirement. However, the lockdown had an impacted natural gas demand from industrial and City Gas Distribution (CGD) segment. As restrictions are being lifted gradually, demand has started showing up an increasing trend from industrial and CGD segment.There are no material overdue outstanding from its customers due to the outbreak of Coronavirus. The company is timely receiving sales proceeds as per the billing cycles from its customers. The company's payment cycle is not impacted during the period.

Note 12

Cash and cash equivalents & other bank balances **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Cash and cash equivalents		
Balances with banks		
In current accounts	188.70	14.40
Draft on hand	23.00	-
Fixed deposit with original maturity of less than 3 months	201.46	141.31
Cash on hand	0.08	0.01
Total cash and cash equivalents	**413.24**	**155.72**
Other bank balances		
Margin money deposits	88.09	107.08
Fixed Deposit		
With original maturity of more than 3 months but upto 12 months*	143.20	94.26
Total other bank balances	**231.29**	**201.34**

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

Note 13

Equity share capital **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Authorised share capital		
1200,00,00,000 equity shares of Rs. 1 each (31st March, 2019 : 300,00,00,000 equity shares of Rs. 1 each)*	1,200.00	300.00
Total	**1,200.00**	**300.00**

* Refer Note no 41(b).

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(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Issued, subscribed and paid up capital		
10,756,540,264 equity shares of Rs. 1 each (31st March, 2019 : 257,92,62,920 equity shares of Rs. 1 each)	1,075.65	257.93
Total	**1,075.65**	**257.93**

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period (₹ in Crores)

Particulars	No. of Shares	Amount
	Equity Shares of Rs. 1 each fully paid	
As at 1st April 2018		
Shares outstanding at the beginning of the period	2,57,92,62,920	257.93
Add : Shares issued during the year	-	-
Less: Shares cancelled during the period	-	-
As at 31st March 2019	**2,57,92,62,920**	**257.93**
As at 1st April 2019	2,57,92,62,920	257.93
At the beginning of the year	-	-
Add : Shares issued during the year	8,177,277,344	817.72
As at 31st March 2020	**10,756,540,264**	**1,075.65**

Details of shareholder(s) holding more than 5% Equity Shares (₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Number of Equity Shares		
Government of Gujarat	2,241,010,179	2,241,010,179
Gujarat State Investment Limited	7,513,229,145	22,592,441
Gujarat State Financial Service Limited	170,000,000	170,000,000
% Holding in equity shares		
Government of Gujarat	20.83%	86.89%
Gujarat State Investment Limited	69.85%	0.88%
Gujarat State Financial Service Limited	1.58%	6.59%

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 Rs. 1 per share. Each holder of equity shares is entitled to one vote per share.

c. During the year ended 31st March, 2020 the amount of dividend per share recognized as distributions to equity shareholders is Rs. NIL (31st March, 2019 : 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.

Note 13 A

Instruments entirely equity in nature

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	6,550.00	-
Add : Consideration to be settled in Equity - NCD (refer note 41)	-	6,000.00
Add : Compulsory Convertible Debentures due for Conversion [refer note no.15(i)]	-	550.00
Less : Converted into equity during the year	(6,550.00)	
Balance at the end of the year	**-**	**6,550.00**

Note 14

Other equity

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital reserve	1.28	1.28
Securities premium	9,471.78	3,740.06
Debenture redemption reserve	-	-
General Reserve	3,245.14	3,245.14
Retained Earnings	(14,820.13)	(15,184.21)
Other Comprehensive Income	2,057.74	2,065.42
Total other equity	**(44.19)**	**(6,132.31)**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital reserve		
Opening Balance	1.28	1.28
Add: Addition during the Year	-	-
Less: Utilisation during the year	-	-
Total capital reserve	**1.28**	**1.28**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities premium		
Opening Balance	3,740.06	3,740.06
Add: Addition during the Year	5,732.27	-
Less: Utilisation during the year	(0.55)	-
Total securities premium	**9,471.78**	**3,740.06**

(₹ in Crores)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Debenture redemption reserve		
Opening Balance	-	347.74
Add: Addition during the Year	-	-
Less: Utilisation during the year	-	(347.74)
Total Debenture redemption reserve	**-**	**-**

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(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
General reserve		
Opening Balance	3,245.14	3,245.14
Add: Addition during the Year	-	-
Less: Utilisation during the year	-	-
Total general reserve	**3,245.14**	**3,245.14**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Retained earnings		
Opening Balance	(15,184.21)	(15,791.82)
Add:		
Profit/(Loss) during the year	366.38	259.51
Changes in accounting policy due to Ind-As 116 adoption	0.04	-
Transfer from Debenture Redemption Reserve	0.00	347.74
Remeasurement of defined benefit obligation (net of tax)	(2.34)	0.36
Total Retained earnings	**(14,820.13)**	**(15,184.21)**

(₹ in Crores)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Other Comprehensive Income		
FVOCI - equity investments		
Opening Balance	2,065.42	2,074.92
Current Year OCI	(10.02)	(9.14)
Remeasurement of post employment benefit obligation (net of tax)	2.34	(0.36)
Total Other Comprehensive Income	**2,057.74**	**2,065.42**

Notes

a. 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 FVOCI equity investments reserves.

Note 15

Borrowings (₹ in Crores)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Non-current borrowings		
Secured		
Term loan from banks	3,578.44	5,111.81
Unsecured		
Term loan from others - GSFS	1,834.06	1,000.00
Total non-current borrowings	**5,412.50**	**6,111.81**
Current borrowings		
Secured		
From banks (Loans repayable on demand)	149.67	432.91
Unsecured		
From banks (Loans repayable on demand)	-	50.03
Total current borrowings	**149.67**	**482.94**
Current maturities of long term borrowings (Shown as part of other current financial liabilities : Refer Note 16)		
Secured		
Term loan from banks	185.37	205.46
Unsecured		
Term loan from others - GSFS	265.94	4.52
Total current maturities of non-current borrowings	**451.31**	**209.98**

Notes

Secured Loans

a. State Bank of India had sanctioned a Rupee Term Loan (RTL 1) Facility amounting to Rs. 3,000 Crores (Current outstanding is Rs. 859.09 Crores) in F.Y. 2014-15. During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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.

b. Consortium of two member banks led by Bank of Baroda, London branch has provided Foreign Currency Loan (ECB-1) of USD 200 Million (Rs.1053.94 Crores) (Current outstanding of USD 12.55 Million i.e. ~Rs. 94.64 Crores). During FY 2019-20, GSPC repaid installment of USD 5.75 Million due as per the repayment schedule.. The loan is 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.

c. Consortium of five member banks lead by Bank of Baroda, London branch has provided Foreign Currency Loan (ECB-2) of USD 250 Million (Rs.1528.70 Crores) (Current outstanding of USD 60.78 Million i.e ~Rs. 458.21 Crores) and USD 75 Million (Current outstanding of USD 18.57 Million i.e. Rs. 140.01 Crores) from Export Import Bank of India . During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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.

d. EXIM bank has provided Foreign Currency Loan (ECB - 3) of USD 100 Million (Rs.624.45 Crores) (Current outstanding of USD 24.24 Million i.e. ~Rs. 182.71. Crores). During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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.

e. State Bank of India (Nassau) has provided Foreign Currency Loan (ECB - 4) of USD 100 Million (Rs.657.40Crores) (Current outstanding of USD 28.58 Million i.e. ~Rs. 215.46 Crores).During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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.

f. Consortium of thirteen member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL 2) of Rs. 4,500 Crore (Current outstanding of Rs. 889.32 Crore). During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule, however GSPC prepaid Rs. 500 Crores to all the term loan lenders on pro rata basis as per terms of the agreement. The loan is 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.

g. State Bank of India has provided a Corporate Loan (RTL 3) of Rs. 2,100 Crores (Current Outstanding - Rs. 971.25 Crores) in FY 2019-20. The company has prepaid loan to the extent of Rs. 1,050 Crores in June 2019 and repaid Rs. 78.75 Crores towards installment due in FY 2019-20. The security offered is '(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.

Unsecured

h. The company has received sanction for long term loan of Rs. 1,500 Crores in F.Y. 2018-19 from GSFS (Current outstanding Rs.1,050 Crores (Previous outstanding Rs. 1,000 Crores) for general business purpose. During the year, the company has received sanction for long term loan of Rs. 1,050 Crores from GSFS (Current outstanding Rs.1050 Crores (Previous outstanding Rs. NIL) for general business purpose.

i. During FY 2019-20 the Company has converted CCDs of Rs. 550 Crores and allocated necessary equity shares of the company at the price of Rs. 8.01 per share (including premium of Rs. 7.01). The details of the shares issued by GSPC is as follows.

Name of Investor	Amount (₹ in crores)	Interest Rate on p.a Basis
IDBI Bank	18,72,65,730	1.74%
IFCI	12,48,43,146	1.16%
State Bank of India	37,45,31,764	3.48%

j. Foreign Currency loans that are not hedged by derivative instruments (Currency) as on 31st March 2020 is USD 144.74 million (31st March 19 : USD 150.49 million) Rs. 1,091.08 crores (31st March, 2019 : Rs.1,040.86 crores).

k. Loan repayment schedule

S. No.	Particulars	Total Out-standing (Rs. In crores)*	Maturity period	Rate of Interest (p.a.)	Re-payable in 12 months	Re- payable in 2 to 4 years	Re-payable in 5 to 7 years	Re-payable in 8 to 10 years
1	Rupee Term Loan-1	859.09	30-Sep-24	SBI Base Rate + Spread		409.09	450.00	-
2	Rupee Term Loan-2	889.32	31-Mar-29	SBI Base Rate + Spread	-	-	298.83	590.49
3	External Commercial Borrowing (ECB-1)	94.64	30-Sep-20	6 m Libor	94.64	-	-	-
4	External Commercial Borrowing (ECB-2)	598.27	30-Sep-23	6 m Libor	-	598.27	-	-
5	External Commercial Borrowing [ECB-3 (Exim)]	182.71	31-Dec-24	6 m Libor	-	88.48	94.23	-
6	External Commercial Borrowing [ECB-4 (SBI)]	215.46	30-Sep-24	6 m Libor	-	168.35	47.11	-
8	Corporate Loan	971.25	30-Sep-28	SBI MCLR + Spread	78.75	168.00	409.50	315.00
9	GSFS Loan	2,100.00		Floating Rate of Interest - presently 8.25%	256.25	863.74	507.51	472.50
	Total	**5,910.74**			**429.64**	**2,295.93**	**1,807.18**	**1,377.99**

*The amounts outstanding for various loans as on 31st March, 2020 are as per the terms of the agreement.The amount represents actual amount payable to banks at prevailing exchange rates on reporting date excluding accounting effects of Effective interest Rate (EIR) as per Ind-AS.

Note 16
Other financial liabilities

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Operation and maintenance expense payable	0.37	0.75
Other payables (including deposits received from customers)	12.56	10.19
Total non-current financial liabilities	**12.93**	**10.94**
Current		
Current maturities of non-current borrowings (Note 15)	451.31	209.98
Interest Accrued but not due	-	10.02
Payable to/on behalf of joint arrangement	452.27	484.28
Others (refer note 41)	62.35	624.17
Operation and maintenance expense payable	0.37	0.73
Total current financial liabilities	**966.30**	**1,329.18**

Note 17
Provisions

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Provision for decommissioning obligations	92.58	83.37
Provision for gratuity and loyalty bonus*	12.23	9.61
Provision for leave benefits*	4.73	1.88
Total non-current provisions	**109.54**	**94.86**
Current		
Provision for profit petroleum	0.36	56.43
Provision for gratuity and loyalty bonus*	1.84	0.62
Provision for leave benefits*	0.65	0.60
Total current provisions	**2.85**	**57.65**

*For movement in provision related to employee benefits refer note no.35

(₹ in crores)

Movements in Provisions	**Non-current**	**Current**
	Provision for decommissioning obligations	**Provision for profit petroleum**
At 1 April 2019 (Opening balance)	83.37	56.43
Add: Unwinding of Discounts	7.87	-
Add: Provision made during the year	1.34	0.36
Less: Provision utilised during the year	-	(56.43)
At 31 March 2020 (Closing balance)	**92.58**	**0.36**

Note 18

Deferred revenue/ contract liabilities

(₹ in crores)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Non-current		
Income received in advance - NC	0.24	0.46
Total non-current deferred revenue/ contract liability	**0.24**	**0.46**
Current		
Income received in advance	0.42	0.15
Total current deferred revenue/ contract liability	**0.42**	**0.15**

Note 19

A) Non Current Tax Assets (Net)

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Advance Income Tax	1,557.67	1,539.60
Provision for Tax	(1,406.36)	(1,406.36)
Non Current Tax Assets (Net)	**151.31**	**133.24**

B) Tax expense

Amount recognised in statement of profit and loss

(₹ in crores)

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Current income tax	-	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	-	-
Reduction in tax rate	-	-
Recognition of previously unrecognised tax losses	-	-
Recognistion of tax credit	-	-
Change in recognised deductible temporary differences	-	-
Deferred tax expense	-	-
Excess provision of income tax in respect of previous years	-	-
Total tax expense for the year	**-**	**-**

Amount recognised in other comprehensive income (₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Items that will not be reclassified to profit or loss (A)		
Remeasurement of post-employment benefit obligations	(2.34)	0.36
Changes in fair value of equity instruments	(7.68)	(9.50)
	(10.02)	**(9.14)**
Income tax relating to items that will not be reclassified to profit or loss (B)		
Remeasurement of post-employment benefit obligations	-	-
Changes in fair value of equity instruments	-	-
Profit on Sale of Equity Instrument	-	-
	-	**-**
Net amount recognised in other comprehensive income (A+B)		
Remeasurements of the defined benefit plans	(2.34)	0.36
Equity instruments through other comprehensive income	(7.68)	(9.50)
	(10.02)	**(9.14)**

Reconciliation of effective income tax rate (₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Profit before tax	366.38	259.51
Tax using the Company's domestic tax rate @ 34.944%	128.02	90.67
Tax effect of:		
Non-deductible tax expenses		
Provision for impairment not allowable for taxes	188.96	82.66
Depreciation as per Profit and Loss Account	48.00	59.64
Interest on Late payment of TDS	0.02	-
Donations	3.49	-
Provision for Diminution in the Value of Investment	-	0.35
Provision for doubtful advances	-	-
Impact on account of Ind As	6.55	0.89
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	2.36	0.63
Deductions		
Depreciation as per Income tax act	(265.91)	(308.39)
Dividend Income exempt u/s. 10(34)	(15.72)	(13.72)
Deduction allowable - Others		
Deduction u/s. 42	(36.98)	-
Profit on Sale of Asset	0.01	0.22
Recognition of tax effect of previously unrecognised tax losses	(58.80)	87.05
Short/(Excess) Provision of tax for earlier years	-	-
Tax expense recognised in statement of profit and loss	**-**	**-**

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C) Deferred tax asset/ (liabilities) [Net]

Movement in deferred tax balances **(₹ in crores)**

Particulars	31st March, 2020							
	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)								
On excess of carrying value of PPE over Tax base	541.56	79.44	-	-	-	621.00	696.53	(75.53)
Investments	(517.90)	(91.25)	-	-	-	(609.15)	-	(609.15)
Loans and borrowings	(23.59)	11.78	-	-	-	(11.81)	-	(11.81)
Other items	(0.07)	0.03	-	-	-	(0.04)	-	(0.04)
Tax assets/ (liabilities)	**(0.00)**	**0.00**	**-**	**-**	**-**	**0.00**	**696.53**	**(696.53)**
Set off tax								
Net tax assets/ (liabilities)	**(0.00)**	**0.00**	**-**	**-**	**-**	**0.00**	**696.53**	**(696.53)**

(₹ in crores)

Particulars	31st March, 2019							
	Net balance April 1, 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)								
On excess of carrying value of PPE over Tax base	571.95	(30.39)	-	-	-	541.56	644.57	(103.01)
Decommissioning obligations	-	-	-	-	-	-	-	-
Investments	(483.50)	(34.40)	-	-	-	(517.90)	-	(517.90)
Loans and borrowings	(88.38)	64.79	-	-	-	(23.59)	-	(23.59)
Straightlining of operation ans maintenance expenses	-	-	-	-	-	-	-	-
Tax credit	-	-	-	-	-	-	-	-
Other items	(0.07)	(0.00)	-	-	-	(0.07)	-	(0.07)
Tax assets/ (liabilities)	**(0.00)**	**(0.00)**	**-**	**-**	**-**	**(0.00)**	**644.57**	**(644.57)**
Set off tax								
Net tax assets/ (liabilities)	**(0.00)**	**(0.00)**	**-**	**-**	**-**	**(0.00)**	**644.57**	**(644.57)**

Tax losses carried forward **(₹ in crores)**

Particulars	31- Mar- 19	Expiry date	31- Mar- 18	Expiry date
Expire	11,913.20	31-Mar-25	12,019.30	31-Mar-25
Never Expire	1,037.05	-	1,099.25	-

Notes

1. 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 relate to income taxes levied by the same tax authority.
2. 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.
3. Provision of Tax for the current year is Rs. NIL (31st March,2019 : 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), 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 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.1,701.78 crores (31st March, 2019 : 1,701.78 crores). However the same is disclosed by way of a note as contingent liabilities vide note no.33.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 recent losses and there is not any convincing evidence for sufficient future taxable profit. Hence, in the absence of other convincing evidence, deferred tax assets has not been created.
5. As per Appendix C to IND AS 12 "Uncertainty Over Income Tax Treatment", we have to state that all the allowances / deductions during the year has been claimed on the basis of proper base. Hence, it does not seem that there will be any amount to be effected by Appendix C. However, if at all, it is taken in to account, it will be an insignificant amount and hence the same has not been considered due to huge losses under IT Act.
6. Vide the Taxation Law (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies an option to pay corporate income tax at reduced rates effective from FY 2019-20, subject to certain conditions.As there is no income under MAT due to set off of brought forward book depreciation, Company has not opted for new tax regime for this financial year. However, Company may review the position in next year.

Note 20
Other non financial liabilities

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-current		
Others	-	-
Total non-current non-financial liabilities	-	-
Current		
Statutory liability	139.32	114.13
Other liabilities	16.62	20.55
Total current non-financial liabilities	**155.94**	**134.68**

Note 21
Trade payables

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	700.44	126.30
Total trade payables	**700.44**	**126.30**

Notes

a. The company has not received any Memorandum from the suppliers whose principal amount remains unpaid as on 31st March'2020(as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as micro, small and medium enterprise as on the Balance Sheet date. Consequently, the amount payable to micro, small and medium enterprises during the year Rs. Nil (31st March, 2019 : Rs. Nil).

b. The company has claimed Force Majeure under the Gas Purchase Agreements; pursuant to which suppliers have agreed to reschedule the affected cargos. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring material changes in such information and economic forecasts.

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Note 22

a) Non Current Assets held for sale

During the previous year the management has decided to sell participating interest in 12 E&P fields belonging to E&P segment namely Hazira, Allora, Dholasan, North Kathana, Unawa, Miroli, Bhandut, CB ONN 2004/1, CB ONN 2004/2, CB ONN 2004/3, GK OSN 2009/1 and MB OSN 2005/1. The bidding process for the same was initiated by the company during FY 2018-19.Further, during the year company has decided not to sell participating interest in Miroli field. Further, it was also decided to sell participating interest in Cambay field. Hence, as per Ind AS 105 – 'Non-current Assets Held for Sale and Discontinued Operations', such group of assets have been reclassified as non current assets held for sale and measured at the lower of carrying amount and fair value less cost to sale as presented in the table below:

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Assets		
Non current assets (net of depreciation and amortisation where applicable)		
Producing Properties	0.86	247.94
Freehold Land	2.04	
Office equipment	0.01	0.07
Computer equipment	0.02	0.03
Plant and machinery	0.01	0.05
Furniture and fixtures	0.01	0.00
Vehicle	-	0.01
Building	-	1.54
Exploration & Development	9.84	441.15
Opening blalance of Non Current Assets held for sale	483.32	
Site Restoration Fund	2.87	106.94
Other Current Assets	27.98	0.44
Total carrying value of non-current assets	**524.92**	**800.21**
Liabilities associated with above group of assets		
Provision for decommissioning cost	-	**(78.04)**
Other Current liabilities	(3.00)	**(52.54)**
Opening balance of Liabilities associated with non current assets held for sale	(130.58)	
Net assets classified as held for sale during the year (A)	**391.34**	**669.63**
Fair value less cost to sell of above group of assets (B)	237.50	352.74
Impairment loss recognised in statement of profit and loss as an exceptional item (C) = (A) - (B)	**153.84**	**316.89**

Details of profit and loss attributable to the above group of assets is below: **(₹ in crores)**

Particulars	**For the year 31st March, 2020**	**For the year 31st March, 2019**
Revenue	17.66	34.82
Expense	(33.54)	(35.08)
Depletion	-	(16.37)
Impairment	(153.84)	(316.89)
Profit/(loss) before tax	(169.72)	(333.52)
Income tax expense	-	-
Profit/(loss) after tax	(169.72)	(333.52)

b) During the year the Company has classified one of its building, situated at gandhinagar as asset held for sale at book value of Rs.0.23 cores.

Note 23

Revenue from operations

(₹ in crores)

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Sale of products		
Sale of natural gas - Trading	14,708.90	13,866.41
Sale of gas - Joint Arrangements	16.18	14.95
Sale of oil - Joint Arrangements	50.57	74.12
Sale of electricity - Windmills	42.89	45.68
	14,818.54	**14,001.16**
Sale of services		
Re-gasification income	343.98	338.70
Transportation income	23.79	15.27
	367.77	**353.97**
Other operating revenues	46.06	13.45
Total revenue from operations*	**15,232.37**	**14,368.58**

*For information on disaggeration of revenue, refer note 37 (Segment reporting)

Note 24

Other income

(₹ in crores)

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Interest Income		
Interest on Deposits with banks	49.44	18.59
Others interest income	13.39	18.51
	62.83	**37.10**
Dividend from long term investments		
Dividend from subsidiary companies	42.46	37.15
Dividend from other companies	2.53	2.12
	44.99	**39.27**
Other non-operating income		
Usage charges	2.43	2.06
Other income - Joint Arrangements	3.96	8.07
Net Foreign Exchange Gain	-	15.47
Other Non-Operating Income	1.66	2.69
	8.05	**28.29**
Total other income	**115.87**	**104.66**

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Note 25

Production expenditure - E&P **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Production expenditure	57.89	68.98
Duties and taxes	8.14	9.10
Other G&A expenses	15.00	14.10
Bidding Expenses	-	0.15
Total production expenditure - E&P	**81.03**	**92.33**

Note 26

Cost of traded goods **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Purchase of gas		
Local Purchase of Gas	3,349.66	4,278.34
Import Purchase of Gas	8,493.13	7,565.71
	11,842.79	**11,844.05**
Other costs		
Import Gas Regasification Charges	975.29	704.91
Gas Transmission Charges	452.25	280.11
Commodity Hedging Cost	206.05	98.12
Deferred delivery of natural gas	37.58	-
Other expenses - Gas Trading	1.62	2.78
	1,672.79	**1,085.92**
Total cost of traded goods	**13,515.58**	**12,929.97**

Note 27

Changes in inventories of finished goods, stock in process and stock in trade **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Finished goods		
Closing stock of oil	(16.14)	(31.69)
Opening stock of oil	31.69	34.90
	15.55	3.21
(Increase)/ decrease in stock of oil *	2.79	(2.68)
(A)	**18.34**	**0.53**
Stock in trade		
Closing stock of liquified gas	(82.94)	(44.83)
Opening stock of liquified gas	44.83	161.38
(B)	**(38.11)**	**116.55**
Total change in inventories of finished goods, stock in process and stock in trade-(A)+(B)	**(19.77)**	**117.08**

*(Refer Note No:36(j))

Note 28

Employee benefits expenses **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Salary, wages and allowances	12.20	16.53
Contribution to providend fund and other funds	5.25	3.59
Staff welfare expenses	0.04	0.07
Total employee benefit expenses[a]	**17.49**	**20.19**

Notes

a. Amount represents net expenditure for corporate.

Note 29

Finance costs **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Interest Cost	580.78	657.34
Exchange differences regarded as an adjustment to borrowing cost	20.12	21.27
Unwinding of discount on Provisions	9.21	4.23
Other Borrowing Costs (includes bank guarantee, LC charges, bank charges, etc.)	14.79	19.36
Total finance costs	**624.90**	**702.20**

Note 30

Other expenses **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Expenses related to wind mills		
Operation and maintenance expenses	9.91	8.47
Windmills insurance expenses	0.68	0.67
Total (A)	**10.59**	**9.14**
Administrative expenses		
Electricity expenses	0.93	1.00
Rent, rates and taxes	0.16	0.81
Repairs and maintenance		
Building repairs	-	-
Others	1.69	1.96
Insurance expenses	0.94	0.94
Advertisement and publicity	0.10	0.09
Administration and establishment	4.03	4.80
Travelling expenses	0.78	0.95
Stationery and printing	0.22	0.28
Professional and technical expenses	18.17	16.09
Telephone, trunk calls and postage	0.08	0.10
Vehicle running expenses	0.06	0.10
Bandwidth expenses	0.04	0.09
Payment to auditors[a]	0.24	0.32
Net Loss on Sale/discarding of Fixed Assets	0.03	0.63
Corporate social responsibility expenses[b]	10.00	-
Other expenses	0.14	0.26
Total (B)	37.61	28.42
Net Foreign Exchange Loss (C)	25.18	-
Total other expenses (A+B+C)	**73.38**	**37.56**

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a. Payment to auditors **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
For statutory audit	0.16	0.15
For other services	0.06	0.16
For reimbursement of expenses	0.02	0.01
Total payment to auditors	0.24	0.32

b. Corporate social responsibility expenses

As per Section 135 of the Companies Act, 2013, a 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.Since, there is an absence of average net profit for the immediately preceding three financial years, the Company is not required to make any contribution towards corporate social responsibility (CSR) activities. However, the Board of Directors of the Company passed the resolution dated 30th March,2020, approved Rs.10 crore towards CSR activities for COVID-19 by way of voluntary contribution by the Company to Chief Minister Relief Fund to support its various activities to mitigate/curb the impact of COVID-19.

(₹ in crores)

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Gross amount required to be spent by the Company during the year	-	-
Amount spent during the year on (Paid in Cash) :		
Construction /acquisition of any asset	-	-
On purpose other than above	10.00	-
Amount spent during the year on (Yet to be Paid in Cash) :		
Construction /acquisition of any asset	-	-
On purpose other than above	-	-
Total corporate social responsibility expenses	10.00	-

(Rs. in Crores)

Particular of Expenditure during the year	**FY 2019-20**
Contributed to Chief Minister Relief Fund, Government of Gujarat (Disaster relief for COVID-19)*	10.00
Total	**10.00**

No provision for unspent amount of CSR expenditure has been made in the books of accounts in accordance with generally accepted accounting principles.

*MCA issued clarification dated 23rd March, 2020, on spending of CSR funds for COVID-19. The Company has obtained approval of CSR committee and contributed Rs. 10 Crores to “Chief Minister Relief Fund, Government of Gujarat” with special objective in the situation of Disaster Relief for helping COVID 19 affected areas before 31st March and considered the same as CSR. Subsequently on 10th April, 2020, MCA had issued COVID-19 related Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR) where in it was clarified that “‘Chief Minister’s Relief Fund’ or ‘State Relief Fund for COVID-19’ is not included in Schedule VII of the Companies Act, 2013 and therefore any contribution to such funds shall not qualify as admissible CSR expenditure. The Company has made representation to Government for considering the voluntary contribution made to CM Relief Fund as eligible CSR expenditure.

Note 31

Exceptional items

The exceptional Items comprises of the following: **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Impairment of oil and gas assets		
Provided During the year	540.78	429.92
Less: Reveresed during the year	(0.46)	(193.41)
Impairment on Investment	-	1.00
Exploration cost written off/ (written back)	0.67	(93.79)
Litigation Settlement	10.99	-
Total exceptional items	**551.98**	**143.72**

Notes

a. The company identifies each E&P field /PSC under E&P segment as seperate Cash Generating Unit (CGU). During FY 2019-20 the company has provided for impairment of Rs. 386.48 Crore for 9 continuing E&P fields (CGUs). The impairment was triggered majorly due to the significant fall in crude oil prices primarily consequent to the outbreak of COVID-19.Further, during FY 2018-19 company had classified 12 E&P fields as assets held for sale (refer note no.22). In relation to which, the company had provided for impairment loss of Rs. 154.30 Crore and has reversed impairment earlier provided for the extent of Rs. 0.46 crores.During FY 2018-19, based on revised Oil & Gas reserve estimation by Gujarat Energy Research & Management Institute (GERMI), an external agency, the company has provided for impairment of Rs. 88.29 Crore and has reversed impairment earlier provided for to the extent of Rs. 168.67 crores for 8 continuing E&P fields (CGUs).Further, during the year 2018-19, company has classified 12 E&P fields as assets held for sale (refer note no.22). Inrelation to which, the company has provided for impairment loss of Rs. 341.63 Crore and has revesered impairment earlier provided for the extent of Rs.24.74 crores.

The recoverable amount of CGU is determined at higher of its fair value less cost to sell and its value-in-use. For 12 E&P fields which are classified as Assets held for sale, the company has considered fair value less cost of sell as the recoverable amount whereas for other 9 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, 2019 -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.

b. The company had made an investment through Special Purpose Vehicle (SPV) in GSPC (JPDA) LTD. amounting to Rs.99.39 crores (31st March, 2019 : Rs 99.39 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 1 crore against additional investment made during FY 2018-19.

c. In the block KG-OSN-2001/3, GSPC had in the year 2017-18 written off Rs.230 crores towards inventory based on initial valuation by the Buyer as exploration cost written off. However, during FY 2018-19 the valuation was finalised with the help of the independent valuer and on the basis of the report, the company has written back the inventory to the extent of Rs.94.90 crores. Balance amount of Rs.1.11 crores includes cost incurred for earlier written off blocks.

d. The Company had opted for the Sabka Vishwas Legacy Dispute Resolution Scheme-2019 and settled all its litigations under Service Tax Act, 1994 which comprises of Rs.8.11 Crores already paid under protest and additionally paid Rs.2.88 Crores.

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Note 32

Earnings per share

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Profit attributable to equity holders for (Rs. in Crores):		
Basic earnings	366.38	259.51
Adjusted for the effect of dilution	366.38	314.87
Weighted average number of equity Shares for:		
Basic EPS	9,663,473,708	2,579,262,920
Adjusted for the effect of dilution	10,756,540,265	10,756,540,265
Earnings per equity share (EPS) (face value of Rs.1/-)		
Basic (Rs.)	0.38	1.01
Diluted (Rs.)	0.34	0.29

Note 33

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, 2020	As at 31st March, 2019
Income Tax (Ref. note no.19- C point no.3)	1701.78	1,701.78
Joint arrangements (Ref. note a to d and h below)	130.45	200.65
Other (Ref. note e to g below)	260.68	258.24

Above Contingent Liabilities Includes-.

(a) JODPL:The Company has issued forfeiture notice to Jubilant Offshore Drilling Pvt Ltd (JODPL) against 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 GSPC's letter of forfeiture of JODPL's PI issued by GSPC in December 2018 because of default of JODPL in making contributions to KG Block Cash Calls.

(b) Cost Recovery of Compressors, Wells and Royalty Issue in Hazira Field: (Please change your Note C and D in line with this narrative). The Operator of Hazira Field, NIKO Resources Limited, had initiated arbitration proceedings (in October 2013) against Union of India under Hazira PSC claiming the following:

(i) declaration that Gas Compressors (4 in No.) forms part of Development Costs of Hazira Field and allow cost recovery of USD 14.48 MN on this account;

(ii) declare revision in IM ratio as a result of allowance of Cost Recovery to Gas Compressor Project and allow refund of excess profit petroleum paid on this account amounting to USD 4.10 MN

(iii) declare Wells H 15 and H23 and certain other expenditures on wells as cost recoverable and declare revision in IM ratio on this account and refund of Profit Petroleum of USD 547,043 on this account

(iv) Refund of an amount of Rs. 35.24 Crore paid on account of recovery of excess Royalty on the basis of Royalty on Royalty and an amount of USD 3.911 MN on the basis of recovery of royalty on Sales Price instead of on Well Head Price.

(c) In case of cambay block, a dispute had arisen between GSPC and Oilex regarding certain Cash Calls alleged to be outstanding on part of GSPC as per a Notice of Default (EOD Notice) issued by Oilex on May 29, 2018. GSPC had seriously disputed the said EOD Notice on various grounds including on the grounds that the alleged Cash Calls forming part of the EOD Notice were all pertaining to cost overrun not approved by GSPC as also were time-barred. Upon Oilex's issuance of Notice of Withdrawal of PI dated July 9, 2018 (Forfeiture Notice), GSPC approached High Court of Gujarat under Section 9 of the Arbitration Act and a stay on operation of EOD Notice as well as Forfeiture Notice was granted by the High Court. GSPC also initiated arbitration proceedings against Oilex under the JOA for Cambay Field seeking declaration that the EOD Notice as well as Forfeiture Notice were illegal and invalid. The total sum in dispute in the said proceedings was USD 3.05 MN.

However, subsequently in September 2019, GSPC and Oilex have arrived at an amicable resolution of the said dispute whereunder Oilex has withdrawn the EOD Notice as well as the Forfeiture Notice thus bringing an end to the dispute over allegedly unpaid cash-calls forming part of the EOD Notice while GSPC has put up its PI in Cambay Field for sale. The sale process is currently under progress.

(d) The Company had made an investment in a joint arrangement (JV) incorporated to carry out exploration and production activities in Joint Petroleum Development Area (JPDA) block (JPDA 06-103) in Australia. GSPC holds 20% working interest in the JV through Special Purpose Vehicle (SPV) in GSPC (JPDA) Ltd amounting to Rs. 99.39 crore (31st March 2019: Rs. 99.39 crore) to carry out exploration activities in Australia.

Considering the unsuccessful outcome of the exploration activities in the block 100% provision for impairment has been provided in the standalone financial statements to the extent of investment made in the subsidiary - GSPC (JPDA) Ltd amounting to Rs. 99.39 crores as on 31.03.2020 (Rs.99.39 crores as on 31.03.2019)

Moreover, Autoridade Nacional do Petroleo (ANP) has terminated the PSC with condition of paying the penalty of USD 3403758 (Current year Rs.25.66 Crores (Previous year Rs.23.54 Crores)) (JPDA Share) for the unfinished work programme. However, Operator and JV partners have protested against the same and ANP has initiated arbitration proceedings against JV partners. Before the commencement of final hearing ANP & JV partners have again commenced discussion for amicable settlement which is still to be finalized.

(e) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PGNRB 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 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, 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 of amount recovered from customers is shown as amount paid under protest in the accounts. Further, the company has also not provided for differential amount charged by vendors above Rs.12/ MMBTU agreegating to Rs. 45.87 crores.The appeal is pending before the Hon'ble Supreme Court.

(f) Other Contingent liabilities includes Contingent Liablitity of Rs.30.14 Crores is associated with Gas Trading Business.

(g) Indo-Baijin Chemicals Pvt. Ltd. (IBCPL) has invoked arbitration clause under Supply Framework Agreement (SFA) dated 19th July, 2012 entered for supply of gas, and served notice of arbitration dated 20th August, 2018 alleging breach of SFA by GSPC for failure to pass on duty draw back when received from the custom department and claiming loss of Rs. 8.12 Crore and for failure to provide supporting documents enabling IBCPL to make a claim from the Custom Department.

GSPC by its reply has denied any such breach, as GSPC has not received any refund of custom duty drawback under the relevant Act and occasion for refund of custom duty has never arisen. Moreover, GSPC had on every occasion when asked by IBCPL supplied the necessary documents. As differences has arisen between the parties, the matter is referred for adjudication by Sole Arbitrator-Mr. Justice (retd.) J.C. Upadhyaya, Gujarat High Court. The matter is still pending.

(h) GSPC had entered into a Rate Contract for Provision of hiring of Waste Management Agency for Waste Disposal on Callout basis for CB-ONN-2000/1 (Ahmedabad Block) and CB-ONN-2003/2 Ankleshwar Block with M/s PMP Infratech Pvt. Limited (hereinafter referred to as "M/s PMP").

As per the terms of the Contract, M/s PMP was required to dispose the Waste Mud as well as Liquid Waste from GSPC well site to Treatment, Storage & Disposal Facility ("TSDF") only. M/s PMP had in its technical bid submitted a certificate from Saurasthra Enviro Projects Pvt. Ltd. – Kutch giving consent to M/s PMP for disposal of waste. With respect to the liquid waste from the well sites of Ahmedabad Block as well as Ankleshwar Block, M/s PMP did not dispose off the waste from the site at approved location i.e. the TSDF site in Bhachau, Kutch but instead disposed off the Liquid Waste at Common Effluent Treatment Plant ("CETP"), Odhav Enviro Project Ltd., Odhav, Ahmedabad, which was a breach of the material provision of the Contract.

In addition to this, prima facie errors were noticed by GSPC such as change in location of disposal of waste as well as vehicles carrying waste beyond the permissible limits. Hence GSPC withheld the payment of contractor and sought several clarifications from M/s PMP to which proper justification was not furnished. Disputes arose between the parties and Contractor has initiated arbitration as per the provisions of the Contract. Justice J. C. Upadhyay, Former Justice High Court of Gujarat has been appointed as the sole arbitrator in the present arbitration proceedings. Amount in dispute is approx.. Rs. 1.12 Crores.

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.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, 2020 there is an amount Rs.13.51 crores as surplus with the company for valuation adjustment under FIFO.

Note 34

Capital commitments

A. Estimated amount of contracts remaining to be executed on capital accounts and not provided for:

1. In respect of Joint arrangements Rs. 135.63 crores (31st March 2019 : Rs. 669.94 crores)
2. In respect of others Nil (31st March 2019 : Nil)

B. Minimum work programme committed under various Production Sharing Contracts in India and Outside India.

1. In India: Nil (31st March 2019 : Nil)
2. Outside India: Nil (31st March 2019 : Nil)

Note 35

Employee Benefits:

A. Defined contribution plans

1. Company's contribution to Provident Fund is Rs. 2.42 Crores (FY 2018-19 - Rs. 3.25 Crores)
2. Company's contribution to Super Annuation fund is Rs. 1.07 Crores (FY 2018-19 Rs. 1.42 Crores)

B. Defined benefit plans

The following table sets out the funded status of the Gratuity. Loyalty Bonus and Leave Encashment Plan and the amounts recognized in company's financial statements as at 31st March, 2020; 31st March, 2019 as required by Ind AS 19.

(₹ in crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Non funded)		Leave Encashment (Funded)	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Change in benefit obligation						
1 Liability at the beginning of the year	8.28	8.86	9.82	8.78	11.11	11.52
2 Interest cost	0.60	0.64	0.74	0.66	0.83	0.86
3 Current service cost	0.84	1.03	0.92	1.06	0.60	0.69
4 Past service cost	-	-	-	-	-	-
5 Benefit Paid	(2.05)	(1.51)	(0.97)	(0.10)	(2.10)	(2.11)
6 Actuarial (gain) / Losses	2.00	0.05	0.19	(0.58)	2.23	0.15
7 Transfer in Obligation	(0.03)	(0.79)	-	-	-	-
8 Liability at the end of the year	9.64	8.28	10.70	9.82	12.68	11.11
Change in fair value of plan assets						
1 Plan assets at the beginning of the year	7.88	8.99	-	-	8.62	9.26
2 Expected return of plan assets	0.63	0.72	-	-	0.67	0.72
3 Contributions	-	0.64	-	-	0.22	0.83
4 Benefit paid	(2.05)	(1.51)	-	-	(2.10)	(2.11)
6 Actuarial gain / (Loss)	(0.15)	(0.17)	-	-	(0.12)	(0.08)
7 Transfer in Plan Assets	(0.03)	(0.79)				
8 Plan assets at the end of the year	6.28	7.88	-	-	7.29	8.62
9 Total Actuarial Gain/(Loss) To Be Recognized	(2.15)	(0.22)	(0.19)	0.58	(2.35)	(0.23)

(₹ in crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Non funded)		Leave Encashment (Funded)	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Actual Return on plan assets						
1 Expected return of plan assets	0.63	0.72	-	-	0.67	0.72
2 Actuarial gain / (loss)	(0.15)	(0.17)	-	-	(0.12)	(0.08)
3 Actual return on plan assets	0.48	0.55	-	-	0.54	0.64
Net (asset) / liability recognized in the Balance Sheet						
1 Liability at the end of the year	9.64	8.28	10.70	9.82	12.68	11.11
2 Plan assets at the end of the year	6.28	7.88	-	-	7.29	8.62
3 Amount recognized in the Balance Sheet Accrued (Pre paid)	3.36	0.40	10.70	9.82	5.39	2.49
Expenses recognized in the statement of profit & loss account for the year						
1 Current service cost	0.84	1.03	0.92	1.06	0.60	0.69
2 Interest cost	0.60	0.64	0.74	0.66	0.83	0.86
3 Expected return on plan assets	(0.63)	(0.72)	-	-	(0.67)	(0.72)
4 Actuarial (gain) / Losses	-	-	-	-	2.35	0.23
5 Benefits paid	-	-				
6 Past service cost	-	-	-	-	-	-
7 Total expenses*	0.81	0.95	1.66	1.72	3.12	1.06
Expenses recognized in the other comprehensive income for the year						
1. Actuarial (gain) / Losses	2.15	0.22	0.19	(0.58)	-	-
Balance Sheet reconciliation						
1 Opening net liability	0.40	(0.13)	9.82	8.78	2.49	2.26
2 Expenses as above	2.96	1.17	1.85	1.14	3.12	1.06
3 Employer contribution /benefits paid	-	(0.64)	-	-	(0.22)	(0.83)
4 Benefits paid by Employer directly	-	-	(0.97)	(0.10)	-	-
5 Amount recognized in the Balance Sheet	3.36	0.40	10.70	9.82	5.39	2.49
6 Expected contribution during next 12 months	1.03	0.40	0.81	0.21	0.65	0.60
Actuarial Assumptions						
1 Discount Rate	6.85%	7.60%	6.85%	7.60%	6.85%	7.60%
2 Rate of return on plan assets	6.85%	7.60%	-	-	6.98%	6.98%
3 Salary Escalation	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
4 Withdrawal Rate	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%
5 Mortality Rate	Indian Assured Lives Mortality (2012-14) Table					

* The figures represent the amount before the allocation of salary expense to Joint arrangements.

** Benefits to KMPs - Refer note no. 38 - Related Party Transactions

(₹ in crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Non funded)		Leave Encashment (Funded)	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Amount for the current & previous period are as follows:						
Defined Benefit obligation	9.64	8.28	10.70	9.82	12.68	11.11
Plan asset	6.28	7.88	-	-	7.29	8.62
Surplus/(deficit)	(3.36)	(0.40)	(10.70)	(9.82)	(5.39)	(2.49)
Experience adjustment on plan liability	1.32	0.01	(0.74)	(0.64)	1.13	0.07
Experience adjustment on plan assets	-	-	-	-	-	-

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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 (Non funded)		Leave Encashment (Funded)	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Discount rate varied by 0.5%						
+0.5%	9.17	7.88	10.07	9.21	11.92	10.41
-0.5%	10.16	8.72	11.40	10.49	13.50	11.86
Salary growth rate varied by 0.5%						
+0.5%	9.82	8.50	11.39	10.43	13.49	11.86
-0.5%	9.45	8.07	10.07	9.26	11.91	10.41
Withdrawal Rate (W.R.) varied by 10%						
W.R. @ 110%	9.76	8.39	10.68	9.78	12.67	11.12
W.R. @ 90%	9.52	8.18	10.73	9.87	12.68	11.09

Notes

a. Investment details

Both the funded liabilities are managed by Life Insurance Corporation of India‘s policy.The plans expose the Group to a number of actuarial risks such as investment risk, legislative risk, market risk and liquidity risk.

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.Gratuity and Leave Encashment is administered through duly constituted and approved independent trusts, also through Group gratuity / leave encashment scheme with Life Insurance Corporation of India.

c. Expected cashflows based on past service liability

(₹ in crores)

Particular	Gratuity (Funded)		Loyalty Bonus (Non funded)		Leave Encashment (Funded)	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
1st Following year	1.19	0.64	0.81	0.21	0.76	0.43
2nd Following year	0.51	0.71	0.28	0.52	0.44	0.50
3rd Following year	0.42	0.34	0.23	0.21	0.38	0.29
4th Following year	0.50	0.39	0.26	0.24	0.50	0.39
5th Following year	0.84	0.32	0.59	0.30	0.73	0.31
Sum of years 6 to 10	4.21	3.66	3.47	3.57	4.40	4.20

Note 36

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	**Non Operated JVs**			
1	Hazira (Refer Note b)	66.67% (66.67%)	Sun Petrochemicals Private Limited (Operator)	33.33%
2	Bhandut (Refer Note b)	60% (60%)	Oilex NL Holdings (India) Ltd (Operator)	40%
3	Cambay (Refer Note b)	55% (55%)	Oilex NL (Operator)	30%
			Oilex NL Holdings (India) Ltd	15%
4	Asjol	50% (50%)	Hindustan Oil and Exploration Company Limited (Operator)	50%
5	Palej	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%
6	North Balol	45% (45%)	Hindustan Oil and Exploration Company Limited (Operator)	25%
			GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
7	Dholasan (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly as Heramec ltd.)	30%
8	North Kathana (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
9	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
10	Allora (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
11	CB-ONN-2004/1(Refer Note b)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
12	CB-ONN-2004/2(Refer Note b)	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%
13	CB-ONN-2004/3(Refer Note b)	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%
14	MB-OSN-2005/1 (Refer Note b)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
15	GK-OSN-2009/1 (Refer Note b)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%
			Indian Oil Corporation Limited	20%
			Adani Welspun Exploration Ltd	20%
16	KG-OSN-2001/3(Refer Note a)	10% (10%)	JODPL Pvt. Ltd.	10%
			Oil and Natural Gas Corporation Ltd.	80%
B	**GSPC-Operated**			
17a	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%
17b	Tarapur - Extension phase	80% (80%)	Geo Global Resources (Barbados) Inc.	20%
18	Unawa (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Formerly Heramec ltd.)	30%
19a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%
19b	CB-ONN-2000/1 – (Extension phase) (Refer Note h)	50% (50%)	GAIL (India) Ltd	50%

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Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
20	CB-ONN-2002/3 (Sanand) (Refer Note h)	55% (55%)	Jubilant Oil & Gas Private Limited	20%
			Hindustan Petroleum Corporation Limited	15%
			Geo Global Resources (Barbados) Inc.	10%
21	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%

*PI – Participating Interest** Figures in bracket indicate previous year figures. There is no change in previous year figures unless otherwise stated.

II Blocks/Fields proposed to be surrendered

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	**Non Operated JVs**			
1	MB-OSN-2000/1 (Mumbai) (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	75%
			Indian Oil Corporation Limited	15%
2	MB-DWN-2000/2 (Mumbai) (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	50%
			Indian Oil Corporation Limited	15%
			GAIL (India) Ltd	15%
			Oil India Lt.	10%
3	CB-ONN-2002/2 (Mehsana) (Refer Note c)	60% (60%)	Jubilant Oil & Gas Pvt. Limited (Operator)	30%
			Geo Global Resources (Barbados) Inc.	10%
4	CY-ONN-2002/1(Cavery) (Refer Note c)	20% (20%)	Jubilant Oil & Gas Pvt. Limited (Operator)	30%
			GAIL (India) Ltd	50%
5	BS(3)-CBM-2003/II (Refer Note c)	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
6	CY-DWN-2004/1(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
7	CY-DWN-2004/2(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
8	CY-DWN-2004/4 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
9*	CY-PR-DWN-2004/2 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
10*	KG-DWN-2004/1(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
11*	KG-DWN-2004/2(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			BPCL	10%

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
12*	KG-DWN-2004/3 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
13*	KG-DWN-2004/5(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	50%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			BPCL	10%
			Oil India Limited	10%
14	KG-DWN-2004/6(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			Oil India Limited	10%
15*	MB-OSN-2004/2(Refer Note c)	20% (20%)	Petrogas E&P LLC(Operator)	20%
			GAIL (India) Ltd	20%
			Hindustan Petroleum Corporation Limited	20%
			Indian Oil Corporation Limited	20%
16	CB-ONN-2004/4(Refer Note c)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
17	RJ-ONN-2004/1 (Refer Note c)	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%
18*	KG-OSN-2005/1(Refer Note c)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			HPCL – Mittal Energy Ltd.	20%
19	KG-DWN-2005/1(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			Indian Oil Corporation Limited	20%
20	CY-ONN-2005/1(Refer Note c)	30% (30%)	GAIL (India) Ltd (Operator)	40%
			Bengal Energy Inc.	30%
21	KK-DWN-2005/2(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
22	AN-DWN-2009/5(Refer Note e)	0% (0%)	Oil and Natural Gas Corporation Limited (Operator)	100%
23	AN-DWN-2009/13(Refer Note e)	0% (0%)	Oil and Natural Gas Corporation Limited (Operator)	80%
			GAIL (India) Ltd	10%
			NTPC Ltd	10%
24	AA-ONN-2003/1(Assam) (Refer Note c)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator)	10%
			Jubilant Securities Pvt. Ltd.	35%
			GAIL (India) Ltd	35%
25	CY-DWN-2004/3 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
26	CY-PR-DWN-2004/1 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
27	MB-OSN-2005/5 (Refer Note c)	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
28	MB-OSN-2005/6 (Refer Note c)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
29	CB-ONN-2005/4 (Refer Note c)	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
30	CB-ONN-2005/10 (Refer Note c)	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
31	CB-ONN-2009/4 (Refer Note b)	50% (50%)	Oil and Natural Gas Corporation Limited (Operator)	50%
32*	Sabarmati (Refer Note c)	60% (60%)	Oilex NL Holdings (India) Ltd (Operator)	40%

* Blocks CY-PR-DWN-2004/2, KG-DWN-2004/1,KG-DWN-2004/2,KG-DWN-2004/3,KG-DWN-2004/5,Sabarmati,KG-OSN-2005/1 & MB-OSN-2004/2 have received the approval from MOPN&G for surrender

B GSPC-Operated

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
33	South Diyur (Egypt) (Refer Note d)	80% (80%)	Alkor Petro Ltd	20%
34	North Hap'y (Egypt)(Refer Note d)	80% (80%)	Petrogas E&P LLC	20%
35	MB-OSN-2004/1(Refer Note c)	20% (20%)	GAIL (India) Ltd	20%
			Hindustan Petroleum Corporation Limited	20%
			Indian Oil Corporation Limited	20%
			Western Drilling Contractors Pvt. Ltd.	20%
36	Block No 19 (Yemen)	45% (45%)	Alkor Petroo Ltd.	25%
	(Refer Note d)		Western Drilling Contractors Pvt. Ltd.	30%
37	Block No 28 (Yemen)	45% (45%)	Alkor Petroo Ltd.	25%
	(Refer Note d)		Western Drilling Contractors Pvt. Ltd.	30%
38	Block No 57 (Yemen)	45% (45%)	Alkor Petroo Ltd.	25%
	(Refer Note d)		Western Drilling Contractors Pvt. Ltd.	30%
39	South Gulf of Suez (Egypt) (Refer Note d)	60% (60%)	Adani Welspun Exploration Ltd	40%
40	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd	40%
			Petrogas E&P LLC	20%
41	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%
42	South East Tungkal (Indonesia) (Refer Note d)	50.50%(50.50%)	Essar Oil Ltd	49.50%

Notes

a. The Company's Participating Interest (80% PI) in KG-OSN-2001/3 has been farmed out to Oil and Natural Gas Corporation (ONGC) through a Farm-in/Farm-out Agreement which was executed on 10th March 2017. The agreed valuation for the transaction is USD 995.26 Million towards KG-Deen Dayal West (DDW) area and USD 200 Million as an advance consideration towards the Other Six Discoveries areas. The consideration towards DDW Field is further subject to adjustment based on gas price while the consideration towards Other Six Discoveries is subject to additional payment by ONGC upon valuation of these discoveries to be carried out upon submission of FDP. In April 2017, the Company has entered into a Deed of Assignment & Assumption of Participating Interest with GGR vide which GGR has surrendered and assigned its 10% Participating Interest in KG-OSN-2001/3 Block to the Company. Thus, the Company holds 10% PI in KG-OSN-2001/3 Block.

b. The Company had initiated the process for farm-out of 12 E&P fields/blocks of which bids have been received for 7 blocks/ fields. The necessary approvals from Government of Gujarat has been obtained for farm-out. The Company has signed Farm-In Farm-Out (FIFO) Agreement with respective counterparties for 6 of these blocks which include Allora, Dholasan, North Kathana, Unawa, Hazira, and Bhandut. The FIFO for Cambay field is in process of being executed. The Company shall be filing the Deed of Assignment with Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas after completion of necessary operational procedures. Accordingly, the Company has not taken any line by line entries after the respective effective dates of the agreements.

c. The company along with its Joint arrangement partners have recommended block MB-OSN-2000/1, MB-DWN-2000/2 (Mumbai), CY-ONN-2002/1 (Cauvery), Sabarmati,CB-ONN-2002/2, MB-OSN-2004/1, MB-OSN-2004/2, KG-DWN-2004/1, KG-DWN-2004/2, KG-DWN-2004/3, KG-DWN-2004/5, KG-DWN-2004/6, CY-DWN-2004/1, CY-DWN-2004/2, CY-DWN-2004/4, CY-PR-DWN-2004/2, CB-ONN-2004/4, RJ-ONN-2004/1, BS (3)-CBM-2003/II, KG OSN 2005/1, KG DWN 2005/1, KK DWN 2005/2, KG ONN 2004/2, RJ ONN 2005/3, AA-ONN-2003/1, CY-DWN-2004/3, CY-PR-DWN-2004/1, MB-OSN-2005/5, MB-OSN-2005/6, CB-ONN-2005/10, CB-ONN-2005/4,CY-ONN-2005/1 and CB-ONN-2009/4 to be surrendered to Government of India/Appropriate Authorities in earlier periods.

d. The company along with its Joint arrangement partners has decided to withdraw from North Ha'py (Egypt) block, Yemen,South Diyur (Egypt), South Gulf of Suez (Egypt) and South East Tungkal Indonesia blocks in earlier years.

e. During FY 2013-14 the company has decided to surrender and assign its 10% PI in two ONGC operated blocks namely AN-DWN-2009/5 and AN-DWN-2009/13 block to ONGC w.e.f. 1st April, 2013.

f. In FY 2017-18 GSPC and HOEC has submitted the proposal for CB-ON/7 Ring Fenced PSC (RFPSC) to MOPNG which is pending requisite approval. However, 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.

g. During the financial year 2012-13 the company along with it 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 10 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.316.62 crores) issued in their favor by the International bank of Yemen;- Arbitral Tribunal has awarded costs of approx. USD 3.92 million (~Rs.29.55 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.

h. During the FY2019-20 ONGC Operated CB ONN 2004/3 Block has commenced commercial production.

i. Of the above, 19 fields/blocks are in production, namely Hazira, Bhandut, Cambay, Asjol, Unawa, North Balol, CB-ON/7 (Palej), Dholasan, North Kathana, Kanawara, Allora, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3, CB-ONN-2000/1(RFPSC),Sanand Miroli, CB-ONN-2004/1, CB-ONN-2004/2 and CB-ONN-2004/3 block. Net quantity of Company's interest (on gross basis) in proved developed reserves is as follows:

Particulars	**Proved Reseves (Oil) (Million MT)***	**Proved Reserves (Gas) (Million Cubic Meter)***
Opening Balance for the year ended on 1st April, 2019	0.33 (0.20)	4,155.60 (4,107.56)
Additions	0.01 -	23.39 -
** Adjustments on account of change in Reserve estimate	(0.02) (0.16)	(1,051.42) (82.67)
Deletions	- -	- -
Production	0.03 (0.03)	25.90 (34.63)
Closing Balance for the year ended on 31st March, 2020	0.29 (0.33)	3,101.67 (4,155.60)

*Figures in brackets relate to period ended 31st March, 2019

The Company's share of reserve has been considered on the basis of the "Reserve" certification provided by Gujarat Energy Research & Managment Institute (GERMI) as on 31st March, 2019 and accordingly the proved reserves as on 31st March, 2020 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 earler reserve estimation based on proved reserves.

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. 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:

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Fixed Assets		
Gross Block-Property Plant & Equipment	6,105.51	6,054.61
Current Assets	244.28	196.53
Current Liabilities and Provisions	72.33	345.90
Contingent Liabilities	130.45	200.65

j. 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 2020 is given as under:

(₹ in crores)

Particulars	**For the year ended**	
	31st March, 2019 GSPC's Share	**31st March, 2018 GSPC's Share**
Income		
Sale of Crude Oil	50.57	74.12
Sale of Gas	28.91	33.88
Increase/(Decrease) in Stock*	(18.34)	(0.53)
Other Income	3.96	8.07
Total	**65.10**	**115.54**
Expenditure		
Production Expenses	57.89	68.98
Duties & Taxes	8.14	9.10
Administrative exps.	15.00	14.25
Total Expenditure before Depreciation	**81.03**	**92.33**
Profit before depreciation	**(15.93)**	**23.21**

*It includes increase/ (decrease) in stock of crude oil of Hazira Field amounting to Rs.(2.79) crore (PY Rs.2.68 crore). The same is not considered in closing stock of crude oil, in line with Joint arrangement's accounting policy.

Note 37

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 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 fixed assets, 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

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, 2020					As at 31st March, 2019				
	E & P	Gas Trading	Wind Power	Unallocated	Total	E & P	Gas Trading	Wind Power	Unallocated	Total
A. Segment revenue										
External sales*	79.48	15,122.73	42.89	-	**15,245.10**	108.00	14,233.83	45.68	-	**14,387.51**
Inter segment sales	(12.73)	-	-	-	**(12.73)**	(18.93)	-	-	-	**(18.93)**
Total segment revenue	**66.75**	**15,122.73**	**42.89**	**-**	**15,232.37**	**89.07**	**14,233.83**	**45.68**	**-**	**14,368.58**
B. Segment results										
Segment results										
Profit(+)/ loss(-)	(19.89)	1,632.53	32.30	-	**1,644.94**	15.14	1,168.38	36.54	-	**1,220.06**
Unallocated expenses	-	-	-	(80.28)	**(80.28)**	-	-	-	(48.61)	**(48.61)**
Operating Profit	**(19.89)**	**1,632.53**	**32.30**	**(80.28)**	**1,564.66**	**15.14**	**1,168.38**	**36.54**	**(48.61)**	**1,171.45**
Interest/ dividend Income	-	2.74	-	105.08	**107.82**	-	4.85	-	71.52	**76.37**
Other income	3.96	-	0.10	3.99	**8.05**	8.07	36.74	2.28	(18.80)	**28.29**
Interest Expenses	-	-	-	-	(624.90)	**(624.90)**	-	-	(702.20)	**(702.20)**
Depreciation	(120.61)	-	(14.33)	(2.33)	**(137.27)**	(152.06)	-	(15.89)	(2.73)	**(170.68)**
Provision for taxation	-	-	-	-	-	-	-	-	-	-
MAT credit entitlement	-	-	-	-	-	-	-	-	-	-
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Profit/Loss from ordinary Activities	**(136.54)**	**1,635.27**	**18.07**	**(598.44)**	**918.36**	**(128.85)**	**1,209.97**	**22.93**	**(700.82)**	**403.23**
Impairment Recognised	(540.78)	-	-	-	(540.78)	(429.92)	**-**	**-**	**-**	**(429.92)**
Impairment Reversed	0.46	-	-	-	0.46	193.41	**-**	**-**	**-**	**193.41**
Other Exceptional item	(0.67)	-	-	(10.99)	**(11.66)**	93.79	-	-	(1.00)	**92.79**
Net profit/(loss)	**(677.53)**	**1,635.27**	**18.07**	**(609.43)**	**366.38**	**(271.57)**	**1,209.97**	**22.93**	**(701.82)**	**259.51**
C. Segment assets										
Segment assets	2,215.25	1,326.42	106.92	-	3,648.59	2,870.74	765.01	121.01	**-**	**3,756.76**
Unallocated Assets	-	-	-	5,027.28	5,027.28	-	-	-	5,398.41	**5,398.41**
Total Assets	**2,215.25**	**1,326.42**	**106.92**	**5,027.28**	**8,675.87**	**2,870.74**	**765.01**	**121.01**	**5,398.41**	**9,155.17**
D. Segment Liabilities										
Segment Liabilities	720.09	631.08	9.35	-	1,360.52	792.49	106.43	8.39	**-**	**907.31**
Unallocated Liabilities	-	-	-	6,283.89	6,283.89	-	-	-	7,572.24	**7,572.24**
Total Liabilities	**720.09**	**631.08**	**9.35**	**6,283.89**	**7,644.41**	**792.49**	**106.43**	**8.39**	**7,572.24**	**8,479.55**
E. Other information										
Capital Expenditure	14.16	-	-	5.54	19.70	8.66	-	-	1.62	**10.28**
Additions to non-current assets	-	-								
Depreciation	120.61	-	14.33	2.33	137.27	152.06	-	15.89	2.73	**170.68**
Impairment Recognised	(540.78)	-	-	-	(540.78)	(429.92)	-	-	-	(429.92)
Impairment Reversed	0.46	-	-	-	0.46	193.41	-	-	-	193.41
Non Cash Expenses other than Depreciation	0.67	-	-	10.99	11.66	(93.79)	-	-	1.00	**(92.79)**

* Segment Revenue includes other operating income which is directly attributable to each segment.

Standalone Financial Statements

Note 38

RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the related parties of the Company are as follows.

38.1.1 Holding Company - Gujarat State Investments Limited*

38.1.2 Subsidiary Company - Gujarat State Petronet Limited, GSPC Pipavav Power Company Ltd, Guj Info Petro Limited, GSPC (JPDA) Ltd, Gujarat Gas Limited, GSPC Offshore Ltd, GSPC Energy Ltd.

38.1.3 Associate Companies - Gujarat State Energy Generation Limited, Alcock Ashdown (Gujarat) Limited ; Entity over which Holding Companyexercise significant influence - Gujarat State Financial Services Ltd, Gujarat Narmada Valley Fertilizers & Chemicals Ltd, Gujarat State Fertilizers & Chemicals Ltd, Gujarat Alkalies & Chemicals Limited

38.1.4 Joint Ventures- GSPL India Gasnet Limited ,GSPL India Transco Limited and Sabarmati Gas Ltd,

38.1.5 Key Managerial Personnel:

	F.Y.2019-20		F.Y.2018-19	
Name of Key Managerial Personnels:	From Date	To Date	From Date	To Date
Shri Anil Mukim, IAS (Chairman)	10-Dec-19	31-Mar-20	-	-
Shri Dr. J.N. Singh, IAS (Chairman & Managing Director)	-	-	1-Apr-18	11-Jul-18
Shri Dr. J.N. Singh, IAS (Chairman)	1-Apr-19	10-Dec-19	12-Jul-18	31-Mar-19
Shri Pankaj Joshi, IAS - (Holding Company - Chairman)	27-Dec-19	31-Mar-20	-	-
Shri Arvind Motilal Agrawal, IAS (Holding Company - Chairman)	1-Apr-19	27-Dec-19	-	-
Shri T. Natarajan, IAS (Joint Managing Director)	-	-	1-Apr-18	11-Jul-18
Shri Sanjeevkumar, IAS (Managing Director)	22-Aug-19	31-Mar-20	-	-
Shri Sanjeev Kumar, IAS - (Holding Company - Managing Director)	1-Apr-19	3-Sep-19	-	-
Shri Milind Torawane, IAS - (Holding Company - Managing Director)	4-Oct-19	31-Mar-20	-	-
Shri T. Natarajan, IAS (Managing Director)	1-Apr-19	22-Aug-19	12-Jul-18	31-Mar-19
Shri Sujit Gulati, IAS (Director)	-	-	1-Apr-18	16-Jul-18
Shri Pankaj Joshi, IAS (Director)	20-Sep-19	31-Mar-20	-	-
Smt. Sunaina Tomar, IAS (Director)	4-Jan-20	31-Mar-20	-	-
Dr. Manjula Subramaniam, IAS (Retd.) (Woman Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Ms. Mamta Verma, IAS - (Holding Company - Women Independent Director)	1-Apr-19	31-Mar-20	-	-
Ms. Arti Kanwar, IAS - (Holding Company - Woman Director)	1-Apr-19	31-Mar-20	-	-
Shri Arvind Agarwal, IAS (Director)	1-Apr-19	6-Dec-19	12-Jun-18	31-Mar-19
Shri Raj Gopal, IAS (Director)	-	-	8-Aug-18	1-Feb-19
Shri M. M. Srivastava, IAS (Retd.) (Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri K. Kailashnathan, IAS (Retd.) (Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri Vasantkumar Raval - (Holding Company - Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Dr. N. Ravichandaran (Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Prof. Yogesh Singh (Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Dr. Ravindra Dholakia (Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri Rajesh Sivadasan (CFO)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri Ghanshyam Pathak – (Holding Company - CFO)	1-Apr-19	31-Mar-20	-	-
Shri Sandeep Dave (Company Secretary)	1-Apr-19	20-Feb-20	1-Apr-18	31-Mar-19
Smt. Reena Desai (Company Secretary)	27-Feb-20	31-Mar-20	-	-
Shri Sandeep Shah – (Holding Company - Company Secretary)	1-Apr-19	31-Mar-20	-	-

*Consequent to change in shareholding pattern of GSPC pursuant to Scheme of Arrangement with GSIL, GSIL has become Holding company of GSPC. Accordingly, GSIL and its associates are considered as related parties for the disclosures under Ind AS 24 with effect from 18 May 2019.

38.1.5 Related party disclosure

Transactions during the year with related parties:

(₹ in crores)

Nature of Transaction	Holding Company	Subsidiaries		Associates		Joint Ventures / Venturers		Key Management personnel		Associate of Holding Company	TOTAL	
	2019-20	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2019-20	2018-19
Income:												
Sale of LNG	-	**6,776.58**	**5,346.62**	**130.20**	**123.02**	**251.54**	**281.41**	-	-	**452.39**	**7,610.70**	**5,751.05**
Gujarat State Petronet Ltd		62.19	49.64		-	-	-		-		62.19	49.64
Gujarat Gas Limited		6,393.76	4,883.79		-	-	-		-		6,393.76	4,883.79
GSPC Pipavav Power Company Ltd.		147.49	302.62		-	-	-		-		147.49	302.62
Sabarmati Gas Ltd.			-			251.54	281.41		-		251.54	281.41
Gujarat Narmada Valley Fertilizer Company										253.63	253.63	-
Gujarat State Fertilizer Company										179.03	179.03	-
Gujarat Alkalies & Chemicals Ltd.										19.73	19.73	-
Gujarat State Energy Generation Ltd			-	130.20	123.02	-	-		-		130.20	123.02
GSPC Energy Ltd.		173.14	110.57		-	-	-				173.14	110.57
REGASIFICATION INCOME	-	**51.87**	**56.99**	**21.08**	**9.24**	-	-	-	-	-	**72.95**	**66.23**
Gujarat Gas Limited		33.48	30.68		-	-	-	-	-		33.48	30.68
GSPC Pipavav Power Company Ltd.		18.39	26.31		-	-	-	-	-		18.39	26.31
Gujarat State Energy Generation Ltd			-	21.08	9.24	-	-	-	-		21.08	9.24
Rent received	-	**1.18**	**1.00**	**0.20**	**0.19**	-	-	-	-	-	**1.38**	**1.19**
Gujarat State Petronet Ltd		0.38	0.24		-	-	-	-	-		0.38	0.24
GSPC Pipavav Power Company Ltd.		0.20	0.19		-	-	-	-	-		0.20	0.19
Gujarat Gas Limited		0.11	0.11		-	-	-	-	-		0.11	0.11
Guj Info Petro Ltd		0.49	0.46		-	-	-	-	-		0.49	0.46
Gujarat State Energy Generation Ltd			-	0.20	0.19	-	-	-	-		0.20	0.19
Dividend Income	-	**42.46**	**37.15**	-	-	**1.46**	**1.12**	-	-	-	**43.92**	**38.27**
Gujarat State Petronet Ltd		42.46	37.15		-	-	-	-	-		42.46	37.15
Sabarmati Gas Ltd.			-		-	1.46	1.12	-	-		1.46	1.12
Interest Income		-	-	**9.86**	**11.72**	-	-	-	-	-	**9.86**	**11.72**
Gujarat State Energy Generation Ltd			-	9.86	11.72	-	-	-	-		9.86	11.72
Reimbursement of Exp-Received	**0.72**	**11.03**	**5.94**	**0.26**	**0.72**	**1.17**	**2.11**	-	-	-	**13.18**	**8.77**
Gujarat Gas Limited		3.44	0.61		-	-	-	-	-		3.44	0.61
Gujarat State Petronet Ltd		4.76	3.40		-	-	-	-	-		4.76	3.40
GSPC Pipavav Power Company Ltd.		0.50	0.95		-	-	-	-	-		0.50	0.95
Gujarat State Investments Limited	0.72										0.72	-
GSPC ENERGY LIMITED		1.62	0.44		-	-	-	-	-		1.62	0.44
Sabarmati Gas Ltd.			-		-	0.22	0.40	-	-		0.22	0.40
Guj Info Petro Ltd		0.71	0.54		-		-	-	-		0.71	0.54
Gujarat State Energy Generation Ltd			-	0.26	0.66		-	-	-		0.26	0.66
GSPL INDIA GASNET LTD			-		-	0.33	1.05	-	-		0.33	1.05
GSPL INDIA TRANSCO LTD			-		-	0.62	0.66	-	-		0.62	0.66
GSPC LNG LTD			-		0.06	-	-	-	-		-	0.06
Expenses:												
Purchase of Gas	-	**871.94**	**831.71**	-	-	-	-	-	-	**2.15**	**874.09**	**831.71**
GSPC Pipavav Power Company Ltd.		871.94	831.71	-	-	-	-	-	-		871.94	831.71
Gujarat Narmada Fertilizer Company		-	-		-	-	-	-	-	2.15	2.15	-
Gas transportation charges	-	**307.76**	**147.58**	-	-	-	-	-	-	-	**307.76**	**147.58**
Gujarat State Petronet Ltd		307.76	147.58	-	-	-	-	-	-		307.76	147.58

Nature of Transaction	Holding Company	Subsidiaries		Associates		Joint Ventures / Venturers		Key Management personnel		Associate of Holding Company	TOTAL	
	2019-20	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2019-20	2018-19
Administrative & Other Expenses paid	-	**0.20**	**0.48**	-	-	-	-	-	-	**0.00**	**0.21**	**0.48**
Guj Info Petro Ltd		0.20	0.48	-	-	-	-	-	-		0.20	0.48
Gujarat Narmada Fertilizer Company										0.00	0.00	-
Interest on term Loan										**140.50**	**140.50**	
Gujarat State Financial Services Ltd.										140.50	140.50	-
Purchase of Fuel	-	**0.02**	**0.01**	-	-	-	-	-	-	-	**0.02**	**0.01**
Gujarat Gas Limited		0.02	0.01	-	-	-	-	-	-		0.02	0.01
Reimbursement of Expenses: Paid	-	**6.24**	**5.45**	**0.00**	-	**0.51**	-	-	-	-	**6.76**	**5.45**
Gujarat Gas Limited		0.42	0.41	-	-	-	-	-	-		0.42	0.41
Gujarat State Petronet Ltd		0.22	0.31	-	-	-	-	-	-		0.22	0.31
GSPC Pipavav Power Company Ltd.		5.60	4.74	-	-	-	-	-	-		5.60	4.74
Gujarat State Energy Generation Ltd				0.00							0.00	-
GSPL INDIA TRANSCO LTD						0.18					0.18	-
GSPL INDIA GASNET LTD			-	-	-	0.34	-	-	-		0.34	-
Remuneration to Key Managerial Personnel	-	-	-	-	-	-	-	**2.45**	**1.19**	-	**2.45**	**1.19**
Key management personnel compensation								1.21	0.95		1.21	0.95
Director Sitting Fees								0.06	0.04		0.06	0.04
Post employment benefit plan											-	-
-Non-contributory superannuation plan								0.05	0.05		0.05	0.05
-Employee group gratuity scheme								0.70	0.09		0.70	0.09
Other Long term benefits								0.44	0.06		0.44	0.06
Sale of Fixed Assets	-	**0.28**	**0.19**	-	**0.01**	**0.05**	**0.10**	-	-	-	**0.34**	**0.30**
Gujarat State Petronet Ltd		0.05	0.12								0.05	0.12
Gujarat Gas Limited		0.23									0.23	-
Sabarmati Gas Ltd.						0.03					0.03	-
Gujarat State Energy Generation Ltd		-	-		0.01	-	-	-	-		-	0.01
GSPL INDIA GASNET LTD						0.01	0.03				0.01	0.03
GSPL INDIA TRANSCO LTD						0.01	0.07				0.01	0.07
GSPC Pipavav Power Company Ltd.			0.07								-	0.07
Purchase of Fixed Assets	-	**0.07**	**0.15**	-	-	-	-	-	-	-	**0.07**	**0.15**
Guj Info Petro Ltd		0.07	0.15	-	-	-	-	-	-		0.07	0.15
Current Assets & Liabilities:												
Debtors	-	**285.88**	**171.68**	**51.79**	**44.01**	**3.73**	**6.29**	-	-	**22.42**	**363.84**	**221.99**
Gujarat State Petronet Ltd		1.36	1.85	-	-	-	-	-	-		1.36	1.85
Gujarat Gas Limited		191.60	150.95	-	-	-	-	-	-		191.60	150.95
GSPC Pipavav Power Company Ltd.		60.89									60.89	-
Gujarat Narmada Valley Fertilizer Company										18.73	18.73	-
Gujarat State Fertilizer Company										3.69	3.69	-
Gujarat State Energy Generation Ltd			-	51.79	44.01	-	-	-	-		51.79	44.01
Sabarmati Gas Ltd.			-	-	-	3.73	6.29	-	-		3.73	6.29
GSPC ENERGY LIMITED		32.05	18.88	-	-	-	-	-			32.05	18.88
Advance/Receivables	**0.82**	**0.54**	**7.52**	**45.92**	**37.15**	**0.38**	**0.07**	-	-	-	**47.69**	**44.74**
Gujarat State Petronet Ltd			3.27	-	-	-	-	-	-		-	3.27
GSPC Pipavav Power Company Ltd.			0.25	-	-	-	-	-	-		-	0.25
GSPC (JPDA) Ltd.		0.07	0.07	-	-	-	-	-	-		0.07	0.07

Nature of Transaction	Holding Company	Subsidiaries		Associates		Joint Ventures / Venturers		Key Management personnel		Associate of Holding Company	TOTAL	
	2019-20	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2019-20	2018-19
Gujarat State Investments Limited	0.82										0.82	-
Guj Info Petro Ltd		0.16	0.10	-	-	-	-	-	-		0.16	0.10
GSPC ENERGY LIMITED			0.68	-	-	-	-	-	-		-	0.68
GSPC OFFSHORE LIMITED		0.32	0.32	-	-	-	-	-	-		0.32	0.32
Gujarat Gas Limited			2.84	-	-	-	-	-	-		-	2.84
GSPL INDIA TRANSCO LTD			-	-	-	0.22	0.03	-	-		0.22	0.03
GSPL INDIA GASNET LTD			-	-	-	0.17		-	-		0.17	-
Gujarat State Energy Generation Ltd			-	45.92	37.15		-	-	-		45.92	37.15
Sabarmati Gas Ltd.			-	-	-		0.04	-	-		-	0.04
Payable	-	**27.02**	**82.93**	**0.01**	-	-	**0.10**	-	-	**0.00**	**27.04**	**83.03**
Gujarat State Petronet Ltd		13.18	10.28	-	-	-	-	-	-		13.18	10.28
Gujarat Gas Limited		0.09	0.05	-	-	-	-	-	-		0.09	0.05
Gujarat State Energy Generation Ltd				0.01							0.01	-
Guj Info Petro Ltd		0.15	-	-	-	-	-	-	-		0.15	-
GSPL INDIA GASNET LTD							0.10				-	0.10
Gujarat Narmada Fertilizer Company										0.00	0.00	-
GSPC Pipavav Power Company Ltd.		13.62	72.60	-	-	-	-	-	-		13.62	72.60
Advance received from Customer	-	**2.95**	**0.03**	-	-	-	-	-	-	-	**2.95**	**0.03**
Gujarat State Petronet Ltd		2.95	0.03	-	-	-	-	-	-		2.95	0.03
Term Loan										**2,100.00**	**2,100.00**	-
Gujarat State Financial Services Ltd.										2,100.00	2,100.00	-
Investment in Share Capital (Allotment) *	-	**1,152.83**	**1,152.83**	**290.18**	**290.18**	**55.10**	**55.10**	-	-	-	**1,498.11**	**1,498.11**
Gujarat State Petronet Ltd		213.31	213.31	-	-	-	-	-	-		213.31	213.31
GSPC Pipavav Power Company Ltd.		840.00	840.00	-	-	-	-	-	-		840.00	840.00
GSPC (JPDA) Ltd.		99.39	99.39	-	-	-	-	-	-		99.39	99.39
Guj Info Petro Ltd		0.03	0.03	-	-	-	-	-	-		0.03	0.03
Gujarat State Energy Generation Ltd			-	278.68	278.68	-	-	-	-		278.68	278.68
Sabarmati Gas Ltd.			-	-	-	55.10	55.10	-	-		55.10	55.10
Alcock Ashdown (Gujarat) Limited (excluding provision for Diminution in value)			-	11.50	11.50	-	-	-	-		11.50	11.50
GSPC ENERGY LIMITED		0.05	0.05		-	-	-	-	-		0.05	0.05
GSPC OFFSHORE LIMITED		0.05	0.05	-	-	-	-	-	-		0.05	0.05
Investment in Share Capital (Allotment pending-share application money) *	-	-	-	**61.47**	**61.47**	-	-	-	-	-	**61.47**	**61.47**
Gujarat State Energy Generation Ltd			-	61.47	61.47	-	-	-	-		61.47	61.47
		-										
Term / Liquid Deposit												
Gujarat State Financial Services Ltd.												
Interest received Income										22.92	22.92	-
Deposit - Placed/Renewed										11,589.83	11,589.83	-
Deposit - Withdrawn/Redeemed										11,387.78	11,387.78	-
Balance at the Period end										202.05	202.05	-
Deposit - Asset										202.05	202.05	-

* Investment in share capital excluding any addition on account of fair value

Apart from the above transactions, the Company has also entered into other transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

These transactions were carried out in the ordinary course of business and at arms length.

Note 39

A. Financial instruments by category and their fair value **(₹ in crores)**

As at 31st March 2020	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amotised 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	-	18.45	-	2,633.65	2,652.10	18.45	-	-	18.45
Unquoted	-	54.76	-	1,294.64	1,349.40	-	54.76	54.76	
Loans									
Non-current	-	-	6.97	-	6.97	-	-	-	
Current	-	-	48.35	-	48.35	-	-	-	-
Trade Receivables	-	-	818.61	-	818.61	-	-	-	-
Cash and Cash Equivalents	-	-	413.24	-	413.24	-	-	-	-
Other Bank Balances	-	-	231.29	-	231.29	-	-	-	-
Other financial assets	-								
Non-current	-	-	66.58	-	66.58	-	-	-	-
Current	-	-	1,209.57	-	1,209.57	-	-	-	-
Total financial assets	**-**	**73.21**	**2,794.61**	**3,928.29**	**6,796.11**	**18.45**	**-**	**54.76**	**73.21**
Financial liabilities									
Borrowings									
Non-current	-	-	5,412.50	-	5,412.50	-	-	-	-
Current	-	-	149.67	-	149.67	-	-	-	-
Other financial liabilities									
Non-current	-	-	12.93	-	12.93	-	-	-	-
Current	-	-	966.30	-	966.30	-	-	-	-
Trade Payables	-	-	700.44	-	700.44	-	-	-	-
Total financial liabilities	**-**	**-**	**7,241.84**	**-**	**7,241.84**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised 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.

(₹ in crores)

As at 31st March 2019	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amotised 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	-	26.29	-	2,633.65	2,659.94	26.29	-	-	26.29
Unquoted	-	54.61	-	1,294.64	1,349.25	-	-	54.61	54.61
Loans									
Non-current	-	-	7.31	-	7.31	-	-	-	
Current	-	-	45.27	-	45.27	-	-	-	-
Trade Receivables	-	-	618.30	-	618.30	-	-	-	-
Cash and Cash Equivalents	-	-	155.72	-	155.72	-	-	-	-
Other Bank Balances	-	-	201.34	-	201.34	-	-	-	-
Other financial assets	-								
Non-current	-	-	65.52	-	65.52	-	-	-	-
Current	-	-	1,610.19	-	1,610.19	-	-	-	-
Total financial assets	**-**	**80.90**	**2,703.65**	**3,928.29**	**6,712.84**	**26.29**	**-**	**54.61**	**80.90**
Financial liabilities									
Borrowings									
Non-current	-	-	6,111.81	-	6,111.81	-	-	-	-
Current	-	-	482.94	-	482.94	-	-	-	-
Other financial liabilities									
Non-current	-	-	10.94	-	10.94	-	-	-	-
Current	-	-	1,329.18	-	1,329.18	-	-	-	-
Trade Payables	-	-	126.30	-	126.30	-	-	-	-
Total financial liabilities	**-**	**-**	**8,061.17**	**-**	**8,061.17**	**-**	**-**	**-**	**-**

Fair value of financial assets and liabilities measured at amortised 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 are as under:

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

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 (Current Year).

Financial instruments measured at fair value

FVTOCI in unquoted equity shares	**Investments in Equity Shares of Other Entities**The Company has nominal investment in ONGC Petro Additions Ltd. ("OPAL"). We have carried out valuation of OPAL using Comparable Companies Multiple ("CCM") Method. GSPC LNG has achieved Mechanical Completion for the LNG terminal facilities. Commissioning and subsequent commercial operations is started during FY 2019-20. Investments in GSPC LNG has been fair valued using Comparable Companies Multiple("CCM")Method.

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 (Previous Year).

Financial instruments measured at fair value

FVTOCI in unquoted equity sharesInvestments in Equity Shares of Other Entities OPAL -Due to recent commissioning of project, fair value of investments in equity shares of OPAL have been considered as equivalent to cost. GSPC LNG has not commenced its commercial production and hence fair value of investments in equity shares of GSPC LNG have been considered as equivalent to cost.

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, 2020 and 31st March, 2019 is as below:

(₹ in crores)

Particulars	**Amount**
As at 1 April 2018	29.00
Acquisitions/ (disposals)	25.61
Gains/ (losses) recognised in other comprehensive income	
Gains/ (losses) recognised in statement of profit or loss	
As at 31 March 2019	**54.61**
Acquisitions/ (disposals)	
Gains/ (losses) recognised in other comprehensive income	0.15
Gains/ (losses) recognised in statement of profit or loss	
As at 31 March 2020	**54.76**

Transfer out of Level 3

There were no transfers out of level 3 during the year 2019-20 and 2018-19.

Sensitivity analysis

In Current Year, Investments in unquoted equity shares comprises majorly of investments in ONGC Petro Additions Ltd. & GSPC LNG Ltd.Valuation of ONGC Petro Additions Ltd. has been done based on Market Approach using Comparable Companies Multiple("CCM") Method. During Previous Year, investments in ONGC Petro Additions Ltd have not been fair valued on account of lack of adequante information, so it was impracticable to provide the sensitivity analysis of the same.

Sensitivity analysis-ONGC Petro Additions Ltd. (OPAL) **(₹ in crores)**

Significant observable inputs	As at 31st March, 2020		As at 31st March, 2019	
	OCI		OCI	
	10% Increase in P/BV	10% Decrease in P/BV	Increase	Decrease
Equity securities in unquoted investments measured through OCI			N.A.	
Fair Value of Investments in OPAL (Rs. In Crores)	31.90	26.10		

In the Current Year, investments in GSPC LNG has been fair valued based on Market Approach using Comparable Companies Multiple("CCM")Method.In the Previous Year, GSPC LNG Ltd.had not commissioned its commercial production of its re-gasification terminal and hence the shares had been valued at Face Value and it was impracticable to provide the sensitivity analysis of the same.

Sensitivity analysis-GSPC LNG Ltd. **(₹ in crores)**

Significant observable inputs	As at 31st March, 2020		As at 31st March, 2019	
	OCI		OCI	
	10% Increase in P/BV	10% Decrease in P/BV	Increase	Decrease
Equity securities in unquoted investments measured through OCI			N.A.	
Fair Value of Investments in GSPC LNG Ltd.	28.35	23.19		

C. Financial risk management

The Company 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 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, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding 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 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 (₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Within the credit period		
1-30 days past due	630.98	566.08
31-60 days past due	139.43	2.26
61-90 days past due	0.26	1.58
More than 90 days past due	50.88	51.50

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 31st March, 2020**	**As at 31st March, 2019**
Balance at the beginning of the year	3.12	3.31
Movements in allowance	(0.18)	(0.19)
Closing balance	**2.94**	**3.12**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behavior 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 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 Crore 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 materialise 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:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Floating rate borrowings		
Expiring within one year (working capital demand loan,line of credit and other facilities)	1,050.00	1,925.60
Expiring beyond one year (working capital demand loan,line of credit and other facilities)	-	-
Total	**1,050.00**	**1,925.60**

Further, the Company has also tied-up additional sources of liquidity to meet the liabilities during the respective annual years which has ensured that the Company has a clean track record with no adverse events pertaining to liquidity risk.

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)

31st March, 2020	Contractual cash flows based on maturity			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	5,412.50	5,412.50	-	5,412.50
Current borrowings	149.67	149.67	149.67	-
Non current financial liabilities	12.93	12.93	-	12.93
Current financial liabilities	966.30	966.30	966.30	-
Trade and other payables	700.44	700.44	700.44	-
Total	**7,241.84**	**7,241.84**	**1,816.41**	**5,425.43**

(₹ in crores)

31st March, 2019	Contractual cash flows based on maturity			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	6,111.81	6,111.81	-	6,111.81
Current borrowings	482.94	482.94	482.94	-
Non current financial liabilities	10.94	10.94	-	10.94
Current financial liabilities	1,329.18	1,329.18	1,329.18	-
Trade and other payables	126.30	126.30	126.30	-
Total	**8,061.17**	**8,061.17**	**1,938.42**	**6,122.75**

(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 Company is in process of reviewing interest rate hedging stretagy for the balance foreign currency loans.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.

Commodity price risk

The company's integrated natural gas procurement and trading business (including Liquified 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 has executed 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 summarises 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, 2020	**As at 31st March, 2019**
NSE NIFTY 50 - increase 6%	1.11	1.58
NSE NIFTY 50 - decrease 6%	(1.11)	(1.58)

Currency risk

The functional currency of the Company is Indian Rupees. However, the Company has exposure of USD linked External Commercial Borrowing (ECB) as well as receivables and 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.The currency risk of these foreign currency loans is covered through a natural hedge linked to revenue from E &P Blocks denominated in USD.

Following is the summary of foreign currency (USD) exposure for the company:

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non current borrowings		
ECB - principal	1,091.08	1,040.86
Net Foreign currency exposure	**1,091.08**	**1,040.86**

The currency exposure on account of USD denominated ECB loans as on 31st March, 2020 has increased due to mark to market of outstanding ECB and there is a repayment of ECB of USD 5.742 million during the year. In the previous year the currency exposure on account of USD denominated ECB loans as on 31st March, 2019 was increased as compared to 31st March,2018, due to mark to market of outstanding of ECB. The currency risk for the existing loans is adequately covered through natural hedge i.e. USD denominated revenue from E &P Blocks and margins from Gas Trading Business.

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The following significant exchange rates have been applied during the year.

Rupees	Average rate		Year-end spot rate	
	2019-20	2018-19	As at 31-Mar-20	As at 31-Mar-19
USD	72.28	67.11	75.39	69.17

Sensitivity analysis based on the net foreign currency exposure provided earlier in this note

Effect in Rupees	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2020				
USD (7% movement)	(76.38)	76.38	(49.69)	49.69

Effect in Rupees	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2019				
USD (7% movement)	(72.86)	72.86	47.40	(47.40)

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/MCL linked in INR denominated loans and 6-month LIBOR linked in USD denominated loans.The Company has substantial mix of USD denominated and 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. The Company is in process of reviewing interest rate hedging stretagy for the balance foreign currency loans.

(₹ in crores)

Variable-rate instruments	As at 31st March, 2020	As at 31st March, 2019
Non current - Borrowings	3,578.44	5,111.81
Current - Borrowings	149.67	482.94
Current portion of Long term borrowings	185.37	205.46
Total	**3,913.48**	**5,800.21**

(₹ in crores)

Fixed-rate instruments	As at 31st March, 2020	As at 31st March, 2019
Non current - Borrowings	1,834.06	1,000.00
Current - Borrowings	-	-
Current portion of Long term borrowings	265.94	4.52
Total	**2,100.00**	**1,004.52**

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. As far as INR denominated borrowings are concerned, the Company does not accounts for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not have any designate derivatives (interest rate swaps). Therefore, the profit or loss impact on account of change in interest rates at the reporting date is indicated in the following table. Since, no interest rate risk is perceived on fixed rate borrowings, the same has been excluded from the sensitiveity analysis below.

(₹ in crores)

Particulars	Profit or loss		Equity, net of tax	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
31st March, 2020				
Non current - Borrowings	(35.78)	35.78	(23.28)	23.28
Current - Borrowings	(1.50)	1.50	(0.97)	0.97
Current portion of Long term borrowings	(1.85)	1.85	(1.21)	1.21
Total	(39.13)	39.13	(25.46)	25.46
31st March, 2019				
Non current - Borrowings	(51.12)	51.12	(33.43)	33.43
Current - Borrowings	(4.83)	4.83	(3.16)	3.16
Current portion of Long term borrowings	(2.05)	2.05	(1.34)	1.34
Total	**(58.00)**	**58.00**	**(37.93)**	**37.93**

Other risk - Impact of COVID-19

A indicates Financial Instruments by category and fair value which includes Financial Assets and Liabilities. Financial Assets Fair Valued Through OCI (FVTOCI) include investments in GSPC LNG Ltd, ONGC PetroAdditions Ltd and Gujarat Industrial Power Corporation Ltd (GIPCL). GLL and OPaL have been fair valued through market approach which factors any potential impact of COVID19. GIPCL is fair valued through Level-1 thus market impact of pandemic has been factored. The Financial Assets carried at amortized cost (i.e. trade receivables, unsecured loans advances to related parties) have been assessed for likelihood of increased credit risk and consequential default in view of COVID19. The counterparties have been assessed to have adequate financial strength and credit risk is significantly low, thus the assets are continued to be held at its respective value which shall be realized / monetized. The cash and cash equivalent balance does not mandate such assessment.The Financial Assets carried at Cost include investments in GSPC Group companies. The impact of COVID19 on businesses of GSPC Group has been assessed and observations indicate some impact on demand outlook of certain business verticals however the business verticals bring forth inherent financial strength and shall experience adequate recovery to sustain the value at which the respective assets are held. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered /monetized over the envisaged timeframe. The assessment of impact of COVID19 has been carried out based on best effort basis with the available information and may experience divergence from assessment depending on the evolving scenario of the pandemic.

Note 40

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 parent (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 aims to maintain the net debt ratio, that is, the ratio of net debt to net debt plus equity, of 2:3 times with flexibility of ~5%.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 and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

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 and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio on 31st March, 2020 was as follows (₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total liabilities comprising interest-bearing loans and borrowings	6,013.48	6,804.73
Less : Cash and bank balances	644.53	357.06
Adjusted net debt	**5,368.95**	**6,447.67**
Total equity	1,031.46	**675.62**
Adjusted net debt to adjusted equity ratio	5.21:1 times	9.54:1 times

Standalone Financial Statements

Note: 41

The management of the Company with the support from Government of Gujarat has completed the revival of the company by putting in place a Turnaround Plan/Financial Realignment Strategy. The Company has devised a detailed realignment plan to improve the financial and operating performance and which has been implemented in two phases as below.

a) As per the Debt Realignment Plan, the Company has sold its holding in Gujarat Gas Ltd to Gujarat State Petronet Ltd. during FY 2017-18 and realised an amount of Rs.3,252.79 Crores. The Company's holding in Gujarat Gas Limited has been sold to Gujarat State Petronet Ltd (listed subsidiary of GSPC) through an on-market transaction. The share transfer has been effected in two tranche i.e. free-float shares on 26th March 2018 and lock-in shares on 28th March 2018. As on 31st March,2018 the consideration for sale of first tranche of Gujarat Gas ltd. shares was received in FY 2017-18. The balance amount of consideration was received on 4th April,2018. Subsequent to the captioned sale, the Company does not hold any shares of GGL.The consideration received has been deployed to reduce the outstanding debt.

b) The Ministry of Corporate Affairs (MCA), vide order dated 25th April, 2019, has approved the Scheme of Arrangement between Gujarat State Petroleum Corporation Limited (GSPC), Gujarat State Investment Limited (GSIL) and GSPC NCD Holders. The scheme of arrangement has approved transfer of GSPC's obligation in form of Non-Convertible Debentures (NCD) amounting to Rs.6,000 crores to GSIL in exchange of 749,06,36,704 fully paid equity shares of face value Rs. 1 each at fair value of Rs.8.01 each (with premium of Rs.7.01 per share).The appointed date of the scheme is 1st April, 2018. The scheme has became effective upon filling of certified copy of the order with Registrar of Companies, Gujarat on 16th May, 2019. Following accounting treatments are given in the books of accounts: (i) The Company has derecognized debenture obligation w.e.f. 1st April, 2018 and shares to be issued as consideration has been classified as "Financial Instrument in Equity Nature". (ii) Authorised Share Capital of the Company, as approved in the scheme, is increased by the company during FY 2019-20. (iii) 749,06,36,704 fully paid equity shares of face value Rs. 1 each at premium of Rs.7.01 per share were issued to GSIL during FY 2019-20.(iv) As the scheme of arrangement became effective from 1st April 2018 on filing on 16th May, 2019, GSPC has serviced half yearly interest on NCD cumulatively amounting to Rs.571.50 crores, due on 30th June, 2018 and 31st December, 2018, for the period 1st January, 2018 to 30th June, 2018 and 1st July, 2018 to 31st December, 2018 respectively. The company had received Rs.571.50 crores from GSIL as advance towards reimbursement of interest serviced to NCD holders. On receipt of the final directives from Government of Gujarat during FY 2019-20, the company has settled Rs.430.58 crores against interest for the period 1st April, 2018 to 31st December, 2018 and balance amount of Rs.**141.92 crores** have been refunded back to goverment of Gujarat.

Note 42

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 interest 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 recognsed in the books of accounts as and when realised.

Note 43

Transition to Ind AS 116 Leases

On 30 March 2019, the Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019, if any. Accordingly, the comparative information is not restated – i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

A. The Company as a lessee

As a lessee, the Company leases many assets including land, office building, factory shed and guest house. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company reclassified prepaid rent, lease hold land and ARO to right-of-use assets for most of these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments, if any. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Company used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Company:· Applied a single discount rate to a portfolio of leases with reasonably similar characteristics. · Relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019· Did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;· Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; Accordingly, a right-of-use asset of Rs. 11.54 Crore has been recognised.

On transition, for leases that are classified as finance lease under Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of transition to Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17. Accordingly, an amount of Rs.3.66 Crore and Rs.3.05 Crore has been reclassified from leasehold land and building respectively to right-of-use assets.

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. Some of the lease contarcts 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 and accordingly, there is no finance lease liability required to be recognised as on transition date (1 April 2019).

Amounts recognised in profit or loss

Particulars	**(₹ in crores)**
2019-20 - Leases under Ind AS 116	
Amortisation charge for right-of-use assets	0.60

B. The Company as lessor

In accordance with Ind AS 116, the Company recognised lease equalisation asset as on transition date for the contracts where there is escalation in rent. 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.

(₹ in crores)

Particulars	**2019-20**
Rental income	**2.43**

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	**2019-20**
Operating leases under Ind AS 116	
Less than one year	0.37
One to two years	0.38
Two to three years	0.4
Three to four years	0.42
Four to five years	0.27
More than five years	0.48

Note 44

IMPACT OF COVID-19 PANDEMIC

The Company has made preliminary assessment of impact on business and financial risks on account of the pandemic COVID 19 and pursuant lockdown. The Company is primarily in Natural Gas Trading and Exploration & Production businesses supplying natural gas to various commercial units, industries, power generation plants and city gas distribution companies. Accordingly, being an essential services company, the management ensured that seamless operations continued throughout the lockdown phase. The lockdown phase led to drop in overall demand for natural gas due to shutdown on commercial units and industries, however the Company continued to supply natural gas to power plants and city gas distribution companies. The E&P business was impacted due to significant volatility and downward price pressure in Oil and Gas prices,non-mobility staff and O&M service providers as the production sites continued to operate with skeleton staff. The production of oil and gas from the E&P blocks had to be calibrated as per the capacity of available storage and demand which shall lead to deferred realization of revenue. The Company has assessed the potential impact of the pandemic in coming quarters and observed that the Company has necessary market drivers and adequate financial strength to continue seamless operations for gas marketing and E&P business which shall ensure going concern and financial bandwidth to meeting its financial commitments and liabilities.The Company currently has a comfortable liquidity position and continues to assess its cash flow and liquidity position, in both normal and stressed situation. The Company has not availed moratorium from term loan lenders and continues to service its debt obligations. The Company's financial management is further supported by its strong external credit ratings. The Company has adequate financial reporting and control system and has been operating throughout while adhering to internal financial controls. The Management does not see any risks to the Company's ability to continue as a going concern and meet its liabilities as and when they become due based on the current indicators.The Company, as at the date of approval of the financial statements has used the available sources of internal and external information including research reports, credit reports and economic forecasts. The Company has performed sensitivity analysis on the base assumptions for assessment of impact of pandemic.The impact of the pandemic outbreak on the business and financial position of the Company has been assessed and accordingly the Company has recorded an impairment to the extent the carrying amount exceeds the recoverable amount and has disclosed the same as exceptional item in the financial statements. As the impact assessment of this global health pandemic COVID-19 is an evolving process, its impact may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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.The Company believes that such presentation is more relevant for understanding of the Group's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Items of balance sheet before and after reclassification/regroup as at 31 March 2019: **(₹ in crores)**

Sr. No	Particulars	Before Reclassification/ Regroup	Reclassification/ Regroup	After Reclassification/ Regroup
1	**Provision**			
	Non-Current	83.37	11.49	94.86
	Current	56.43	1.22	57.65
2	**Net employee benefit Liabilitites**			
	Non-Current	11.49	(11.49)	-
	Current	1.22	(1.22)	-

Note 46

The Previous year figures have been regrouped wherever necessary to confirm to current year's classification

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As per our report of even date attached.

For and on behalf of the Board of Directors

For Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22nd June, 2020
Place : Gandhinagar

Date : 22nd June, 2020
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, 2020, 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").

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 2020, 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

Without modifying our opinion, we draw attention to:

a) Para (p) 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 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 Company as on the date.

b) Note No. 32 to the Consolidated Ind AS financial statements regarding impairment of 9 continuing E&P blocks amounting to Rs. 386.48 Crore and impairment of 12 E&P blocks classified as Asset Held for Sale amounting to net Rs. 153.84 Crore due to significant fall in crude oil price primarily consequent to the outbreak of COVID 19 and shown under Exceptional Items.

c) 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. 1,701.78 Crores (P.Y. Rs. 1,701.78 Crores) and disclosed by way of a note as contingent liability as the matter is disputed.

d) 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

e) Note No. 34 to the Consolidated Ind AS financial statements in respect of liability for license fees, interest and penalties thereon for which an ad hoc payment of Rs. 5 Crores have been made under protest by subsidiary company, GIPL for the year ended 31st march 2020. As stated in the said note, management of subsidiary company has not received any demand notice from the DoT however, GIPL has estimated an amount of Rs 27.93 crores for AGR dues liabilities and considered as contingent liability and made representation to chairman DCC and Secretary of Government of India in this regards.

f) Note No. 50 to the Consolidated Ind AS financial statements which describes the uncertainties due to the outbreak of COVID-19 pandemic and management's evaluation of the impact on the consolidated financial statements of the Group as at the balance sheet date. The impact of these uncertainties on the Group operations is significantly dependent on future developments.

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 Shareholder's 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 Group have 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 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 and Jointly Controlled Entities reflect total assets of Rs.15,611 Crores & net assets of Rs. 5560.29 Crores as at 31st March, 2020, total revenues of Rs. 14,212.41 Crores and net cash flows amounting to Rs. 475.92 Crores 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. 0.94 Crores for the year ended 31st March, 2020, as considered in the consolidated Ind AS financial statements, in respect of Two (2) 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.

b) The consolidated financial statements also include the Group's share of net profit of Rs. 40.68 Crore for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of One (1) Jointly controlled entity and 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 these jointly controlled entity and 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 jointly controlled entity and 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.

c) The consolidated Ind AS financial statements include the Holding Company's share of:

(i) Total assets aggregating to Rs. 1198.83 Crores, total liabilities aggregating to Rs. 3.71 Crores, income aggregating to Rs. 54.10 Crores and expenditure aggregating to Rs. 26.22 Crores in respect of Eight (8) 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. 4,927.47 Crores, total liabilities aggregating to Rs. 68.50 Crores, income aggregating to Rs. 51.55 Crores and expenditure aggregating to Rs. 55.13 Crores in respect of Eleven (11) 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. 0.17 Crores, total liabilities aggregating to Rs. 0.38 Crores, income aggregating to Rs. Nil and expenditure aggregating to Rs. 0.23 Crores in respect of Eight (8) 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. 223.50 Crores, total liabilities aggregating to Rs. 422.13 Crores, income aggregating to

Rs. Nil and expenditure aggregating to Rs. 0.30 Crores in respect of Thirty Six (36) 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.

d) 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.

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 Forty Seven (47) Joint Operations (unincorporated joint ventures) for the year ended March 31, 2020 referred to in sub paragraph (b) (ii) and (b) (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 is a Government Company, in terms of notification no. G.S.R. 463(E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, the sub-section (2) of section 164 is not applicable to the Group.

   f. 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"**.

   g. 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 has disclosed the impact of pending litigations on its financial position of the Group, its associates and jointly controlled entities - Refer Note 35 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.

      iii. 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.

2) In terms of section 143 (5) of the Act, we give in **"Annexure – B"** a statement on the directions and sub directions issued under the aforesaid section by the Comptroller and Auditor General of India.

For Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 19122131AAAAAC2821)

Place of Signature: Gandhinagar
Date: 22/06/2020

"ANNEXURE – A" TO 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, 2020, 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, 2020 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 error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us 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, 2020, 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 Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 20122131AAAAAC1169)

Place of Signature: Gandhinagar
Date: 22/06/2020

"ANNEXURE – B" TO INDEPENDENT AUDITOR'S REPORT

The annexure as referred to in paragraph 3 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 period ended 31st March, 2020, we report that:

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

In case of Holding Company:

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. There are no financial implications of the same 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.

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 and there are no 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. There are no financial implications of the same during the period under audit.

3. Whether funds received / receivable for specific schemes from Central/State 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 has been received/ receivable by the Company for specific schemes from Central/State Agencies during the period under audit.

In case of Subsidiaries:

SR. No.	Particulars	GSPL	GGL	GPPC	GOL	GIPL	GSPC (JPDA) LTD	GEL
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.	The company is using SAP for accounting of all transactions through IT system only.	The company has system in place to process all the transactions through IT system i.e. SAP system. We have not come across any accounting transaction outside the SAP system.	Company generally processes transactions through ERP (SAP) system. However entries relating to gross book value to Written down value (Deemed Cost) for first time in Ind AS implementation as on 01.04.2015 (Date of transition) need to be recorded in SAP, effect of which is taken while preparing the Financial Statements. It is conveyed to us that "Considering technical difficulty to include the entries in the system we have worked it out separately. However effect of the same was given in the respective financial year as well as all subsequent years. We will further explore possibilities to include the same in SAP with Consultants."	The company has system in place to process all the accounting transactions through IT system are accurately done.	Yes, the Company has in place Tally ERP Software Package to process all accounting transactions.	Yes, system in place to process all the accounting transactions through IT system are accurately done.	Yes, system in place to process all the accounting transactions through IT system are accurately done.

SR. No.	Particulars	GSPL	GGL	GPPC	GOL	GIPL	GSPC (JPDA) LTD	GEL
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.	On the basis of our audit and as per information and explanations given to us there is no such case during the financial year 2019-20, therefore no any impact on the financial statements. The company is repaying its loan timely.	As per information and explanations given to us and based on examination of the records of the company, there are no cases of restructuring of an existing loan or any waiver of loan/debt/interest during the year.	It is conveyed to us that there is no restructuring of any loan during the period covered under audit hence not applicable.	There is no restructuring of an existing loan or cases of waiver/write off of debts/loans /interest, etc.	There are no cases of restructuring of loans or waiver of debts / loans / interest etc. during the year.	There is no restructuring of an existing loan or cases of waiver/write off of debts/loans /interest, etc	There is no restructuring of an existing loan or cases of waiver/write off of debts/loans /interest, etc
3	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilised as per its term and conditions? List the cases of deviation.	It is conveyed to us that no funds have been received/receivable from central/state agencies hence not applicable.	Funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilised as per its term and conditions.	It is conveyed to us that no funds have been received from central / state agencies hence not applicable.	The company does not received any funds from central/state agencies.	During the year, the Company has not received / does not have any funds receivable from specific schemes from Central / State Agencies.	There is no fund received for specific schemes from central/state specific agencies.	There is no fund received for specific schemes from central/state specific agencies.

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

1. Power Sector

In case of Holding Company

Generation

1. In the cases of Thermal power projects, compliance of the various pollution control Acts and the impact thereof including utilization and disposal of ash and the policy of the Company in this regard, may be checked and commented upon.

   Reply: Not Applicable

2. Has the Company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the Company?

   Reply: Not Applicable

3. Does the Company have a proper system for reconciliation of quantity/quality of coal ordered and received and whether grade of coal/moisture and demurrage etc., are properly recorded in the books of accounts?

   Reply: Not Applicable

4. How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?

   Reply: NIL

5. In the case of Hydroelectric Projects, the water discharge is as per policy/guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/payable may be reported.

   Reply: Not Applicable

In case of Subsidiaries:

Sr. No.	Particulars	GPPC
1	In the cases of Thermal power projects, compliance of the various pollution control Acts and the impact thereof including utilization and disposal of ash and the policy of the Company in this regard, may be checked and commented upon.	Since the Company has 702MW Combined Cycle Power Plant and 5MW Solar Project, this clause is not applicable to the company.
2	Has the Company entered into revenue sharing agreements with private parties for extraction of coal at pitheads and it adequately protects the financial interest of the Company?	The Company does not have any revenue sharing agreement.
3	Does the Company have a proper system for reconciliation of quantity/quality of coal ordered and received and whether grade of coal/moisture and demurrage etc., are properly recorded in the books of accounts?	The company does not own/operate a coal based generating facility. The company has 702MW Combined Cycle Power Plant and 5MW Solar Plant only.
4	How much share of free power was due to the State Government and whether the same was calculated as per the agreed terms and depicted in the accounts as per accepted accounting norms?	Principle revenue generation of the Company is governed by the Power Purchase Agreement with GUVNL.
5	In the case of Hydroelectric Projects, the water discharge is as per policy/guidelines issued by the State Government to maintain biodiversity. For not maintaining it penalty paid/payable may be reported.	The company does not own/operate a hydroelectric power generating facility. The company has 702MW Combined Cycle Power Plant and 5MW Solar Plant only.

2. Service Sector

In case of Holding Company:

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 sales activities may be examined and reported.

   Reply: In our opinion and according to the information and explanation given to us, the Company periodically prepares debtors outstanding and ageing reports and follow-ups with outstanding debtors, if any. The Company has also adequate amount of security against debtors in the form of Bank guarantee or Security Deposits except some debtors (considered doubtful) which are outstanding beyond 6 months and no security is available for which provision has been made during the respective previous years including period under audit as per Debtors Policy of the Company.

In case of Subsidiaries:

Sr. No.	Particulars	GSPL	GGL	GPPC	GEL	GOL	GSPC (JPDA) LTD	GIPL
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?	As per the information and explanations given to us and based on the examination of the policies in respect of recovery of dues from customers, the company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. In our opinion and according to the information and explanation given to us, the recoveries against the dues have been properly recorded in the books of accounts.	As per the information and explanations given to us and based on the examination of the policies in respect of recovery of dues from customers, the company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. In our opinion and according to the information and explanation given to us, the recoveries against the dues have been properly recorded in the books of accounts.	The company is having normally effective system for recovery of dues in respect of its sales activities. Transactions are found to be properly recorded.	Yes, 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.	The commercial activity in the company has not started during the period of audit; therefore the same is not applicable.	The commercial activity in the company has not yet started during the period of audit; therefore the same is not applicable.	Yes, the company has effective system of collection of dues & recovery against outstanding have been properly recorded in 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.	In our opinion and according to the information and explanations given to us, the procedures and systems, 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, are reasonable and adequate in relation to the size of the company and nature of its business.	In our opinion and according to the information and explanations given to us, the procedures and systems, 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, are reasonable and adequate in relation to the size of the company and nature of its business.	The company is engaged in GAS trading & due to nature of product, this question is not applicable to it.	Because of the nature of business of company, there is no physical stock. All Sales are back to back purchase.	The commercial activity in the company has not started during the period of audit; therefore the same is not applicable.	The commercial activity in the company has not yet started during the period of audit; therefore the same is not applicable.	Yes

Sr. No.	Particulars	GSPL	GGL	GPPC	GEL	GOL	GSPC (JPDA) LTD	GIPL
3	The effectiveness of the system followed in recovery of dues in respect of sales activities may be examined and Reported.	In our opinion and according to the information and explanations given to us, the company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. There are no significant instances of its failure observed for the year under audit.	In our opinion and according to the information and explanations given to us, the company has a policy and procedure for effective monitoring of credit exposure and recovery of dues from its customers in respect of its sales activities. There are no significant instances of its failure observed for the year under audit.		Considering the nature and size of the business, the company has effective system of recovery of dues in respect of Sales.	The commercial activity in the company has not started during the period of audit; therefore the same is not applicable.	The commercial activity in the company has not yet started during the period of audit; therefore the same is applicable.	The system is effective.

3. Information Technology Sector

In case of Holding Company:

Not Applicable

Sector Specific (Information Technology Sector) in case of GIPL:

Sr. No.	Particulars	GIPL
1	Examine and report the cases of dispute if any on the contract relating to supply of hardware as well as software. In the event of such assets remaining with the Company, please report on its valuation and accounting in the books.	During the year, we have not come across any such disputes as mentioned in question.
2	What is the system of recovering fees/ charges in regard to providing manpower to various agencies? Report the cases where no such recovery has been affected and accounted for.	Monthly invoices are raised and fee/charges are recovered from various organisation. There is no case where no such recovery has been affected.
3	What is the system of receiving revenue share from the franchise?	There is no franchise arrangement entered into by the company.
4	Report the cases wherein software, hardware or IT enabled system is lying redundant/ outdated.	There are no such cases.
5	What is system of accounting of grants/ subsidies received from Central / State Government or its agencies for performing certain activity? Comment on the cases of diversion wherein the grants were not utilized for the purpose for which these were received.	During the year, the Company has not received any grants/ subsidies from Central or State Government or agencies.

4. Sector specific (Manufacturing Sector) Sub-direction in case of GSPC (JPDA) Ltd.:

Sr. No.	Directions	GSPC (JPDA) Ltd.
1	Whether the Company's pricing policy absorbs all fixed and variable cost of production as well as the allocation of overheads?	The commercial activity of the Company has not yet started and therefore, the same are not applicable.
2	Whether the Company has utilized the Government assistance for technology up gradation/ modernization of its manufacturing process and timely submitted the utilization certificates.	
3	Whether the Company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence.	
4	What is the system of valuation of by-products and finished products? List out the cases of deviation from its declared policy.	
5	Whether the effect of deteriorated stores and spares of closed mills been properly accounted for in the books.	
6	Whether the company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting the effect of shortage/ excess noticed during physical verification.	
7	State the extent of utilization of plant and machinery during the year vis-a-vis installed capacity.	
8	Report on the cases of discounts/ commission in regard to debtors and creditors where the company has deviated from its laid down policy.	

5. Sector specific (Mining Sector) Sub-direction in case of GSPC (JPDA) Ltd.:

Sr. No.	Directions	GSPC JPDA
1	Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.	The commercial activity of the Company has not yet started and therefore, the same are not applicable.
2	Whether the Company has obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?	
3	Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?	
4	Whether the company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.	
5	Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?	

6. Sub-Directions in case of subsidiary GSPL

Sr. No.	Particulars	GSPL
1	Whether the company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the company is encroached under any litigation not put to use or declared surplus?	As per the information and explanation given to us, the company has taken adequate measures to prevent encroachment and there is no encroachment to the land owned by the Company.
2	Whether the system in vogue for identification of projects to be taken up under public private partnership is in line with the guidelines/policies of the government? Comment on deviation if any?	In our opinion and according to the information and explanation given to us, the Company does not have any project to be taken up under Public Private Partnership.
3	Whether system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenue/losses from contracts, etc. have been properly accounted for in the books?	Based on our audit procedures and according to the information and explanation given to us, system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenue/losses from contracts, etc. have been properly accounted for in the books of accounts.
4	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/utilized? List the cases for deviations.	It is conveyed to us that no funds have been received or receivable from Central / State Agencies hence not applicable.
5	Whether the bank guarantees have been revalidated in time?	Yes, bank guarantees have been revalidated in timely manner.
6	Comment on the confirmations of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	Yes, balance confirmation has been received in respect of term deposits, bank accounts and cash. A separate disclosure has been given for trade receivables & trade payables.
7	The cost incurred on abandoned projects may be quantified and the amount actually written off shall be mentioned.	As informed to us, the company has not abandoned any project during the financial year 2019-20.

For Talati & Talati LLP
Chartered Accountants
(Firm Regn No. 110758W/W100377)

Amit Shah
(Partner)
Membership. No. 122131
(UDIN: 20122131AAAAAC1169)

Place of Signature: Gandhinagar
Date: 22/06/2020

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 LIMI TED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of consolidated financial statements of **Gujarat State Petroleum orporation Limited** for the year ended 31 March 2019 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 arc 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 staled to have been done by them vide their Audit Report dated 22 June 2020.

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 2019 under Section 143 (6)(a) of the Act. We conducted a supplementary audit of the financial statements of Gujarat State Petroleum Corporation Limited, Subsidiaries **(Annexure I)**, Associates **(Annexure II)** but did not conduct supplementary audit of the financial statements of Associates **(Annexure III)** for the year ended on 31 March 2020. 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 entity/ entity incorporated in foreign country under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neithei appointed the Statutory Auditors nor conducted the supplementary audit of these Companies. I his supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143 (6)(b) of the Act.

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

(H. K. Dharmadarshi)
Principal Accountant General (E&RSA), Gujarat

Place: Ahmedabad
Date: 08/09/2020

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Balance Sheet as at 31st March, 2020

(₹ in Crores)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	11,502.57	11,527.83
Capital work-in-progress	2	988.31	1,064.75
Investment property	3	1.51	1.52
Goodwill on consolidation	4	186.14	186.14
Other intangible assets	4	499.40	476.16
Intangibles under development	4	191.80	483.42
Financial assets			
Investment in equity accounted investees	5	1,281.83	933.28
Other Investments	6	216.16	196.85
Loans	7	92.68	99.34
Other financial assets	8	78.86	70.49
Non Current Tax Asset (Net)		212.70	188.25
Deferred tax Assets (Net)	20	1.42	0.74
Other non-financial assets	9	266.69	282.00
Total Non-Current Assets		**15,520.07**	**15,510.77**
Current Assets			
Inventories	10	333.20	289.18
Financial assets			
Trade receivables	11	1,345.47	1,221.91
Cash and cash equivalents	12	1,065.08	337.77
Other bank balances	12	421.14	573.55
Loans	7	51.77	49.00
Other financial assets	8	1,356.00	1,731.58
Current tax assets		9.75	-
Other non-financial assets	9	136.75	83.40
Total Current Assets		**4,719.16**	**4,286.39**
Non Current Assets held for sale	22	**371.31**	**483.31**
TOTAL ASSETS		**20,610.54**	**20,280.47**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,073.65	255.93
Instruments entirely equity in nature	13A	-	6,550.00
Other equity	14	(1,099.29)	(7,517.19)
Total Equity		**(25.64)**	**(711.26)**
Non Controlling Interest		4,520.39	3,021.84
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	15	8,490.02	10,326.72
Other financial liabilities	16	89.11	30.16
Provisions	17	181.74	155.92
Deferred revenue/ contract liabilities	18	107.71	86.55
Deferred tax liabilities (Net)	20	807.57	1,123.47
Other non-financial liabilities	19	-	-
Total Non-Current Liabilities		**9,676.15**	**11,722.82**

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Balance Sheet as at 31st March, 2020

(₹ in Crores)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
Current Liabilities			
Financial liabilities			
Borrowings	15	226.60	530.54
Trade payables	21		
Outstanding dues of micro enterprises and small enterprises		13.21	14.08
Outstanding dues of Creditors other than micro enterprises and small enterprises		879.88	309.73
Other financial liabilities	16	4,912.95	4,963.52
Other non-financial liabilities	19	228.28	203.37
Deferred revenue/ contract liabilities	18	23.66	25.53
Provisions	17	21.48	69.72
Total Current Liabilities		**6,306.06**	**6,116.49**
Total Liabilities		**15,982.21**	**17,839.31**
Liabilities associated with Non Current Assets held for sale	22	**133.58**	**130.58**
TOTAL EQUITY AND LIABILITIES		**20,610.54**	**20,280.47**

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 Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22/06/2020
Place : Gandhinagar

Date : 22/06/2020
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

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

(₹ in Crores)

Particulars	Notes	For the period ended 31st March, 2020	For the period ended 31st March, 2019
INCOME			
Revenue from operations	23	21,303.09	19,114.27
Other income	24	187.56	209.16
TOTAL INCOME (A)		**21,490.65**	**19,323.43**
EXPENSES			
Production expenditure	25	81.03	92.33
Cost of material consumed	26	1,085.51	651.98
Cost of traded goods	27	14,211.46	13,058.65
Changes in inventories of finished goods, Stock-in-process and stock-in-trade	28	(63.04)	179.82
Employee benefits expenses	29	271.86	262.56
Finance costs	30	1,095.32	1,237.94
Depreciation, Depletion and amortization expenses		796.44	779.99
Other expenses	31	902.53	733.16
TOTAL EXPENSES (B)		**18,381.11**	**16,996.43**
Profit/ (loss) before exceptional items and tax (A-B)		**3,109.54**	**2,327.00**
Exceptional items	32	**(551.98)**	**(160.59)**
Profit/ (loss) before tax		**2,557.56**	**2,166.41**
Share of profit/(loss) of joint ventures and associates accounted for using the equity method			
Share of profit/(loss) of joint ventures and associates accounted for using the equity method (Net of Tax)		37.84	56.85
Tax expense			
Current Tax		604.23	565.78
Adjustments of tax for earlier years		(17.37)	(36.06)
Deferred Tax		(313.70)	75.32
Profit/ (Loss) After Tax for the period (C)		**2,322.24**	**1,618.22**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss :			
Changes in fair value of FVTOCI equity instruments		(7.43)	18.09
Remeasurement of post-employment benefit obligations		(13.02)	(5.50)
Share of OCI in Associate and JV		5.24	(1.11)
Income tax relating to these items		2.88	3.13
Other Comprehensive Income for the period, net of tax (D)		**(12.33)**	**14.61**
Total Comprehensive Income for the Period (C+D)		**2,309.91**	**1,632.83**

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

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

(₹ in Crores)

Particulars	Notes	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Profit attributable to:			
Owners of the Company		696.50	801.96
Non-Controlling Interest		1,625.74	816.26
Other comprehensive income attributable to:			
Owners of the Company		(13.77)	18.80
Non-Controlling Interest		1.44	(4.19)
Total comprehensive income attributable to:			
Owners of the Company		682.73	820.76
Non-Controlling Interest		1,627.18	812.07
Earnings per equity share (EPS) - (face value of Rs.1/-)	33		
Basic (Rs.)		2.41	6.32
Diluted (Rs.)		2.16	1.55

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 Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22/06/2020
Place : Gandhinagar

Date : 22/06/2020
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Cash flows for the period ended 31st March, 2020

(₹ in Crores)

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2,557.56	2,166.41
Adjustments for:		
Depreciation, Amortisation & Depletion	796.44	779.99
Interest & Finance Charges	1,068.08	1,217.99
Loss on Sale of Assets	1.61	0.76
Reversal in Impairment on account of expected credit loss assessment	(0.18)	-
Unrealised Foreign Exchange Loss/(Gain)	99.37	55.00
Employee benefit Expense	(3.84)	0.56
Other non-cash expenses	(5.30)	2.98
Exploration Cost Written off/(written back)	0.67	(93.79)
Impairment of oil and gas assets & investments	540.32	237.51
Tax expense including Deferred tax	-	(1.00)
Provision/(Reversal) for Doubtful Advances	2.70	0.83
Litigation Settlement	8.11	-
	5,065.54	4,367.24
Interest and Dividend Income	(152.68)	(162.88)
Operating Profit before working capital changes	4,912.86	4,204.36
Adjustments for changes in Working Capital		
Change in Current/non-current Assets		
Loans and Advances	6.96	57.54
Other Financial Assets	370.48	761.96
Inventories	(44.03)	157.77
Trade Receivables	(174.26)	(330.20)
Other bank balances	28.86	(60.69)
Other Assets	(174.09)	(23.54)
Change in Current/Non-current Liabiliies		
Other Financial Liabilities	(483.19)	654.89
Provisions	(29.55)	21.57
Trade payables	618.63	(542.15)
Other Liabilities	313.86	(190.02)
Deferred Revenue/contract Liabilities	0.05	0.21
Cash Generated from/(Used in) Operations	5,346.57	4,711.70
Taxes (paid)/ refund	(612.32)	(388.27)
Net Cash Generated from/(Used in) Operating Activities (A)	4,734.25	4,323.43
CASH FLOW FROM INVESTING ACTIVITIES		
Cash Paid for Purchase of Assets / CWIP including Joint Arrangements	(781.27)	(811.27)
Sale proceeds from sale of Participating Interest in Joint Arrangements	-	-
Sale of Fixed Assets	0.88	12.16
Proceeds from Investments	0.13	-
Investments in Associates	-	(158.86)
Investments in Associates - Pending Allotment	-	(61.47)
Proceeds from/(cash used in) Other Investments	(334.00)	(99.10)
Inter Corporate Loan returned by group Company	-	153.44
Interest and Dividend Income	144.98	182.01
Movement in Other bank balances	115.74	(33.32)
Net Cash Generated from/(Used in) Investing Activities (B)	(853.54)	(816.40)

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Cash flows for the period ended 31st March, 2020

(₹ in Crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from from issue of Share capital to Non Controlling Interest	0.84	1.17
Equity Share issue expenses	(0.55)	-
Proceed from Share Application Money	-	
Proceeds / Repayment of Debentures	-	-
Proceeds from /(Repayment of) Long Term Loans (net)	(1,653.58)	451.27
Proceeds from /(Repayment of) Short Term Loans (net)	(303.94)	(2,442.93)
Interest & Financing Charges	(1,046.56)	(1,195.67)
Divedend (including Corporate Dividend Tax)	(132.33)	(116.50)
Payment of lease liabilities	(17.28)	-
Net Cash Generated from/(Used in) Financing Activities (C)	(3,153.40)	(3,302.66)
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	727.31	204.37
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	2.86	0.02
Fixed deposit with original maturity of less than 3 months	141.31	-
Cheques on Hand	-	-
Bank Balances	193.60	133.38
	337.77	133.40
Cash and Cash equivalents at the End of the Year		
Cash on hand	38.89	2.86
Cheques on Hand	0.00	-
Draft on hand	23.00	-
Fixed deposit with original maturity of less than 3 months	201.46	141.31
Bank Balances	801.73	193.60
	1,065.08	**337.77**

Notes

(i) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Ind AS-7 Statements of Cash Flows.

(ii) 749,06,36,704 fully paid equity shares of face value ₹ 1 each at premium of Rs.7.01 per share were issued to GSIL during FY 2019-20 against transfer of Rs.6000 crores NCD. Similarly,₹ 550 crores CCD were converted into 686,640,640 fully paid up equity shares during FY 2019-20 of face value ₹ 1 each at premium of Rs.7.01 per share.

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 Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22/06/2020
Place : Gandhinagar

Date : 22/06/2020
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of changes in equity (SOCIE) for the period ended on 31st March 2020

A. Equity Share Capital

(₹ in Crores)

Particulars	2019-20	2018-19
Issued, subscribed and paid up share capital		
Beginning balance of the year		
257,92,62,920 (P.Y. 257,92,62,920) Equity Shares of ₹ 1/- each fully paid up	**257.93**	**257.93**
Equity shares issued during the year	817.72	-
1075,65,40,264 (P.Y. 257,92,62,920) Equity Shares of ₹ 1/- each fully paid up	**1,075.65**	**257.93**
Treasury Shares held by subsidiary company	(2.00)	**(2.00)**
Closing balance of the year	1,073.65	255.93

B. Instruments entirely equity in nature

Particulars	No. of Debentures	Amount (Rs. In crores)
As at 1st April 2018	-	-
Movement during the year	-	-
Add : Consideration to be settled in Equity - NCD (refer note 41)	60,000	6,000.00
Add : Compulsory Convertible Debentures due for Conversion [refer note no.15(i)]	6,79,01,130	550.00
As at 31st March 2019		6,550.00
Less : Equity Shares issued against NCD liability transfer (refer note 41)	(60,000)	(6,000.00)
Less : Compulsory Convertible Debentures converted during the year [refer note no.15(i)]	(6,79,01,130)	(550.00)
As at 31st March 2020	-	-

C. Other equity

(₹ in Crores)

Particulars	Employee stock options Outstanding (Net)	Reserves & Surplus										Other Comprehensive Income		Total Equity	Non Controlling Interest
		Capital reserve	Capital reserve on consolidation	Treasury shares	Amalgamation and arrangement Reserve	Securities premium reserve	Debenture redemption reserve	General reserve	Amalgamation and adjustment Reserve	Capital Reserve on Common Control & Business combination	Retained earnings	Foreign Currency Translation Reserve	Others		
Balance at April 1, 2018	**1.01**	**10.01**	**6.21**	**-**	**476.44**	**3,893.40**	**347.74**	**3,261.77**	**(118.44)**	**(3,594.73)**	**(12,739.66)**	**40.21**	**567.26**	**(7,848.77)**	**2,324.22**
Profit for the year											801.96			**801.96**	**816.26**
Other comprehensive income for the year											(0.72)		19.52	**18.80**	**(4.18)**
Movement in DRR							(347.74)				347.74			-	
Accounting policy change on adoption of Ind AS 115											(10.90)				(31.29)
Dividend including DDT															(83.95)
Transaction with NCI														-	**0.79**
Total comprehensive income for the year	**1.01**	**10.01**	**6.21**	**-**	**476.44**	**3,893.40**	**-**	**3,261.77**	**(118.44)**	**(3,594.73)**	**(11,601.58)**	**40.21**	**586.78**	**(7,038.92)**	**3,021.84**
Addition during the year					-	0.68			-		7.68	9.32		**17.68**	
Utilisation during the year	(0.35)	-	-					-		-			(495.60)	**(495.95)**	
Balance at March 31, 2019	**0.66**	**10.01**	**6.21**	**-**	**476.44**	**3,894.08**	**-**	**3,261.77**	**(118.44)**	**(3,594.73)**	**(11,593.90)**	**49.53**	**91.18**	**(7,517.19)**	**3,021.84**
Profit for the year											696.50			**696.50**	**1,625.74**
Other comprehensive income for the year											(11.23)		(2.54)	**(13.77)**	**1.44**
Transfer from/to Debenture Redemption reserve															
Dividend including DDT														-	(122.85)
Accounting policy change on adoption of Ind AS 116											0.05			0.05	
Transaction with NCI														-	(5.78)
Total comprehensive income for the year	**0.66**	**10.01**	**6.21**	**-**	**476.44**	**3,894.08**	**-**	**3,261.77**	**(118.44)**	**(3,594.73)**	**(10,908.58)**	**49.53**	**88.64**	**(6,834.41)**	**4,520.39**
Addition during the year						5,732.94						12.09		5,745.03	
Utilisation during the year	(0.35)	0.00	-		-	(0.55)		-	-	-	(9.00)		-	**(9.91)**	
Balance at March 31, 2020	**0.31**	**10.01**	**6.21**	**-**	**476.44**	**9,626.47**	**-**	**3,261.77**	**(118.44)**	**(3,594.73)**	**(10,917.59)**	**61.62**	**88.64**	**(1,099.29)**	**4,520.39**

As per our report of even date attached.

For Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Amit Shah
Partner
Membership No. 122131

Date : 22/06/2020
Place : Gandhinagar

For and on behalf of the Board of Directors

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22/06/2020
Place : Gandhinagar

Notes to Consolidated financial statements for the year ended 31st March, 2020

Corporate information

Gujarat State Petroleum Corporation Limited (GSPC) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GSPC is a Government Company u/s 2(45) of Companies Act, 2013. 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 are approved by the Board of Directors of parent company and authorised for issue on 22nd June, 2020.

1. Significant accounting policies

This note provides list of the significant accounting policies applied in the preparation of these consolidated financial statements. These policies have been applied consistently to all years presented, unless otherwise stated.

(a) Basis of preparation of Consolidated financial statements:

(i) Statement of compliance with Ind AS

The consolidated financial statements comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time, 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 Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hither to.

(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; and
- 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:

- Current / Deferred tax expense

- Measurement of defined benefit obligations, Key Actuarial Assumptions

- Provisions and contingencies

- Expected credit loss for receivables

- Estimation of Oil and Gas reserves

- Impairment

- Valuation of Inventory

- Going Concern

- Fair Value of Assets held for sale

(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 consolidated 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 2020	ownership interest as on 31st March 2019
Gujarat State Petronet Limited (GSPL)	Subsidiary (By Management Control)	Direct Control	37.64%	37.64%
Gujarat Gas Limited (GGL) (earlier known as GSPC Distribution Networks Limited)	Subsidiary	Indirect Control	20.39%	20.39%
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	100.00%	100.00%
GSPL India Gasnet Limited	JV	Indirect JV	19.58%	19.58%
GSPL India Transco Limited	JV	Indirect JV	19.58%	19.58%
Sabarmati Gas Ltd	JV	Direct JV	32.82%	32.82%
Gujarat State Energy Generation Limited	Associate	Associate	54.37%	54.37%
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	20.39%	20.39%

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. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

(i) 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.

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.

(ii) 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 or 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.

(iii) 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) 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 cost 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 an entity 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 cost 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 start actual commercial production and includes drilling cost of developments wells, completion of successful exploration wells laying gathering lines, production facilities etc. All such cost 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 consolidated statement of profit & 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 & 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.

8) Accounting for Carried interest

The “carried interest” arrangements whereby the assignee (the carrying party) agrees to defray all costs of drilling, developing, and operating the property and is entitled to all of the revenue from production from the property, excluding any third party interest, until all of the assignee’s costs have been recovered, after which the assignor will share in both costs and production, based on the agreed arrangement. In such an arrangement, the Group being the carrying party records all costs, including those carried, as per its normal accounting policy, and records all revenue from the property including that applicable to the recovery of costs carried during pay-out period.

(iv) 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 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 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 where 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

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, which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

(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 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.

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

Depreciation on fixed assets 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

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.

Right of Way (ROW) & Right of Use (ROU) are amortised over a period of useful lives which are considered to be 30 years and 99 years respectively on Straight Line Method.

Depreciation on items of property, plant and equipment acquired / disposed off 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 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.

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, including impairment on inventories, 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

On 30 March 2019, the Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from 1 April 2019 ('the date of transition'), the Group applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019, if any. Accordingly, the comparative information is not restated – i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

On transition to Ind AS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are 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. The Group applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019. The Group uses judgement in assessing the lease term (including anticipated renewals/termination options).

Refer note 1 – Significant accounting policies – Leases in the Annual report of the Group for the year ended March 31, 2019, for the policy as per Ind AS 17.

The Group as a lessee

As a lessee, the Group leases many assets including land, office building, factory shed 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 Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group reclassified prepaid rent, lease hold land and ARO to right-of-use assets for most of these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments, if any. The Group has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

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 & 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 recognises the lease payments associated with these leases as an expense in consolidated Statement of Profit and Loss over the lease term.

The Group used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Group:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019
- Did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application;

On transition, for leases that are classified as finance lease under Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of transition to Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17.

The Group as a lessor

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 accordance with Ind AS 116, the Group recognised lease equalisation asset as on transition date for straight lining of the lease rentals.

(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 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.

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.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the consolidated balance sheet.

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.

(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.

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 profit or loss. The losses arising from impairment are recognised in the consolidated 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 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').

As per announcement of The Institute of Chartered Accountants of India (ICAI) relating to Accounting for derivative contracts, derivative contracts other than those covered under Ind AS 107, as specified in the Companies (Accounting Standard) Rules, 2015 and as amended, the effect of change in rates, are Marked to Market on a portfolio basis and the net loss after considering the offsetting effects on the underlying hedge item, is charged to consolidated Statement of Profit & Loss. Net gains are ignored.

Trade receivables

Trade receivables are recognised initially at fair value 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 P&L.

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

The Group assesses impairment based on expected credit loss (ECL) model to the following:

A. Financial assets measured at amortised cost

B. Financial assets measured at fair value through other comprehensive income

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. Full time 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. 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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 & Loss. The balance sheet presentation for various financial instruments is described below:

A. Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

B. Loan commitments and financial guarantee contracts - ECL is presented as a provision in the consolidated balance sheet, i.e. as a liability.

C. Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

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, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

A. Financial liabilities measured at amortised cost

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

Financial liabilities 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 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss 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 at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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 draw down to the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a payment for liquidity services and amortised over the period of the facility to which it relates.

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. 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.

Derivatives

The Group uses derivative financial instruments i.e. swaps, commodity hedging contracts and option contracts, to hedge its price fluctuation risk and interest rate risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to consolidated statement of profit and loss.

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 consolidated 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 derivatives, 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, assuming that 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 distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the Group's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the BOD after discussion with and approval by the management. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

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.

This note summarises the accounting policy for fair value.

(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 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 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 & loyalty bonus etc. and

B. Defined contribution plan such as provident fund, superannuation fund etc.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan 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 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 included in retained earnings in the consolidated 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 profit or loss as past service cost.

Loyalty bonus

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.

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

(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 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 profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements 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.

In case of overseas unincorporated joint operation, that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- The summarized revenue and expenses reflected in consolidated statement of Profit and Loss at an average of Reserve Bank of India Reference Rate for the year.
- The assets and liabilities at the closing exchange rate prevailing on balance sheet date as notified by Reserve Bank of India.

All resulting exchange differences are recognised in other comprehensive income as foreign currency translation reserve.

(q) Revenue recognition

Effective April 1, 2018, the Group has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Group is insignificant.

- Revenue corresponds to the fair value of the consideration received or receivable for goods and services sold, in the normal course of the Group's activities. Revenue is recognized when the control of the goods or services has been transferred. 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).
- 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.
- 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 are 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 has been reflected under contract asset (as unbilled revenue) based on 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) (Commitments) 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 Ventures.

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.
- 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.

(r) Allocation of General Administrative Expenses

In case of Joint ventures, 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 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.

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. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Group is able to and intends to settle the asset and liability on a 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. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in consolidated financial statements. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, the carry forward of unused tax losses and the carry forward of unused tax credits.

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 recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. 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 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 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 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.

A specific measurement requirement applies to a deferred tax asset or liability that arises from investment property. This requirement establishes a rebuttable presumption that the carrying amount of investment property will be recovered through sale. The presumption may be rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property, rather than through sale. If the presumption is rebutted, then the normal requirements of measuring deferred tax asset or liability are applicable.

Where an investment property comprises land only, then because the land would not be depreciated, the presumption cannot be rebutted. Accordingly, the Group has created deferred tax asset on indexation benefit available on freehold land held as investment properties at the appropriate tax rate.

(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 windmills 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 & if material, 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 and deposits with banks 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 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) 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.

(z) 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. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

(aa) Rounding off

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

(bb) 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 to be discussed.

(cc) 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.

(dd) Amendments to existing Ind AS

- **Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

- **Amendments to Ind AS 19, Employee Benefits:** On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment is effective from April 1, 2019. The Group has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.

- **Amendment to Ind AS 12 'Income Taxes':** On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment is effective from April 1, 2019. The Group has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

Note 2

Property, plant, equipment as at 31st March 2020

(₹ in Crores)

Particulars	Gross Block				Depreciation, Depletion and Amortization					Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	Charge For the year	Impairment	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Tangibles assets :											
Freehold Land	703.20	2.99	-	706.18	-	-		-	-	706.18	703.20
Lease hold Land(i)	61.41	84.50	-	145.92	3.34	2.34		-	5.68	140.24	58.08
Buildings(i)	530.45	25.27	(0.56)	555.16	92.24	24.88		(0.30)	116.82	438.34	438.21
Plant and Machinery(i)	12,995.48	689.58	(4.82)	13,680.24	3,481.39	671.83		(3.02)	4,150.19	9,530.05	9,514.09
Furniture and Fixture	29.46	4.08	(0.53)	33.01	17.00	2.72		(0.41)	19.31	13.70	12.46
Office Equipments	25.50	1.55	(0.32)	26.73	18.43	1.96		(0.30)	20.09	6.64	7.07
Computer Equipment	54.66	3.96	(3.25)	55.37	31.99	5.83		(3.01)	34.82	20.56	22.66
Vehicles(i)	11.51	13.75	(0.06)	25.20	8.14	8.11		(0.05)	16.20	9.00	3.36
Electrical Installation & Equipment	101.13	9.96	-	111.10	51.57	12.68		-	64.24	46.85	49.58
Communication Equipment	56.86	4.37	(0.00)	61.23	29.65	5.55		(0.00)	35.20	26.03	27.20
Ships	0.06	-	-	0.06	0.04	0.01		-	0.05	0.01	0.02
Books	0.33	-	-	0.33	0.33	-		-	0.33	-0.00	-0.00
Producing Properties (being Company's share in Joint Arrangement)	1,369.11	14.16	(13.39)	1,369.88	677.21	38.86	101.36	(12.53)	804.90	564.97	691.90
Total tangible assets	**15,939.15**	**854.17**	**(22.93)**	**16,770.39**	**4,411.33**	**774.75**	**101.36**	**(19.62)**	**5,267.82**	**11,502.57**	**11,527.83**
Capital work in progress :											
Exploration & Development										156.76	131.09
CWIP Building										-	-
CWIP Others										831.55	933.66
Total capital work in progress	-	-	-	-	-	-		-	-	**988.31**	**1,064.75**

* During the FY 19-20, the Company has provided for Rs.3.18 Crores as impairment.Refer note No-32 (a)

Property, plant, equipment as at 31st March 2019 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization					Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	Charge For the year	Impairment	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Tangibles assets :											
Freehold Land	703.74	1.50	(2.04)	703.20	-	-	-	-	-	703.20	703.74
Lease hold Land(i)	61.38	0.02	-	61.41	2.63	0.71	-	-	3.34	58.08	58.76
Buildings(i)	491.72	40.57	(1.83)	530.45	69.08	23.42	-	(0.29)	92.24	438.21	422.63
Plant and Machinery(i)	11,978.49	1,026.54	(9.54)	12,995.48	2,838.79	646.11	-	(3.50)	3,481.39	9,514.09	9,139.70
Furniture and Fixture	28.74	0.90	(0.18)	29.46	14.13	3.00	-	(0.11)	17.00	12.46	14.61
Office Equipments	23.85	2.10	(0.45)	25.50	16.39	2.20	-	(0.16)	18.43	7.07	7.44
Computer Equipment	40.69	15.24	(1.27)	54.66	28.15	4.76	-	(0.92)	31.99	22.66	12.53
Vehicles(i)	12.58	0.43	(1.50)	11.51	8.10	1.31	-	(1.28)	8.14	3.36	4.47
Ele Installation & Equipment	78.05	23.12	(0.04)	101.13	40.95	10.65	-	(0.03)	51.57	49.58	37.10
Communication Equipment	52.68	4.18	-	56.86	23.94	5.71	-	-	29.65	27.21	28.74
Ships	0.06	-	-	0.06	0.03	0.01	-	-	0.04	0.02	0.04
Books	0.33	-	-	0.33	0.34	-	-	-	0.33	-0.00	-0.01
Producing Properties (being Company's share in Joint Arrangement)	1,660.45	8.68	(300.02)	1,369.11	795.12	59.78	(125.61)	(52.08)	677.21	691.89	865.33
Total tangible assets	**15,132.76**	**1,123.28**	**(316.87)**	**15,939.17**	**3,837.65**	**757.66**	**(125.61)**	**(58.37)**	**4,411.33**	**11,527.83**	**11,295.11**
Capital work in progress :											
Exploration & Development	9,315.55									131.09	92.64
CWIP Building	2.84									-	0.14
CWIP Others	1,345.71									933.66	1,400.06
Total capital work in progress		-	-	-	-	-		-	-	**1,064.75**	**1,492.84**

*The non-cancellable lease term is for a period of 50-99 years. Accordingly, the land has been classified as finance lease.

Notes

In the Case of Subsidiary GSPC Pipavav Power Company Limited.

GSPC Pipavav Power Company Limited had capitalised substanitial 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 uncertainity 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 Perfomance Acceptance Certificate), the management has decided to consider accounting of liquidated damages under EPC contract after PAC and Perfomance Guarantee test by BHEL.

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 has examined the parameters of determining whether this arrangement contains a Lease with respect to Appendix C of Ind AS 17-Leases. As per Appendix C there are two criteria which needs to be fulfilled to determine that the arrangement is a lease:

i) Fulfilment of the arrangement is dependent on the use of a specific asset.

ii) Arrangement conveys a right to use the asset.

The Management has reviewed the above two conditions in light of the Power Purchase Agreement, Articles of Association, its relationship with the promoters and the Government of Gujarat. Moreover, the Company has solicited clarifications from GUVNL (the procurer). The first condition is fulfilled as the arrangement is dependent on the use of specified asset i.e. the 156MW and 351MW gas based power project. However, the Company has observed that the second condition is not satisfied due to the following observations:

a. The power procurer neither has the ability to operate the asset nor direct any other party to operate the asset.

b. The power procurer does not have any physical control over the asset.

c. The Company has the right to sell the electricity generated from the asset to a separate power procurer, if required. Further the condition under the criteria requires that the pricing for the arrangement must not be linked operating capacity/ productivity of the asset. The criteria allows the arrangement to classified as lease only if there is neither a fixed price per unit nor market linked price per unit. The asset's pricing with power procurer is completely dependent on the productivity factor as the final price of power is market linked. The price of gas procured by the Company to operate the asset and generate power is market linked and a pass-through under the PPA which leads to the inference that the price per unit is market linked. Moreover the fixed cost component under PPA pricing is also governed by certain market linked components like interest rate for the loans being serviced by the Company. Thus, although the procurer is off-taking all or substantially all the output from a specified asset, there vests no right to use of the asset with the procurer other than the output. Hence the arrangement does not fulfil the criteria for the determination of lease and accordingly the asset has been considered as a part of PPE of the company disclosed in the Schedule above.

(i) the above includes the right of use assets recognised under Ind AS 116 Leases (refer no no. 44.)

Particulars	Gross Block				Depreciation, Depletion and Amortization					Net Block	
	As at 1st April 2019	Addition during the year#	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	Charge For the year	Impairment	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
ROU - Land	61.40	87.58		148.99	3.34	2.85			6.20	142.79	58.06
ROU - Building	3.23	7.44		10.67	0.57	1.77			2.34	8.33	2.66
Plant and Equipments	-	31.30		31.30	-	1.79			1.79	29.51	-
Vehicles	-	12.47		12.47	-	7.12			7.12	5.35	-
Total	**64.63**	**138.79**	**-**	**203.43**	**3.91**	**13.54**	**-**	**-**	**17.45**	**185.98**	**60.72**

Includes Right of Use Assets recognised as on 1 April, 2019 on transition to Ind AS 116.

Notes

a. 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".

b. 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 contarcts 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.

Note 3

Investment property as at 31st March 2020 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Land and building*	1.56	-	-	1.56	0.04	0.01		0.05	1.51	1.52
Total Investment property	**1.56**	**-**	**-**	**1.56**	**0.04**	**0.01**	**-**	**0.05**	**1.51**	**1.52**

Investment property as at 31st March 2019 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Land and building*	1.56		-	1.56	0.03	0.01		0.04	1.52	1.53
Total Investment property	**1.56**	**-**	**-**	**1.56**	**0.03**	**0.01**	**-**	**0.04**	**1.52**	**1.53**

*Includes land of an amount of ₹ 1.45 crores (P.Y ₹ 1.45 crores) which is non depreciable.

Notes

a. The assets are given on lease for various lease terms as agreed mutually. The leases are cancellable subject to agreed notice period.

b. Amount recognised in profit or loss for investment properties : **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Rental Income	**0.20**	**0.19**
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	**0.20**	**0.19**
Depreciation	**(0.01)**	**(0.01)**
Net Profit from investment properties	**0.19**	**0.18**

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 operating lease arrangements are cancellable subject to the stipulated notice period. Accordingly there is no commitment from the lessee in terms of minimum lease payments (MLP) and hence management is of the view that it is impracticable to estimate the MLP receivable in future.

e. Fair Value

In case of Parent Company management conducted the fair value assessment based on principles of Ind AS 113 for investment properties. Consequently, the fair value was determined not to be substantially different from the carrying value of the assets in case of parent company.

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated) **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Investment Properties	**2.40**	**2.40**
Total	**2.40**	**2.40**

The Group obtains independent valuations for its investment properties once in every three years. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the group considers information from a variety of sources including:

1. Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
2. Discounted cash flow projections based on reliable estimates of future cash flows.

3. Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidenceThe fair values of investment properties have been determined by based on independent valuer's valuation certificate. The main inputs used are the rental growth rates, jantry value guideline and sales comparison approach based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

Note 4

Goodwill on Consolidation as at 31st March 2020 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
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 2020 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2019	Addition during the year	Disposal/ Adjustment	As at 31st March 2020	As at 1st April 2019	For the year	Disposal/ Adjustment	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Right of Use/ Right of Way	484.62	41.38	(0.46)	525.54	42.45	12.88	-	55.33	470.21	442.17
Software	110.12	4.16	(10.92)	103.36	76.13	8.80	(10.76)	74.16	29.19	33.99
Total other intangible assets	**594.74**	**45.54**	**(11.38)**	**628.89**	**118.58**	**21.67**	**(10.76)**	**129.49**	**499.40**	**476.16**
Intangible assets under development										
Exploration & Development				-	-			-	190.60	482.91
Software				-	-			-	1.20	0.51
Total of Intangible assets under development	-	-	-	-	-	-	-	-	**191.80**	**483.42**

*** During the FY 19-20, the Company has provided for Rs.281.94 Crores as impairment.Refer note No-32 (a)**

Goodwill on Consolidation as at 31st March 2019 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
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 2019 **(₹ in Crores)**

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Right of Use / Right of Way*	439.37	46.95	(1.70)	484.62	31.31	11.31	(0.17)	42.45	442.17	408.05
Software	100.56	9.67	(0.11)	110.12	65.17	11.01	(0.05)	76.13	33.99	35.39
Total other intangible assets	**539.93**	**56.62**	**(1.81)**	**594.74**	**96.48**	**22.32**	**(0.22)**	**118.58**	**476.16**	**443.45**
Intangible assets under development										
Exploration & Development					-			-	482.91	1,456.21
Software					-			-	0.51	1.25
Total of Intangible assets under development	-	-	-	-	-	-	-	-	**483.42**	**1,457.46**

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Notes

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 authorised 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 amortised. However, the same is tested for impairment annually.

**Includes RoU of ₹ 112.14 Crores (31st March 2019: ₹ 112.35 Crores)

b. Right of Way (ROW) :

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).

Note 5

Investments in Equity accounted investees **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Investments in unquoted equity shares of equity accounted investees		
278,647,426 (31st March, 2019 : 278,647,426) fully paid up equity shares of Gujarat State Energy Generation Ltd of Rs.10 each	285.72	263.68
9,987,400 (31st March, 2019 : 9,987,400) fully paid up equity shares of Sabarmati Gas Ltd of Rs.10 each	298.76	238.12
11,500,000 (31st March, 2019 : 11,500,000) fully paid up equity shares of Alcock Ashdown (Gujarat) Ltd of Rs.10 each	-	-
48,98,50,060 (31st March, 2019: 24,02,50,060) Fully Paid Up Equity Shares of Rs 10 each of GSPL India Gasnet Limited	459.99	229.18
25,58,40,000 (31st March, 2019: 19,81,20,000) Fully Paid Up Equity Shares of Rs 10 each of GSPL India Transco Limited	237.37	202.30
Investments in unquoted equity shares of equity accounted investees	**1,281.83**	**933.28**

Notes

a. The Company has opted to consider Fair valuation of these investments on transition date as deemed cost. The same has been explained in Note no. 40.

b. The percentage holding of GSPC in GSEG has increased to 53.70% in F.Y.2018-19. 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 FY 2018-19 are restricted on account of ongoing litigation. 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 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 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. The matter is still pending with NCLT.

Note 6
Other Investments

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current		
A. Investment in quoted equity shares of other company (measured at fair value through OCI)		
3,697,000 (31st March, 2019 : 3,697,000) fully paid up equity shares of Gujarat Industries Power Company Ltd. of Rs.10/ each	18.45	26.29
B. Investment in unquoted equity shares of other companies (measured at fair value through OCI)		
36,430,000 (31st March, 2019 : 36,430,000) fully paid up equity shares of GSPC LNG Ltd of Rs.10 each	82.10	81.64
29,004,033 (31st March, 2019 : 29,004,033) fully paid up equity shares of ONGC Petro Additions Ltd of Rs.10/ each	29.00	29.00
8,66,03,175 (31st March 2019: 5,99,22,659) Fully Paid Up Equity Shares of Swan LNG Private Limited ₹ 10/- each	86.60	59.92
200 (31st March, 2019 : 200) fully paid up Equity shares of Kalupur Co Op Comm Bank Ltd of ₹ 25 /- each	0.00	0.00
Total Non-current Other Investments	**216.16**	**196.85**
Aggregate value of quoted investments	**18.45**	**26.29**
Market value of quoted investment	**18.45**	**26.29**
Aggregate value of unquoted investments	**197.71**	**170.56**

Notes

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

Note 7
Loans

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current (measured at amortised cost)		
Loans and Advances to Employees		
Considered good - Secured	15.97	17.86
Considered good - Unsecured	1.53	1.71
Security deposits*		
Considered good - Unsecured	75.18	79.77
Considered doubtfull - Unsecured - Credit Impaired	13.62	12.06
Less: Provision Credit Impaired	(13.62)	(12.06)
Total non-current loans	**92.68**	**99.34**
Current (measured at amortised cost)		
Loans and advances to employees		
Considered good - Secured	1.10	1.44
Considered good - Unsecured	1.87	2.04
Loans and Advance to Vendors		
Considered good - Secured	0.57	0.77
Loans and Advance to Related Parties considered good - Unsecured	48.06	44.74
Security Deposit (Considered good - Unsecured)	0.17	0.01
Total current loans	**51.77**	**49.00**

*** Security deposits**

The Group has given refundable security deposits in form of fixed deposits to various project 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 ₹ 32.19 Crs - (31st March, 2019: ₹ 40.54 Crs) and interest accrued on such fixed bank deposits ₹ 6.61 Crs (31st March, 2019: ₹ 7.40 Crs), till they are in custody with project authorities as “Security Deposits”.

Note 8
Other financial assets

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Share application money pending allotment (refer note 5 b)	61.47	61.47
Advances recoverable in cash or in kind or for value to be received		
Receivable from employees (Considered good - Secured)	2.15	1.83
Receivable from employees (Considered good - Unsecured)	0.20	0.19
Security deposit given (Considered good)	0.13	0.11
Margin money deposit (bank guarantee / letter of credit) having original maturity of more than 12 months	9.83	-
Advance for Gratuity to employees	0.12	0.07
Bank Balances-Escrow Account - PNGRB	-	2.75
Deposits with original maturity more than 12 months	-	0.16
Site restoration fund - Deposits with banks -a	4.96	3.91
Other Receiveables Unsecured - Credit Impaired	0.36	0.36
Less: Provision Credit Impaired	(0.36)	(0.36)
Total non-current financial assets	**78.86**	**70.49**
Current		
Advances recoverable in cash or in kind or for value to be received (Unsecured, considered good) (refer note no-47)	627.46	972.02
Unbilled Revenue	3.84	3.65
Receivable from Joint Arrangements	671.39	719.42
Advances recoverable in cash or in kind or for value to be received		
Unsecured, Credit Impaired	290.01	290.01
Less : Provision for Credit Impaired	(290.01)	(290.01)
Intercorporate Deposits with GSFS (Earmarked funds)	14.10	2.21
Intercorporate Deposits with GSFS (GIPL's own Investment)	33.12	31.65
Advance to Dept.of Telecom.- Payment under protest (net)	4.37	-
Security deposit given (Unsecured - Considered good)	0.16	0.16
Receivable from employees (Secured - considered good)	1.14	1.49
Receivable from employees (Unsecured - considered good)	0.27	0.55
Derivative assets -b	0.14	0.43
Total Current financial assets	**1,356.00**	**1,731.58**

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 equipments 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. Derivative assets

The Group has entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk. Refer Note 40 for details.

Note 9

Other non-financial assets **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Prepaid expense	84.34	77.70
Balances with Government Authorities	135.92	111.29
Capital Advances	35.73	81.48
Payment under Protest	0.01	0.01
Deferred employee cost	10.60	11.49
Other non current assets*	0.10	0.03
Total Other Non-current assets	**266.69**	**282.00**
Current		
Prepaid expense	43.22	26.42
Balances with Government Authorities	70.85	36.94
Deferred employee cost	6.56	5.63
Advance to vendors - Unsecured Considered good	0.01	-
Advance to vendors - Unsecured Credit Impaired	0.02	0.02
- Credit Impaired	(0.02)	(0.02)
Other current assets	16.11	14.41
Total Other Current assets	**136.75**	**83.40**

*Includes lease equalisation asset.

Note 10

Inventories **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Finished goods - Crude oil (valued at rate specified in COSA)	1.84	3.40
Traded goods - Liquified natural gas	115.45	34.07
Line Pack Gas	103.31	104.99
Natural Gas Deferred Delivery (GIT)	3.31	27.42
Condensate	14.30	28.29
Stores and spares/Project materials	94.99	91.01
Total Inventories	**333.20**	**289.18**

Note 11

Trade receivables **(₹ in Crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Receivables		
Considered Good - Secured	346.63	315.23
Considered Good - unsecured*	998.84	906.68
Considered Doubtfull - unsecured	16.60	12.89
Less : Impairment on account of expected credit loss assessment	(16.60)	(12.89)
	1,345.47	1,221.91
Total Trade receivables	**1,345.47**	**1,221.91**

* Out of this, ₹ 436.41 Crs (PY: ₹ 425.19 Crs) are backed by bank guarantee.

IMPACT OF COVID-19 PANDEMIC:- Subsequent to the outbreak of Coronavirus (COVID-19) followed by countrywide lock down, the Group continued its uninterrupted supply of Natural Gas to its customers based on their requirement. However, the lockdown had an impacted natural gas demand from industrial and City Gas Distribution (CGD) segment. As restrictions are being lifted gradually, demand has started showing up an increasing trend from industrial and CGD segment.There are no material overdue outstanding from its customers due to the outbreak of Coronavirus. The Group is timely receiving sales proceeds as per the billing cycles from its customers. The Group's payment cycle is not impacted during the period.

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Note 12

Cash and cash equivalents*

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Cash and cash equivalents		
Balances with banks		
In current accounts	286.49	65.54
Fixed deposit with original maturity of less than 3 months	755.11	269.37
Cheques / Draft on Hand	23.00	0.20
Cash on hand	0.48	2.66
Total Cash and cash equivalents	**1,065.08**	**337.77**
Other bank balances		
Earmarked balances In unclaimed dividend accounts[a]	2.78	3.43
Escrow Account	0.42	41.05
Margin money deposits	165.62	211.69
Fixed Deposit		
With original maturity of more than 3 months upto 12 months**	252.31	316.83
With original maturity more than 12 months	0.03	0.54
Total Other bank balances	**421.14**	**573.55**

* Refer note 40 - Financial instruments, fair values and risk measurement

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

a. The balances in dividend accounts are not available for use by Gujarat State Petronet Limited 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, 2020**	**As at 31st March, 2019**
Authorised share capital		
1200,00,00,000 equity shares of ₹ 1 each (31st March, 2019 : 300,00,00,000 equity shares of ₹ 1 each)*	1,200.00	300.00
Total	**1,200.00**	**300.00**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Issued, subscribed and paid up capital		
10,756,540,264 equity shares of ₹ 1 each (31st March, 2019 : 257,92,62,920 equity shares of ₹ 1 each)	1,075.65	257.93
Treasury Share (held by Subsidiary company)		
2,00,00,000 equity shares of ₹ 1 each (31st March, 2019 : 2,00,00,000 equity shares of ₹ 1 each)	(2.00)	(2.00)
Total	**1,073.65**	**255.93**

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

Particulars	No. of Shares	Amount (₹ in Crores)
As at 1st April 2018		
At the beginning of the year	2,57,92,62,920	257.93
Add : Shares issued during the year		
As at 31st March 2019	**2,57,92,62,920**	**257.93**
As at 1st April 2019		
At the beginning of the year	2,57,92,62,920	257.93
Add : Shares issued during the year	8,17,72,77,344	817.72
As at 31st March 2020	**10,75,65,40,264**	**1,075.65**

Reconciliation of Treasury Share (held by Subsidiary company) outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares	Amount (₹ in Crores)
As at 1st April 2018		
At the beginning of the year	2,00,00,000	2.00
Add : Shares issued during the year		
As at 31st March 2019	**2,00,00,000**	**2.00**
As at 1st April 2019		
At the beginning of the year	2,00,00,000	2.00
Add : Shares issued during the year		
As at 31st March 2020	**2,00,00,000**	**2.00**

Details of shareholder(s) holding more than 5% Equity Shares **(₹ in Crores)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Number of Equity Shares		
Government of Gujarat	2,24,10,10,179	2,24,10,10,179
Gujarat State Investment Limited	7,51,32,29,145	2,25,92,441
Gujarat State Financial Service Limited	17,00,00,000	17,00,00,000
% Holding in equity shares		
Government of Gujarat	20.83%	86.89%
Gujarat State Investment Limited	69.85%	0.88%
Gujarat State Financial Service Limited	1.58%	6.59%

Notes

a. As per records of the holding 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 ₹ 1 per share. Each holder of equity shares is entitled to one vote per share.

c. During the year ended 31st March, 2020 the amount of dividend per share recognized as distributions to equity shareholders is ₹ NIL (31st March, 2019 : 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.

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Note 13 A

Instruments entirely equity in nature

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Balance at the beginning of the year	6,550.00	-
Add : Consideration to be settled in Equity - NCD (refer note 47)	-	6,000.00
Add : Compulsory Convertible Debentures due for Conversion [refer note no.15(i)]	-	550.00
Less : Converted into equity during the year	(6,550.00)	-
Total	**-**	**6,550.00**

Note 14

Other equity

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Capital reserve	10.01	10.01
Amalgamation and arrangement Reserve	476.44	476.44
Securities premium	9,626.47	3,894.08
Debenture redemption reserve	-	-
General Reserve	3,261.77	3,261.77
Capital Reserve on Common Control & Business combination	(3,594.73)	(3,594.73)
Employees Stock Options Outstanding (Net)	0.31	0.66
Capital reserve on consolidation	6.21	6.21
Retained Earnings	(10,917.59)	(11,593.90)
Amalgamation and adjustment Reserve	(118.44)	(118.44)
Foreign Currency Translation Reserve	61.62	49.53
Other Comprehensive Income	88.64	91.18
Total Other equity	**(1,099.29)**	**(7,517.19)**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Capital reserve		
Opening Balance	10.01	10.01
Add/ Less: Addition/ (Utilisation) during the Year	-	-
Total Capital reserve	**10.01**	**10.01**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Capital reserve on consolidation		
Opening Balance	6.21	6.21
Add/ Less: Addition/ (Utilisation) during the Year	-	-
Total Capital reserve on consolidation	**6.21**	**6.21**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Securities premium		
Opening Balance	3,894.08	3,893.40
Add : Addition during the Year	5,732.94	0.68
Less: Utilisation during the Year	(0.55)	-
Total Securities premium	**9,626.47**	**3,894.08**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Debenture redemption reserve		
Opening Balance	-	347.74
Add/ Less: Addition/ (Utilisation) during the Year	-	(347.74)
Total Debenture redemption reserve	**-**	**-**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
General reserve		
Opening Balance	3,261.77	3,261.77
Add/ Less: Addition/ (Utilisation) during the Year	-	-
Total General reserve	**3,261.77**	**3,261.77**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Employees Stock Options Outstanding (Net)		
Gross compensation for ESOPs granted	0.66	1.01
Less: Transferred to securities premium on exercise of ESOPs/Lapsed	(0.35)	(0.35)
Total Employees Stock Options Outstanding (Net)	**0.31**	**0.66**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Foreign Currency Translation Reserve		
Opening Balance	49.53	40.21
Add/ Less: Addition/ (Utilisation) during the Year	12.09	9.32
Total Foreign Currency Translation Reserve	**61.62**	**49.53**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital Reserve on Common Control & Business combination		
Opening Balance	(3,594.73)	(3,594.73)
Add/ Less: Addition/ (Utilisation) during the Year	-	-
Total Capital Reserve on Common Control & Business combination	**(3,594.73)**	**(3,594.73)**

(₹ in Crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Amalgamation & Arrangement Reserve		
Opening Balance	476.44	476.44
Add/ Less: Addition/ (Utilisation) during the Year	-	-
Total Amalgamation and adjustment Reserve	**476.44**	**476.44**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Amalgamation & Adjustment Reserve		
Opening Balance	(118.44)	(118.44)
Add/ Less: Addition/ (Utilisation) during the Year	-	-
Total Amalgamation and adjustment Reserve	**(118.44)**	**(118.44)**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Retained earnings		
Opening Balance	(11,593.90)	(12,739.66)
Add: Profit during the year	696.50	801.96
Remeasurement of post employment benefit obligation, net of tax	(11.23)	(0.72)
Transfer from Debenture Redemption Reserve	-	347.74
Accounting policy change on adoption of Ind AS 115/Ind AS 116	0.05	(10.90)
Add/Less: addition/utilisation during the year	(9.00)	7.68
Total Retained earnings	**(10,917.59)**	**(11,593.90)**

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Other Comprehensive Income		
FVOCI - equity investments		
Opening Balance	91.18	567.26
Remeasurement of post employment benefit obligation, net of tax	11.23	0.72
Current Year OCI	(13.77)	18.80
Add/Less: addition/utilisation during the year	-	(495.60)
Total Other Comprehensive Income	**88.64**	**91.18**

Notes

a. The Group 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 FVOCI equity investments reserves.

Note 15
Borrowings

(₹ in Crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-current borrowings		
Secured		
Term loan from banks	5,800.89	8,163.60
Secured-Term loan from Financial Institutions	35.15	63.12
	5,836.04	**8,226.71**
Unsecured		
Term loan from others - GSFS	2,653.98	2,100.00
Total non-current borrowings	**8,490.02**	**10,326.72**
Current borrowings		
Secured		
From banks (Loans repayable on demand)	226.60	480.51
Unsecured		
From banks (Loans repayable on demand)	-	50.03
Total current borrowings	**226.60**	**530.54**
Current maturities of long term borrowings (Shown as part of other current financial liabilities : Refer Note 16)		
Secured		
Term loan from banks	390.65	527.97
Term loan from Financial Institutions	193.10	29.34
	583.74	**557.31**
Unsecured		
Term loan from others - GSFS	1,285.11	1,025.64
Total current maturities of non-current borrowings	**1,868.85**	**1,582.95**

Notes

Secured Loans

a. State Bank of India had sanctioned a Rupee Term Loan (RTL 1) Facility amounting to ₹ 3,000 Crores (Current outstanding is ₹ 859.09 Crores) in F.Y. 2014-15. During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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 ₹ 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.

b. Consortium of two member banks lead by Bank of Baroda, London branch has provided Foreign Currency Loan (ECB-1) of USD 200 Million (Rs.1053.94 Crores) (Current outstanding of USD 12.55 Million i.e. ~₹ 94.64 Crores). During FY 2019-20, GSPC repaid installment of USD 5.75 Million due as per the repayment schedule. The loan is 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 ₹ 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.

c. Consortium of five member banks lead by Bank of Baroda, London branch has provided Foreign Currency Loan (ECB-2) of USD 250 Million (Rs.1528.70 Crores) (Current outstanding of USD 60.78 Million i.e ~₹ 458.21 Crores) and USD 75 Million (Current outstanding of USD 18.57 Million i.e. ₹ 140.01 Crores) from Export Import Bank of India. During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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 ₹ 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.

d. EXIM bank has provided Foreign Currency Loan (ECB - 3) of USD 100 Million (Rs.624.45 Crores) (Current outstanding of USD 24.24 Million i.e. ~₹ 182.71. Crores). During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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 ₹ 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.

e. State Bank of India (Nassau) has provided Foreign Currency Loan (ECB - 4) of USD 100 Million (Rs.657.40Crores) (Current outstanding of USD 28.58 Million i.e. ~₹ 215.46 Crores).During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule. The loan is 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 ₹ 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.

f. Consortium of thirteen member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL 2) of ₹ 4,500 Crore (Current outstanding of ₹ 889.32 Crore). During FY 2019-20, there was no installment due towards repayment of loan, as loan repaid from sales consideration received from ONGC has retired the near term installments in the repayment schedule, however GSPC prepaid ₹ 500 Crores to all the term loan lenders on pro rata basis as per terms of the agreement. The loan is 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 ₹ 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.

g. State Bank of India has provided a Corporate Loan (RTL 3) of ₹ 2,100 Crores (Current Outstanding - ₹ 971.25 Crores) in FY 2019-20. The company has prepaid loan to the extent of ₹ 1,050 Crores in June 2019 and repaid ₹ 78.75 Crores towards insallment due in FY 2019-20. The sucurity offered is '(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-passuPledge charge over GSPC's entire 22.50% shareholding in Sabarmati Gas Ltd.

Unsecured

h. The company has received sanction for long term loan of ₹ 1,500 Crores in F.Y. 2018-19 from GSFS (Current outstanding Rs.1,050 Crores (Previous outstanding ₹ 1,000 Crores) for general business purpose. During the year, the company has received sanction for long term loan of ₹ 1,050 Crores from GSFS (Current outstanding Rs.1050 Crores (Previous outstanding ₹ NIL) for general business purpose.

i. During FY 2019-20 the Company has converted CCDs of ₹ 550 Crores and allotted necessary equity shares of the company at the price of ₹ 8.01 per share (including premium of ₹ 7.01). The details of the shares issued by GSPC is as follows.

Name of Investor	No of Shares	Persentage Holding in GSPC (%)
IDBI Bank	18,72,65,730	1.74%
IFCI	12,48,43,146	1.16%
State Bank of India	37,45,31,764	3.48%

j. Foreign Currency loans that are not hedged by derivative instruments (Currency) as on 31st March 2020 is USD 144.74 million (31st March 19 : USD 150.49 million) ₹ 1,091.08 crores (31st March, 2019 : Rs.1,040.86 crores).

k. In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

Secured Loans

Term loan from banks and financial institutions are secured by first pari-passu charge on all Intangible and Tangible assets including investment property (except 36" pipeline from Hazira to Mora, RoU / ROW rights), Capital Work in Progress, operating cash flows, Book Debts and Other Movables and second pari -passu charge on Present & Future Current Assets (financial and non financial assets) of the Group. The working capital lenders will have first charge pari passu on the current assets.

For foreign currency loan, the Group has entered in to cross currency swap and interest rate swap in order to hedge its foreign currency risks in full.

l. In Case of Subsidiary Gujarat Pipavav Power Company Limited

Secured Loans

The Term Loan from banks were secured by Pari - pasu charge by way of mortgage of the company's immovable properties both present and future; and hypothecation of entire movable properties both present and future situated at Dist. Amreli, Pipavav for 702 MW power project is subject to fulfillment of the condition. Charge of hypothecation from Movable property is now removed, while company is in the process removing mortgage from immovable property. The company has received NOC from the banks in this regard.

During FY 19-20, the term loan of banks (except Vijaya Bank loan for solar project) were repaid. These loans were taken over by GSFS against Demand Promisory note from the company as well as post dated quarterly installment cheques.

* The term loan from Vijya Bank for 5 MW solar project is secured by first charge by way of mortgage of the company's movable & immovable properties both present and future situated at Dist. Patan, Charanka for 5 MW Solar Power Project and receivables.

The company has availed Working capital loan sanctioned amounting to ₹ 200 crores (P.Y. March 31, 2019: ₹ 200 crores) with Dena bank is secured through account receivables through GUVNL. The Interest would be payable at One year MCLR.

m. Loan repayment schedule

(₹ in Crores)

S. No.	Particulars	Total Out-standing (Rs. In crores)*	Maturity period	Rate of Interest (p.a.)	Re-payable in 12 months	Re-payable in 2 to 4 years	Re-payable in 5 to 7 years	Re-payable in 8 to 10 years
1	Rupee Term Loan-1	859.09	30-Sep-24	SBI Base Rate + Spread	-	409.09	450.00	-
2	Rupee Term Loan-2	889.32	31-Mar-29	SBI Base Rate + Spread	-	-	298.83	590.49
3	External Commercial Borrowing (ECB-1)	94.64	30-Sep-20	6 m Libor + Spread	94.64		-	
4	External Commercial Borrowing (ECB-2)	598.27	30-Sep-23	6 m Libor + Spread		598.27	-	
5	External Commercial Borrowing [ECB-3(Exim)]	182.71	31-Dec-24	6 m Libor + Spread		88.48	94.23	
6	External Commercial Borrowing [ECB-4 (SBI)]	215.46	30-Sep-24	6 m Libor + Spread		168.35	47.11	
8	Corporate Loan	971.25	30-Sep-28	SBI MCLR + Spread	78.75	168.00	409.50	315.00
9	GSFS Loan	2,100.00		Floating Rate of Interest - presently 8.25%	256.25	863.74	507.51	472.50
	Total	**5,910.74**			**429.64**	**2,295.93**	**1,807.18**	**1,377.99**

*The amounts outstanding for various loans as on 31st March, 2020 are as per the terms of the agreement.The amount represents actual amount payable to banks at prevailing exchange rates on reporting date excluding accounting effects of Effective interest Rate (EIR) as per Ind-AS.

In the Case of Subsidiary Gujarat State Petronet Limited & Gujarat Gas Limited **(₹ in Crores)**

Sr. No.	Terms of repayment	No. of Installments due	Interest rate	Maturity	2019-20		2018-19	
					Non-current	Current	Non-current	Current
1	Quarterly installments	9	7.86%	Apr-22	35.16	28.13	63.28	28.13
2	Half yearly installments	1	1 Year GSEC + 2.175%	Aug-20	-	6.03	6.03	12.07
3	Quarterly installments	28	Repo rate + 2.55%	Mar-27	99.96	16.68	116.64	16.68
4	Yearly installments	1	7.50%	Mar-21	-	933.33	933.33	933.33
5	Yearly installments	2	7.50%	Mar-22	50.00	50.00	100.00	50.00
6	Yearly installments	2	7.50%	Sep-21	16.67	16.67	33.33	16.67
7	Yearly installments	2	7.50%	Dec-21	16.67	16.67	33.33	16.67
8	Yearly installments	32	7.50%	Jan-30	40.00	-	-	-
9	Quarterly installments	12	8.15%	Aug-23	190.00	10.00	-	-
10	Quarterly installments	24	Repo rate + 2.35%	Oct-26	95.83	4.17	-	-
11	Quarterly installments	31	7.70%	Dec-27	453.72	34.38	488.09	27.51
12	Quarterly installments	30	7.70%	Sep-27	1,380.14	129.57	1,511.63	86.38
13	Quarterly installments	Prepaid in Oct 2019	NA	NA	-	-	90.00	10.00
	Total				2,378.14	1,245.62	3,375.67	1,197.43

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In the Case of Subsidiary GSPC Pipavav Power Company Limited. **(₹ in Crores)**

Sr. No.	Particulars	Rate of Interest	Maturity	Outstanding as at March 31, 2020	Maturity Profile		
					2020-2021	2021 - 2026	2026 - 2031
	Details of Term Loans From Bank						
1	Secured Term Loan from Bank of Maharashtra	**One Year MCLR+ 0.00%**	**31-Mar-25**	Prepaid during FY 2019-20			
2	Secured Term Loan from Allahabad Bank	**One Year MCLR+ 0.00%**	**30-Jun-25**				
3	Secured Term Loan from Dena Bank	**One Year MCLR+ 0.30%**	**30-Jun-25**				
4	Secured Term Loan from Dena Bank (New)	**One Year MCLR+ 0.30%**	**30-Sep-25**				
5	Secured Term Loan from Dena Bank (IDBI take over)	**One Year MCLR+ 0.30%**	**31-Mar-25**				
6	Secured Term Loan from Dena Bank (KVB take over)	**One Year MCLR+ 0.30%**	**31-Mar-25**				
7	Secured Term Loan from OBC Bank	**One Year MCLR+ 0.10%**	**31-Mar-25**				
8	Secured Term Loan from Vijya Bank	**One Year MCLR+ 0.00%**	**31-Mar-25**				
9	Secured Term Loan from SBI	**One Year MCLR+ 0.60%**	**31-Mar-25**				
10	Secured Term Loan from Vijaya Bank *	**One Year MCLR+ 0.00%**	**24-Nov-21**	5.76	3.32	2.44	-
	Details of Term Loans From GSFS						
	Secured Term Loan from GSFS	**7.50%**	**30-Jun-25**	851.10	162.24	688.86	-
	Secured Term Loan from GSFS	**7.50%**	**30-Jun-25**	9.55	1.82	7.73	-
	Total			**866.41**	**167.38**	**699.03**	**-**

Note 16
Other financial liabilities

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Operation and maintenance expense payable	0.37	0.75
Lease liability	50.08	0.02
Security deposits received from customers	26.09	19.20
Other payables	12.56	10.19
Total non-current financial liabilities	**89.11**	**30.16**
Current		
Current maturities of non-current borrowings (Note 15)	1,868.85	1,582.95
Creditors for Capital Expenditure	377.10	391.03
Security Deposit from Vendors	48.08	26.91
Interest Accrued but not due	-	10.02
Total outstanding dues of micro enterprises and small enterprises	24.45	33.50
Total outstanding dues of Creditors other than micro enterprises and small enterprises	265.72	286.66
Dividend payable / unclaimed[3]	2.78	3.44
Imbalance, overrun & other charges - PNGRB	-	39.13
Lease liability	12.24	-
Operation and maintenance expense payable	0.37	0.73
Other Expense Payable	3.92	0.67
Payable to employees	0.00	0.00
Deposits from customers and others[2]	1,019.46	950.53
Earnest Money Deposits	3.05	2.40
BG Asia Pacific Holdings Limited [4]	464.78	464.78
Less : Amount deposited in Escrow Account with Citi Bank	(464.78)	(464.78)
Other current financial liabilities (refer note no 47)	67.96	624.49
Derivative liability[1]	766.70	526.77
Payable to/on behalf of joint arrangement	452.27	484.28
Total current financial liabilities	**4,912.95**	**4,963.52**

Notes

1. The Group had entered into Gas Commodity hedging contract to hedge price risk.
2. The Group obtained security deposits from the customers under contractual terms which are repayable after fixed contract tenure.
3. 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.
4. The Group deposited ₹ 464.78 Crs 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 is 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.

Note 17
Provisions

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-Current		
Provision for decommissioning obligations	97.18	87.52
Provision for Employee Benefits*	84.56	68.40
Total non-current provisions	**181.74**	**155.92**
Current		
Provision for profit petroleum	0.36	56.43
Provision for Employee Benefits*	19.74	12.57
Provision for Other Expenses	1.38	0.72
Total current provisions	**21.48**	**69.72**

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

Movements in Provisions	**Non-current**	**Current**
	Provision for decommissioning obligations	**Provision for profit petroleum & Other**
At 1 April 2019 (Opening balance)	87.52	56.43
Add: Unwinding of Discounts	8.32	-
Add: Provision made during the year	1.34	0.36
Less: Provision reversed during the year	(56.43)	
At 31 March 2020 (Closing balance)	**97.18**	**0.36**

Note 18
Deferred revenue/ contract liability

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-current		
Income received in advance	107.71	84.63
Others	-	1.92
Total non-current deferred revenue/ contract liability	**86.55**	**15.18**
Current		
Income received in advance	23.66	25.53
Total current deferred revenue/ contract liability	**23.66**	**25.53**

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Note 19

Other non-financial liabilities **(₹ in crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non-current		
Others	-	-
Total non-current non-financial liabilities	**-**	**-**
Current		
Statutory tax liability	181.61	169.54
Advance from customers	14.40	3.30
Others	32.28	30.53
Total current non-financial liabilities	**228.28**	**203.37**

Note 20

A) Non Current Tax Assets (Net) **(₹ in crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Advance Income Tax	3,118.65	2,491.66
Provision for Tax	(2,896.21)	(2,300.71)
Net Advance Tax	**222.44**	**190.94**
Non Current Tax Asset (Net)	**212.69**	**190.94**
Current Tax Assets (Net)	**9.75**	**-**

B) Tax expense

Amount recognised in statement of profit and loss **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Current income tax	604.23	565.78
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(313.70)	75.32
Deferred tax expense	290.53	641.10
Adjustments of tax for earlier years	(17.37)	(36.06)
Total tax expense for the year	**273.16**	**605.04**

Amount recognised in other comprehensive income **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Items that will not be reclassified to profit or loss (A)		
Remeasurements of the defined benefit plans	(13.02)	(5.50)
Equity instruments through other comprehensive income	(7.43)	18.09
Profit on Sale of Equity Instrument	-	-
Share of OCI in Associate and JV	5.24	(1.11)
	(15.21)	**11.48**
Income tax relating to items that will not be reclassified to profit or loss (B)	**2.88**	**3.13**
Net amount recognised in other comprehensive income (A+B)	**(12.33)**	**14.61**

Reconciliation of effective tax rate (₹ in crores)

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Profit before tax	2,557.56	2,166.41
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.944%)	906.93	757.03
Tax effect of:		
Non-deductible tax expenses		
Provision for impairment not allowable for taxes	188.78	82.66
Items with No tax consequences	9.04	14.83
Undistributed reserves of equity accounted investees	(25.47)	5.04
Chapter VI deductions	2.43	(10.35)
Differences between Indian and foreign tax rates	(424.71)	(0.27)
Non-deductible tax expenses	0.13	(0.01)
Others - Excess / Short Provision	(17.44)	(36.28)
Depreciation as per Profit and Loss Account	83.45	108.84
Consumption of Stores & Spares-ICDS Adjustment	0.84	1.25
Disallowance U/s 43B	2.47	0.63
Disallowance -Others	10.07	0.23
Interest on HBA	(0.02)	(0.02)
Interest on Income Tax Refund	(0.03)	-
Interest On Fixed Deposits	(0.68)	(0.53)
Depreciation as per Income tax act	(297.76)	(359.93)
Preliminary Expenses Allowed U/s. 35D	(52.70)	-
Interest on Others	0.73	0.56
Recognition of tax effect of previously unrecognised tax losses	(69.62)	6.07
Other items	(43.29)	35.30
	273.16	**605.04**

C) Deferred tax asset/ (liabilities) [Net]

Movement in deferred tax balances (₹ in crores)

Particulars	**31st March, 2020**							
	Net balance April 1, 2019	**Recognised in profit or loss**	**Recognised in OCI**	**Recognised directly in equity**	**Other**	**Net**	**Deferred tax asset**	**Deferred tax liability**
Deferred tax asset/ (liabilities)								
Opening balance	(672.74)	(349.79)	0	0		(1,022.53)	0.19	(1,022.72)
Decommissioning obligations	1.45	2.38	0	0		3.83	3.83	-
Other items	(451.44)	661.11	2.88	0.00		212.55	212.62	(0.07)
Tax assets/ (liabilities)	**(1,122.73)**	**313.70**	**2.88**	**-**	**-**	**(806.15)**	**216.64**	**(1,022.79)**
Set off tax								
Net tax assets/ (liabilities)	**(1,122.73)**	**313.70**	**2.88**	**-**	**-**	**(806.15)**	**216.64**	**(1,022.79)**

Deferred tax asset/ (liabilities) [Net]

Movement in deferred tax balances **(₹ in crores)**

Particulars	31st March, 2019							
	Net balance April 1, 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Other	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)								
Opening balance	(566.96)	(105.78)				(672.74)	0.18	(672.92)
On account of impairment of assets and change in deprecation						-	-	-
Decommissioning obligations	1.34	0.11				1.45	1.45	-
Other items	3.45	30.36	3.13	(488.38)		(451.44)	0.80	(452.24)
Tax assets/ (liabilities)	**(562.17)**	**(75.31)**	**3.13**	**(488.38)**	**-**	**(1,122.73)**	**2.43**	**(1,125.16)**
Set off tax								
Net tax assets/ (liabilities)	**(562.17)**	**(75.31)**	**3.13**	**(488.38)**	**-**	**(1,122.73)**	**2.43**	**(1,125.16)**

Tax losses carried forward

Particulars	31-Mar-20	Expiry date	31-Mar-19	Expiry date
Business Loss (Expirable)	11,992.27	31-Mar-25	12,019.30	31-Mar-25
Un absorb Depreciation(Never Expirable) - Carried Forward	1,578.74	31-Mar-22	2,048.42	31-Mar-22
Un absorb Depreciation(Never Expirable) - Current	-	-	222.68	-

Notes

1. 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 relate to income taxes levied by the same tax authority.
2. 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.
3. Provision of Tax for the current year is ₹ 604.23 crore (31st March,2019 : Rs.565.78 crores).

   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), 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 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.1,701.78 crores (31st March, 2019 : 1,701.78 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 recent losses and there is not any convincing evidence for sufficient future taxable profit. Hence, in the absence of other convincing evidence, deferred tax assets has not been created.

5. As per Appendix C to IND AS 12 "Uncertainty Over Income Tax Treatment", we have to state that all the allowances / deductions during the year has been claimed on the basis of proper base. Hence, it does not seem that there will be any amount to be effected by Appendix C. However, if at all, it is taken in to account, it will be an insignificant amount and hence the same has not been considered due to huge losses under IT Act.

6. Vide the Taxation Law (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies an option to pay corporate income tax at reduced rates effective from FY 2019-20, subject to certain conditions. The Parent company has not opted for new tax regime for this financial year. However, parent company may review the position in next year. However, subsidiries have opted for new tax regime for this financial year.

Note 21

Trade payables

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Current		
Total outstanding dues of micro enterprises and small enterprises	13.21	14.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	879.88	309.73
Total Trade payables	**893.09**	**323.81**

a. The company has claimed Force Majeure under the Gas Purchase Agreements; pursuant to which suppliers have agreed to reschedule the affected cargos. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring material changes in such information and economic forecasts.

Note 22

Non Current Assets held for sale

During the previous year the management has decided to sell participating interest in 12 E&P fields belonging to E&P segment namely Hazira, Allora, Dholasan, North Kathana, Unawa, Miroli, Bhandut, CB ONN 2004/1, CB ONN 2004/2, CB ONN 2004/3, GK OSN 2009/1 and MB OSN 2005/1. The bidding process for the same was initiated by the company during FY 2018-19.Further, during the year, company has decided not to sell participating interest in Miroli field. Further, it was also decided to sell participating interest in Cambay field. Hence, as per Ind AS 105 – 'Non-current Assets Held for Sale and Discontinued Operations', such group of assets have been reclassified as non current assets held for sale and measured at the lower of carrying amount and fair value less cost to sale as presented in the table below:

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Assets		
Non current assets (net of depreciation and amortisation where applicable)		
Producing Properties	0.86	247.94
Freehold Land	-	2.04
Office equipments	0.01	0.07
Computer equipment	0.02	0.03
Plant and machinery	0.01	0.05
Furniture and fixtures	0.01	0.00
Vehicle	-	0.01
Building	-	1.54
Exploration & Development	9.84	441.15
Opening blalance of Non Current Assets held for sale	483.32	-
Site Restoration Fund	2.87	106.94

Other Current Assets	27.98	0.44
Total carrying value of non-current assets (A)	**524.92**	**800.21**
Liabilities associated with above group of assets		
Provision for decommissioning cost	-	(78.04)
Other Current liabilities	(3.00)	(52.54)
Opening balance of Liabilities associated with non current assets held for sale	(130.58)	-
Liabilities associated with Non Current Assets held for sale	**(133.58)**	**(130.58)**
Net assets classified as held for sale	391.34	669.63
Fair value less cost to sell of above group of assets (B)	237.50	352.74
Impairment loss recognised in statement of profit or loss as an exceptional item (C) = (A) - (B)	153.84	316.89

Details of profit and loss attributable to the above group of assets is below: **(₹ in crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Revenue	17.66	34.82
Expense	(33.54)	(35.08)
Depletion	-	(16.37)
Impairment	(153.84)	(316.89)
Profit/(loss) before tax	**(169.72)**	**(333.52)**
Income tax expense	-	-
Profit/(loss) after tax	**(169.72)**	**(333.52)**

b) During the year the Company has classified one of its building, situated at gandhinagar as asset held for sale at book value of Rs.0.23 cores.

Note 23

Revenue from Operations **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Sale of products		
Sale of natural gas - Trading	18,651.39	16,561.51
Sale of gas - Joint Arrangement	16.18	14.95
Sale of oil - Joint Arrangement	50.57	74.12
Sale of electricity	596.87	717.85
	19,315.01	**17,368.43**
Sale of services		
Re-gasification income	292.11	281.70
Revenue from Transportation of Gas (net)	1,598.60	1,399.31
IT Service Income	12.49	13.93
	1,903.20	**1,694.94**
Other operating revenues	**84.88**	**50.91**
Total Revenue from Operations*	**21,303.09**	**19,114.27**

*For information on disaggeration of revenue, refer note 40 (Segment reporting)

Note 24
Other Income

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Dividend from long term investments		
Dividend from other companies	2.53	2.12
	2.53	**2.12**
Other Non-Operating Income		
Usage charges	1.34	1.07
Other income - Joint arrangements	3.96	8.07
Other Interest Income	46.89	95.54
Net Foreign Exchange Gain	-	15.47
Interest from Deposits with banks	105.28	65.76
Other Non Operating Income	27.56	21.13
	185.03	**207.04**
Total Other Income	**187.56**	**209.16**

Note 25
Production expenditure - E&P

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Production expenditure	57.89	68.98
Duties and taxes	8.14	9.10
Other G&A expenses	15.00	14.10
Bidding Expenses	-	0.15
Total Production expenditure - E&P	**81.03**	**92.33**

Note 26
Cost of material consumed

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Purchase of natural gas	218.81	229.28
Transportation charges	602.05	178.82
Consumable and commissioning charges	37.80	35.74
Excise duty	226.85	208.14
Total Cost of material consumed	**1,085.51**	**651.98**

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Note 27
Cost of traded goods

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Purchase of gas		
Local Purchase of Gas	4,005.32	4,599.51
Import Purchase of Gas	8,493.13	7,565.71
	12,498.45	**12,165.22**
Purchase of IT equipment	0.30	0.01
Other costs		
Import Gas Regasification Charges	956.90	704.91
Gas Transmission Charges	270.63	239.45
Commodity Hedging Cost/ Other expenses	445.98	(53.72)
Other expenses - Gas Trading	1.62	2.78
Deferred delivery of natural gas	37.58	-
	1,712.71	**893.42**
Total Cost of traded goods	**14,211.46**	**13,058.65**

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

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Finished goods		
Closing stock of oil	(16.14)	(31.69)
Opening stock of oil	31.69	34.90
	15.55	3.21
Increase/ decrease in stock of oil (Refer Note No.38(i))	2.79	(2.68)
(A)	**18.34**	**0.53**
Stock in trade		
Closing stock of liquified gas	(115.45)	(34.07)
Opening stock of liquified gas	34.07	213.36
(B)	**(81.38)**	**179.29**
Total Change in inventories of finished goods, stock in process and stock in trade-(A)+(B)	**(63.04)**	**179.82**

Note 29
Employee benefit expenses

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Salary, wages and allowances	207.40	207.53
Contribution to providend fund and other funds (Refer note 36)	47.85	42.22
Staff welfare expenses	16.61	12.87
ESOP Compensation Expenses	-	(0.06)
Total Employee benefit expenses[a]	**271.86**	**262.56**

Notes

a. Amount represents net expenditure for group.

Note 30
Finance costs

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Interest Expenses	1,018.69	1,170.45
Interest expense on lease liability	4.20	-
Unwinding of discount on Provisions & transaction cost on borrowings	10.06	5.31
Other Borrowing Costs (includes bank guarantee, LC charges, bank charges, etc.)	28.09	32.75
Exchange differences regarded as an adjustment to borrowing cost	34.28	29.43
Total Finance costs	**1,095.32**	**1,237.94**

Note 31
Other expenses

(₹ in crores)

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Expenses related to wind mills		
Operation and maintenance expenses	15.53	13.67
Windmills insurance expenses	0.68	0.67
Total (A)	**16.21**	**14.34**
Operation & Maintenance Expenditure (B)	**435.10**	**376.96**
Administrative expenses		
Electricity expenses	99.14	87.53
Rent, rates and taxes	24.45	18.93
Repairs and maintenance		
Building repairs	2.91	1.99
Others	5.89	2.71
Insurance expenses	17.07	9.71
Business development and promotion	2.35	9.65
Advertisement and publicity	1.04	1.30
Administration and establishment	29.05	26.59
Recruitment and training expense	1.23	0.99
Travelling expenses	4.59	4.56
Stationery and printing	2.32	2.76
Professional and technical expenses	78.05	50.04
Donations	44.93	16.19
Telephone, trunk calls and postage	5.89	5.89
Vehicle running expenses	12.82	13.17
Bandwidth expenses	0.36	0.47
Payment to auditors	0.71	0.73
Net loss on sale/ discarding of fixed assets	1.67	1.83
Diminution in Capital Inventory & Inventory	-	4.58
Franchisee and other Commission	35.33	38.84
Imbalance and over run charges	6.95	-
Agency & Contract Staff Expenses	29.78	29.41
Billing & collection	9.49	8.45
Other expenses	0.90	0.13
Miscellaneous expenses	0.21	0.27
Total (C)	**417.13**	**336.71**
Network Operating and Project Expenses		
Network Operating Expenses	0.64	0.02
Project Expenses	1.88	1.36
Facility Management Charges	-	-
Total (D)	**2.52**	**1.38**
Provision for doubtful advances (E)	**6.39**	**3.77**
Net Foreign Exchange Loss (F)	**25.18**	**-**
Total Other expenses (A+B+C+D+E+F)	**902.53**	**733.16**

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Note 32
Exceptional items

The exceptional Items comprises of the following: **(₹ in crores)**

Particulars	**For the period ended 31st March, 2020**	**For the period ended 31st March, 2019**
Impairment of oil and gas assets[a]		
Provided During the year	540.78	429.92
Less: Reveresed during the year	(0.46)	(193.41)
Rates & Taxes	-	17.87
Impairment on Investment	-	-
Exploration cost written off/ written back	0.67	(93.79)
Litigation Settlement	10.99	-
Total Exceptional items	**551.98**	**160.59**

Notes

a. The company identifies each E&P field /PSC under E&P segment as seperate Cash Generating Unit (CGU). During FY 2019-20 the company has provided for impairment of ₹ 386.48 Crore for 9 continuing E&P fields (CGUs). The impairment was triggered majorly due to the significant fall in crude oil prices primarily consequent to the outbreak of COVID-19.Further, during FY 2018-19 company had classified 12 E&P fields as assets held for sale (refer note no.22). In relation to which, the company had provided for impairment loss of ₹ 154.30 Crore and has reversed impairment earlier provided for the extent of ₹ 0.46 crores.During FY 2018-19, based on revised Oil & Gas reserve estimation by Gujarat Energy Research & Management Institute (GERMI), an external agency, the company has provided for impairment of ₹ 88.29 Crore and has reversed impairment earlier provided for to the extent of ₹ 168.67 crores for 8 continuing E&P fields (CGUs).Further, during the year 2018-19, company has classified 12 E&P fields as assets held for sale (refer note no.22). Inrelation to which, the company has provided for impairment loss of ₹ 341.63 Crore and has revesered impairment earlier provided for the extent of Rs.24.74 crores.

The recoverable amount of CGU is determined at higher of its fair value less cost to sell and its value-in-use. For 12 E&P fields which are classified as Assets held for sale, the company has considered fair value less cost of sell as the recoverable amount whereas for other 9 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, 2019 -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.

b. The company had made an investment through Special Purpose Vehicle (SPV) in GSPC (JPDA) LTD. amounting to Rs.99.39 crores (31st March, 2019 : Rs 99.39 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 1 crore against additional investment made during FY 2018-19.

c. In the block KG-OSN-2001/3, GSPC had in FY 2017-18 written off Rs.230 crores towards inventory based on initial valuation by the Buyer as exploration cost written off. However, during FY 2018-19 the valution was finalised with the help of the independent valuer and on the basis of the report, the company has written back the inventory to the extent of Rs.94.90 crores. Balance amount of Rs.1.11 crores includes cost incurred for earlier written off blocks.

d. The parent company had opted for the Sabka Vishwas Legacy Dispute Resolution Scheme-2019 and settled all its litigations under Service Tax Act, 1994 which comprises of Rs.8.11 Crores already paid under protest and additionally paid Rs.2.88 Crores.

e. Exceptional item of previous year pertains to balance provision of stamp duty as per the order of the Chief Controlling Revenue Authority (CCRA) for stamp duty levied with regards to the appeal filed against the order of Collector & Additional Superintendent of Stamps for adjudication of stamp duty pursuant to Composite Scheme of Amalgamation and Arrangement approved by Hon'ble Gujarat High Court.

Note 33
Earnings per share

Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Profit attributable to equity holders for (₹ in Crores):		
Basic earnings	2,322.24	1,618.22
Adjusted for the effect of dilution	2,322.24	1,673.58
Weighted average number of equity Shares for:		
Basic EPS	9,64,34,73,708	2,55,92,62,920
Adjusted for the effect of dilution	10,73,65,40,265	10,73,65,40,265
Earnings Per Share (Rs.) (EPS) (face value of Rs.1/-)		
Basic	2.41	6.32
Diluted	2.16	1.55

Note 34
Contingent liabilities

1. 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 31st March, 2020	As at 31st March, 2019
Direct & Indirect Tax matters (Ref. note no.20 C point no. 3)	2,161.74	2,139.40
Joint Arrangements (Ref. note a to d and h below)	130.45	200.65
Guarantee	2,746.84	2,701.41
Other	1,286.47	1,239.11

Above Contingent Liabilities Includes-.

In the Case of Gujarat State Petroleum Corporation Limited

(a) JODPL Pvt Ltd:The Company has issued forfeiture notice to JODPL Pvt Ltd against ₹ 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 GSPC's letter of forfeiture of JODPL's PI issued by GSPC in December 2018 because of default of JODPL in making contributions to KG Block Cash Calls.

(b) Cost Recovery of Compressors, Wells and Royalty Issue in Hazira Field:

The Operator of Hazira Field, NIKO Resources Limited, had initiated arbitration proceedings (in October 2013) against Union of India under Hazira PSC claiming the following:

(i) declaration that Gas Compressors (4 in No.) forms part of Development Costs of Hazira Field and allow cost recovery of USD 14.48 MN on this account;

(ii) declare revision in IM ratio as a result of allowance of Cost Recovery to Gas Compressor Project and allow refund of excess profit petroleum paid on this account amounting to USD 4.10 MN

(iii) declare Wells H 15 and H23 and certain other expenditures on wells as cost recoverable and declare revision in IM ratio on this account and refund of Profit Petroleum of USD 547,043 on this account

(iv) Refund of an amount of ₹ 35.24 Crore paid on account of recovery of excess Royalty on the basis of Royalty on Royalty and an amount of USD 3.911 MN on the basis of recovery of royalty on Sales Price instead of on Well Head Price

Operator handed over the said arbitration proceedings to the Company in August 2018. The Arbitration Proceedings have been concluded in March 2020 and the matter has been reserved for passing of Award. The Company has agreed to assign its PI in Hazira Field to M/S Sun Petro pursuant to an agreement signed in December 2019. However, the Company has retained all rights and liabilities in relation to this particular arbitration proceedings.

(c) 'In case of cambay block, a dispute had arisen between GSPC and Oilex regarding certain Cash Calls alleged to be outstanding on part of GSPC as per a Notice of Default (EOD Notice) issued by Oilex on May 29, 2018. GSPC had seriously disputed the said EOD Notice on various grounds including on the grounds that the alleged Cash Calls forming part of the EOD Notice were all pertaining to cost overrun not approved by GSPC as also were time-barred. Upon Oilex's issuance of Notice of Withdrawal of PI dated July 9, 2018 (Forfeiture Notice), GSPC approached High Court of Gujarat under Section 9 of the Arbitration Act and a stay on operation of EOD Notice as well as Forfeiture Notice was granted by the High Court. GSPC also initiated arbitration proceedings against Oilex under the JOA for Cambay Field seeking declaration that the EOD Notice as well as Forfeiture Notice were illegal and invalid. The total sum in dispute in the said proceedings was USD 3.05 MN. However, subsequently in September 2019, GSPC and Oilex have arrived at an amicable resolution of the said dispute whereunder Oilex has withdrawn the EOD Notice as well as the Forfeiture Notice thus bringing an end to the dispute over allegedly unpaid cash-calls forming part of the EOD Notice while GSPC has put up its PI in Cambay Field for sale. The sale process is currently under progress.

(d) The Company had made an investment in a joint arrangement (JV) incorporated to carry out exploration and production activities in Joint Petroleum Development Area (JPDA) block (JPDA 06-103) in Australia. GSPC holds 20% working interest in the JV through Special Purpose Vehicle (SPV) in GSPC (JPDA) Ltd amounting to ₹ 99.39 crore (31st March 2018: ₹ 98.39 crore) to carry out exploration activities in Australia. Considering the unsuccessful outcome of the exploration activities in the block 100% provision for impairment has been provided in the standalone financial statements to the extent of investment made in the subsidiary - GSPC (JPDA) Ltd amounting to ₹ 99.39 crores as on 31.03.2019 (Rs.98.39 crores as on 31.03.2018)Moreover, Autoridade Nacional do Petroleo (ANP) has terminated the PSC with condition of paying the penalty of USD 3403758 (Current year Rs.25.63 Crores (Previous year Rs.23.54 Crores)) (JPDA Share) for the unfinished work programme. However, Operator and JV partners have protested against the same and ANP has initiated arbitration proceedings against JV partners. Before the commencement of final hearing ANP & JV partners have again commenced discussion for amicable settlement which is still to be finalized.

(e) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PGNRB 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 ₹ 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 company had deposited additional ₹ 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 ₹ 12 / MMBTU form 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, 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 of amount recovered from customers is shown as amount paid under protest in the accounts. Further, the company has also not provided for differential amount charged by vendors above Rs.12/ MMBTU agreegating to ₹ 42.19 crores.The appeal is pending before the Hon’ble Supreme Court.

(f) Other Contingent liabilities includes Contingent Liablitity associated with Gas Trading Business ₹ 30.14 Crs.

(g) Indo-Baijin Chemicals Pvt. Ltd. (IBCPL) has invoked arbitration clause under Supply Framework Agreement (SFA) dated 19th July, 2012 entered for supply of gas, and served notice of arbitration dated 20th August, 2018 alleging breach of SFA by GSPC for failure to pass on duty draw back when received from the custom department and claiming loss of ₹ 8,12,03,107/- and for failure to provide supporting documents enabling IBCPL to make a claim from the Custom Department. GSPC by its reply has denied any such breach, as GSPC has not received any refund of custom duty drawback under the relevant Act and occasion for refund of custom duty has never arisen. Moreover, GSPC had on every occasion when asked by IBCPL supplied the necessary documents. As differences has arisen between the parties, the matter is referred for adjudication by Sole Arbitrator- Mr. Justice (retd.) J.C. Upadhyaya, Gujarat High Court. The matter is still pending.

(h) GSPC had entered into a Rate Contract for Provision of hiring of Waste Management Agency for Waste Disposal on Callout basis for CB-ONN-2000/1 (Ahmedabad Block) and CB-ONN-2003/2 Ankleshwar Block with M/s PMP Infratech Pvt. Limited (hereinafter referred to as “M/s PMP”).As per the terms of the Contract, M/s PMP was required to dispose the Waste Mud as well as Liquid Waste from GSPC well site to Treatment, Storage & Disposal Facility (“TSDF”) only. M/s PMP had in its technical bid submitted a certificate from Saurasthra Enviro Projects Pvt. Ltd. – Kutch giving consent to M/s PMP for disposal of waste. With respect to the liquid waste from the well sites of Ahmedabad Block as well as Ankleshwar Block, M/s PMP did not dispose off the waste from the site at approved location i.e. the TSDF site in Bhachau, Kutch but instead disposed off the Liquid Waste at Common Effluent Treatment Plant (“CETP”), Odhav Enviro Project Ltd., Odhav, Ahmedabad, which was a breach of the material provision of the Contract. In addition to this, prima facie errors were noticed by GSPC such as change in location of disposal of waste as well as vehicles carrying waste beyond the permissible limits. Hence GSPC withheld the payment of contractor and sought several clarifications from M/s PMP to which proper justification was not furnished. Disputes arose between the parties and Contractor has initiated arbitration as per the provisions of the Contract. Justice J. C. Upadhyay, Former Justice High Court of Gujarat has been appointed as the sole arbitrator in the present arbitration proceedings. Amount in dispute is approx.. ₹ 1.12 Crores.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

a) Imbalance and overrun charges as per the ‘Modalities of maintaining & operation of Escrow Account under the PNGRB (Access Code for Common or Contract Carrier Natural Gas Pipeline) Regulations, 2008’ issued by PNGRB on 7th March 2011, collected for the period prior to 1st April 2011 amounting to ₹ 226.02 Lacs (net of taxes) has been deposited in Escrow Account under protest. However, the same is not recognised as liability as these guidelines are applicable w.e.f. 1st April 2011.

b) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited(now known as Gujarat Gas Limited) 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. The matter was decided against the Group by PNGRB. The Group has preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the PNGRB Order. The Group has also sought an interim stay on the PNGRB order which was granted by APTEL. The APTEL has in its order stated that it is an interim order without considering the merits of the case. The Group has submitted bank guarantee of ₹ 40.00 Crs in favour of UPL.

c) 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 liquefied 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).PGNRB 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. The PLL Off takers (GAIL) filed appeals against the said PNGRB orders before the Appellate Tribunal for Electricity (APTEL). On 23-February-2012 APTEL had issued an interim order for shifting the Delivery Point from GAIL-GSPL Delivery Point to GSPL-PLL Delivery Point. On 18-December-2013 APTEL issued its judgment and required GSPCL to pay the amount of the difference between ₹ 8.74/MMBTU (exclusive of Service Tax) – earlier connectivity charges and ₹ 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 has 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 Group has already provided and paid interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes). GGL has not received any bill / demand note for the amount over and above ₹ 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.

d) One of the gas suppliers of the Group has submitted a claim of ₹ 508.24 Crs (P. Y. ₹ 475.59 Crs), for use of allocated gas for other than specified purpose, demand in earlier years related to FY 2013-14 to FY 2018-19 and no claim received from supplier for FY 2019-20. The Group has refuted this erroneous claim contending that there is gross error in actual domestic gas purchase and actual sales considered by supplier and also there is no contractual provisions of the agreement executed with the 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/authorities to withdraw the claim.

e) 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 ₹ 17,714 Lacs (P. Y. ₹ 17,714 Lacs) 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 as are not flowing from the same agreement under which the arbitral tribunal has been constituted the tribunal does not have any jurisdiction to adjudicate the claim.

f) By other parties including contractual disputes also includes contractual disputes under arbitration between the Group and M/s Fernas Construction Company Inc, amounting ₹ 154.14 Crs (Previous Year 154.14 Crs)

In the Case of Subsidiary GSPC Pipavav Power Company Limited.

While granting further extension of Environmental Clearance to GPPC in 2013, Ministry of Environment and Forest (MoEF), Government of India directed to earmark ₹ 11.70 Crs as one-time capital cost towards CSR activities and a recurring expenditure of ₹ 2.34 Crs on annual basis for such activities till the life of the plant. At present, the contract closure with EPC Contractor BHEL is under process and therefore the project cost is yet be crystlized. Hence, as on 31st March, 2020. the filling of Project cost to Gujarat Electricity Regulation Commission (GERC) is pending. The company may earmark/incur the said CSR expenditure in project cost while filling the cost for approval with GERC.

In the Case of Subsidiary Guj Info Petro Limited

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 1/7/2012 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 23/4/2015 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 and asking to submit the Audited AGR data pertaining to FY 2009-10 to FY 2013-14. The company has submitted the annual audited accounts for the financial year 2009-10 to FY 2013-14. On 1st February,2020, the Company has filed Review Petition before the Hon’ble Supreme Court for seeking review of its judgement dt. 24th October 2019. GIPL has also made Government representation to Chairman DCC & Secretary in this regards. The company has received another letter dated 15-02-2020 from DOT asking to pay dues of AGR Fees along with applicable interest, penalty and interest on penalty. Then, the company has paid ₹ 5.00 Cr. towards AGR dues as an ad-hoc payment under protest. The company has not received any demand notice from the DoT as on date. Further, the Hon’ble Supreme Court vide its order dated 18th March, 2020 directed that no exercise of self-assessment / re-assessment to be done and dues which were placed before Supreme court have to be paid including interest and penalty as affirmed vide SC judgement dated 24th Oct, 2019. The Hon’ble supreme court is yet to hear the application made by Central Govt with respect to giving reasonable time and cease interest after particular date.

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Till the matter is sub judice as above, the company has made estimate of the liability that may arise under the above judgement. The aggregate amount of dues including license fees, Interest, penalty and interest on penalty may amount to approx. ₹ 27.93 Crs. Since the company has not received any demand notice from the DoT as on date and the matter being sub judice, there is no crystallized liability with regards to AGR matter as on balance sheet date.

Contingent assets

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, 2020 there is an amount Rs.13.51 crores as surplus with the company for valuation adjustment under FIFO.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

a) The Group has raised claim of ₹ 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 ₹ 30.72 Crs out of total claim ₹ 43.08 Crs against disputed liability for use of domestic allocated gas other than PNG (Domestic) and CNG segments' against demand in earlier year.

b) 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 ₹ 42.46 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 ₹ 163.58 crs (PY: ₹ 146.66 crs) from December 2013 till March 2020 and the Group shall endeavor to pass on the benefit to its customers.

c) 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.

Note 35

Capital commitments **(₹ in crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Estimated Amount of Contracts remaining to be executed on capital accounts and not provided for		
i. In respect of Joint Arrangements	135.63	669.94
ii. In respect of Others	909.97	618.38
Minimum Work Programme committed under various production Sharing Contracts in India and Outside India.		
i. In India	-	
ii. Outside India	-	
Investment Commitments	1,391.16	1,725.16
Estimated amount of Contracts remaining on Revenue Accounts	651.21	388.68

Note 36

Employee Benefits:

A. Defined contribution plans

1. Company's contribution to Provident Fund is ₹ 15.27 Crores (FY 2018-19 - ₹ 15.61 Crores)
2. Company's contribution to Super Annuation fund is ₹ 3.02 Crores (FY 2018-19 ₹ 3.28 Crores)
3. Company's contribution to National Pension Scheme is ₹ 1.94 Crores (FY 2018-19 ₹ 0.35 Crores)

B. Defined benefit plans

The following table sets out the funded status of the Gratuity and Leave Encashment Plan and the amounts recognized in Group's consolidated financial statements as at 31st March, 2020; 31st March, 2019 as required by Ind AS 19.

(₹ in crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Unfunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS (Funded)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
I Change in obligation during the year ended 31st March, 2020										
1 Liability at the beginning of the year	86.41	70.06	9.82	8.78	12.49	12.51	53.31	43.49	0.75	-
2 Interest cost	6.40	4.36	0.74	0.66	0.93	0.94	4.00	3.26	0.06	-
3 Current service cost	8.09	7.01	0.92	1.06	0.73	0.79	4.14	3.59	0.11	0.04
4 Past service cost	-	4.36	-	-	-	-	-	0.04	1.47	0.61
5 Prior Year Charge	-	-	-	-	-	-	-	-	-	-
6 Benefit Paid	(5.93)	(4.61)	(0.97)	(0.10)	(2.14)	(2.11)	(5.73)	(3.31)	-	-
7 Actuarial (gain) / Losses	2.26	(0.01)	0.19	(0.58)	2.40	0.36	(0.20)	0.09	-	-
7a Actuarial (gain) / Loss Due to change in Financial assumption	3.28	(0.79)	-	-	-	-	2.38	1.00	0.16	-
7b Actuarial (Gain)/Loss - Due to change in demographic assumptions	0.02	-	-	-	-	-	0.03	-	0.00	-
7c Actuarial (Gain)/Loss - Due to experience adjustments	6.78	6.04	-	-	-	-	5.38	4.30	0.09	-
8 Contribution by Employees	-	-	-	-	-	-	-	-	0.07	0.10
9 Transfer in Obligation	0.55	(0.01)	-	-	-	-	(0.27)	0.84	-	-
10 Liability at the end of the year	107.86	86.41	10.70	9.82	14.42	12.49	63.03	53.31	2.71	0.75
II Change in assets during the year ended 31st March, 2020										
1 Plan assets at the beginning of the year	73.88	67.17	-	-	9.64	10.21	-	-	0.10	-
2 Expected return of plan assets	4.57	4.26	-	-	0.75	0.78	-	-	-	-
3 Contributions	14.47	6.72	-	-	0.37	0.83	-	-	0.07	0.10
4 Benefit paid	(5.93)	(4.46)	-	-	(2.14)	(2.11)	-	-	-	-
5 Interest Income	1.22	1.05	-	-	-	-	-	-	0.03	0.01
6 Actuarial gain / (Loss)	(0.25)	(0.84)	-	-	(0.12)	(0.08)	-	-	-	-
7 Transfer in/(out) plan assets	(0.03)	(0.01)	-	-	-	-	-	-	-	-
8 Plan assets at the end of the year	87.94	73.88	-	-	8.49	9.64	-	-	0.20	0.10
9 Total Actuarial Gain/(Loss) To Be Recognized	(2.25)	(0.89)	(0.19)	0.58	(2.35)	(0.23)	-	-	-	-
III Actual Return on plan assets										
1 Expected return of plan assets	4.57	4.26	-	-	0.75	0.78	-	-	0.03	-
2 Actuarial gain / (loss)	(0.25)	(0.84)	-	-	(0.12)	(0.08)	-	-	-	-
3 Actual return on plan assets	4.33	3.42	-	-	0.62	0.70	-	-	0.03	-

(₹ in crores)

Particulars	Gratuity (Funded)		Loyalty Bonus (Unfunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS (Funded)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
IV Net asset / (liability) recognized in the Balance Sheet as at 31st March, 2019										
1 Liability at the end of the year	107.86	86.41	10.70	9.82	14.42	12.49	63.03	53.31	2.71	0.75
2 Plan assets at the end of the year	87.94	73.88	-	-	8.49	9.64	-	-	0.20	0.10
3 Amount recognized in the Balance Sheet Accrued (Pre paid)	19.92	12.53	10.70	9.82	5.93	2.86	63.03	53.31	2.52	0.65
V Expenses recognized in the statement of profit & loss account for the year ended 31st March, 2020										
1 Current service cost	8.09	7.01	0.92	1.06	0.73	0.79	4.14	3.59	0.11	0.04
2 Interest cost	6.40	4.36	0.74	0.66	0.93	0.94	4.00	3.26	0.06	-
3 Expected return on plan assets	(4.57)	(4.26)	-	-	(0.75)	(0.78)	-	-	(0.03)	-
4 Actuarial (gain) / Losses	10.44	5.86	-	-	2.52	0.44	7.58	5.39	0.26	-
5 Benefits Paid	-	-	-	-	-	-	-	-	-	-
6 Transfer in Obligation(net)	-	0.00	-	-	-	-	-	-	-	-
7 Past service cost	-	4.36	-	-	-	-	-	0.04	1.47	0.61
8 Total expenses	20.35	17.33	1.66	1.72	3.44	1.38	15.72	12.29	1.87	0.65
Expenses recognized in the other comprehensive income for the year										
1. Actuarial (gain) / Losses	2.15	0.22	0.19	(0.58)	-	-	-	-	-	-
VI Balance Sheet reconciliation										
1 Opening net liability	12.53	2.89	9.82	8.78	2.86	2.30	53.31	43.49	0.65	-
2 Expenses as above	22.50	17.55	1.85	1.14	3.44	1.38	15.72	12.29	1.87	0.65
3 Employer contribution	(14.47)	(6.72)	-	-	(0.37)	(0.83)	-	-	(0.07)	(0.10)
4 Benefits Paid	(0.00)	(0.15)	(0.97)	(0.10)	(0.00)	-	(5.99)	(2.47)	-	-
5 Transfer Obligation	0.58	-	-	-	-	-	-	-	(0.03)	(0.01)
6 Interest Income	(1.22)	(1.05)	-	-	-	-	-	-	-	-
6 Amount recognized in the Balance Sheet	19.92	12.53	10.70	9.82	5.93	2.85	63.03	53.31	2.45	0.55
7 Expected contribution during next 12 months	15.19	9.44	0.81	0.21	0.65	0.60	1.96	1.36	0.01	0.01
VII Actuarial Assumptions										
1 Discount Rate	6.85%	7.55% - 7.60%	6.85%	7.60%	6.85%	7.60%	6.85%	7.55% - 7.60%	6.85%	7.60%
2 Rate of return on plan assets	6.85%	7.55% - 7.60%	0.00%	0.00%	6.85%	7.60%	0.00%	0.00%	6.85%	7.60%
3 Salary Escalation	7% - 10%	7% - 10%	7.00%	7.00%	7.00%	7.00%	7% - 10%	7% - 10%	-	-
4 Withdrawl 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%	1% to 5%	1% to 5%
5 Medical Inflation rate	-	-	-	-	-	-	-	-	4.00%	4.00%

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:

Particulars	Gratuity (Funded)		Loyalty Bonus (Unfunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS (Funded)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Sensitivity %										
Discount rate varied by 0.5%										
Increase +5%	88.69	70.68	10.07	9.21	13.57	11.72	58.89	49.84	2.45	0.68
Decrease -5%	100.16	79.73	11.40	10.49	15.34	13.32	67.57	57.14	3.01	0.82
Salary growth rate varied by 0.5%										
Increase +5%	99.99	79.63	11.39	10.43	15.33	13.32	67.44	57.06	-	-
Decrease -5%	88.78	70.74	10.07	9.26	13.56	11.72	58.96	49.87	-	-
Withdrawl Rate										
Increase + 10%	26.16	19.73	10.68	9.78	14.41	12.51	17.47	13.62	2.65	0.73
Decrease - 10%	26.25	19.71	10.73	9.87	14.42	12.47	17.49	13.57	1.01	0.76
Medical Inflation Rate - (0.5% PY NA)										
Increase	-	-	-	-	-	-	-	-	2.78	0.83
Decrease	-	-	-	-	-	-	-	-	2.44	0.68

Notes

a. Investment details

The Group has participated in Group Gratuity scheme of Life Insurance Corporation of India (LIC), HDFC Life Insurance Co. Ltd, Aditya Birla Sun Life Insurance Co. Ltd,ICICI Prudential Life Insurance Co. Ltd, SBI Life Insurance Co. Ltd. Reliance Nippon Life Insurance Co. Ltd. The liability in respect of gratuity benefits & leave salary being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date. The plans expose the Group to a number of actuarial risks such as investment risk, legislative risk, market risk and liquidity risk.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

Composition of the plan assets	2019-20			2018-19		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Policy of insurance	99.77%-100%	NA	100%	99.77%-100%	NA	**100%**
Bank balance	0.25%	NA	100%	0.20%	NA	-

In the Case of Subsidiary GIPL

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 recognises each period of service to build up the final obligation.

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.Gratuity and Leave Encashment is administered through duly constituted and approved independent trusts, also through Group gratuity / leave encashment scheme with Life Insurance Corporation of India.

c. Loyalty bonus

GIPL has also provided for ₹ 0.16 crores (31st March 2019:-Rs.0.67 crores) towards liability of loyalty bonus (a non-funded defiined benefit plan) during the year as per the actuarial valuation.

D. Expected cashflows based on past service liability

In the Case of Gujarat State Petroleum Corporation Limited

Particulars	Gratuity (Funded)		Loyalty Bonus (UnFunded)		Leave Encashment (Funded)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1st Following year	1.19	0.64	0.81	0.21	0.76	0.43
2nd Following year	0.51	0.71	0.28	0.52	0.44	0.50
3rd Following year	0.42	0.34	0.23	0.21	0.38	0.29
4th Following year	0.50	0.39	0.26	0.24	0.50	0.39
5th Following year	0.84	0.32	0.59	0.30	0.73	0.31
Sum of years 6 to 10	4.21	3.66	3.47	3.57	4.40	4.20

Other notes:

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 ₹ 0.89 Cr (Previous year ₹ 0.81 Cr) on account of Long service award benefit. Current Liability as at 31st March 2020 is ₹ 0.09 Cr (Previous year ₹ 0.07 Cr) and Non- Current Liability is ₹ 0.80 Cr (Previous year ₹ 0.73 Cr). Discount rate considered for current year is 6.85% (previous year 7.55%).

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Note 37

Joint Operations (un incorporated Jont 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	**Non Operated JVs**			
1	Hazira (Refer Note b)	66.67% (66.67%)	Sun Petrochemicals Private Limited (Operator)	33.33%
2	Bhandut (Refer Note b)	60% (60%)	Oilex NL Holdings (India) Ltd (Operator)	40%
3	Cambay (Refer Note b)	55% (55%)	Oilex NL (Operator)	30%
			Oilex NL Holdings (India) Ltd	15%
4	Asjol	50% (50%)	Hindustan Oil and Exploration Company Limited (Operator)	50%
5	Palej	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%
6	North Balol	45% (45%)	Hindustan Oil and Exploration Company Limited (Operator)	25%
			GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
7	Dholasan (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly as Heramec ltd.)	30%
8	North Kathana (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
9	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
10	Allora (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
11	CB-ONN-2004/1(Refer Note b)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
12	CB-ONN-2004/2(Refer Note b)	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%
13	CB-ONN-2004/3(Refer Note b)	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%
14	MB-OSN-2005/1 (Refer Note b)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
15	GK-OSN-2009/1 (Refer Note b)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%
			Indian Oil Corporation Limited	20%
			Adani Welspun Exploration Ltd	20%
16	KG-OSN-2001/3(Refer Note a)	10% (10%)	JODPL Pvt.Ltd	10%
			Oil and Natural Gas Corporation Ltd.	80%
B	**GSPC-Operated**			
17a	Tarapur		**Exploration**	
		80% (80%)	Geo Global Resources (Barbados) Inc.	20%
		56% (56%)	**Development**	
			Geo Global Resources (Barbados) Inc.	14%
			Oil and Natural Gas Corporation Limited	30%
17b	Tarapur - Extension phase	80% (80%)	Geo Global Resources (Barbados) Inc.	20%
18	Unawa (Refer Note b)	70% (70%)	GNRL Oil & Gas Limited (Formerly Heramec ltd.)	30%
19a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%
19b	CB-ONN-2000/1 – (Extension phase) (Refer Note h)	50% (50%)	GAIL (India) Ltd	50%
20	CB-ONN-2002/3 (Sanand)	55% (55%)	Jubilant Oil & Gas Private Limited	20%
	(Refer Note h)		Hindustan Petroleum Corporation Limited	15%

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
			Geo Global Resources (Barbados) Inc.	10%
21	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%

*PI – Participating Interest

** Figures in bracket indicate previous year figures. There is no change in previous year figures unless otherwise stated.

II Blocks/Fields proposed to be surrendered

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	**Non Operated JVs**			
1	MB-OSN-2000/1 (Mumbai) (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	75%
			Indian Oil Corporation Limited	15%
2	MB-DWN-2000/2 (Mumbai) (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	50%
			Indian Oil Corporation Limited	15%
			GAIL (India) Ltd	15%
			Oil India Ltd	10%
3	CB-ONN-2002/2 (Mehsana) (Refer Note c)	60% (60%)	Jubilant Oil & Gas Pvt. Limited (Operator)	30%
			Geo Global Resources (Barbados) Inc.	10%
4	CY-ONN-2002/1(Cavery) (Refer Note c)	20% (20%)	Jubilant Oil & Gas Pvt. Limited (Operator)	30%
			GAIL (India) Ltd	50%
5	BS(3)-CBM-2003/II (Refer Note c)	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
6	CY-DWN-2004/1(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
7	CY-DWN-2004/2(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
8	CY-DWN-2004/4 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
9*	CY-PR-DWN-2004/2 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
10*	KG-DWN-2004/1(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
11*	KG-DWN-2004/2(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			BPCL	10%
12*	KG-DWN-2004/3 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
13 *	KG-DWN-2004/5(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	50%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			BPCL	10%
			Oil India Limited	10%
14	KG-DWN-2004/6(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			Oil India Limited	10%
15 *	MB-OSN-2004/2(Refer Note c)	20% (20%)	Petrogas E&P LLC(Operator)	20%
			GAIL (India) Ltd	20%
			Hindustan Petroleum Corporation Limited	20%
			Indian Oil Corporation Limited	20%
16	CB-ONN-2004/4(Refer Note c)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
17	RJ-ONN-2004/1 (Refer Note c)	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%
18 *	KG-OSN-2005/1(Refer Note c)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			HPCL – Mittal Energy Ltd.	20%
19	KG-DWN-2005/1(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			Indian Oil Corporation Limited	20%
20	CY-ONN-2005/1(Refer Note c)	30% (30%)	GAIL (India) Ltd (Operator)	40%
			Bengal Energy Inc.	30%
21	KK-DWN-2005/2(Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
22	AN-DWN-2009/5(Refer Note e)	0% (0%)	Oil and Natural Gas Corporation Limited (Operator)	100%
23	AN-DWN-2009/13(Refer Note e)	0% (0%)	Oil and Natural Gas Corporation Limited (Operator)	80%
			GAIL (India) Ltd	10%
			NTPC Ltd	10%
24	AA-ONN-2003/1(Assam) (Refer Note c)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator)	10%
			Jubilant Securities Pvt. Ltd.	35%
			GAIL (India) Ltd	35%
25	CY-DWN-2004/3 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
26	CY-PR-DWN-2004/1 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
27	MB-OSN-2005/5 (Refer Note c)	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
28	MB-OSN-2005/6 (Refer Note c)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
29	CB-ONN-2005/4 (Refer Note c)	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
30	CB-ONN-2005/10 (Refer Note c)	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
31	CB-ONN-2009/4 (Refer Note b)	50% (50%)	Oil and Natural Gas Corporation Limited (Operator)	50%
32*	Sabarmati (Refer Note c)	60% (60%)	Oilex NL Holdings (India) Ltd (Operator)	40%

* Blocks CY-PR-DWN-2004/2, KG-DWN-2004/1,KG-DWN-2004/2,KG-DWN-2004/3,KG-DWN-2004/5,Sabarmati,KG-OSN-2005/1 & MB-OSN-2004/2 have received the approval from MOPN&G for surrender

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Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
B	**GSPC-Operated**			
33	South Diyur (Egypt) (Refer Note d)	80% (80%)	Alkor Petro Ltd	20%
34	North Hap'y (Egypt) (Refer Note d)	80% (80%)	Petrogas E&P LLC	20%
35	MB-OSN-2004/1(Refer Note c)	20% (20%)	GAIL (India) Ltd	20%
			Hindustan Petroleum Corporation Limited	20%
			Indian Oil Corporation Limited	20%
			Western Drilling Contractors Pvt. Ltd.	20%
36	Block No 19 (Yemen)	45% (45%)	Alkor Petro Ltd.	25%
	(Refer Note d)		Western Drilling Contractors Pvt. Ltd.	30%
37	Block No 28 (Yemen)	45% (45%)	Alkor Petro Ltd.	25%
	(Refer Note d)		Western Drilling Contractors Pvt. Ltd.	30%
38	Block No 57 (Yemen)	45% (45%)	Alkor Petro Ltd.	25%
	(Refer Note d)		Western Drilling Contractors Pvt. Ltd.	30%
39	South Gulf of Suez (Egypt) (Refer Note d)	60% (60%)	Adani Welspun Exploration Ltd	40%
40	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd	40%
			Petrogas E&P LLC	20%
41	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%
42	South East Tungkal (Indonesia) (Refer Note d)	50.50%(50.50%)	Essar Oil Ltd	49.50%

Notes

a. The Company's Participating Interest (80% PI) in KG-OSN-2001/3 has been farmed out to Oil and Natural Gas Corporation (ONGC) through a Farm-in/Farm-out Agreement which was executed on 10th March 2017. The agreed valuation for the transaction is USD 995.26 Million towards KG-Deen Dayal West (DDW) area and USD 200 Million as an advance consideration towards the Other Six Discoveries areas. The consideration towards DDW Field is further subject to adjustment based on gas price while the consideration towards Other Six Discoveries is subject to additional payment by ONGC upon valuation of these discoveries to be carried out upon submission of FDP. In April 2017, the Company has entered into a Deed of Assignment & Assumption of Participating Interest with GGR vide which GGR has surrendered and assigned its 10% Participating Interest in KG-OSN-2001/3 Block to the Company. Thus, the Company holds 10% PI in KG-OSN-2001/3 Block.

b. The Company had initiated the process for farm-out of 12 E&P fields/blocks of which bids have been received for 7 blocks/ fields. The necessary approvals from Government of Gujarat has been obtained for farm-out. The Company has signed Farm-In Farm-Out (FIFO) Agreement with respective counterparties for 6 of these blocks which include Allora, Dholasan, North Kathana, Unawa, Hazira, and Bhandut. The FIFO for Cambay field is in process of being executed. The Company shall be filing the Deed of Assignment with Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas after completion of necessary operational procedures. Accordingly, the Company has not taken any line by line entries after the respective effective dates of the agreements.

c. The company along with its Joint arrangement partners have recommended block MB-OSN-2000/1, MB-DWN-2000/2 (Mumbai), CY-ONN-2002/1 (Cauvery), Sabarmati,CB-ONN-2002/2, MB-OSN-2004/1, MB-OSN-2004/2, KG-DWN-2004/1, KG-DWN-2004/2, KG-DWN-2004/3, KG-DWN-2004/5, KG-DWN-2004/6, CY-DWN-2004/1, CY-DWN-2004/2, CY-DWN-2004/4, CY-PR-DWN-2004/2, CB-ONN-2004/4, RJ-ONN-2004/1, BS (3)-CBM-2003/II, KG OSN 2005/1, KG DWN 2005/1, KK DWN 2005/2, KG ONN 2004/2, RJ ONN 2005/3, AA-ONN-2003/1, CY-DWN-2004/3, CY-PR-DWN-2004/1, MB-OSN-2005/5, MB-OSN-2005/6, CB-ONN-2005/10, CB-ONN-2005/4,CY-ONN-2005/1 and CB-ONN-2009/4 to be surrendered to Government of India/Appropriate Authorities in earlier periods.

d. The company along with its Joint arrangement partners has decided to withdraw from North Ha'py (Egypt) block, Yemen,South Diyur (Egypt), South Gulf of Suez (Egypt) and South East Tungkal Indonesia blocks in earlier years.

e. During FY 2013-14 the company has decided to surrender and assign its 10% PI in two ONGC operated blocks namely AN-DWN-2009/5 and AN-DWN-2009/13 block to ONGC w.e.f. 1st April, 2013.

f. In FY 2017-18 GSPC and HOEC has submitted the proposal for CB-ON/7 Ring Fenced PSC (RFPSC) to MOPNG which is pending requisite approval. However, 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.

g. During the financial year 2012-13 the company along with it 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 10 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.316.62 crores) issued in their favor by the International bank of Yemen;- Arbitral Tribunal has awarded costs of approx. USD 3.92 million (~Rs.29.55 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.

h. During the FY2019-20 ONGC Operated CB ONN 2004/3 Block has commenced commercial production.

i. Of the above, 19 fields/blocks are in production, namely Hazira, Bhandut, Cambay, Asjol, Unawa, North Balol, CB-ON/7 (Palej), Dholasan, North Kathana, Kanawara, Allora, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3, CB-ONN-2000/1(RFPSC),Sanand Miroli, CB-ONN-2004/1, CB-ONN-2004/2 and CB-ONN-2004/3 block. Net quantity of Company's interest (on gross basis) in proved developed reserves is as follows::

Particulars	**Proved Reseves (Oil) (Million MT)***	**Proved Reserves (Gas) (Million Cubic Meter)***
Opening Balance for the year ended on 1st April, 2019	0.33	4,155.60
	(0.20)	(4,107.56)
Additions	0.01	23.39
	-	-
** Adjustments on account of change in Reserve estimate	(0.02)	(1,051.42)
	(0.16)	(82.67)
Deletions		
	-	-
Production	0.03	25.90
	(0.03)	(34.63)
Closing Balance for the year ended on 31st March, 2020	0.29	3,101.67
	(0.33)	(4,155.60)

*Figures in brackets relate to period ended 31st March, 2019

The Company's share of reserve has been considered on the basis of the "Reserve" certification provided by Gujarat Energy Research & Managment Institute (GERMI) as on 31st March, 2019 and accordingly the proved reserves as on 31st March, 2020 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.

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. 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: **(₹ in crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Fixed Assets		
Gross Block-Property Plant & Equipment	6,105.51	6,054.61
Current Assets	244.28	196.53
Current Liabilities and Provisions	72.33	345.90
Contingent Liabilities	130.45	200.65

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j. 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 2020 is given as under:

(₹ in crores)

Particulars	For the year	
	31st March, 2020 GSPC's Share	31st March, 2019 GSPC's Share
Income		
Sale of Crude Oil	50.57	74.12
Sale of Gas	28.91	33.88
Increase/(Decrease) in Stock*	(18.34)	(0.53)
Other Income	3.96	8.07
Total	**65.10**	**115.54**
Expenditure		
Production Expenses	57.89	68.98
Duties & Taxes	8.14	9.10
Administrative exps.	15.00	14.25
Total Expenditure before Depreciation	**81.03**	**92.33**
Profit before depreciation	**(15.93)**	**23.21**

*It includes increase/ (decrease) in stock of crude oil of Hazira Field amounting to Rs.(2.79) crore (PY Rs.2.68 crore). The same is not considered in closing stock of crude oil, in line with Joint arrangement's accounting policy.

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:

   a) **Exploration and production (E&P)** : Group is engaged in oil and gas exploration and production operations.

   b) **Gas Trading** : Group is engaged in the procurement of gas from international market to meet the demand of gas across Gujarat and other states.

   c) **Power Generation** : Group is engaged in the generation of electricity through Gas based power plant and windmills.

   d) **Gas Transmission** : Group is engaged in tranmission of natural gas across Gujarat.

   e) **City Gas Distribution** : Group is engaged in CNG, PNG & Industrial Gas supply across Gujarat and other states.

   f) **Internet & IT** : Group is engaged in providing IT related services.

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 fixed assets, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions excluding borrowings and deferred tax liabilities.

4. **Secondary segment reporting**

   Segment assets include all operating assets in respective segments comprising of net fixed assets, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions excluding borrowings and deferred tax liabilities.

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, 2020								As at 31st March, 2019							
	E & P	Gas Trading	Power Genera-tion	Gas Transp-ortation	City Gas Distri-bution	IT	Un-allocated	Total	E & P	Gas Trading	Power Genera-tion	Gas Transp-ortation	City Gas Distri-bution	IT	Un-allocated	Total
A. Segment revenue																
External sales*	79.48	15,937.00	596.87	2,323.75	10,525.73	14.78		**29,477.61**	108.00	14,996.25	717.85	1,850.80	7,965.60	16.06		**25,654.56**
Inter segment sales	(12.73)	(7,434.35)		(725.15)		(2.29)		**(8,174.52)**	(18.93)	(6,118.64)		(451.49)		(2.13)		**(6,591.19)**
Total segment revenue	**66.75**	**8,502.65**	**596.87**	**1,598.60**	**10,525.73**	**12.49**	**-**	**21,303.09**	**89.07**	**8,877.61**	**717.85**	**1,399.31**	**7,965.60**	**13.93**	**-**	**19,114.27**
B. Segment results																
Segment results																
Profit(+)/ loss(-)	(19.89)	1,632.53	300.18	1,660.94	782.72	0.71		**4,357.19**	15.14	1,170.04	326.52	1,457.92	307.66	2.30	-	**3,279.58**
Unallocated Other Income							456.56	**456.56**							856.20	**856.20**
Operating Profit	**(19.89)**	**1,632.53**	**300.18**	**1,660.94**	**782.72**	**0.71**	**456.56**	**4,813.75**	**15.14**	**1,170.04**	**326.52**	**1,457.92**	**307.66**	**2.30**	**856.20**	**4,135.78**
Interest/ dividend		2.74				-	151.97	**154.71**		4.85				2.32	156.24	**163.41**
Other income	3.96						28.89	**32.85**	8.07	36.74	2.28			0.11	(1.46)	**45.74**
Finance Cost								**(1,095.32)**								**(1,237.94)**
Depreciation	(120.61)		(155.21)	(200.03)	(317.98)	(0.52)	(2.09)	**(796.44)**	(152.06)	-	(179.98)	(156.45)	(288.01)	(0.53)	(2.96)	**(779.99)**
Share of profit/loss from JV								**37.84**		-	-	-	-	-		**56.85**
Provision for taxation							(273.16)	**(273.16)**	.	-	-	-	-	-	(605.04)	**(605.04)**
Profit/Loss from ordinary Activities	**(136.54)**	**1,635.27**	**144.97**	**1,460.91**	**464.74**	**0.19**	**362.16**	**2,874.22**	**(128.85)**	**1,211.63**	**148.82**	**1,301.47**	**19.65**	**4.20**	**402.98**	**1,778.81**
Impairment Recognised	(540.78)	-	-	-	-	-	-	**(540.78)**	(429.92)							**(429.92)**
Impairment Reversed	0.46	-	-	-	-	-	-	**0.46**	193.41	-	-	-	-	-	-	**193.41**
Other Exceptional Items	(0.67)	-	-	-	-	-	(10.99)	**(11.66)**	93.79	-	-	-	-	-	(17.87)	**75.92**
Net profit/(loss)	**(677.53)**	**1,635.27**	**144.97**	**1,460.91**	**464.74**	**0.19**	**351.17**	**2,322.24**	**(271.57)**	**1,211.63**	**148.82**	**1,301.47**	**19.65**	**4.20**	**385.11**	**1,618.22**

* Segment Revenue includes other operating income which is directly attributable to each segment.

(₹ in Crores)

Particulars	As at 31st March, 2020								As at 31st March, 2019							
	E & P	Gas Trading	Power Generation	Gas Transportation	City Gas Distribution	IT	Un-allocated	Total	E & P	Gas Trading	Power Generation	Gas Transportation	City Gas Distribution	IT	Un-allocated	Total
C. Segment assets																
Segment assets	2,215.25	1,326.42	2,248.28	5,424.74	7,925.43	72.86		**19,212.98**	2,870.74	834.71	2,219.04	5,303.92	7,157.53	62.24		**18,448.18**
Unallocated Assets							1,397.56	**1,397.56**							1,832.29	**1,832.29**
Total Assets	**2,215.25**	**1,326.42**	**2,248.28**	**5,424.74**	**7,925.43**	**72.86**	**1,397.56**	**20,610.54**	**2,870.74**	**834.71**	**2,219.04**	**5,303.92**	**7,157.53**	**62.24**	**1,832.29**	**20,280.47**
D. Segment Liabilities																-
Segment Liabilities	720.09	631.08	1,529.06	341.88	1,766.27	20.85		**5,009.23**	793.54	166.56	1,461.11	317.34	1,629.34	10.51		**4,378.40**
Unallocated Liabilities							11,106.56	**11,106.56**							13,591.49	**13,591.49**
Total Liabilities	**720.09**	**631.08**	**1,529.06**	**341.88**	**1,766.27**	**20.85**	**11,106.56**	**16,115.79**	**793.54**	**166.56**	**1,461.11**	**317.34**	**1,629.34**	**10.51**	**13,591.49**	**17,969.89**
E. Other information																
Capital Expenditure	14.16			107.23	595.55			716.94	138.24		22.46	216.46	537.59	0.42	355.70	1,270.87
Depreciation	120.61	-	155.21	200.03	317.98	0.52	2.09	796.44	152.06		156.45	179.98	288.01	0.53	2.73	779.99
Impairment Recognised	540.78	-	-	-	-	-	-	540.78	429.92	-	-	-	-	-	-	429.92
Impairment Reversed	(0.46)	-	-	-	-	-	-	(0.46)	(193.41)	-	-	-	-	-	-	(193.41)
Other Exceptional Items	0.67	-	-	-	-	-	10.99	11.66	(93.79)	-	-	-	-	-	17.87	(75.92)

*** Segment Revenue includes other income which is directly attributable to each segment.**

Note 39

RELATED PARTY DISCLOSURE

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

A. Holding Company & its Associates

Gujarat State Investments Limited (GSIL)*

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

*Consequent to change in shareholding pattern of GSPC pursuant to Scheme of Arrangement with GSIL, GSIL has become Holding company of GSPC. Accordingly, GSIL and its associates are considered as related parties for the disclosures under Ind AS 24 with effect from 18 May 2019.

B. Associates/Joint Ventures

Name of the entity	Type
Gujarat State Energy Generation Ltd	Associates
Sabarmati Gas Ltd	Joint Ventures
GSPL India Gasnet Ltd	Joint Ventures
GSPL India Transco Ltd	Joint Ventures
Alcock Ashdown (Gujarat) Limited	Associates

B. Key Managerial Personnel:

	F.Y.2019-20		F.Y.2018-19	
Name of Key Managerial Personnels:	**From Date**	**To Date**	**From Date**	**To Date**
Shri Anil Mukim, IAS (Chairman)	10-Dec-19	31-Mar-20	-	-
Shri Dr. J.N. Singh, IAS (Chairman & Managing Director)	-	-	1-Apr-18	11-Jul-18
Shri Dr. J.N. Singh, IAS (Chairman)	1-Apr-19	10-Dec-19	12-Jul-18	31-Mar-19
Shri Pankaj Joshi, IAS - (Holding Company-Chairman)	27-Dec-19	31-Mar-20	-	-
Shri Arvind Motilal Agrawal, IAS (Holding Company-Chairman)	1-Apr-19	27-Dec-19	-	-
Shri T. Natarajan, IAS (Joint Managing Director)	-	-	1-Apr-18	11-Jul-18
Shri Sanjeevkumar, IAS (Managing Director)	22-Aug-19	31-Mar-20	-	-
Shri Sanjeev Kumar, IAS - (Holding Company-Managing Director)	1-Apr-19	3-Sep-19	-	-
Shri Milind Torawane, IAS - (Holding Company-Managing Director)	4-Oct-19	31-Mar-20	-	-
Shri T. Natarajan, IAS (Managing Director)	1-Apr-19	22-Aug-19	12-Jul-18	31-Mar-19
Shri Sujit Gulati, IAS (Director)	-	-	1-Apr-18	16-Jul-18
Shri Pankaj Joshi, IAS (Director)	20-Sep-19	31-Mar-20	-	-
Smt. Sunaina Tomar, IAS (Director)	4-Jan-20	31-Mar-20	-	-
Dr. Manjula Subramaniam, IAS (Retd.) (Woman Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Ms. Mamta Verma, IAS-(Holding Company-Women Independent Director)	1-Apr-19	31-Mar-20	-	-
Ms. Arti Kanwar, IAS - (Holding Company-Woman Director)	1-Apr-19	31-Mar-20	-	-
Shri Arvind Agarwal, IAS (Director)	1-Apr-19	6-Dec-19	12-Jun-18	31-Mar-19
Shri Raj Gopal, IAS (Director)	-	-	8-Aug-18	1-Feb-19
Shri M. M. Srivastava, IAS (Retd.) (Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri K. Kailashnathan, IAS (Retd.) (Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri Vasantkumar Raval - (Holding Company-Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Dr. N. Ravichandaran (Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Prof. Yogesh Singh (Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Dr. Ravindra Dholakia (Independent Director)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri Rajesh Sivadasan (CFO)	1-Apr-19	31-Mar-20	1-Apr-18	31-Mar-19
Shri Ghanshyam Pathak – (Holding Company-CFO)	1-Apr-19	31-Mar-20	-	-
Shri Sandeep Dave (Company Secretary)	1-Apr-19	20-Feb-20	1-Apr-18	31-Mar-19
Smt. Reena Desai (Company Secretary)	27-Feb-20	31-Mar-20	-	-
Shri Sandeep Shah – (Holding Company-Company Secretary)	1-Apr-19	31-Mar-20	-	-

C. **Related party disclosure**

Transactions during the year with related parties:

(₹ in crores)

Nature of Transaction	Holding Company	Associates		Joint Ventures		KMP		Associate of Holding Company	TOTAL	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019
Income:										
Sale of LNG	-	**130.20**	**123.02**	**251.54**	**281.41**	-	-	**452.39**	**834.12**	**404.44**
Sabarmati Gas Ltd	-	-	-	251.54	281.41	-	-	-	251.54	281.41
Gujarat State Energy Generation Ltd	-	130.20	123.02	-	-	-	-	-	130.20	123.02
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	253.63	253.63	-
Gujarat State Fertilizer Company	-	-	-	-	-	-	-	179.03	179.03	-
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	19.73	19.73	-
Regasification Income	-	**21.08**	**9.24**	-	-	-	-	-	**21.08**	**9.24**
Gujarat State Energy Generation Ltd	-	21.08	9.24	-	-	-	-	-	21.08	9.24
Connectivity Charges Received	-	-	-	-	**1.45**	-	-	-	-	**1.45**
Sabarmati Gas Ltd	-	-	-	-	1.45	-	-	-	-	1.45
Gas Transportation Income	-	**17.75**	**10.53**	**57.51**	**52.10**	-	-	**76.54**	**151.79**	**62.64**
Sabarmati Gas Ltd	-	-	-	57.51	52.10	-	-	-	57.51	52.10
Gujarat Narmada Valley Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	56.02	56.02	-
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	2.76	2.76	-
Gujarat State Energy Generation Ltd	-	17.75	10.53	-	-	-	-	17.75	35.50	10.53
PNG Sales - Income	-	-	-	**0.00**	-	-	-	**0.03**	**0.04**	-
Sabarmati Gas Ltd	-	-	-	0.00	-	-	-	-	0.00	-
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	0.03	0.03	-
Line Crossing Received	-	-	-	**0.08**	**0.05**	-	-	**0.04**	**0.12**	**0.05**
Sabarmati Gas Ltd	-	-	-	0.08	0.05	-	-	-	0.08	0.05
Gujarat Narmada Valley Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	0.04	0.04	-
Rent received	-	**0.20**	**0.19**	**0.54**	**1.45**	-	-	-	**0.74**	**1.64**
Gujarat State Energy Generation Ltd	-	0.20	0.19	-	-	-	-	-	0.20	0.19
GSPL INDIA GASNET LTD	-	-	-	0.07	0.57	-	-	-	0.07	0.57
GSPL INDIA TRANSCO LTD	-	-	-	0.00	0.56	-	-	-	0.00	0.56
Sabarmati Gas Ltd	-	-	-	0.47	0.33	-	-	-	0.47	0.33

(₹ in crores)

Nature of Transaction	Holding Company	Associates		Joint Ventures		KMP		Associate of Holding Company	TOTAL	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019
Dividend Income	-	-	-	**3.24**	**2.50**	-	-	-	**3.24**	**2.50**
Sabarmati Gas Company Ltd.	-	-	-	3.24	2.50	-	-	-	3.24	2.50
Gujarat State Energy Generation Ltd	-	-	-	-	-	-	-	-	-	-
Interest Income	-	**9.86**	**11.72**	-	-	-	-	-	**9.86**	**11.72**
Gujarat State Energy Generation Ltd	-	9.86	11.72	-	-	-	-	-	9.86	11.72
Reimbursement of Exp-Received	**0.72**	**0.43**	**0.90**	**5.74**	**9.42**	-	-	**0.01**	**6.90**	**10.32**
Sabarmati Gas Company Ltd.	-	-	-	0.22	0.40	-	-	-	0.22	0.40
Gujarat State Energy Generation Ltd	-	0.43	0.84	-	-	-	-	0.01	0.44	0.84
GSPL INDIA GASNET LTD	-	-	-	2.65	5.96	-	-	-	2.65	5.96
GSPL INDIA TRANSCO LTD	-	-	-	2.86	3.06	-	-	-	2.86	3.06
GSPC LNG LTD	-	-	0.06	-	-	-	-	-	-	0.06
Gujarat Energy Transmission Corporation Limited	0.72	-	-	-	-	-	-	-	0.72	-
Sale of Material -Inventory	-	-	-	**0.22**	**1.22**	-	-	-	**0.22**	**1.22**
Sabarmati Gas Company Ltd.	-	-	-	0.18	-	-	-	-	0.18	-
GSPL INDIA GASNET LTD	-	-	-	0.04	1.22	-	-	-	0.04	1.22
Services Received	-	-	-	-	-	-	-	**0.02**	**0.02**	-
Gujarat Narmada Valley Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	0.02	0.02	-
Expenses:										
Purchase of Gas	-	-	-	-	-	-	-	**2.15**	**2.15**	-
Gujarat Narmada Fertilizer Company	-	-	-	-	-	-	-	2.15	2.15	-
Interest on Term Loan paid	-	-	-	-	-	-	-	**278.14**	**278.14**	-
Gujarat State Financial Services Limited	-	-	-	-	-	-	-	278.14	278.14	-
Administrative & Other Expenses paid	-	-	-	-	-	-	-	0.00	0.00	-
Gujarat Narmada Fertilizer Company	-	-	-	-	-	-	-	0.00	0.00	-
Gas transportation charges	-	-	-	**12.89**	**24.19**	-	-	-	**12.89**	**24.19**
GSPL INDIA GASNET LTD	-	-	-	12.20	24.19	-	-	-	12.20	24.19

(₹ in crores)

Nature of Transaction	Holding Company	Associates		Joint Ventures		KMP		Associate of Holding Company	TOTAL	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019
Sabarmati Gas Company Ltd.	-	-	-	0.69	-	-	-	-	0.69	-
Reimbursement of Expenses: Paid	**-**	**0.44**	**0.38**	**1.32**	**1.68**	**-**	**-**	**0.19**	**1.96**	**2.06**
Gujarat State Energy Generation Ltd	-	0.44	0.38	-	-	-	-	0.10	0.55	0.38
GSPC LNG LIMITED	-	-	-	-	-	-	-	-	-	-
GSPL INDIA GASNET LTD	-	-	-	0.78	0.99	-	-	-	0.78	0.99
GSPL INDIA TRANSCO LTD	-	-	-	0.54	0.70	-	-	-	0.54	0.70
Gujarat State Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	0.09	0.09	-
Dividend Paid	**-**	**0.13**	**-**	**-**	**-**	**-**	**-**	**6.85**	**6.98**	**-**
Gujarat State Energy Generation Ltd	-	0.13	-	-	-	-	-	-	0.13	-
Gujarat Narmada Valley Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	0.03	0.03	-
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	2.13	2.13	-
Gujarat State Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	4.69	4.69	-
ROW Expense	-	-	-	0.06	-	-	-	-	0.06	-
GSPL INDIA GASNET LTD	-	-	-	0.06	-	-	-	-	0.06	-
Rent Expense	**-**	**-**	**-**	**0.14**	**0.02**	**-**	**-**	**0.46**	**0.60**	**0.02**
GSPL INDIA GASNET LTD	-	-	-	0.14	0.02	-	-	-	0.14	0.02
Gujarat Narmada Valley Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	0.06	0.06	-
Gujarat State Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	0.40	0.40	-
Remuneration to KMP (Parent Company)	**-**	**-**	**-**	**-**	**-**	**2.19**	**1.19**	**-**	**2.19**	**1.19**
Key management personnel compensation	-	-	-	-	-	0.99	0.95	-	0.99	0.95
Director Sitting Fees	-	-	-	-	-	0.07	0.04	-	0.07	0.04
Post employment benefit plan	-	-	-	-	-	-	-	-	-	-
- Non-contributory superannuation plan	-	-	-	-	-	0.05	0.05	-	0.05	0.05
- Employee group gratuity scheme (including loyalty bonus)	-	-	-	-	-	0.68	0.09	-	0.68	0.09
Other Long Term benefit	-	-	-	-	-	0.41	0.06	-	0.41	0.06

(₹ in crores)

Nature of Transaction	Holding Company	Associates		Joint Ventures		KMP		Associate of Holding Company	TOTAL	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019
Remuneration to KMP (Subsidiary Companies)	**-**	**-**	**-**	**-**	**-**	**2.03**	**2.15**	**-**	**2.03**	**2.14**
Key management personnel compensation	-	-	-	-	-	1.71	1.71	-	1.71	1.71
Director Sitting Fees	-	-	-	-	-	0.09	0.08	-	0.09	0.08
Post employment benefit plan	-	-	-	-	-	0.17	0.02	-	0.17	0.02
-Non-contributory superannuation plan	-	-	-	-	-	-	-	-	-	-
-Employee group gratuity scheme	-	-	-	-	-	0.02	0.23	-	0.02	0.23
Other Long Term benefit	-	-	-	-	-	0.03	0.11	-	0.03	0.11
Purchase of Assets	**-**	**-**	**-**	**0.01**	**0.01**	**-**	**-**	**-**	**0.01**	**0.01**
GSPL INDIA TRANSCO LTD	-	-	-	0.01	0.01	-	-	-	0.01	0.01
Sale of Assets	**-**	**-**	**0.01**	**0.05**	**0.10**	**-**	**-**	**-**	**0.05**	**0.11**
Gujarat State Energy Generation Ltd.	-	-	0.01	-	-	-	-	-	-	0.01
Sabarmati Gas Ltd.	-	-	-	0.03	-	-	-	-	0.03	-
GSPL INDIA GASNET LTD	-	-	-	0.01	0.03	-	-	-	0.01	0.03
GSPL INDIA TRANSCO LTD	-	-	-	0.01	0.07	-	-	-	0.01	0.07

C. **Related party disclosure**

Transactions during the year with related parties:

(₹ in crores)

Nature of Transaction	Holding Company	Associates		Joint Ventures		Associate of Holding Company	TOTAL	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019
Current Assets & Liabilities:								
Debtors	**-**	**54.67**	**44.01**	**3.73**	**6.29**	**24.14**	**82.55**	**50.30**
Gujarat State Energy Generation Ltd.	-	54.67	44.01	-	-	-	54.67	44.01
Gujarat State Fertilizer Company	-	-	-	-	-	3.75	3.75	-
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	20.39	20.39	-
Sabarmati Gas Company Ltd	-	-	-	3.73	6.29	-	3.73	6.29
Advance/Receivables	**0.82**	**46.12**	**37.19**	**21.72**	**14.33**	**0.09**	**68.75**	**51.52**
Gujarat State Energy Generation Ltd.	-	46.12	37.19	-	-	-	46.12	37.19
Sabarmati Gas Company Ltd	-	-	-	-	0.04	-	-	0.04
GSPL INDIA TRANSCO LTD	-	-	-	0.75	0.80	-	0.75	0.80
GSPL INDIA GASNET LTD	-	-	-	20.97	13.49	-	20.97	13.49
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	0.00	0.00	-
Gujarat State Fertilizer Company	-	-	-	-	-	0.09	0.09	-
Gujarat State Investments Limited	0.82	-	-	-	-	-	0.82	-
Payable	**-**	**0.15**	**0.27**	**3.69**	**3.53**	**0.05**	**3.88**	**3.80**
Gujarat State Energy Generation Ltd.	-	0.15	0.27	-	-	-	0.15	0.27
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	0.01	0.01	-
GSPL INDIA TRANSCO LTD	-	-	-	-	0.01	-	-	0.01
GSPL INDIA GASNET LTD	-	-	-	3.63	2.84	-	3.63	2.84
Sabarmati Gas Company Ltd	-	-	-	0.06	0.68	-	0.06	0.68
Gujarat State Fertilizer Company	-	-	-	-	-	0.02	0.02	-
Gujarat Narmada Fertilizer Company	-	-	-	-	-	0.02	0.02	-
Investment in Share Capital (Allotment)	**-**	**290.18**	**290.18**	**752.46**	**242.82**	**-**	**1,042.64**	**533.00**
GSPL INDIA TRANSCO LTD	-	-	-	237.37	91.52	-	237.37	91.52
GSPL INDIA GASNET LTD	-	-	-	459.99	96.20	-	459.99	96.20
Gujarat State Energy Generation Ltd.	-	278.68	278.68	-	-	-	278.68	278.68
Sabarmati Gas Company Ltd.	-	-	-	55.10	55.10	-	55.10	55.10
Alcock Ashdown (Gujarat) Limited (excluding provision for Diminution in value)	-	11.50	11.50	-	-	-	11.50	11.50

(₹ in crores)

Nature of Transaction	Holding Company	Associates		Joint Ventures		Associate of Holding Company	TOTAL	
	31st March, 2020	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2020	31st March, 2019
Investment in Share Capital (Allotment-pending-Share application money)	**-**	**61.47**	**61.47**	**-**	**-**	**-**	**61.47**	**61.47**
Gujarat State Energy Generation Ltd.	-	61.47	61.47	-	-	-	61.47	61.47
Inter Corporate Loan	**-**	**-**	**-**	**-**	**-**	**3,242.49**	**3,242.49**	**-**
Gujarat State Financial Services Ltd.	-	-	-	-	-	3,242.49	3,242.49	-
Term / Liquid Deposit								
Gujarat State Financial Services Ltd.								
Interest Income received	-	-	-	-	-	54.17	54.17	-
Deposit - Placed/Renewed	-	-	-	-	-	20,327.48	20,327.48	-
Deposit - Withdrawn/Redeemed	-	-	-	-	-	19,875.10	19,875.10	-
Balance at the Period end	-	-	-	-	-	808.34	808.34	-
Deposit - Asset	-	-	-	-	-	848.44	848.44	-

Note 40

A. Financial instruments by category and their fair value

(₹ in crores)

As at 31st March 2020	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	-	18.45	-		18.45	18.45	-	-	18.45
Unquoted	-	197.71	-	1,281.83	1,479.54	-	-	197.71	197.71
Loans	-								
Non-current	-	-	92.68		92.68	-	-	-	-
Current	-	-	51.77		51.77	-	-	-	-
Trade Receivables	-	-	1,345.47		1,345.47	-	-	-	-
Cash and Cash Equivalents	-	-	1,065.08		1,065.08	-	-	-	-
Other Bank Balances	-	-	421.14		421.14	-	-	-	-
Other financial assets									
Non-current	-	-	78.86		78.86	-	-	-	-
Current	0.14	-	1,355.85		1,356.00	-	-	0.14	0.14
Total financial assets	**0.14**	**216.16**	**4,410.85**	**1,281.83**	**5,908.99**	**18.45**	**-**	**197.85**	**216.30**
Financial liabilities									
Borrowings									
Non-current	-	-	8,490.02		8,490.02	-	-	-	-
Current	-	-	226.60		226.60	-			
Other financial liabilities	-								
Non-current	-	-	89.11		89.11	-	-	-	-
Current	766.70	-	4,146.25		4,912.95	-	-	766.70	766.70
Trade Payables	-	-	893.09		893.09	-	-	-	-
Total financial liabilities	**766.70**	**-**	**13,845.07**		**14,611.77**	**-**	**-**	**766.70**	**766.70**

(₹ in crores)

As at 31st March 2019	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									
Equity instruments - Long term									
Quoted	-	26.29	-		26.29	26.29	-	-	26.29
Unquoted	-	170.56	-	933.28	1,103.84	-	-	170.56	170.56
Bonds - Current									
Unquoted	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-			
Non-current	-	-	99.34	-	99.34	-	-	-	-
Current	-	-	49.00	-	49.00	-	-	-	-
Trade Receivables	-	-	1,221.91	-	1,221.91	-	-	-	-
Cash and Cash Equivalents	-	-	337.77	-	337.77	-	-	-	-
Other Bank Balances	-	-	573.55	-	573.55	-	-	-	-
Other financial assets	-	-	-	-					
Non-current	-	-	70.49	-	70.49	-	-	-	-
Current	0.43	-	1,731.15	-	1,731.58	-	-	**0.43**	0.43
Total financial assets	**0.43**	**196.85**	**4,083.19**	**933.28**	**5,213.75**	**26.29**	**-**	**170.99**	**197.28**
Financial liabilities									
Borrowings									
Non-current	-	-	10,326.72		**10,326.72**	-	-	-	-
Current	-	-	530.54	-	**530.54**	-	-	-	-
Other financial liabilities	-	-							
Non-current	-	-	30.16	-	**30.16**	-	-	-	-
Current	526.77	-	4,436.75	-	**4,963.52**	-	-	526.77	526.77
Trade Payables	-	-	323.81	-	**323.81**	-	-	-	-
Total financial liabilities	**526.77**	**-**	**15,647.98**	**-**	**16,174.75**	**-**	**-**	**526.77**	**526.77**

Fair value of financial assets and liabilities measured at amortised 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 are as under:

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

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 (Current Year).

Financial instruments measured at fair value

FVTOCI in unquoted equity shares	**Investments in Equity Shares of Other Entities** The Company has nominal investment in ONGC Petro Additions Ltd. ("OPAL"). We have carried out valuation of OPAL using Comparable Companies Multiple ("CCM") Method. GSPC LNG has achieved Mechanical Completion for the LNG terminal facilities. Commissioning and subsequent commercial operations is started during FY 2019-20. Investments in GSPC LNG has been fair valued using Comparable Companies Multiple("CCM")Method.Initial investment was made in the equity shares of Swan LNG Pvt Ltd. in February 2018. Further payments are being made based on the agreed milestones as and when they are due. Management believes that there is no significant change in value of the investments. Accordingly, the investment is disclosed at the transaction price represented by the cash payment made as per the agreed milestones.
Cross Currency Interest Rate Swaps	This instrument is valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The model incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads, interest rate curve.

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 (Previous Year).

Financial instruments measured at fair value

FVTOCI in unquoted equity shares	**Investments in Equity Shares of Other Entities** OPAL -Due to recent commissioning of project, fair value of investments in equity shares of OPAL have been considered as equivalent to cost. GSPC LNG has not commenced its commercial production and hence fair value of investments in equity shares of GSPC LNG have been considered as equivalent to cost.Investment was made in the equity shares of Swan LNG Pvt Ltd. in February 2018 and March 2019. Further payments will be made based on the agreed milestones as and when they are due. Management believes that there is no significant change in value of the investments. Accordingly, the investment is disclosed at the transaction price represented by the cash payment made on the date of acquisition.

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, 2020 and 31st March, 2019 is as below:

(₹ in crores)

Particulars	Amount
As at 1 April 2018	**29.25**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	141.55
Gains/ (losses) recognised in consolidated statement of profit or loss	0.19
As at 31 March 2019	**170.99**
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	27.15
Gains/ (losses) recognised in consolidated statement of profit or loss	(0.29)
As at 31 March 2020	**197.85**

Transfer out of Level 3

There were no movement in level 3 in either directions during 2019-20 and the year 2018-19. There were no transfers out of level 3 during the year 2019-20 and 2018-19.

Sensitivity analysis

In Current Year, Investments in unquoted equity shares comprises majorly of investments in ONGC Petro Additions Ltd. & GSPC LNG Ltd.Valuation of ONGC Petro Additions Ltd. has been done based on Market Approach using Comparable Companies Multiple("CCM") Method. During Previous Year, investments in ONGC Petro Additions Ltd have not been fair valued on account of lack of adequante information, so it was impracticable to provide the sensitivity analysis of the same.

Sensitivity analysis-ONGC Petro Additions Ltd. (OPAL)

Movements in Expected Credit Loss Allowance **(₹ in crores)**

Significant observable inputs	As at 31st March, 2020		As at 31st March, 2019	
	OCI		OCI	
	10% Increase in P/BV	10% Decrease in P/BV	Increase	Decrease
Equity securities in unquoted investments measured through OCI	31.90	26.10	N.A.	
Fair Value of Investments in OPAL (₹ In Crores)				

In the Current Year, investments in GSPC LNG has been fair valued based on Market Approach using Comparable Companies Multiple("CCM") Method. In the Previous Year, GSPC LNG Ltd. had not commissioned its commercial production of its re-gasification terminal and hence the shares had been valued at Face Value and it was impracticable to provide the sensitivity analysis of the same.

Sensitivity analysis-GSPC LNG Ltd. **(₹ in Crores)**

Significant observable inputs	As at 31st March, 2020		As at 31st March, 2019	
	OCI		OCI	
	10% Increase in P/BV	10% Decrease in P/BV	Increase	Decrease
Equity securities in unquoted investments measured through OCI	90.35	73.91	N.A.	
Fair Value of Investments in GSPC LNG (total ₹ In Crores)				

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 of Parent Company) 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 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, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding 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 and other 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 31st March, 2020	As at 31st March, 2019
Balance at the beginning of the year	12.89	11.68
Movements in allowance	3.71	1.21
Closing balance	**16.60**	**12.89**

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 behaviour 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 ₹ 494.81 Crore 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 materialise 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 Arrangements.

- 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.
- Group has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Govt. 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.
- Derivative instruments comprise of forward contracts, commodity derivatives, Interest rate swaps and cross currency interest rate swaps where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.
- 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 Group'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:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Floating rate		
Expiring within one year (working capital demand loan, line of credit and other facilities)	1,179.50	2,160.60
Expiring beyond one year (working capital demand loan, line of credit and other facilities)	9.60	
Total	**1,189.10**	**2,160.60**

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in crores)

31st March, 2020	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	8,490.02	8,490.02	-	8,490.02
Current borrowings	226.60	226.60	226.60	-
Non current financial liabilities	89.11	89.11	-	89.11
Current financial liabilities	4,912.95	4,912.95	4,912.95	-
Trade and other payables	893.09	893.09	893.09	-
Total	**14,611.77**	**14,611.77**	**6,032.64**	**8,579.13**

(₹ in crores)

31st March, 2019	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	10,326.72	10,326.72	-	10,326.72
Current borrowings	530.54	530.54	530.54	-
Non current financial liabilities	30.16	30.16	-	30.16
Current financial liabilities	4,963.52	4,963.52	4,963.52	-
Trade and other payables	323.81	323.81	323.81	-
Total	**16,174.75**	**16,174.75**	**5,817.87**	**10,356.88**

(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.

Commodity price risk

The Group's integrated natural gas procurement and trading business (including Liquified Natural gas (LNG)) is open to price risk which is substantially mitigated through conventional derivative instruments which ensures the hedging of the commodity price at marketable/acceptable level for sale to the customer. The Group has executed commodity swaps and options linked to Brent Crude prices which are highly correlated to natural gas prices. Further, 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 Group 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 as well as in unquoted equity shares of companies of good credit standing.

(₹ in crores)

Particulars	**Impact on Other Comprehensive Income**	
	As at 31st March, 2020	**As at 31st March, 2019**
NSE NIFTY 50 - increase 6%	1.11	1.58
NSE NIFTY 50 - decrease 6%	(1.11)	(1.58)

Currency risk

The functional currency of all the companies part of the group is Indian Rupees. However, the Group has exposure of USD and JPY denominated External Commercial Borrowing (ECB) as well as receivables and payables in foreign currency. The Group uses combination of Cross currency Interest rate swap, interest rate swaps and forward contracts to manage the foreign currency risk linked to ECB. 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. Exposure arising on purchase contracts of gas on account of the fluctuations in the exchange rate is managed by taking corresponding derivative positions. In case of GSPL the currency exposure arising on ECB denoinated in JPY was fully hedged using a CCIRS. In case of GSPC the currency exposure on account of USD denominated ECB loans as on 31st March 2020 is reduced subsequent to closure of transaction for 80% PI of KG Block with ONGC. The consideration received for the transaction was utilized to partially novate the ECB loans. The currency risk for the balance ECB loan shall be adequately covered through natural hedge i.e. USD denominated revenue from KG Block pertaining to balance 10% PI with GSPC. Details of the USD denominated ECB outstanding as at each reporting date have been provided below:

Following is the summary of foreign currency (USD) exposure for the company: **(₹ in crores)**

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Non current borrowings		
ECB - principal and interest	1,091.08	1,040.87
Total USD denominated exposure	**1,091.08**	**1,040.87**

The currency exposure on account of USD denominated ECB loans as on 31st March, 2020 has increased due to mark to market of outstanding ECB and there is a repayment of ECB of USD 5.742 million during the year. In the previous year the currency exposure on account of USD denominated ECB loans as on 31st March, 2019 was increased as compared to 31st March,2018, due to mark to market of outstanding of ECB. The currency risk for the existing loans is adequately covered through natural hedge i.e. USD denominated revenue from E &P Blocks and margins from Gas Trading Business.

The following significant exchange rates have been applied during the year.

Rupees	**Average rate**		**Year-end spot rate**	
	2019-20	**2018-19**	**As at 31-Mar-20**	**As at 31-Mar-19**
USD	72.28	67.10	75.39	69.17

Sensitivity analysis

Since the JPY denominated ECB is fully hedged, only USD denominated ECB is considered for the below seinsitivity analyis

Effect in Rupees	**Profit or loss**		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31st March, 2020				
USD (7% movement)	(76.38)	76.38	(49.69)	49.69

(₹ in crores)

Effect in Rupees	**Profit or loss**		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31st March, 2019				
USD (7% movement)	(72.86)	72.86	(47.40)	47.40

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

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates i.e. Base Rate/MCL linked in INR denominated loans and 6-month LIBOR linked in

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USD denominated loans.The Group has substantial mix of USD denominated and INR denominated borrowings. It 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 Group 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 Group has other available options to switch with borrowings bearing lower interest rates. The interest rate risk of USD denominated loans is mitigated through Interest Rate Swaps which have been executed for the entire ECB liability of the Group.

(₹ in crores)

Variable-rate instruments	**As at 31st March, 2020**	**As at 31st March, 2019**
Non current - Borrowings	5,836.04	8,226.71
Current - Borrowings	226.60	530.54
Current portion of Long term borrowings	583.74	557.31
Total	**6,646.38**	**9,314.56**

(₹ in crores)

Fixed-rate instruments	**As at 31st March, 2020**	**As at 31st March, 2019**
Non current - Borrowings	2,653.98	2,100.00
Current - Borrowings	-	-
Current portion of Long term borrowings	1,285.11	1,025.64
Total	**3,939.09**	**3,125.64**

Sensitivity

The table below summarises 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.

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. As far as INR denominated borrowings are concerned, the Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and it does not have any designate derivatives (interest rate swaps). However, for USD & JPY denominated borrowings, the Group accounts for fixed rate financial asset or liability at fair value through profit or loss and the Group has designated derivatives (Interest Rate Swaps). Therefore, the profit or loss impact on account of change in interest rates at the reporting date is indicated in the following table. Since no interest rate risk is perceived on fixed rate loans, only variable rate loans have been considered for the purposes of sensitivity disclosed below:

(₹ in crores)

Particulars	**Profit or loss**		**Equity, net of tax**	
	100 bp Increase	**100 bp decrease**	**100 bp Increase**	**100 bp decrease**
31st March, 2020				
Non current - Borrowings	58.36	(58.36)	37.97	(37.97)
Current - Borrowings	2.27	(2.27)	1.47	(1.47)
Current portion of Long term borrowings	5.84	(5.84)	3.80	(3.80)
Total	**66.46**	**(66.46)**	**43.24**	**(43.24)**
31st March, 2019				
Non current - Borrowings	82.27	(82.27)	53.52	(53.52)
Current - Borrowings	5.31	(5.31)	3.45	(3.45)
Current portion of Long term borrowings	5.57	(5.57)	3.63	(3.63)
Total	**93.15**	**(93.15)**	**60.60**	**(60.60)**

Commodity Price Risk

Risk arising on account of fluctuations in prices of natural gas is managed through long term purchase contracts entered with the respective parties. The Group monitors the movements in the prices closely while entering into new contracts.

Other risk - Impact of COVID-19

A indicates Financial Instruments by category and fair value which includes Financial Assets and Liabilities. Financial Assets Fair Valued Through OCI (FVTOCI) include investments in GSPC LNG Ltd, ONGC PetroAdditions Ltd and Gujarat Industrial Power Corporation Ltd (GIPCL). GLL and OPaL have been fair valued through market approach which factors any potential impact of COVID19. GIPCL is fair valued through Level-1 thus market impact of pandemic has been factored. The Financial Assets carried at amortized cost (i.e. trade receivables, unsecured loans advances to related parties) have been assessed for likelihood of increased credit risk and consequential default in view of COVID19. The counterparties have been assessed to have adequate financial strength and credit risk is significantly low, thus the assets are continued to be held at its respective value which shall be realized / monetized. The cash and cash equivalent balance does not mandate such assessment.The Financial Assets carried at Cost include investments in GSPC Group companies. The impact of COVID19 on businesses of GSPC Group has been assessed and observations indicate some impact on demand outlook of certain business verticals however the business verticals bring forth inherent financial strength and shall experience adequate recovery to sustain the value at which the respective assets are held. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered /monetized over the envisaged timeframe. The assessment of impact of COVID19 has been carried out based on best effort basis with the available information and may experience divergence from assessment depending on the evolving scenario of the pandemic.

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 company'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, of 2:3 with some flexibility of 5%.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 cash equivalents. Adjusted equity comprises all components of 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 cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio on 31st March, 2020 was as follows. **(₹ in crores)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total liabilities	10,585.47	12,440.21
Less : Cash and bank balances	1,486.22	911.31
Adjusted net debt	**9,099.25**	**11,528.90**
Total equity	**(25.64)**	**(711.26)**
Adjusted net debt to adjusted equity ratio	-354.87 times	-16.21 times

Note 42

EMPLOYEE STOCK OPTION PLANS

Gujarat State Petronet Limited

ESOP 2010 Scheme:

During the Financial Year 2010-11, the Company instituted ESOP-2010. The Board of Directors and the Shareholders approved the plan in the meeting held on 23rd August 2010 and 27th October 2010 respectively, which provides for the issue of 21,28,925 equity shares to the employees of the company. The Compensation Committee administers ESOP-2010. These ESOPs are granted at an exercise price of ₹ 75 per share to be vested over the period of five years and to be exercised within a period of ten years from the date of Grant. Set out below is a summary of options granted under the plan:

Set out below is a summary of options granted under the plan:

Particulars	31st March, 2020		31st March, 2019	
	Avg Exercise Price per share option (₹)	Number of options	Avg Exercise per Price share option (₹)	Number of options
Opening Balance	75.00	2,41,801	75.00	3,87,958
Granted during the year	75.00	-	75.00	-
Exercised during the year	75.00	(1,29,888)	75.00	(1,37,761)
Lapsed/cancelled during the year	75.00	-	75.00	(8,396)
Closing balance		**1,11,913**		**2,41,801**

Fair value of options granted

The fair value at grant date of options granted during the year ended 31 March 2020 was ₹ 72.45 per option (31 March 2019 - ₹ 72.45). The fair value at grant date is determined using the Binomial Model which takes into account the exercise price, the terms of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Expenses arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in the statement of profit and loss as part of employee benefit expenses were as follows:

(₹ in crores)

Particulars	Mar-19	Mar-18
Employee option plan	-	(0.06)

Gujarat Gas Limited

The erstwhile GSPC Gas Company Limited ('e-GSPC'), erstwhile Gujarat Gas Company Limited ('e-GGCL'), erstwhile Gujarat Gas Financial Services Limited ('e-GFSL') and erstwhile Gujarat Gas Trading Company Limited ('e-GTCL') merged with and into GSPC Distribution Network Limited ('GDNL') under the Composite Scheme of Amalgamation and Arrangement (the "Scheme of Amalgamation"). The effective date of Scheme of Amalgamation was 14 May 2015. Upon the Scheme of Amalgamation becoming effective, the name of GDNL has been changed to Gujarat Gas Limited ('GGL') as per the provisions of the Companies Act.

Pursuant to the Scheme of Amalgamation, the Addendum Gujarat Gas Limited Employee Stock Option Plan 2016 ("ESOP 2016") being supplementary to the Gujarat Gas Company Limited Employee Stock Option Plan 2008 ("ESOP 2008") has been formulated for the limited purpose of adopting the ESOP 2008 in the Company.

The e-GGCL had formulated the above ESOP 2008, whereby Stock Options had been granted by e-GGCL to its employees. The ESOP 2008 has been effective from 1 November 2008 for a tenure of 8 years. As on the effective date of the Scheme of Amalgamation, certain employees of e-GGCL to whom Options had been Granted and Vested under the ESOP 2008, have not Exercised the said Options and hence as per the Scheme of Amalgamation, they are the Eligible Employees for the purpose of the ESOP 2016 as follows:

1. Revised Grants have been made to them with effect from the effective date under the Scheme of Amalgamation of 13000 equivalent number of Options-I under the ESOP 2016, against the equivalent number of Options Granted and Vested in them pursuant to the ESOP 2008, which were not Exercised by them on the effective date under the Scheme of Amalgamation.
2. The above Revised Grants of Options-I has been on the basis of the Share Exchange Ratio of 1 (one) equity share of Rs.10/- each of GGL, for every 1 (one) equity share of Rs.2/- each of e-GGCL, pursuant to the Scheme of Amalgamation.
3. The Options-I bear the Exercise Price as per the ESOP 2008. The Exercise Price payable for Options-I under ESOP 2016 is based on the Exercise Price payable by such Eligible Employees under the ESOP 2008 that has been adjusted after taking into account the effect of the Share Exchange Ratio of 1:1 as mentioned above.
4. Upon such Revised Grant of Options-I to the Eligible Employees the Options Granted under the ESOP 2008 stand cancelled and the Eligible Employees shall continue to be bound by all the terms and conditions of the ESOP 2008 in addition to this ESOP 2016.

The Gujarat Gas Company Limited Employee Welfare Stock Option Trust ("ESOP 2008 Trust"). which has been formed and created vide execution of the Deed of Gujarat Gas Company Limited Employee Welfare Stock Option Trust dated 4 November 2008 has been renamed as Gujarat Gas Limited Employee Welfare Stock Option Trust ("ESOP 2016 Trust").The ESOP 2016 Trust is an irrevocable Trust that functions for the limited purpose of adopting the ESOP 2008 and ESOP 2016 and to hold the existing share inventory of the ESOP 2008 Trust for the benefit of Eligible Employees under ESOP 2016 and the balance to be appropriated in line with the SEBI Regulations.

The ESOP 2016 and the ESOP 2016 Trust are governed by the provisions of the Companies Act 1956 or the Companies Act 2013, as may be applicable and the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the SEBI (Share Based Employee Benefits) Regulation, 2014, as may be applicable.

The ESOP 2008 Trust had purchased out of the funds advanced by the Company, the shares equivalent to the number of options granted. IDBI Trusteeship Services Limited are the Trustees. The Trustees can sell the shares in the market as per the approved scheme and for the year ended on 31st March 2020, there are no purchases from the market.

The exercise price is calculated at 10% discount to the closing price of the shares on record date, being the date on which the grant of options were approved as per ESOP 2008. The graded vesting of options granted, over a period of 4 years from the date of grant is as follows:

Vesting Date	Cumulative	% of Option Vested
On expiry of two years from their Grant date ("First Vesting Date')	25%	25%
On expiry of three years from their Grant date ("Second Vesting Date')	75%	50%
On expiry of four years from their Grant date ("Third Vesting Date')	100%	25%

The options are to be exercised within a maximum period of 2 years from the date of vesting. Within the exercise period, the employee would have the option to either purchase the shares from the trust at the exercise price or to give a mandate of sale to the trust at the best available market price, in which event the difference between the net price realized on sale after taxes and charges and the Exercise Price will accrue as gains to the employee.

The employee share based payment plans have been accounted based on the Fair value method of accounting using the Black-Scholes Option Pricing Formula. There are no options outstanding as on 31 March 2020 and 31 March 2019.

Note 43

TRANSITION TO IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

In Case of Subsidiary Gujarat State Petronet Limited Consolidated

Effective April 1, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with customers" which resulted in changes in the revenue recognition accounting policy and adjustments to the amounts recognised in the financial statements.

In accordance with the transition provisions in Ind AS 115, the Group has adopted the new standard retrospectively using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted.

In summary, the following adjustments were made:

Balance Sheet as on 1 April, 2018: **(₹ in crores)**

Financial line item	**Ind AS 18- Carrying Amount**	**Re-measurement**	**Ind AS 115- Carrying Amount**
Other Equity	2,720.02	(39.82)	2,680.20
Non-Current Liability: Revenue Received in Advance	-	50.52	50.52
Current Liability: Revenue Received in Advance	-	6.30	6.30
Investments in equity accounted investees	591.21	2.86	588.35
Deferred Tax (Asset)	-	(19.86)	(19.86)

Balance Sheet as on 31 March, 2019: **(₹ in crores)**

Financial line item	**Ind AS 18- Carrying Amount**	**Re-measurement**	**Ind AS 115- Carrying Amount**
Other Equity	3,785.93	(43.91)	3,742.02
Non-Current Liability: Revenue Received in Advance	-	59.54	59.54
Current Liability: Revenue Received in Advance	-	7.96	7.96
Deferred Tax (Asset)	-	(23.59)	(23.59)

Statement of profit or loss for the year ended March 31, 2019 **(₹ in crores)**

Financial line item	**Ind AS 18- Values**	**Re-measurement**	**Ind AS 115- Values**
Revenue from contracts with customers	9,563.94	(10.68)	9,553.26
Income tax expense	518.11	(3.73)	514.38
Profit for the period	1,197.34	(6.95)	1,190.40

Performance obligations -Connection, Service and Fitting Income

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 Group that the gas is procured by the customer and supplied by the Group on a perpetual basis. Consequently the connection charges are to be deferred over the useful life of the connection facility (i.e. 18 years).

The following table provides information about contract assets and contract liabilities from contract with customers:

(₹ in crores)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Unbilled revenue - Other Financial Assets (Contract Assets)	79.42	50.69
Advance from customers - Other Non-Financial Liability (Contract Liabilities)	18.85	20.07
Trade receivables	655.32	700.31
Revenue received in advance - Other Non-Financial Liability	129.40	108.14

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.

In Case of- Subsidiary Gujarat Info Petro Limited

Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with customers" which resulted in changes in the revenue recognition accounting policy and adjustments to the amounts recognised in the financial statements.

In accordance with the transition provisions in Ind AS 115, the Company has adopted the new standard retrospectively using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted.

In summary, the following adjustments were made:

a) Balance Sheet as on April 1 2018

(₹ in crores)

Financial line item	**Ind AS 18-Carrying Amount**	**Re-measurement**	**Ind AS 115-Carrying Amount**
Other Equity:			
Retained Earnings	(22.09)	0.16	(21.93)
Current Liability :			
Excess Billing Over Revenue	(1.44)	(0.22)	(1.66)
Deferred Tax Asset	0.80	0.06	0.86

b) Balance Sheet as on 31st March 2019

(₹ in crores)

Financial line item	**Ind AS 18-Carrying Amount**	**Re-measurement**	**Ind AS 115-Carrying Amount**
Other Equity:			
Reatined Earnings	(24.85)	-	(24.85)
Current Liability :	-	-	-
Excess Billing Over Revenue	(1.41)	-	(1.41)
Deferred Tax Asset	0.80	-	0.80

Note 44

Transition to Ind AS 116 Leases

On 30 March 2019, the Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from 1 April 2019 ('the date of transition'), the Group applied Ind AS 116 using the modified retrospective approach, under which the right of use asset is measured at an amount equal to lease liability adjusted for prepaid or accrued rentals. Accordingly, there is no impact on retained earnings as on 1 April 2019 and the comparative information is not restated i.e. it is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

On transition to Ind AS 116, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases as carried out under Ind AS 17 Leases. The Group applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

The Group as a lessee

As a lessee, the Group leases land, building, vehicles, compressors, cascades and guest houses/other asstes. The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognises right-of-use assets and lease liabilities for most of these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the incremental borrowing rate as at 1 April 2019. The Group has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired. Under Ind AS 116, the Group has reclassified prepaid rent, lease hold land and ARO to right-of-use assets for most of these leases.

The Group used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Group:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019
- Did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application;

The weighted average incremental borrowing rate of 8.25% - 8.59% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On transition, for leases that are classified as finance lease under Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of transition to Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17.

The Group as a lessor:

The Group is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub - lease. The Group accounted for its leases in accordance with Ind AS 116 from 1st April 2019.

Nature of the lease transaction:

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, building with lease term ranging from 11 months to 10 years and various guest houses / yards / office containers on lease with the lease term of 11 months. The Group has also taken various commercial vehicles, CNG Cascade, IT equipment etc. on lease. The lease term mentioned in the agreements ranges from 6 months to 10 years. Some of the lease contarcts 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 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 liabilites for these contracts are not recognised.

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	**(₹ in crores)**
As on 1st April, 2019	-
Additions on account of transition to Ind AS 116 (on April 01, 2019)	75.21
Add: Interest Expenses	4.39
Less: Payments	(17.28)
As at 31st March, 2020	62.32
Non-current	50.08
Current	12.24

Amounts recognised in statement of cash flows

Particulars	**(₹ in crores)**
Amount charged to Statement of Profit & Loss for leases	17.71

Maturity Analysis of lease liabilities:

Particulars	**(₹ in crores)**
Less than 12 Months	13.07
More than 12 Months	115.63

Amounts recognised in profit or loss

Particulars	**(₹ in crores)**
2019-20 - Leases under Ind AS 116	
Amortisation charge for right-of-use assets	13.66
Interest on lease liabilities	4.39
Expenses relating to short-term leases	18.68

B. The Group as lessor

In accordance with Ind AS 116, the Group recognised lease equalisation asset/liability as on transition date for the contracts where there is escalation in rent. 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.

(₹ in crores)

Particulars	2019-20
Rental income	3.83

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	2019-20
Operating leases under Ind AS 116	
Less than one year	1.14
One to two years	1.13
Two to three years	0.30
Three to four years	0.02
Four to five years	-
More than five years	0.02

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. The Group believes that such presentation is more relevant for understanding of the Group's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Items of balance sheet before and after reclassification as at 31 March 2019: **(₹ in crores)**

Sr. No	Particulars	Before Reclassification	Reclassification	After Reclassification
1	Non current Liabilities			
	Provisions	87.52	68.40	155.92
2	Non current Liabilities			
	Net Employee benefit liabilities	68.40	(68.40)	-
3	Other non-current assets			
	Non-current	279.31	2.69	282.00
4	Non Current Tax Assets (Net)			
	Non-current	190.94	(2.69)	188.25
5	Current Liabilities			
	Provisions	57.15	12.57	69.72
6	Current Liabilities			
	Net Employee benefit liabilities	12.57	(12.57)	-

Items of statement of profit and loss before & after reclassification as at 31 March 2019: **(₹ in crores)**

Sr. No	Particulars	Before Reclassification	Reclassification	After Reclassification
1	Income			
	Other Income	201.00	8.16	209.16
2	Expenses			
	Finance Costs	1,229.78	8.16	1,237.94
3	Expenses			
	Employee benefit Expenses	261.39	1.17	262.56
4	Expenses			
	Other Expenses	734.33	(1.17)	733.16

Note 46 (a)
Additional information - Instruction No 2 of Schedule III

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 console-dated net assets as on 31.03.2020	Amount (₹ in Crore) as on 31.03.2020	as % of console-dated net assets as on 31.03.2019	Amount (₹ in Crore) as on 31.03.2019	As % of console-dated profit or loss for FY 2019-20	Amount (₹ in Crore) for FY 2019-20	As % of console-dated profit or loss for FY 2018-19	Amount (₹ in Crore) for FY 2018-19	As % of console-dated profit or loss for FY 2019-20	Amount (₹ in Crore) for FY 2019-20	As % of console-dated profit or loss for FY 2018-19	Amount (₹ in Crore) for FY 2018-19	As % of console-dated profit or loss for FY 2019-20	Amount (₹ in Crore) for FY 2019-20	As % of console-dated profit or loss for FY 2018-19	Amount (₹ in Crore) for FY 2018-19
Parent	-64.94%	(2,918.74)	-131.47%	(3,037.74)	3.41%	79.14	22.14%	358.25	106.80%	(13.17)	152.43%	22.27	2.86%	65.97	23.30%	380.53
Subsidiaries:																
Indian																
Gujarat State Petronet Limited	18.66%	838.72	24.90%	575.25	17.64%	409.62	17.64%	285.53	8.23%	(1.02)	-10.25%	(1.50)	17.69%	408.60	17.40%	284.03
Gujarat Gas Limited	14.91%	670.00	19.39%	448.00	10.49%	243.50	5.25%	84.97	12.14%	(1.50)	-2.88%	(0.42)	10.48%	242.01	5.18%	84.55
Guj Info Petro Limited	0.70%	31.34	1.36%	31.43	0.00%	(0.03)	0.11%	1.80	0.46%	(0.06)	-0.25%	(0.04)	0.00%	(0.09)	0.11%	1.76
GSPC Pipavav Power Company Limited	13.48%	605.92	29.59%	683.77	-3.35%	(77.68)	1.31%	21.28	1.40%	(0.17)	0.53%	0.08	-3.37%	(77.85)	1.31%	21.36
GSPC (JPDA) Limited	-0.06%	(2.50)	0.03%	0.74	0.00%	0.00	0.00%	(0.06)	26.27%	(3.24)	-3.63%	(0.53)	-0.14%	(3.24)	-0.04%	(0.59)
GSPC Energy Limited	0.01%	0.42	0.01%	0.18	0.01%	0.24	0.02%	0.28	0.00%	-	0.00%	-	0.01%	0.24	0.02%	0.28
GSPC Offshore Limited	-0.01%	(0.32)	-0.01%	(0.31)	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	(0.01)	0.00%	(0.01)
Gujarat Gas Limited Employee Welfare Stock Option Trust	0.00%	0.16	0.01%	0.12	0.00%	0.04	0.00%	0.04	0.00%	-	0.00%	-	0.00%	0.04	0.00%	0.04
Social Welfare Trust	0.11%	4.76	0.20%	4.68	0.00%	0.08	0.00%	0.05	0.00%	-	0.00%	-	0.00%	0.08	0.00%	0.05
Non Controlling Interest In All Subsidiaries	100.57%	4,520.39	130.78%	3,021.84	70.01%	1,625.74	50.44%	816.26	-11.65%	1.44	-28.70%	(4.19)	70.44%	1,627.18	49.73%	812.06
Associates (Investment as per the equity method)																
Indian																
Gujarat State Energy Generation Limited	6.36%	285.72	11.41%	263.68	0.71%	16.54	1.37%	22.17	-44.60%	5.50	-6.91%	(1.01)	0.95%	22.04	1.30%	21.16
Sabarmati Gas Limited	4.37%	196.40	6.77%	156.54	1.75%	40.57	2.03%	32.92	0.23%	(0.03)	-0.07%	(0.01)	1.76%	40.54	2.02%	32.91
GSPL India Transco Limited	1.99%	89.35	3.30%	76.14	-0.36%	(8.46)	0.01%	0.19	0.51%	(0.06)	0.00%	-	-0.37%	(8.52)	0.01%	0.19
GSPL India Gasnet Limited	3.85%	173.14	3.73%	86.26	-0.30%	(7.05)	-0.34%	(5.44)	0.20%	(0.02)	-0.27%	(0.04)	-0.31%	(7.08)	-0.34%	(5.48)
Alcock Ashdown (Gujarat) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	-		
	100.00%	4,494.75	100.00%	2,310.58	100.00%	2,322.24	100.00%	1,618.22	100.00%	(12.33)	100.00%	14.61	100.00%	2,309.91	100.00%	1,632.83

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Note 46 (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 2020 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	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
Gujarat State Petronet Limited (GSPL)	India	37.64%	37.64%	62.36%	62.36%
Gujarat Gas Limited (GGL)	India	20.39%	20.39%	79.61%	79.61%
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%	100.00%	0.00%	0.00%
Social Welfare Trust	India	100.00%	100.00%	0.00%	0.00%
Gujarat Gas Limited Employee welfare stock option trust	India	20.39%	20.39%	79.61%	79.61%

Non-Controlling Interest

Set out below is summarised 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 31.03.2020	8,670.74	432.13	9,102.88	1,073.58	1,306.75	2,380.33	6,722.55	1,840.96
As at 31.03.2019	8,426.36	523.59	8,949.95	1,872.84	1,333.10	3,205.94	5,744.01	1,227.73
Gujarat Gas Limited								
As at 31.03.2020	6,485.00	1,440.42	7,925.42	2,788.80	1,819.27	4,608.07	3,317.35	2,640.94
As at 31.03.2019	6,120.94	1,036.59	7,157.53	3,275.31	1,676.95	4,952.26	2,205.27	1,755.62
GSPC Pipavav Pover Company Limited								
As at 31.03.2020	1,877.93	263.42	2,141.35	805.41	714.30	1,519.71	621.64	17.75
As at 31.03.2019	2,013.35	223.88	2,237.23	841.03	694.68	1,535.71	701.52	17.75
Guj Info Petro Limited								
As at 31.03.2020	6.84	66.03	72.86	1.87	18.98	20.85	52.02	20.74
As at 31.03.2019	5.60	56.64	62.24	1.67	8.40	10.07	52.17	20.74

₹ 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 2019-20	2,369.27	1,108.73	(2.70)	1,106.04	697.43	1,360.23	(310.22)	(1,029.74)	20.28
For the financial year 2018-19	1,877.26	794.67	(3.98)	790.69	506.66	1,088.23	(7.96)	(1,032.76)	47.51
Gujarat Gas Limited									
For the financial year 2019-20	10,610.38	1,198.81	(3.75)	1,195.06	953.05	1,419.99	(466.60)	(502.37)	451.02
For the financial year 2018-19	8,074.04	418.45	(2.09)	416.36	331.81	964.29	(612.14)	(349.42)	2.73
GSPC Pipavav Pover Company Limited									
For the financial year 2019-20	1,399.20	(79.70)	(0.18)	(79.87)	(2.02)	232.09	(28.94)	(200.32)	2.84
For the financial year 2018-19	1,462.16	21.83	0.08	21.91	0.55	228.77	(18.57)	(212.07)	(1.87)
Guj Info Petro Limited									
For the financial year 2019-20	15.15	(0.06)	(0.11)	(0.16)	(0.07)	(5.49)	2.38	-	(3.11)
For the financial year 2018-19	16.06	2.98	(0.06)	2.92	1.16	1.59	1.11	-	2.70

Associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 March 2020. ₹ in crores

Name of Entity	Place of business	Relationship	Accountoing method	% of ownership interest		Carrying Amount*	
				31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Sabarmati Gas Limited	India	Joint Venture	Equity Method	32.82%	32.82%	298.76	238.12
GSPL India Gasnet Limited	India	Joint Venture	Equity Method	19.58%	19.58%	459.99	229.18
GSPL India Transco Limited	India	Joint Venture	Equity Method	19.58%	19.58%	237.37	202.30
Gujarat State Energy Generation Limited	India	Associate	Equity Method	54.37%	54.37%	285.72	263.68
Alcock Ashdown (Gujarat) Limited	India	Associate	Equity Method	22.50%	22.50%	-	-
Total equity accounted investments						1,281.83	933.28

Set out below is summarised financial information for each associate/joint venture that are material to the Group.

₹ in crores

Name of the Subsidiary	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 31.03.2020	787.97	136.06	924.03	105.52	220.96	326.49	597.55	298.76
As at 31.03.2019	670.10	101.80	771.90	96.93	184.37	281.30	490.60	238.12
GSPL India Gasnet Limited								
As at 31.03.2020	2,838.30	174.73	3,013.03	1,883.42	245.02	2,128.44	884.59	459.99
As at 31.03.2019	1,501.27	63.86	1,565.13	938.53	185.86	1,124.39	440.74	229.18
GSPL India Transco Limited								
As at 31.03.2020	1,148.16	64.29	1,212.45	574.00	181.97	755.96	456.49	237.37
As at 31.03.2019	822.32	23.20	845.52	317.09	139.40	456.49	389.03	202.30
Gujarat State Energy Generation Limited								
As at 31.03.2020	925.08	212.00	1,137.08	171.02	411.16	582.18	554.90	285.72
As at 31.03.2019	961.32	146.79	1,108.11	238.66	354.61	593.27	514.84	263.68

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₹ in crores

Name of the Subsidiary	Statement of Profit & Loss					Cash Flow Statement			
	Revenue for the year	Profit for the year	Other Compre-hensive Income	Total Compre-hensive Income	Company's Share in Total Comprehensive 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 2019-20	1,188.84	129.21	(0.08)	129.13	40.54	223.85	(169.69)	(28.32)	25.84
For the financial year 2018-19	1,131.33	100.47	(0.02)	100.45	32.91	149.29	(126.18)	(25.55)	(2.44)
GSPL India Gasnet Limited									
For the financial year 2019-20	116.23	(36.02)	(0.13)	(36.15)	(7.08)	29.66	(1,223.89)	1,298.30	104.07
For the financial year 2018-19	25.80	(27.80)	(0.07)	(27.87)	(5.48)	2.53	(633.25)	603.12	(27.60)
GSPL India Transco Limited									
For the financial year 2019-20	15.23	(43.22)	(0.32)	(43.55)	(8.52)	120.09	(348.34)	245.71	17.46
For the financial year 2018-19	-	0.99	-	0.99	0.19	20.51	(376.70)	347.71	(8.48)
Gujarat State Energy Generation Limited									
For the financial year 2019-20	434.82	30.12	10.00	40.12	22.04	60.61	(9.92)	(48.22)	2.47
For the financial year 2018-19	465.81	53.59	(2.45)	51.14	21.16	109.72	(18.70)	(126.91)	(35.89)

(₹ in crores)

Particulars	31-Mar-20	31-Mar-19
Commitments - joint ventures	442.95	578.56
Commitments - associates	13.31	18.92
Contingent liabilities - joint ventures	47.89	45.89
Contingent liabilities - associates	18.01	16.23
Total commitments and contingent liabilities	522.16	659.60

47. The management of the Company with the support from Government of Gujarat has completed the revival of the company by putting in place a Turnaround Plan/Financial Realignment Strategy. The Company has devised a detailed realignment plan to improve the financial and operating performance and which has been implemented in two phases as below.

a) As per the Debt Realignment Plan, the Company has sold its holding in Gujarat Gas Ltd to Gujarat State Petronet Ltd. during FY 2017-18 and realised an amount of Rs.3,252.79 Crores. The Company's holding in Gujarat Gas Limited has been sold to Gujarat State Petronet Ltd (listed subsidiary of GSPC) through an on-market transaction. The share transfer has been effected in two tranche i.e. free-float shares on 26th March 2018 and lock-in shares on 28th March 2018. As on 31st March,2018 the consideration for sale of first tranche of Gujarat Gas ltd. shares was received in FY 2017-18. The balance amount of consideration was received on 4th April,2018. Subsequent to the captioned sale, the Company does not hold any shares of GGL.The consideration received has been deployed to reduce the outstanding debt.

b) The Ministry of Corporate Affairs (MCA), vide order dated 25th April, 2019, has approved the Scheme of Arrangement between Gujarat State Petroleum Corporation Limited (GSPC), Gujarat State Investment Limited (GSIL) and GSPC NCD Holders. The scheme of arrangement has approved transfer of GSPC's obligation in form of Non-Convertible Debentures (NCD) amounting to Rs.6,000 crores to GSIL in exchange of 749,06,36,704 fully paid equity shares of face value ₹ 1 each at fair value of Rs.8.01 each (with premium of Rs.7.01 per share).

The appointed date of the scheme is 1st April, 2018. The scheme has became effective upon filling of certified copy of the order with Registrar of Companies, Gujarat on 16th May, 2019. Following accounting treatments are given in the books of accounts:

(i) The Company has derecognized debenture obligation w.e.f. 1st April, 2018 and shares to be issued as consideration has been classified as "Financial Instrument in Equity Nature".

(ii) Authorised Share Capital of the Company, as approved in the scheme, is increased by the company during FY 2019-20.

(iii) 749,06,36,704 fully paid equity shares of face value ₹ 1 each at premium of Rs.7.01 per share were issued to GSIL during FY 2019-20.

(iv) As the scheme of arrangement became effective from 1st April 2018 on filing on 16th May, 2019, GSPC has serviced half yearly interest on NCD cumulatively amounting to Rs.571.50 crores, due on 30th June, 2018 and 31st December, 2018, for the period 1st January, 2018 to 30th June, 2018 and 1st July, 2018 to 31st December, 2018 respectively. The company had received Rs.571.50 crores from GSIL as advance towards reimbursement of interest serviced to NCD holders. On receipt of the final directives from Government of Gujarat during FY 2019-20, the company has settled Rs.430.58 crores against interest for the period 1st April, 2018 to 31st December, 2018 and balance amouint of Rs.141.92 crores have been refunded back to goverment of Gujarat.

48. In case of balances of Joint Arrangements 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 interest 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 recognsed in the books of accounts as and when realised.

49. Under Ind AS compliant Schedule III, the consolidated financial statements do not include notes such as quantitative information, forex earnings/expense, remuneration to auditors, corporate social responsibility, details required under MSME Act etc. which are not necessary to present true and fair view of the financial statements.

50. IMPACT OF COVID-19 PANDEMIC

The Group has made preliminary assessment of impact on business and financial risks on account of the pandemic COVID 19 and pursuant lockdown. The Group is primarily in Natural Gas Marketing and Exploration & Production businesses supplying natural gas to various commercial units, industries, power generation plants and city gas distribution companies. Accordingly, being an essential services company, the management ensured that seamless operations continued throughout the lockdown phase. The lockdown phase led to drop in overall demand for natural gas due to shutdown on commercial units and industries, however The Group continued to supply natural gas to power plants and city gas distribution companies. The E&P business was impacted due to significant voliatility and downward price pressure in Oil and Gas prices,non-mobility staff and O&M service providers as the production sites continued to operate with skeleton staff. The production of oil and gas from the E&P blocks had to be calibrated as per the capacity of available storage and demand which shall lead to deferred realization of revenue. The Group has assessed the potential impact of the pandemic in coming quarters and observed that The Group has necessary market drivers and adequate financial strength to continue seamless operations for gas marketing and E&P business which shall ensure going concern and financial bandwidth to meeting its financial commitments and liabilities.The Group currently has a comfortable liquidity position and continues to assess its cash flow and liquidity position, in both normal and stressed situation. The Group has not availed moratorium from term loan lenders and continues to service its debt obligations. The Group's financial management is further supported by its strong external credit ratings. The Group has adequate financial reporting and control system and has been operating throughout while adhering to internal financial controls. The Management does not see any risks to The Group's ability to continue as a going concern and meet its liabilities as and when they become due based on the current indicators.The Group, as at the date of approval of the financial statements has used the available sources of internal and external information including research reports, credit reports and economic forecasts. The Group has performed sensitivity analysis on the base assumptions for assessment of impact of pandemic.The impact of the pandemic outbreak on the business and financial position of The Group has been assessed and accordingly The Group has recorded an impairment to the extent the carrying amount exceeds the recoverable amount and has disclosed the same as exceptional item in the financial statements. As the impact assessment of this global health pandemic COVID-19 is an evolving process, its impact may be different from that estimated as at the date of approval of these financial statements and The Group will continue to closely monitor any material changes to future economic conditions.

51. Previous year figures have been regrouped wherever necessary to confirm to current year‘s classification.

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 Talati & Talati LLP
Chartered Accountants
Firm Regn. No. 110758W/W100377

Anil Mukim, IAS
Chairman
DIN : 02842064

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Amit Shah
Partner
Membership No. 122131

Reena Desai
Company Secretary

Rajesh Sivadasan
Chief Financial Officer

Date : 22/06/2020
Place : Gandhinagar

Date : 22/06/2020
Place : Gandhinagar

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GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED
(A Govt. of Gujarat Undertaking)

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