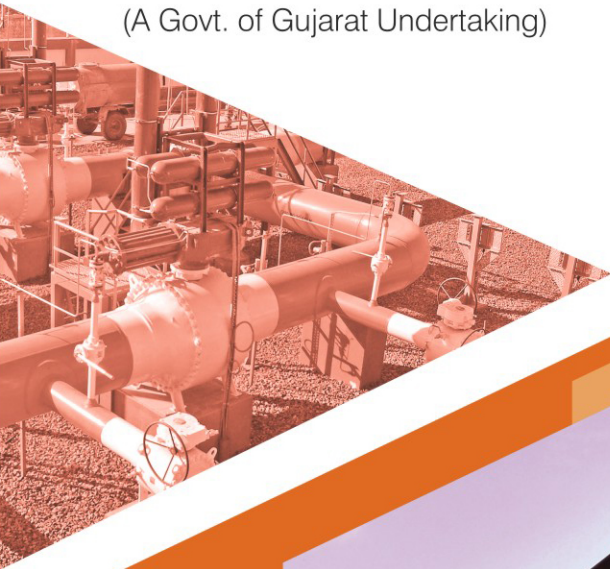




GUJARAT STATE PETROLEUM CORPORATION LIMITED

(A Govt. of Gujarat Undertaking)



42nd ANNUAL REPORT 2020-2021



GUJARAT STATE PETROLEUM CORPORATION LIMITED

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**GSPC**

GUJARAT STATE PETROLEUM CORPORATION LIMITED

**GUJARAT STATE PETROLEUM CORPORATION LIMITED
42nd ANNUAL REPORT 2020-21****Board of Directors**

Shri Pankaj Kumar, IAS (w.e.f. 07/09/2021)
Dr. Rajiv Kumar Gupta, IAS (w.e.f. 01/07/2021)
Shri Milind Torawane, IAS (w.e.f. 13/09/2021)
Dr. Manjula Subramaniam, IAS (Retd.)
Shri M. M. Srivastava, IAS (Retd.)
Shri K. Kailashnathan, IAS (Retd.)
Dr. N. Ravichandran
Dr. Ravindra Dholakia
Dr. Yogesh Singh
Shri Sanjeev Kumar, IAS

Chairman
Director
Director
Independent Women Director
Director
Director
Independent Director
Independent Director
Independent Director
Managing Director

Cessation of Director

Smt. Sunaina Tomar, IAS (w.e.f. 14/06/2021)
Shri Pankaj Joshi, IAS (w.e.f. 25/08/2021)
Shri Anil Mukim, IAS (w.e.f. 31/08/2021)

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

Talati & Talati, LLP
Chartered Accountants.
Ahmedabad

Secretarial Auditor

Manoj Hurkat & Associates
Company Secretary
Gandhinagar

Internal Auditors

KPMG
Ahmedabad

Cost Auditors

M/s. Kailash Sankhlecha & Associates
Cost Accountants
Ahmedabad

Bankers

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

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 42nd Annual Report on the business and operations of Gujarat State Petroleum Corporation Limited for the financial year ended March 31, 2021 along with Audited Financial Statement for the financial year ended 31st March 2021.

STATEMENT OF COMPANY'S AFFAIRS

Financial Performance

The audited Standalone Financial performance for the year ended March 31, 2021 is summarized below:

₹. in Crores		
INCOME	FY2020-21	FY 2019-20
Revenue from Operations	13,579.76	15,232.37
Other Income	209.37	114.60
Total Revenue	13,789.13	15,346.97
EXPENSES		
Production Expenditure - E&P	59.08	81.03
Cost of Traded Goods	12,539.35	13,515.58
Changes in inventories of Finished Goods, Stock in process and Stock in Trade	(193.22)	(19.77)
Employee Benefits Expense	12.25	17.49
Other Expense	26.21	72.11
Total Expense	12,443.67	13,666.44
Profit Before Interest Depreciation and Tax (PBIDT)	1,345.46	1,680.53
Finance Cost	414.01	624.90
Profit/(Loss) Before Depreciation and Tax (PBDT)	931.45	1,055.63
Depreciation and Amortization Expenses	49.63	137.27
Profit/(Loss) Before Exceptional Items	881.82	918.36
Exceptional Items	(143.17)	(551.98)
Profit/(Loss) Before Tax and Adjustments	738.65	366.38

Tax Expense	(0.12)	-
Profit/(Loss) After Tax	738.77	366.38
Other Comprehensive Income	0.11	(10.02)
Total Comprehensive Income For the period	738.88	356.36

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

1. The Company has recorded Turnover of ₹. 13,579.76 Crores as compared to ₹.15,232.37 Crore in Previous Year recording decrease of 10.85%.
2. The Company has recorded Profit before Depreciation Interest and Tax (Operational Profit) of ₹.1,345.46 Crore as compared to ₹. 1,680.52 Crore in Previous Year recording decrease of 19.94%.
3. The Company has recorded Profit Before Tax and Adjustments of ₹.738.64 Crores as compared to ₹. 366.38 crores in previous financial year.
4. The Company has recorded Profit After Tax of ₹. 738.87 Crores as compared to ₹.356.36 Crores in previous financial year.

Share Capital

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

The total paid up capital of the Company as on 31st March, 2021 was ₹.10,75,65,40,264 divided into 10,75,65,40,264 equity shares of ₹.1 each.

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 its 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 marketing volumes of **18.93 MMSCMD** gas in the financial year 2020-21 with sales outside Gujarat accounting for over 16% 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 2020-21 are summarized below:

- Despite being impacted by COVID-19 and facing stiff competition from new entrants in the market, the Company achieved **Sales turnover of more than ₹.13,450 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 60 LNG cargoes under its long term string as well as spot deals during the year.
- The Company utilized capacity in Mundra LNG terminal owing to which it managed ~35% utilization during the year.
- 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 2.7 MMSCMD outside Gujarat during the year.
- The Company has turned out to be Power sector's most reliable supplier

GSPC sold 1307 MMSCM to Power sector in Gujarat during FY 2020-21 on High sea basis.

- The Company is currently marketing gas in 12 States/UT namely Gujarat, Maharashtra, Karnataka, Uttar Pradesh, Andhra Pradesh, Madhya Pradesh, Telangana, Uttarakhand, Dadra & Nagar Haveli, Punjab, Rajasthan, and Haryana.
- The Company has, till date, entered into 51 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 ₹.5 lakhs.

GSPC Offshore Limited has no financial or operational performance during the financial year. GSPC Offshore Limited has recorded Loss after Tax of ₹.0.82 lakhs during the financial year 2020-21.

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;

- The Company has recorded total Income of ₹. 434.03 crore during the financial year 2020-21 as against ₹.213.66 crore in previous financial year recording increase by 103.14%.
- The Company has recorded PBT of ₹.76.21 Lacs during the financial year 2020-21 as against PBT of ₹.32.68 Lacs in previous financial year recording increase by 133.20%.
- The Company has recorded PAT of ₹.57.31 Lacs during the financial year 2020-21 as against PAT of ₹.24.08 Lacs in previous financial year recording increase by 137.99%.

II. EXPLORATION AND PRODUCTION

The company holds participating interests in 11 producing blocks/fields and 01 producing block in KG basin.

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 250 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. 3rd party study to prepare Integrated Field Development Plan for Ingoli field's Basement and Kalol/Intra Cambay Formations has been completed. The Integrated Field Development Plan shall now be finalized in-house for OC/MC approval before implementation of the same. Final Reports on Enhanced Recovery (ER) Methods as required by Govt. of India's ER Policy has been completed and submitted to MOP&NG for Ingoli and SE fields.

In Balpura field, production testing of 2 existing oil wells (GSAH#5 and #5A1) has been successfully completed. These wells would be put on regular production on completion of QPS in Balpura field.

➤ **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 80 BOPD & about 30000 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 study has suggested drilling of a number of new wells (both horizontal and vertical) and perforation & testing of the existing wells in the fields to increase the field production. Hence based on the 3rd party study report, the field development plan for the Tarapur-1 field and Tarapur-6 field need to be revised and the same is under preparation. GSPC has also submitted a report on "Reserve Upgradation of Tarapur-G gas field" to DGH, however the confirmation from DGH is awaited.

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. As a part of the ML grant process, Operator (GSPC) has paid the PEL fees for the period 23.11.2008 to 22.11.2020 for an area of 570Sq. Km. to 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 and SE#4 wells was commenced since Feb. and July 2020 respectively. 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. Since, 18 Aug. 2020, the production from the field is Nil due to water-cut issue. Production will be resumed after facility upgradation to handle the produced emulsified water.

Facility creation for production from Ank-40s was completed. Production commenced with 3 mm beam since 25May 2019. Currently, it is producing at 20 BOPD.

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. GSPC-GAIL (exclusive operation JV) opt not to submit FDP for Ank#41s Gas Discovery considering pool to be of marginal nature and sensitivity of techno-economics. Company proposed P&A and site restoration of Ank#41s, Ank#41sA1 and Ank#34 wells.

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 Karannagar#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 & Vadatal#5 Fields are producing Oil of about 550 Barrel (BBL) per day after drilling eight development wells (three in Vadatal#3 ML area and five in Vadatal#5 ML area). The joint venture is preparing to drill more development wells to enhance the production from Vadatal#3 & 5 Fields.
- ✓ 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. Currently, the well is ceased to produce due to water loading vis-à-vis dying reservoir pressure/energy.
- ✓ MB-OSN-2005/1: GSPC holds 20% PI in the block. Pursuant to the two discoveries in wells NBA-1 & NAA-1, a joint Field Development Plan was submitted for approval of MC. MC however observed continuation of the NBA-1 discovery into the adjoining block MB-OSN-2005/2 operated by AWEL and directed the JV to submit a joint development plan for the NBA-1 discovery with AWEL. The FDP of NAA-1 discovery was approved by MC and currently preparations are underway to drill wells.
- ✓ GK-OSN-2009/1: GSPC holds 20% PI in the block. Currently the approval process of Field Development Plan of the two discoveries is in progress. GSPC has abstained from participation in the field development program.

✓KG-OSN-2001/3: GSPC holds 10% PI in the block. During the Financial Year production from two wells namely: DDW-D2 & DDW-D4 is continued. Operator has completed drilling of development wells DDW-D6 & DDW-D7. Perforated the well and conducted five stage Hydro fracturing in DDW-D7. Well testing and zone cleaning of DDW-D7 hydro fractured zones is under progress. The annulus influx mitigation and fishing job of DDW-D6 well will be taken up after testing completion of DDW-D7. To refine the geological model incorporating production data of DDW-D7, operator has also requested to GOI/DGH to amend the extension date upto December 2022 for submission of FDP of Six discovery area.

➤ **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 farming-out GSPC's 55% PI to Oilex Ltd. is under progress.

➤ **GNRL Oil & Gas Ltd Operated:**

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.

➤ **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. The developmental drilling plan of 2 wells in North Balol field has been approved by the MC and currently preparations are underway to drill the wells.

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, but with demand of payment for unfinished work program. With negotiations failing to firm the final settlement amount, the matter was referred to the International Chambers of Commerce by both the parties. However, before commencement of the actual arbitration proceedings, the parties arrived at a mutually agreed final settlement amount payable to ANPM for the unfinished work program. With every JV partner required to pay its individual share directly to ANPM, GSPC paid its share of the final settlement amount directly to ANPM during November 2020. Thereafter GSPC and Oilex addressed GSPC's liability to the JV accounts by payment of the final outstanding amount to the Operator/JV. As of date, GSPC (JPDA) Limited has cleared all its obligations with ANPM and JPDA06-103 Joint Venture.

GSPC (JPDA) Limited has recorded total Income of ₹.1.84 Lakhs in the financial year 2020-21. The Company has Loss after Tax of ₹.1210.29 lakhs during the financial year 2020-21.

Transfer of GSPC's Participating Interest (PI) of following Fields was approved by MoPNG to respective Farmee/Assignee as per below table.

Sr. No.	Field	GSPC's PI	Farmee/Assignee
1	Allora	70%	GNRL Oil & Gas Ltd
2	Dholasan	70%	GNRL Oil & Gas Ltd
3	North Kathana	70%	GNRL Oil & Gas Ltd
4	Bhandut	60%	Kiri & Co. Ltd
5	Hazira	66.6%	Sun Petrochemicals
6	Unawa**	70%	GNRL Oil & Gas Ltd

** PI transfer application of Unawa Field is under review at DGH/MoPNG.

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 2699.84 Kilometers of Gas Pipeline as on 31st March, 2021.

GSPL, the pipeline and gas transmission company of the GSPC group, is not only India's 2nd largest gas Company

but also has a highly enviable safety track record.

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

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.

1. Mehsana to Bathinda Pipeline (MBPL)
2. Bathinda to Jammu-Srinagar Pipeline (BJPL)
3. Mallavaram to Bhilwara

GSPL has incorporated subsidiaries to carry out the aforesaid projects GSPL has a majority stake of 52% along with IOCL (26%), BPCL (11%) and HPCL (11%) in all the projects through it following subsidiaries:

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 Ltd. (HPCL). GSPL has 52% equity participation in the company and balance equity is held by IOCL (26%), HPCL (11%) and BPCL (11%).

GIGL has been authorised to lay two cross country gas pipelines viz Mehsana to Bathinda Pipeline (MBPL) and Bathinda to Jammu-Srinagar Pipeline (BJPL). During the year under review, the Company has approved revised pipeline route of MBPL and BJPL aggregating to approx. 1929 kms. The initial sections of the Projects covering approx. 442 kms viz. Barmer-Pali Pipeline, Palanpur-Pali Pipeline and Jalandhar Amritsar Pipeline are in operations since 2018-19. During 2020-21, the Company has transported about 4,17,30,630.59 MMBTU gas and has earned revenue of ₹.172.41 Crores through transportation of gas till 31st March 2021.

Project implementation activities of various sections of MBPL Project planned under Phase II covering about 938 Kms and traversing through the states of Rajasthan, Haryana and Punjab were in full swing during the year under review and has achieved an overall progress of more than 92% in Phase II of MBPL Project. The said sections are scheduled to be commissioned during the year 2021-22.

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 Ltd. (HPCL). GSPL has 52% equity participation in the company and balance equity is held by IOCL (26%), HPCL (11%) and BPCL (11%).

GITL has been authorised to lay 1,881 long km pipeline from 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 is

in operations since 2019-20. During FY 2020-21, the Company has transported approx. 88.18 MMSCM of gas and has earned revenue of ₹.12.09 Crores 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 ₹.2148.69 crore during the financial year 2020-21 as against ₹.2427.86 crore in previous financial year.
- GSPL has recorded PBT of ₹.1246.69 crore during the financial year 2020-21 as against ₹.1282.28 crore in previous financial year.
- GSPL has recorded PAT of ₹.924.24 crore during the financial year 2020-21 as against ₹.1108.73 crore in previous financial year.
- GSPL has recorded Total Comprehensive Income (comprising of PAT and Other Comprehensive Income) of ₹.934.38 crore during the financial year 2020-21 as against ₹.1106.04 crore in previous financial year.

GSPL India Transco Limited (GITL)

- GITL has recorded total Income of ₹.45.25 crores in the financial year 2020-21. The Company has Loss after Tax of ₹.65.09 Crores during the financial year 2020-21.

GSPL India Gasnet Limited (GIGL)

- GIGL has earned total income of ₹.180.39 Crores in the financial year 2020-21. The Company has Net profit of ₹.16.43 Crores during the financial year 2020-21.

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 was successfully commissioned and started operations in February, 2020. GLL declared 01.03.2020 as the start date for its commercial operations. During the financial year ending 31.03.2021, the terminal received 25 LNG cargoes and achieved an average capacity utilization of 35%. The terminal also achieved a peak capacity utilization of 40-45% during the period from July to November 2020. During the financial year the entire regasification capacity of the terminal was utilized by GSPC.

During the FY 2020-21, Government of Gujarat (GoG) further infused equity of ₹87.50 crores in GLL in form of equity.

GSPC along with GSPL presently holds 3.75% 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 (GGL) is India's largest city gas distribution player with presence spread across 43 Districts in the State of Gujarat, Punjab, Rajasthan, Haryana, Madhya Pradesh, Maharashtra and Union Territory of Dadra and Nagar Haveli.

Gujarat Gas Limited is one of the largest City Gas Distribution Company with its presence spread across various Districts in the State of Gujarat, Punjab, Rajasthan, Haryana, Madhya Pradesh, Maharashtra and Union Territory of Dadra and Nagar Haveli distributing natural gas to various industrial, commercial and domestic residential customers & to transport segment customers through CNG filling stations.

Gujarat Gas Limited has been continuously growing and expanding its horizon by venturing into new geographical areas and is committed to reach every possible natural gas users across its licensed expanse of around 1,75,600 square kilometres through its ever growing pipeline network spread across 43 Districts.

Gujarat Gas Limited has aggressively rolled out the expansion plans to develop networks to tap the unexplored CGD potential in new geographies within its operational areas. The sector regulator approved the transfer of license from GSPL to GGL for the GA of Amritsar and Bathinda. GGL now has total 27 CGD licenses and 1 pipeline license and operates in 43 districts encompassing six states and one Union territory which

accounts to almost 12% of total CGD licenses issued by PNGRB in India.

Gujarat Gas Limited is supplying natural gas to more than 15.46 Lakh residential, over 12,900 commercial and non-commercial segments and over 4,000 industrial customers as on 31st March, 2021

Gujarat Gas Limited also supplies natural gas in the form of Compressed Natural Gas (CNG) through 539 CNG stations catering to the automotive sector in the operational areas.

In the GA of Amritsar and Bathinda, natural gas is supplied to over 4,450 residential customers, 36 commercial customers and 3 industrial customers. In addition, dispensing of CNG is done from 20 CNG stations.

Audited financial performance of Gujarat Gas Limited

- Gujarat Gas has recorded Total Income of ₹.10,116.31 crore during the financial year 2020-21 as against ₹. 10,610.15 crore in previous financial year.
- Gujarat Gas has recorded PBT of ₹.1,704.70 crore during the financial year 2020-21 as against ₹. 1,207.78 crore in previous financial year.
- Gujarat Gas has recorded PAT for the period (before other comprehensive income) of ₹.1,275.50 crore during the financial year 2020-21 as against ₹.1,193.32 crore in previous financial year.
- Gujarat Gas has recorded Total Comprehensive Income (after tax) of ₹.1,278.07 crore during the financial year 2020-21 as against ₹.1,189.62 crore in previous financial year.

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

➤ **Sabarmati Gas Limited (SGL)**

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

SGL has customer base of 2,21,737 domestic customers, 377 industrial customers and 931 commercial establishments as well as 135 CNG stations in three Districts of North Gujarat as on 31st March, 2021.

As a result of competitive CNG price and with expansion in its CNG retail network, Sabarmati Gas limited has been able to achieve the Average daily sales of 3,39,316 KG during the financial year 2020-21 as against 3,57,950 KG during financial year 2019-20.

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

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

Financial performance of Sabarmati Gas Limited (SGL)

- SGL has recorded total income of ₹.1127.03 Crores during the financial year 2020-21 as against ₹.1188.84 Crores in the previous financial year.
- SGL has recorded PBT of ₹.301.55 crores during the financial year 2020-21 against the PBT of ₹.171.16 Crores in the previous financial year.
- SGL has recorded PAT of ₹.225.01 crores during the financial year 2020-21 as against the PAT of ₹.129.21 Crores in the previous financial year.

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

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 ₹.742.95 Crores during the financial year 2020-21 as against ₹. 452.99 Crores in previous financial year.
- GSEG has recorded PBT of ₹.79.30 Crores during the financial year 2020-21 as against ₹.31.82 Crores in the previous financial year.
- GSEG has recorded PAT of ₹.59.32 Crores during the financial year 2020-21 as against ₹.30.12 Crores in previous financial year.

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

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

As per the definition of Subsidiary Company under Section 2(87) of the Companies Act, 2013 requires exercise or

control of more than one-half of total voting power. GSPC holds majority shares of GSEG but does not have majority voting power and hence GSEG is still an associate and not subsidiary of GSPC.

➤ GSPC Pipavav Power Company Limited (GPPC)

GSPC Pipavav Power Company Limited (GPPC), a subsidiary of your Company, was incorporated to commission 702 MW combined cycle power plant at Pipavav. GPPC has successfully commissioned 702 MW Power Project. During the year, Unit-1 and Unit-2 were operated as and when required by SLDC. Due to availability of affordable gas and commercially viable gas price to GUVNL, the plant has achieved PLF of 44.27%. For rest of the time, the Plant has been kept in preservation mode in absence of scheduling/requirement from SLDC/ GUVNL.

Post completion of FY 2020-21, a severe Cyclone "Tauktae" hit the site. The site was severely impacted due to high wind speed. The Plant is not available for power generation since then. The cyclone has resulted in severe damage in 220 kV GETCO transmission system due to failure of several transmission towers. All the six 220 KV transmission lines connected to GPPC are out of service. The preliminary estimate of damage to GPPC site is around ₹.18 to 20 Crores and presently, the restoration process of the Plant is going on and the above estimate of damages may change to that extent if any further damages are identified during the course of restoration.

Financial performance of GSPC Pipavav Power Company Limited (GPPC)

- GPPC has recorded total Income of ₹.1085.60 Crores during the financial year 2020-21 as against ₹.1402.22 Crores in previous financial year.
- GPPC has recorded a PBT of ₹.57.60 Crores during the financial year 2020-21 as against ₹.25.51 Crores in previous financial year.
- GPPC has recorded a Profit after Tax of ₹.163.21 Crores during the financial year 2020-21 as against loss of ₹.79.87 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. During FY 2020-21, GPPC exported approx. 2.23 million units of power to the State Grid, however in June, 2020 an unfortunate fire incidence had occurred at the site due to which no power could be generated from the plant during the rest of the period of financial year 2020-21. The Plant is available for generation from April, 2021.

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 ₹.19.77 crores during the financial year 2020-21 against ₹.18.03 crores in previous financial year.
- GIPL has recorded PBT of ₹.5.68 crores during the financial year 2020-21 as against ₹.0.14 crores in previous financial year.
- GIPL has recorded PAT of ₹.4.23 crores during the financial year 2020-21 as against ₹.(0.06) 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)

Gujarat Energy Research & Management Institute (GERMI) is promoted by GSPC with the vision of developing skilled human resources to meet needs of across energy sector. GERMI is pursuing the vision with three pronged strategies of (i) providing higher education through varied courses with Pandit Deendayal Energy University, (ii) undertaking Research & Development projects / initiatives across energy verticals i.e. solar, nuclear, petroleum & climate change and (iii) offering Training & Development courses for upskilling existing as well as new professionals to meet evolving needs of industries.

GERMI (ISO 9001:2015) is recognized Scientific and Industrial Research Organization (SIRO) by the Department of Scientific and Industrial Research (DSIR), Government of India. GERMI has also been recognized as Schedule-I Environment Auditor by the Gujarat Pollution Control Board (GPCB) and an Energy Auditor Consultant recognized by the Gujarat Energy Development Agency (GEDA).

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 its 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

During the period, the company has appointed M/s Brickwork Ratings as an external credit rating agency of the company and withdrawn the credit rating of M/s CARE in October 2020.

Brickwork has assigned the credit rating of BWR AA- (Stable) from previous rating of CARE A+ (Stable) for the Long Term Loans. Brickwork has assigned the credit rating of BWR A1+ from previous rating of CARE A1 for Short Term Loan.

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

- Successfully deleveraging the debt of the company from its internal accruals.
- Improvement in the financial performance of the company.
- Strong Parentage Support along with the Strong Presence across value chain.
- High Cost Debt Substitution with Low Cost Debt.
- Improved financial risk profile.
- Strong parentage along with demonstrated support.

Deposits

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

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

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

Particulars of Loans, Guarantees and Investments

The 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 for the financial year to carry out Internal Audit so as to ensure adherence to policies and mitigation of the operational risks. The key findings of Internal Auditor are being reviewed by the Audit Committee from time to time and appropriate action plans are prepared so as to implement the recommendations/ observations of the Internal Auditor.

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

The Company has in place adequate internal financial controls with reference to financial statements. The Company has appointed firm of chartered accountant to review the Internal Financial Controls (IFC) 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 2020-21.

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 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

Annual Return of the Company is available at <http://www.gspcgroup.com>

CORPORATE SOCIAL RESPONSIBILITY

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

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

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, virtual training programs were conducted for employees.
- 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:**

- Training programme conducted on 'Permit to Work & LOTO' during September-2020.
- ✓ **Various Employee Engagement Activities**
 - Virtual Women's Day Celebration
 - Celebration of World Environment Day-2020 with the theme "Biodiversity".
 - Celebration of National Safety Day-2021 with theme 'Learn from Disaster & Prepare for a safer Future.

DIRECTORS & KEY MANAGERIAL PERSONNELS

Appointment of Directors

During the financial year, the shareholders at its Annual General Meeting held on 28th October, 2020 has approved appointment of Shri Anil Mukim IAS, Shri Pankaj Joshi, IAS, Smt. Sunaina Tomar IAS, who were originally appointed as Additional Director, as Director on the Board.

Dr. Rajiv Kumar Gupta, IAS, Additional Chief Secretary, Industry and Mines Department has been appointed as an Additional Director on the Board of Directors of the Company w.e.f. 1st July, 2021.

Shri Pankaj Kumar IAS, Chief Secretary, has been appointed as an Additional Director and Chairman on the Board of Directors of the Company w.e.f. 7th September, 2021.

Shri Milind Torawane, IAS, Secretary (Economic Affairs) has been appointed as an Additional Director on the Board of the Company w.e.f. 13th September, 2021.

The appointment of Shri K. Kailashnathan, IAS (Retd.) as Director, who is liable to retire by rotation shall be placed at the ensuing Annual General Meeting for approval of shareholders. Further the appointment of Dr. Rajiv Kumar Gupta, IAS and Shri Milind Torawane, IAS as Director & Shri Pankaj Kumar IAS as Director & Chairman shall be placed at the ensuing Annual General Meeting for approval of shareholders.

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.

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

Resignation and Cessation of Directors & KMP

During the financial year no Director or KMP has resigned. However, the details of Director who have resigned after the end of financial year till the date of this report are as follows;

- Smt. Sunaina Tomar, IAS has resigned and has ceased to be the Director of the Company w.e.f. 14th June, 2021 consequent to her transfer from Energy & Petrochemical Department, GoG.
- Shri Pankaj Joshi, IAS has resigned and has ceased to be the Director of the Company w.e.f. 25th August, 2021 on account of his nomination as Chairman, GSPC LNG

Limited by GOG and restriction under Section - 165 of the Companies Act, to hold office as Director in more than 10 public Companies.

- Shri Anil Mukim, IAS (Retd.), has resigned and has ceased to be the Director & Chairman w.e.f. 31st August, 2021 on account of his resignation on superannuation.

The Board of Director placed on record appreciation of services rendered by Smt. Sunaina Tomar, IAS and Shri Pankaj Joshi, IAS as Director and Shri Anil Mukim, IAS (Retd.) as Chairman of the Company.

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

- Shri Sanjeev Kumar, 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

4 meetings of Board of Directors were held during the financial year 2020-21.

Sr. No.	Date of Board Meetings
1	22 nd June, 2020
2	8 th September, 2020
3	8 th December, 2020
4	11 th February, 2021

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.

Director's Report

AUDIT COMMITTEE

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

Name of Directors	Designation
Dr. N. Ravichandran	Chairman
Shri Pankaj Joshi, IAS	Member
Dr. Manjula Subramaniam, IAS (Retd.)	Member
Dr. Yogesh Singh	Member
Shri Sanjeev Kumar, IAS	Member

During the year, Dr. Ravindra Dholakia has ceased to be the Chairman and Member of Audit Committee. Further the Company has reconstituted Audit Committee by re-designating Dr. N. Ravichandran as Chairman and inducting Dr. Manjula Subramaniam, IAS (Retd.) as members of Audit Committee.

The Audit Committee has recommended the financial statement for the year ended on 31st March, 2021 for approval of the Board at its meeting held on 15th June, 2021.

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

Detail of Audit Committee Meeting held during the F.Y. 2020-21 is as under:

Sr. No.	Date of Audit Committee Meetings
1	22 nd June, 2020
2	7 th September, 2020
3	8 th December, 2020
4	11 th February, 2021

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, LLP Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company for the financial year 2020-21.

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 2020-21 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 2020-21.

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, 2021 is annexed herewith as **Annexure - IV** to this Report.

COST AUDITORS

The Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are required to be maintained by the Company and that such accounts and records are made and maintained. The Board of Director has appointed M/s. Kailash Sankhlecha & Associates as Cost auditor for the financial year 2020-21.

The Company has filed the Cost Audit Report for the financial year 2019-20. The Cost Audit Report for the financial year 2020-21 is also filed.

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

During the Financial Year, the Company has entered into contracts or arrangements with related parties, which were in the ordinary course of business and on an arm's length basis.

The required information on transactions with related parties are provided in **Annexure V** in Form AOC-2 in accordance with Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.



Your Directors draws attention of the members to Note - 38 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	₹.in crores
Earnings	-
Outgo	9,677.78

ACKNOWLEDGEMENTS

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

The Directors convey their sincere appreciation for the valuable services rendered by employees, without whose contributions it would not have been possible for the Company

to effectively address the multiple challenges being faced by the Company.

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

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

For and on behalf of the Board of Directors

CHAIRMAN

Date: 17th September, 2021

Place: Gandhinagar

Annexure – I

MANAGEMENT DISCUSSION & ANALYSIS

The year 2020 was marred with volatility and unprecedented challenges for the natural gas industry. Globally, the industry has shown some amount of flexibility to the influence of Covid-19 on the energy demand in LNG importing countries, weather events, and logistic bottlenecks. Natural gas demand began to be impacted in many countries as Covid-19 spread and control measures were enacted. The slowdown of global LNG demand coupled with new supply coming onstream resulted in plummeting spot LNG prices and in convergence of the regional price indices.

In fact as per GIIGNL¹, while Europe was able to absorb uncommitted volumes during the first half of the year, the imports reduced during the second half of the year while LNG cargoes were increasingly directed to Asia to take advantage of spiraling JKM prices. LNG demand in China and India recovered relatively quickly from the Covid impact. Towards the end of the year, the market recorded price spikes and record high spot shipping charter rates due to infrastructure bottlenecks and colder than usual weather. The market tightness and high spot LNG prices were a stark reminder that the industry should continue to invest in new capacity.

According to IEA² estimates, the Indian GDP is projected to grow at 5.4% p.a. over next two decades with the total energy consumption, estimated to double from 620 mtoe at present to 1100 mtoe by CY40. Owing to factors such as exponentially growing urbanization, increasing energy requirement and quest for cleaner and more environment friendly energy sources, it will very likely culminate into growth of electricity and natural gas as energy sources in the coming years. The necessary impetus behind infrastructure creation which includes, transmission pipelines, LNG import terminals and CGD networks, would possibly create the essential foundation for increasing gas consumption. IEA estimates that natural gas grows at nearly 7% p.a. till 2030, more than double the rate of overall energy demand growth. The usage of natural gas in industries, including its use as feedstock in petrochemical and fertilizer sectors, is projected to be the primary catalyst for growth, with share of natural gas in industry energy demand anticipated to double to 20% by CY40.

Further, as per IEA, the third-largest consumer of energy in the world is India due to increasing income and better standard of living. Since 2000, the use of energy in India has doubled, wherein 80% of the same is still met by coal, oil and solid biomass, whereas natural gas still makes up approximately 6% of the total energy basket.

Further, natural gas is poised for significant growth, backed by ambitious government targets to raise its share in the energy mix. Some offshore deep-water developments in the Krishna Godavari basin support near-term production growth, and a slow but steady rise in coalbed methane production is also expected from the 2030s. Going ahead, cumulatively between R Cluster, Satellite and MJ fields of RIL-BP, and KG-98/2 field of ONGC in KG basin, almost 42 MMSCMD of incremental production is expected by 2024-25. The level of growth in domestic gas production is, however, expected to be insufficient to meet rising demand, and LNG imports satisfy which currently meet nearly 60% of demand growth, shall continue to make India a major importer, and maintain its important presence in global gas markets.

India's natural gas consumption during FY 2020-21 stood at 153 MMSCMD³ with LNG comprising of around 60% of the total natural gas consumption. While domestic gas witnessed a downfall of almost 7% on y-o-y basis and was pegged at 61.5 MMSCMD in the total natural gas consumption, LNG imports were 25.2 MTPA (\approx 91 MMSCMD) during FY 2020-21.

India's LNG imports which steadily increased during April-December'20 were hit by record high spot LNG prices in January'21 resulting in gradual decline of LNG imports during balance part of the year. Asian spot LNG prices leapt from a low of 1.88 US\$/mmbtu recorded in May 2020, to over 7.5 US\$/mmbtu in November'20 end and in the second week of January'21, Asian spot LNG rates spiralled to an all-time high of over 32.5 US\$/mmbtu.

India's energy use has been disrupted in near past due to the Covid-19 pandemic, a fall of about 5% was noticeable in India's energy demand in 2020 owing to lockdowns and other related restrictions being imposed; there has been a fall in overall investment in energy sector. But, the Government of India in order to increase the share of natural gas in the energy mix from 6% to 15% has rolled out several initiatives including regulations surrounding unified tariff, gas exchange & draft LNG Policy. Among other things, the draft LNG Policy intends to set up a framework for the promotion of gas and finding ways for usage of LNG in sectors which are currently not using natural gas. The primary target for the policy is to convert 10% of long-haul heavy-duty trucks to ply on LNG. This would provide a major impetus in increasing the share of natural gas upto 15% by 2030.

India launched its first gas exchange, namely India Gas Exchange (IGX) in June 2020 with a view to facilitate transparent price discovery in natural gas. IGX is envisioned as a digital trading platform which will allow buyers and sellers of natural gas to trade both in the spot market and in the forward market for imported natural gas and is currently serviceable across three hubs namely Dahej and Hazira in Gujarat and Kakinada in Andhra Pradesh.

Petroleum and Natural Gas Regulatory Board is also close to authorizing a major revamp to the country's gas pipeline tariff policy by bringing in unified tariffs, which would reduce the barriers for LNG deliveries from the west to gas stranded regions in the east. The new tariff structure would help buyers further away from the gas source as they would be paying less than additive tariffs. The buyers farther away from the gas source would be cross subsidized by end-users closer to the gas sources since the tariff paid by them would increase. The implementation process of the unified tariff regime is currently underway and will be a major game changer for gas traders like your company as it brings forth with an ease of doing business especially with markets in hinterland regions.

1. GIIGNL Annual Report 2021
2. India Energy Outlook 2021
3. Natural Gas Utilities Analysis Report



GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED

One of the GSPC Group company, GSPL India Gasnet Ltd. (GIGL) has already commissioned 440 kms of pipeline network in 2018 and is about to commission 930 kms of network in western and northwestern region of India in 2021. This will enable LNG from Gujarat terminals to flow in the North-West part of the country.

India has ambitious plans for city gas distribution (CGD) networks to cater to households, commercial establishments and factories within cities. There are currently 18 states with CGD networks, and successive bid rounds have awarded CGD licences with the aim of reaching 70% of all households by 2030. This is one of the major reasons why CGD sector is set to act as a prime driver for natural gas consumption in India.

Industrial units across the country are incentivized to use natural gas as fuel not only due to environmental reasons but also owing to its competitiveness vis-à-vis alternate fossil fuels and this is one of the major reasons why CGD sector is set to act as a prime driver for natural gas consumption in India. Gujarat Gas Limited & other GSPC Group CGDs have rolled out the expansion plans to develop networks to tap the unexplored CGD potential in new geographies within their operational areas.

Your Company continues to leverage its regasification access to Mundra terminal which provides it necessary diversification to source LNG cargoes. GSPC's concerted efforts led to ~35% capacity utilisation of Mundra LNG terminal in first year of commercial operations.

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 ₹.1345.46 Crore as compared to ₹. 1680.53 Crore in Previous Year.

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 :- 15th June, 2021

Place :- Gandhinagar

ANNEXURE II

AOC - 1 Statement Pursuant to Section 129 of the Companies Act, 2013 relating to Company's interest in the subsidiary companies

Sr. No	Name of Subsidiary Company	Gujarat State Petronet Limited (GSPL)	GSPIL India Gasnet Limited (GIGL) *	GSPIL 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 subsidiary was acquired**/ Subsidiary 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	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
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	564.21	1,592.02	582.00	0.05	0.05	861.84	114.69	0.05	137.68
5	Reserves & surplus	6,980.79	(41.00)	(100.48)	0.94	(0.38)	(76.98)	(114.51)	56.13	4,344.97
6	Total assets	9,372.82	5,212.69	1,326.63	26.88	0.00	1,935.41	4.38	66.09	8,449.40
7	Total Liabilities	1,827.82	3,661.67	845.10	25.89	0.33	1,150.55	4.20	9.91	3,966.75
8	Investments	5,006.17	-	-	-	-	-	-	-	-
9	Turnover	2,079.42	172.68	39.41	433.34	-	1,076.52	-	17.10	10,042.28
10	Profit before taxation	1,249.43	22.43	(91.57)	0.76	(0.01)	58.06	(12.61)	5.59	1,708.03
11	Provision for taxation	314.95	6.00	(26.61)	0.19	-	(105.15)	-	1.43	429.96
12	Profit after taxation	934.48	16.43	(64.96)	0.57	(0.01)	163.22	(12.61)	4.16	1,278.07
13	Proposed Dividend (%)	20%	-	-	-	-	-	-	-	100.00%
14	% of Ownership (Extent of shareholding)	GSPL holds 37.63%	GSPL holds 19.57%	GSPL holds 19.57%	GSPL holds 100%	GSPL holds 100%	GSPL holds 97.47%	GSPL holds 100%	GSPL holds 60.24%	GSPL holds 20.38%

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

Name of subsidiaries which are yet to commence operations - GPSC Offshore Limited

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

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

Anil Mukim, IAS
Chairman
DIN : 02842064

Reena Desai
Company Secretary

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Rajesh Sivadasan
Chief Financial Officer

Date : 15th June, 2021
Place : Gandhinagar

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

(Figures in crores except for no. of shares)

Sr. No.	Name of Associates/Joint Ventures	Gujarat State Energy Generation Limited (GSEG)	Sabarmati Gas Limited (SGL)	Alcock Ashdown (Gujarat) Limited (Alcock)***
1	Date on which the Associate or JV was associated or acquired/Associate since incorporation date#	30.12.1998 31-Mar-21	06.06.2006 31-Mar-21	05.09.1994 31-Mar-20
2	Latest audited Balance Sheet Date			
3	Shares of Associate/Joint Ventures held by the company on the year end	27,23,97,426	44,94,330	1,15,00,000
	No. of Shares held	278.69	55.10	11.50
	Amount of Investment	53.7%*	22.47%**	22.55%
4	Description of how there is significant influence	Control of more than twenty per cent of total share capital*	Control of more than twenty per cent of total share capital**	Control of more than twenty per cent of total share capital
5	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6	Networth attributable to Shareholding as per latest audited Balance Sheet	324.37	182.54	(128.00)
7	Profit / Loss for the year			
	Considered in Consolidation	53.18	111.92	-
	Not Considered in Consolidation			

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

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

**GSPC along with GSPL (Subsidiary of GSPC) holds 49.94% of equity stake in Sabarmati Gas Limited
***Alcock Ashdown (Gujarat) Limited is under Corporate Insolvency Resolution Process

Anil Mukim, IAS
Chairman
DIN : 02842064

Date : 15th June, 2021
Place : Gandhinagar

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Rajesh Sivadasan
Chief Financial Officer

ANNEXURE - III

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES FINANCIAL YEAR 2020-21 TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.

The 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.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Anil Mukim, IAS	Chairman	0	0
2	Smt Sunaina Tomar, IAS	Director	0	0
3	Dr. N. Ravichandran	Independent Director	0	0
4	Shri Sanjeev Kumar, IAS	Director	0	0

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

The contents of the CSR policy of GSPC are displayed on website of GSPC:

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

N.A

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - N.A.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹.)	Amount required to be set-off for the financial year, if any (in ₹.)
		N.A.	
	Total		

6. **Average net profit of the company as per section 135(5) :** ₹.(399.13) crores
7. (a) Two percent of average net profit of the company as per section 135(5) : ₹.(7.98) crores
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - **NIL**
 (c) Amount required to be set off for the financial year, if any. - **NIL**
 (d) Total CSR obligation for the financial year (7a+7b-7c). **NIL**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹.)	Amount Unspent (in ₹.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
	N.A.				

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **N.A.**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹.)	Amount spent in the current financial Year (in ₹.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹.)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
N.A.												

Director's Report _____

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
N.A									

- (d) Amount spent in Administrative Overheads - Nil
(e) Amount spent on Impact Assessment, if applicable:- NA
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) :- Nil
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹.crores)
(i)	Two percent of average net profit/(Loss) of the company as per section 135(5)	(7.11)
(ii)	Total amount spent for the Financial Year	N.A
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹.)	Amount spent in the reporting Financial Year (in ₹.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹.)
				Name of the Fund	Amount (in ₹.)	Date of transfer	
1.	2019-20	N.A	10 crores	N.A	N.A	N.A	N.A
2.	2018-19	N.A	N.A	N.A	N.A	N.A	N.A
3.	2017-18	N.A	N.A	N.A	N.A	N.A	N.A
	Total						

- The new provision of Section -135(5) and Section - 135(6) requiring transfer of funds were notified on 22nd January, 2021 and hence the same was not applicable for the previous three financial years.



(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): - N.A

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹.).	Amount spent on the project in the reporting Financial Year (in ₹.).	Cumulative amount spent at the end of reporting Financial Year. (in ₹.)	Status of the project - Completed /Ongoing.
N.A								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - N.A

(Asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

N.A.

Managing Director

Chairman

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, 2021 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, 2021 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, during the period under review:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 was not applicable to the Company, during the period under review;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 was not applicable to the Company, during the period under review;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 was not applicable to the Company, during the period under review;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 was not applicable to the Company, during the period under review;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 was not applicable to the Company, during the period under review;
 - 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 was not applicable to the Company, during the period under review; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 was not applicable to the Company, during the period under review;

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 was not applicable to the Company, during the period under review;



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, no events/actions have 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
FRN: P2011GJ025800

Place: Ahmedabad
Date: 15th June, 2021

MANOJ R HURKAT
Partner
FCS No. 4287 COP No.: 2574
UDIN: F004287C000444958

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

FRN: P2011GJ025800

Place: Ahmedabad

Date: 15th June, 2021

MANOJ R HURKAT

Partner

FCS No. 4287 COP No.: 2574

UDIN: F004287C000444958



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

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

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

Details of contracts or arrangements or transactions not at arm's length basis for the financial year 2020-2021

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

Details of material contracts or arrangement or transactions at arm's length basis for the financial year 2020-2021

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Gujarat Gas Limited - Subsidiary	Sale of Natural Gas	Ongoing/Regular	₹.5,955.51 crs	Not Applicable	Nil

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

Chairman

Date : 15th June, 2021

Place : Gandhinagar

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**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, 2021 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 2021, 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 (q) Accounting for oil and gas joint operations of Note No. 1 Significant Accounting Policies, which describes that the financial statements of the joint operations (unincorporated joint ventures) prepared in accordance with the requirements prescribed by the respective Production Sharing Contracts or Joint Operating Agreement of the joint operations (unincorporated joint ventures). In view of the same, certain adjustments/disclosures required under the mandatory Indian Accounting Standards and the provisions of the Companies Act, 2013 have been made in the standalone Ind AS financial statements to the extent information available with the Company as on the date.
- b) Note No. 31 to the Standalone Ind AS financial statements regarding impairment loss of 12 E&P blocks classified as Asset Held for Sale amounting to ₹.76.35 Crores, reversal of impairment earlier provided for amounting to ₹.36.17 Crores shown under Exceptional Items, impairment of nonmoving capital inventory of ₹.30.75 Crores, litigation settlement for royalty on royalty & royalty on sales price of ₹.55.41 Crore and non-reversal of impairment loss provided in earlier years in case of 9 continuing E&P blocks based on short term upside in oil prices.
- 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 ₹.1682.62 Crores (P.Y. ₹.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 ₹.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. 43 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 Ind AS 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.

Standalone Financial Statements

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 ₹.1287.55 Crores, total liabilities aggregating to ₹.2.90 Crores, income aggregating to ₹.39.70 Crores and expenditure aggregating to ₹.22.56 Crores in respect of Six (6) Producing Joint Operations (unincorporated joint ventures), which have been incorporated on the basis of accounts audited by other auditors.
 - (ii) Total assets aggregating to ₹.3687.58 Crores, total liabilities aggregating to ₹.2.82 Crores, income aggregating to ₹.39.65 Crores and expenditure aggregating to ₹.36.27 Crores in respect of Nine (9) 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 ₹.1.80 Crores, total liabilities aggregating to ₹.0.27 Crores, income aggregating to ₹. Nil and expenditure aggregating to ₹.0.48 in respect of Five (5) 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 ₹.239.41 Crores, total liabilities aggregating to ₹.5.52 Crores, income aggregating to ₹. NIL and expenditure aggregating to ₹. NIL Crores in respect of Fourteen (14) 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 Twenty-Three (23) Joint Operations (unincorporated joint ventures) for the year ended March 31, 2021 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:

Standalone Financial Statements _____

- 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)

Date : 15th June, 2021
Place : Gandhinagar

Amit Shah
(Partner)
Membership. No. 122131
UDIN:21122131AAAAAF4941

**“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 2021, 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:

(₹. in Crore)

Nature	Number of Assets	Gross Block	Net Block
Freehold Land	3	0.88	0.88
Building	2	6.30	2.00
Total	5	7.18	2.88

(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, 2021 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:

(₹. in Crore)

Name of the statute	Nature of dues	Amount under dispute and not yet deposited as on 31.03.2021 ₹. 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
		8.70	1997-1998	
		16.81	1998-1999	
		1.18	2003-2004	
		0.63	2006-2007	
		1.75	2008-2009	
Income Tax Act,1961	Income Tax Including interest and penalty as applicable	32.39	2000-2001	Income Tax Appellate Tribunal
		79.10	2001-2002	
		163.11	2002-2003	
		160.66	2003-2004	
		242.15	2004-2005	
		183.08	2005-2006	
		171.66	2006-2007	
		301.84	2007-2008	
		332.81	2008-2009	
		204.85	2009-2010	
		263.24	2010-2011	
		337.33	2011-2012	
		419.76	2012-2013	
		288.81	2013-2014	
100.73	2014-2015			
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	4.04	2014-2015	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 (Service Tax)	Service Tax Including interest and penalty as applicable	0.16	2020-2021	Commissioner of Service Tax (Appeals)

- (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)

Date : 15th June, 2021
Place : Gandhinagar

Amit Shah
(Partner)
Membership. No. 122131
UDIN:21122131AAAAAF4941

“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 31st March, 2021 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.

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



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GUJARAT STATE PETROLEUM CORPORATION LIMITED

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, 2021, 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)

Date : 15th June, 2021
Place : Gandhinagar

Amit Shah
(Partner)
Membership. No. 122131
UDIN:21122131AAAAAF4941

“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, 2021.

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. Whether such cases are properly accounted for?

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

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

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

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.



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GUJARAT STATE PETROLEUM CORPORATION LIMITED

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)

Date : 15th June, 2021
Place : Gandhinagar

Amit Shah
(Partner)
Membership. No. 122131
UDIN:21122131AAAAAF4941

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF GUJARAT STATE PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of Standalone financial statements of **Gujarat State Petroleum Corporation Limited** for the year ended 31 March 2021 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 15 June 2021.

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 2021 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 Auditor's report under Section 143 (6) (b) of the Act.

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

**(H. K. Dharmadarshi)
Principal Accountant General(Audit - II),
Gujarat.**

Date : 06 / 09 / 2021
Place : Ahmedabad

GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN : U23209GJ1979SGC003281)
Standalone Balance Sheet as at 31st March, 2021

(₹. in Crores)

Particulars	Notes	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	2	850.52	878.02
Capital work-in-progress	2	185.90	182.59
Investment property	3	1.13	1.16
Other intangible assets	4	1.20	1.30
Intangible assets under development	4	186.68	190.74
Financial assets			
Investment in subsidiary, associate & joint venture	5	3,928.24	3,928.29
Other investments	6	72.94	73.21
Loans	7	5.44	6.97
Other financial assets	8	68.72	66.58
Non current tax assets (net)	19	123.53	151.31
Other non financial assets	9	168.36	176.45
Total non-current assets		<u>5,592.66</u>	<u>5,656.62</u>
Current assets			
Inventories	10	292.30	99.08
Financial assets			
Trade receivables	11	870.99	839.20
Cash and cash equivalents	12	184.43	413.24
Other bank balances	12	309.72	231.29
Loans	7	57.60	48.35
Other financial assets	8	614.70	671.86
Other non financial assets	9	216.98	345.10
Total current assets		<u>2,546.72</u>	<u>2,648.12</u>
Non current assets held for sale	22	224.75	371.31
TOTAL ASSETS		<u>8,364.13</u>	<u>8,676.05</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,075.65	1,075.65
Other equity	14	694.69	(44.19)
Total Equity		<u>1,770.34</u>	<u>1,031.46</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	4,144.75	5,412.50
Other financial liabilities	16	12.65	12.56

GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN : U23209GJ1979SGC003281)
Standalone Balance Sheet as at 31st March, 2021

(₹. in Crores)

Particulars	Notes	As at 31 st March, 2021	As at 31 st March, 2020
Provisions	17	73.89	109.54
Deferred revenue/ contract liabilities	18	0.24	0.24
Other non financial liabilities	20	-	0.37
Total non-current liabilities		<u>4,231.53</u>	<u>5,535.21</u>
Current liabilities			
Financial liabilities			
Borrowings	15	100.00	149.67
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	0.63	0.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	1,085.24	700.55
Other financial liabilities	16	913.03	965.78
Other non financial liabilities	20	209.46	156.48
Deferred revenue/ contract liabilities	18	0.12	0.42
Provisions	17	1.41	2.85
Total current liabilities		<u>2,309.69</u>	<u>1,975.80</u>
Liabilities associated with non current assets held for sale	22	52.57	133.58
Total liabilities		<u>6,593.79</u>	<u>7,644.59</u>
TOTAL EQUITY AND LIABILITIES		<u>8,364.13</u>	<u>8,676.05</u>

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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar


GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

(₹. in Crores)

Particulars	Notes	As at 31 st March, 2021	As at 31 st March, 2020
INCOME			
Revenue from operations	23	13,579.76	15,232.37
Other income	24	209.37	114.60
TOTAL INCOME (A)		<u>13,789.13</u>	<u>15,346.97</u>
EXPENSES			
Production expenditure	25	59.08	81.03
Cost of traded goods	26	12,539.35	13,515.58
Changes in inventories of finished goods, Stock-in-process and stock-in-trade	27	(193.22)	(19.77)
Employee benefits expenses	28	12.25	17.49
Finance costs	29	414.01	624.90
Depreciation, depletion and amortization expenses		49.63	137.27
Other expenses	30	26.21	72.11
TOTAL EXPENSES (B)		<u>12,907.31</u>	<u>14,428.61</u>
Profit before exceptional items and tax (A-B)		<u>881.82</u>	<u>918.36</u>
Exceptional items	31	(143.17)	(551.98)
Profit before tax		<u>738.65</u>	<u>366.38</u>
Tax expense			
Current tax		-	-
Deferred tax	19	(0.12)	-
Profit after tax for the period (C)		<u>738.77</u>	<u>366.38</u>
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Changes in fair value of equity instruments		(0.26)	(7.68)
Remeasurement of post-employment benefit obligations		0.49	(2.34)
Income tax relating to these items		(0.12)	-
(B) Items that will be reclassified to profit or loss			
		-	-
Other comprehensive income for the period, net of tax (D)		<u>0.11</u>	<u>(10.02)</u>
Total Comprehensive Income for the Period (C+D)		<u>738.88</u>	<u>356.36</u>

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

(₹. in Crores)

Particulars	Notes	As at 31 st March, 2021	As at 31 st March, 2020
Earnings per equity share (EPS) (Face Value of ₹.1/- each)	32		
Basic (₹.)		0.69	0.38
Diluted (₹.)		0.69	0.34
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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar


GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Cash Flows for the year ended 31st March, 2021

(₹. in Crores)

Particulars	Notes	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
CASH FLOW FROM OPERATING ACTIVITIES			
Profit /(loss) before tax		738.65	366.38
Adjustments for:			
Depreciation, Amortisation & Depletion		49.63	137.27
Interest & Finance Charges		414.01	624.90
Net Loss/(gain) on Sale of Assets		(2.38)	0.03
Unrealised Foreign Exchange Loss/(Gain)		(13.10)	85.27
Employee benefit Expense		0.49	(2.34)
Misc. Exp. Written Off (net)		0.32	-
Reversal in Impairment on account of expected credit loss assessment		-	(0.18)
Exploration Cost Written off/(Written back)		1.48	0.67
Litigation Settlement		55.41	8.11
Impairment of oil and gas assets		70.93	540.32
Impairment on Investment		15.35	-
		<u>1,330.79</u>	<u>1,760.43</u>
Interest and Dividend Income		(79.74)	(107.82)
Operating Profit before working capital changes		<u>1,251.05</u>	<u>1,652.61</u>
Adjustments for working capital changes			
Change in Current/non-current Assets			
(Increase)/decrease in Loans		(7.72)	7.57
(Increase)/decrease in Other Financial Assets		(0.39)	387.39
(Increase)/decrease in Other Assets		136.21	(27.27)
(Increase)/decrease in Inventories		(193.22)	(22.56)
(Increase)/decrease in Trade Receivables		(32.11)	(200.13)
Change in Current/Non-current Liabilities			
Increase/(decrease) in Other Financial Liabilities		(168.66)	(602.22)
Increase/(decrease) in Provisions		(18.25)	(40.12)
Increase/(decrease) in Deferred Revenue/contract Liabilities		(0.30)	0.05
Increase/(decrease) in Other Liabilities		52.61	24.38
Increase/(decrease) in Trade payables		398.17	574.14
Cash Generated from/(Used in) Operations		<u>1,417.39</u>	<u>1,753.84</u>
Taxes (paid)/ refund		27.78	(18.07)
Net Cash Generated from/(Used in) Operating Activities (A)		<u>1,445.17</u>	<u>1,735.77</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Cash Paid for Purchase of Assets / CWIP including Joint Arrangements		(54.75)	(43.94)
Sale of Property Plant & equipment		29.02	0.10

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Cash Flows for the year ended 31st March, 2021

(₹. in Crores)

Particulars	Notes	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Sale of Investments in Subsidiaries /(Investment in Subsidiaries)		(15.30)	-
Interest and Dividend Income received		79.15	97.90
Movement in other bank balances		(77.84)	(30.34)
Net Cash Generated from/(Used in) Investing Activities (B)		<u>(39.71)</u>	<u>23.72</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Equity Share issue expenses paid		-	(0.55)
Proceeds /(Repayment) to Long Term Loans (net)		(1,186.09)	(558.52)
Proceeds /(Repayment) to Short Term Loans (net)		(49.67)	(337.55)
Interest & Financing Charges paid		(398.51)	(605.35)
Net Cash Generated from/(Used in) Financing Activities (C)		<u>(1,634.27)</u>	<u>(1,501.97)</u>
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)		(228.81)	257.52
Cash and Cash equivalents at the Beginning 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
		<u>413.24</u>	<u>155.72</u>
Cash and Cash equivalents at the End of the Year			
Cash on hand		0.08	0.08
Draft on hand		-	23.00
Fixed deposit with original maturity of less than 3 months		12.32	201.46
Bank Balances		172.03	188.70
		<u>184.43</u>	<u>413.24</u>

Notes

- (i) The above Statement of Cash Flow has been prepared using the "Indirect Method" as set out in the Ind AS-7 Statements of Cash Flows.
- (ii) 749,06,36,704 fully paid equity shares of face value ₹.1 each at premium of ₹.7.01 per share were issued to GSIL during FY 2019-20 against transfer of ₹.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 ₹.1 each at premium of ₹.7.01 per share (Non-Cash Transaction).



(iii) Change in Liability arising from Financing Activities:

(₹. in Crores)

Particulars	1 st April, 2020	Cash Flow	Accrued Interest	Foreign Exchange & Other Non Cash Movement	31 st March, 2021
Borrowing-Long Term including current portion (Refer Note 15)	5,863.81	(1,186.09)	(14.41)	48.75	4,712.06
Borrowing-Current (Refer Note 15)	149.67	(49.67)	-		100.00

(₹. in Crores)

Particulars	1 st April, 2019	Cash Flow	Accrued Interest	Foreign Exchange & Other Non Cash Movement	31 st March, 2020
Borrowing-Long Term including current portion (Refer Note 15)	6321.79	(558.52)	8.92	91.62	5,863.81
Borrowing-Current (Refer Note 15)	482.94	(337.55)	(0.03)	4.31	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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Standalone Statement of Changes in Equity (SOCIE) for the period ended on 31st March 2021

A. Equity Share Capital

(₹. in Crores)

Particulars	No. of Shares	Amount
Issued, subscribed and paid up share capital		
Equity Shares of ₹.1/- each fully paid up		
As at 1st April 2019	2,579,262,920	257.93
Equity shares issued during the year	8,177,277,344	817.73
As at 31st March 2020	10,756,540,264	1,075.65
Equity shares issued during the year	-	-
As at 31st March 2021	10,756,540,264	1,075.65

B. Instruments entirely equity in nature

(₹. in Crores)

Particulars	No. of Debentures	Amount
As at 1st April 2019		
Non Convertible Debentures	60,000	6,000.00
Compulsory Convertible Debenture	67,901,130	550.00
Movement during the year		
Less : Equity Shares issued against NCD liability transfer (Note 13 (e))	(60,000)	(6,000.00)
Less : Compulsory Convertible Debentures converted during the year (Note 13 (e))	(67,901,130)	(550.00)
As at 31st March 2020	-	-
Movement during the year	-	-
As at 31st March 2021	-	-

C. Other equity

(₹. in Crores)

Particulars	Reserves & Surplus				Other Comprehensive Income FVOCI-Equity Investments	Total Other Equity
	Capital reserve	Securities Premium	General reserve	Retained earnings		
Balance at April 1, 2019	1.28	3,740.06	3,245.14	(15,184.21)	2,065.42	(6,132.31)
Profit for the year	-	-	-	366.38	-	366.38
Other comprehensive income for the year	-	-	-	-	(7.68)	(7.68)
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	(2.34)	-	(2.34)
Changes in accounting policy due to Ind AS 116 Leases adoption	-	-	-	0.04	-	0.04
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)

C. Other equity

(₹. in Crores)

Particulars	Reserves & Surplus				Other Comprehensive Income	Total Other Equity
	Capital reserve	Securities Premium	General reserve	Retained earnings		
Profit for the year	-	-	-	738.77	-	738.77
Other comprehensive income for the year	-	-	-	-	(0.26)	(0.26)
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	0.37	-	0.37
Total comprehensive income for the year	1.28	9,471.78	3,245.14	(14,080.99)	2,057.48	694.69
Balance at March 31, 2021	1.28	9,471.78	3,245.14	(14,080.99)	2,057.48	694.69

Purpose of Reserves:

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

As per our report of even date attached.

For and on behalf of the Board of Directors

For 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 : 15th June, 2021
 Place : Gandhinagar

Date : 15th June, 2021
 Place : Gandhinagar

Notes to standalone financial statements for the year ended 31st March, 2021**CORPORATE INFORMATION**

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

The standalone financial statements for the year ended March 31, 2021 were approved and authorized for issue in accordance with a resolution passed in the meeting of the Board of Directors held on 15th June, 2021.

1. Significant accounting policies

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

(a) Basis of preparation of Financial Statements:**(i) Statement of compliance with Ind AS**

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

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

(ii) Historical cost convention

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

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

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

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

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

- Useful lives of property, plant and equipment, right of use assets and intangible assets
- Current / Deferred tax expense
- Measurement of defined benefit obligations, Key Actuarial Assumptions
- Provisions and contingencies
- Expected credit loss for receivables
- Estimation of Oil and Gas reserves
- Impairment
- Valuation of Inventory
- Going Concern including impact of COVID 19 pandemic



- Fair valuation of unlisted securities and Assets held for sale
- Definition of lease, lease team and discount rate

(iv) Current versus non-current classification

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

An asset is classified as current when it is:

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

The liability is classified as current when:

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

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

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

(b) Property, plant and equipment**(i) Oil and Gas properties**

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

1) Pre-acquisition Cost

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

2) Acquisition, Exploration & Evaluation Costs:

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

Exploration and Evaluation activities cover the prospecting activities conducted in search for oil and gas after 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 costs are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development as the case may be based on the nature of the expenditure.

3) Development Cost

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

4) Producing properties

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

5) Abandonment Cost

The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete/facilities are installed.

6) Surrender / Relinquishment of a Contract Area

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

7) Disposal of Interest

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

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 and Loss during the reporting period in which they are incurred.

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

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

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

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

(c) Investment properties

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

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

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

(d) Intangible assets

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

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

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

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

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

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

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

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

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

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

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

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

Depreciation on items of property, plant and equipment acquired / disposed 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 on estimates, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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

(g) **Leases**

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 had applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application was recognised in retained earnings at 1 April 2019, if any.

On transition to Ind AS 116, the Company had 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 date of initial application). The Company had used judgement in assessing the lease term (including anticipated renewals/termination options).

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 Asset Retirement Obligations 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 and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted. The Company recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss over the lease term.

Apart from grandfathering the assessment of which contracts contain a lease, the Company had 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; and
- Used hindsight in determining the lease term.

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 initial application of Ind AS 116 is the carrying amount of the lease asset and lease liability on that 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 had recognised lease equalisation asset as on the date of initial application of the standard, 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.

(j) Financial instruments

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

Financial assets**Initial recognition**

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

Initial measurement

At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

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).

Standalone Financial Statements

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

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

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

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

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

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Trade receivables

Trade receivables are recognised initially at fair value which is generally the transaction price 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. Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract 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 and 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 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 and financial liabilities measured at amortised cost, as appropriate.

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

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, 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 measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the 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 / losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability 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 drawn down. The said fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or other expenses.

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

Trade and other payables

These amounts represent liability for 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. forward contracts, swaps, commodity hedging contracts and option contracts, to hedge its price fluctuation risk, foreign exchange 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 and Loss.

(k) Offsetting financial instruments

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

**(i) Fair value measurement**

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

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

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

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

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

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

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

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

The Company's Board of Directors (BOD) determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale/distribution in discontinued operations. 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.

(m) Inventories

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

(n) Employee benefits**(i) Short term employee benefit obligations**

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

(ii) Other long-term employee benefit obligations

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

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

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

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

Gratuity/Post-Retirement Medical Benefit Scheme obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan / PRMBS 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 accumulated in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in 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 expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(iv) Termination benefits

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

(o) Foreign currency transactions

(i) Functional and presentation currency

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

(ii) Transactions and balances

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



Foreign exchange differences regarded as an adjustment to borrowing costs and MTM for derivatives taken for FCNR loan are presented as finance costs in the 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.

(p) Revenue recognition

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

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

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

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

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

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

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

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

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

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

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.

Where the Company's performance obligation is to arrange for the provision of goods or services by another party, it is acting as an agent and hence the Company recognises revenue in the amount of any fee or commission to which it expects to be entitled

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in exchange for arranging for the other party to provide its goods or services. The Company's fee or commission is the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

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

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

(r) Taxation

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

Current Tax

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

Advance taxes and provisions for current income taxes are presented 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.

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/taxable 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.

(s) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

(t) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

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

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

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

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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.

(u) Cash and Cash Equivalents

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

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

(v) Investments in subsidiaries, joint venture and associates

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

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

(w) Statement of Cash Flows

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

(x) Dividends

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

(y) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. 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.

(z) Rounding off

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

(aa) Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the Balance Sheet date occurring after the Balance Sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the Balance Sheet date) occurring after the Balance Sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

(bb) Exceptional Items

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

**(cc) Allocation of General Administrative Expenses**

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

(dd) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income specified under the head ‘additional information’ in the notes forming part of consolidated financial statements.

While the amendments are mandate significant disclosures, no financial impact is perceived. The Company will evaluate requirements and give effect of the same as required by the regulations.

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Note 2
Property, plant, equipment as at 31st March 2021

Particulars	Gross Block			Depreciation, Depletion and Amortization					Net Block	
	As at 1 st April 2020	Addition during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 1 st April 2020	For the year	Impairment during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 31 st March 2020
Freehold Land	121.04	-	(13.16)	107.88	-	-	-	-	107.88	121.04
Lease hold Land (i)	8.49	-	-	8.49	0.62	0.47	-	1.09	7.40	7.87
Buildings (i)	35.74	-	(0.06)	35.68	7.24	1.41	-	(0.05)	27.08	28.50
Plant and Machinery	1,245.24	25.52	-	1,270.76	1,094.47	21.22	-	-	155.07	150.77
Furniture and Fixture	4.81	-	-	4.81	3.39	0.30	-	-	1.12	1.42
Office Equipment	4.08	0.01	-	4.09	2.72	0.10	-	2.82	1.27	1.36
Computer Equipment	3.20	0.63	(0.48)	3.35	1.31	0.34	-	(0.45)	2.15	1.89
Vehicles	0.51	-	-	0.51	0.29	0.06	-	-	0.16	0.22
Producing Properties	1,369.87	0.57	-	1,370.44	804.92	25.30	-	(8.17)	548.39	564.95
Total assets	2,792.98	26.73	(13.70)	2,806.01	1,914.96	49.20	-	(8.67)	850.52	878.02
Capital work in progress :										
Exploration & Development*									185.60	156.77
CWIP Others									0.30	25.82
Total capital work in progress									185.90	182.59

* During the FY 20-21, the Company has provided for ₹.30.75 Crores as impairment. Refer Note No. 31 (a).



Property, plant, equipment as at 31st March 2020

(₹. in Crores)

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

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

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

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2020	Addition during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 1 st April 2020	For the year	Impairment during the year	As at 31 st March 2021	As at 31 st March 2020
ROU - Land	8.49	-	-	8.49	0.62	0.47	-	7.40	7.87
ROU - Building	3.05	-	-	3.05	0.68	0.12	-	2.25	2.37
Total	11.54	-	-	11.54	1.30	0.59	-	9.65	10.24

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

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

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.

Note 3

Investment property as at 31st March 2021

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2020	Addition during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 1 st April 2020	For the year	Disposal/ Adjustment	As at 31 st March 2021	As at 31 st March 2020
Land and building ^a	1.41	-	-	1.41	0.25	0.03	-	1.13	1.16
Total Investment property	1.41	-	-	1.41	0.25	0.03	-	1.13	1.16

Investment property as at 31st March 2020

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

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

Notes

- a. The assets are given on lease to group companies for various lease term as agreed mutually. The leases are cancellable subject to the agreed notice period.
- b. Amount recognised in Statement of Profit and Loss for investment properties :

Particulars	(₹ in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Rental Income	1.37	1.41
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	1.37	1.41
Depreciation	(0.03)	(0.04)
Profit from investment properties	1.34	1.37

c. Fair Value

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

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Note 4
Other intangible assets as at 31st March 2021

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2020	Addition during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 1 st April 2020	For the year	Disposal/ Adjustment	As at 31 st March 2021	As at 31 st March 2020
Software	6.80	0.30	-	7.10	5.50	0.40	-	1.20	1.30
Total other intangible assets	6.80	0.30	-	7.10	5.50	0.40	-	1.20	1.30
Intangible assets under development									
Exploration & Development Software								186.38	190.60
Total of intangible assets under development								186.68	190.74

Other intangible assets as at 31st March 2020

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

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

Note 5
Investments in subsidiary, associates & joint ventures

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Non-Current		
A. Investments in quoted equity shares of subsidiary companies (at cost) ^a		
212,305,270 (31 st March, 2020 : 212,305,270) fully paid up equity shares of Gujarat State Petronet Ltd. of ₹.10 each	2,633.65	2,633.65
	<u>2,633.65</u>	<u>2,633.65</u>
B. Investments in unquoted equity shares of subsidiary companies (at cost) ^a		
840,002,936 (31 st March, 2020 : 840,002,936) fully paid up equity shares of GSPC Pipavav Power Co. Ltd of ₹.10 each	840.00	840.00
25,060 (31 st March, 2020 : 25,060) fully paid up equity shares of Guj Info Petro Ltd. of ₹.10 each	0.03	0.03
	<u>840.03</u>	<u>840.03</u>
C. Investments in unquoted equity shares of subsidiary companies (at cost)		
50,000 (31 st March, 2020 : 50,000;) fully paid up equity shares of GSPC Offshore Ltd. of ₹.10 each	0.05	0.05
50,000 (31 st March, 2020 : 50,000) fully paid up equity shares of GSPC Energy Ltd. of ₹.10 each	0.05	0.05
114,690,060 (31 st March, 2020 : 99,390,060) fully paid up equity shares of GSPC (JPDA) Ltd of ₹.10 each	114.69	99.39
Less : Provision for impairment on shares of GSPC (JPDA) Ltd & GSPC Offshore Ltd ^c	(114.74)	(99.39)
	<u>0.05</u>	<u>0.10</u>
D. Investments in unquoted equity shares of equity accounted investees (at cost) ^a		
272,397,426 (31 st March, 2020 : 272,397,426) fully paid up equity shares of Gujarat State Energy Generation Ltd (Associate) of ₹.10 each ^b	278.96	278.96
4,494,330 (31 st March, 2020 : 4,494,330) fully paid up equity shares of Sabarmati Gas Ltd (Joint Venture) of ₹.10 each	175.55	175.55
11,500,000 (31 st March, 2020 : 11,500,000) fully paid up equity shares of Alcock Ashdown (Gujarat) Ltd (Associate) of ₹.10 each	11.50	11.50
Less : Provision for impairment on shares of Alcock Ashdown (Gujarat) Ltd. ^c	(11.50)	(11.50)
	<u>454.51</u>	<u>454.51</u>
Total investments in subsidiary, associates & joint ventures	<u>3,928.24</u>	<u>3,928.29</u>
Aggregate value of quoted investments	<u>2,633.65</u>	<u>2,633.65</u>
Aggregate value of unquoted investments	<u>1,420.83</u>	<u>1,405.53</u>
Provision for impairment on unquoted investments	<u>(126.24)</u>	<u>(110.89)</u>
Aggregate value of investments	<u>3,928.24</u>	<u>3,928.29</u>
Market Value of Quoted Investments in Subsidiaries	<u>5,803.36</u>	<u>3,661.20</u>

Notes

- a. On transition to Ind AS, the Company had elected to fair value its investments in equity share of subsidiaries, associates & joint ventures as at 1st April, 2015 and carry the same as deemed cost thereafter. The deemed cost so determined has been carried at cost thereafter.

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- b. The percentage holding of the Company in Gujarat State Energy Generation Ltd 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 ₹.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 ₹.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 ₹.11.50 crores. Further, National Company Law Tribunal (Ahmedabad), vide its order dated 8 March 2021, appointed Insolvency Resolution Profession to initiate Corporate Insolvency Resolution Process of Alcock Ashdown (Gujarat) limited.

The Company had made investment in GSPC Offshore Ltd. amounting to ₹.0.05 crores (31st March, 2020 : ₹.0.05 crores) for carrying out E&P activities in Offshore fields. During the year, the Company has decided not to carry out any activities in this company and has fully provided for impairment in its books of accounts.

The Company had made an investment through Special Purpose Vehicle (SPV) in GSPC (JPDA) Ltd. amounting to ₹.114.69 crores (31st March, 2020 : ₹.99.39 crores) to carry out exploration activities in Australia. The exploration activities had created significant commercial uncertainty which has negatively impacted the ability of the Joint arrangement partners to meet the obligations under the Production Sharing Contract. Hence, the Company has fully provided impairment in its books of accounts.

Note 6

Other Investments

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
A. Investment in quoted equity shares of other companies (measured at fair value through OCI)		
3,697,000 (31 st March, 2020 : 3,697,000) fully paid up equity shares of Gujarat Industries Power Company Ltd. of ₹.10 each	28.00	18.45
B. Investment in unquoted equity shares of other companies (measured at fair value through OCI)		
11,430,000 (31 st March, 2020 : 11,430,000) fully paid up equity shares of GSPC LNG Ltd of ₹.10 each	15.94	25.76
29,004,033 (31 st March, 2020 : 29,004,033) fully paid up equity shares of ONGC Petro Additions Ltd of ₹.10 each	29.00	29.00
Total non-current investments	<u>72.94</u>	<u>73.21</u>
Market Value of Investment in quoted equity shares of other company	<u>28.00</u>	<u>18.45</u>

Notes

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

Note 7
Loans

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Loans and Advances to Employees		
Loans Receivables considered good - Secured	5.44	6.97
Total non-current loans	5.44	6.97
Current		
Loans and Advances to Employees		
Loans Receivables considered good - Secured	0.49	0.29
Advances to Related Parties considered good - Unsecured*	57.11	48.06
Total current loans	57.60	48.35

* Refer Note 38

Note 8
Other financial assets

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Application Money paid towards securities (Refer note no 5b)	61.47	61.47
Receivable from employees (Unsecured - considered good)	0.23	0.15
Site restoration fund - Deposits with banks ^a	7.02	4.96
Total non-current financial assets	68.72	66.58
Current		
Advances recoverable in cash (Unsecured, considered good)		
Amount receivable under Joint arrangements	614.18	671.39
Advances recoverable in cash (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)	0.13	0.24
Other financial assets ^b	0.24	0.08
Total current financial assets	614.70	671.86

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 equipment and installations in a manner agreed with Central Government pursuant to an abandonment plan to prevent hazards to life, property, environment etc. This amount is considered as restricted cash and hence not considered as 'Cash and Cash equivalents'.
- b. includes assets related to employee benefits plan (refer note no.35)

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Note 9

Other non-financial assets

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Prepaid expense	0.05	0.01
Deferred employee cost	1.24	0.87
Other Non Financial assets*	167.07	175.57
Total non-current non-financial assets	168.36	176.45
Current		
Prepaid expense	2.03	2.02
Deferred employee cost	0.69	1.28
Balance with Government Authorities	83.40	60.47
Other Non Financial assets** - Current	130.86	281.33
Total current non-financial assets	216.98	345.10

*Includes lease equalisation asset.

** Includes amount paid under protest

Note 10

Inventories (For valuation, refer significant accounting policy)

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Finished goods - Crude oil (valued at rate specified in COSA)	2.01	1.84
Condensate	15.83	14.30
Traded goods - Liquefied natural gas	274.46	82.94
Total inventories	292.30	99.08

Note 11

Trade receivables

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Trade Receivable considered good - Secured	726.37	561.49
Trade Receivable considered good - Unsecured	144.62	277.71
Trade Receivable Credit Impaired	2.94	2.94
Less : Impairment on account of expected credit loss assessment	(2.94)	(2.94)
Total trade receivables	870.99	839.20

Note 12
Cash and cash equivalents & other bank balances

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash and cash equivalents		
Balances with banks / financial institutions		
In current accounts	172.03	188.70
Draft on hand	-	23.00
Fixed deposit with original maturity of less than 3 months	12.32	201.46
Cash on hand	0.08	0.08
Total cash and cash equivalents	<u>184.43</u>	<u>413.24</u>
Other bank balances		
Margin money deposits	149.45	88.09
Fixed Deposit with banks / financial institutions		
With original maturity of more than 3 months but less than 12 months*	160.27	143.20
Total other bank balances	<u>309.72</u>	<u>231.29</u>

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

Note 13
Equity share capital

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised share capital		
1200,00,00,000 equity shares of ₹.1 each (31 st March, 2020 :		
1200,00,00,000 equity shares of ₹.1 each)	1,200.00	1,200.00
Total	<u>1,200.00</u>	<u>1,200.00</u>

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Issued, subscribed and paid up capital		
10,756,540,264 equity shares of ₹. 1 each (31 st March, 2020 :		
10,756,540,264 equity shares of ₹. 1 each)	1,075.65	1,075.65
Total	<u>1,075.65</u>	<u>1,075.65</u>

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

Particulars	No. of Shares	(₹. in Crores)
	Equity Shares of ₹.1 each fully paid	
As at 1st April 2019		
Shares outstanding at the beginning of the period	2,579,262,920	257.93
Add : Shares issued during the year (Refer (e))	8,177,277,344	817.73
Less: Shares cancelled during the period		-
As at 31st March 2020	10,756,540,264	1,075.65
As at 1st April 2020		
At the beginning of the year	10,756,540,264	1,075.65
Add : Shares issued during the year	-	-
As at 31st March 2021	10,756,540,264	1,075.65

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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Number of Equity Shares		
Government of Gujarat (Ultimate Holding Company)	3,489,449,630	2,241,010,179
Gujarat State Investment Limited (Holding Company)	6,264,789,694	7,513,229,145
Gujarat State Financial Service Limited	170,000,000	170,000,000
% Holding in equity shares		
Government of Gujarat (Ultimate Holding Company)	32.44%	20.83%
Gujarat State Investment Limited (Holding Company)	58.24%	69.85%
Gujarat State Financial Service Limited	1.58%	1.58%

Notes

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

Terms / Rights attached to equity shares

- b. The Company has only one class of equity shares having a face value of ₹. 1 per share. Each holder of equity shares is entitled to one vote per share.
- c. During the year ended 31st March, 2021 the amount of dividend per share recognized as distributions to equity shareholders is ₹. NIL (31st March, 2020: NIL).
- d. In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by each shareholder.
- e. No bonus shares issued by the Company during last five years immediately preceding the reporting date. Further during 2019-20, the Company issued:
- 686,640,640 fully paid up equity shares against conversion of Compulsorily Convertible Debentures of ₹.550 Crore; and
 - 7,490,636,704 fully paid up equity shares on settlement of Non-Convertible Debenture of ₹.6000 Crore (through Scheme of Arrangement).

Note 13A
Instruments entirely equity in nature

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Balance at the beginning of the year	-	6,550.00
Add : Consideration to be settled in Equity - NCD		-
Add : Compulsory Convertible Debentures due for Conversion		-
Less : Converted into equity during the year (Refer Note 13 (e))		(6,550.00)
Balance at the end of the year	<u>-</u>	<u>-</u>

Note 14
Other equity

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Capital reserve	1.28	1.28
Securities premium	9,471.78	9,471.78
General Reserve	3,245.14	3,245.14
Retained Earnings	(14,080.99)	(14,820.13)
Other Comprehensive Income	2,057.48	2,057.74
Total other equity	<u>694.69</u>	<u>(44.19)</u>

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Capital reserve		
Opening Balance	1.28	1.28
Movements during the year	-	-
Total capital reserve	<u>1.28</u>	<u>1.28</u>

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Securities premium		
Opening Balance	9,471.78	3,740.06
Add: Addition during the Year	-	5,732.27
Less: Utilisation during the year	-	(0.55)
Total securities premium	<u>9,471.78</u>	<u>9,471.78</u>

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Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
General reserve		
Opening Balance	3,245.14	3,245.14
Movements during the year	-	-
Total General reserve	<u>3,245.14</u>	<u>3,245.14</u>

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Retained earnings		
Opening Balance	(14,820.13)	(15,184.21)
Add:		
Profit/(Loss) during the year	738.77	366.38
Changes in accounting policy due to Ind AS 116 Leases adoption	-	0.04
Remeasurement of post employment benefit obligation (net of tax)	0.37	(2.34)
Total Retained earnings	<u>(14,080.99)</u>	<u>(14,820.13)</u>

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Other Comprehensive Income		
FVOCI - equity investments		
Opening Balance	2,057.74	2,065.42
Current Year OCI	(0.26)	(7.68)
Total Other Comprehensive Income	<u>2,057.48</u>	<u>2,057.74</u>

Note 15

Borrowings

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-current borrowings		
Secured		
Term loan from banks	2,875.69	3,578.44
Unsecured		
Term loan from related party - GSFS	1,269.06	1,834.06
Total non-current borrowings	<u>4,144.75</u>	<u>5,412.50</u>
Current borrowings		
Secured		
From banks (Loans repayable on demand)	-	149.67
Unsecured		
From banks (Loans repayable on demand)	100.00	-
Total current borrowings	<u>100.00</u>	<u>149.67</u>

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Current maturities of long term borrowings (Shown as part of other current financial liabilities : Refer Note 16)		
Secured		
Term loan from banks	212.37	185.37
Unsecured		
Term loan from related party - GSFS	354.94	265.94
Total current maturities of non-current borrowings	567.31	451.31

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 ₹.858.65 Crores (PY - ₹.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. GSPC has on 9th April 2021, converted the entire existing INR term loan into USD FCNR loan of USD 115.56 Million, pricing linked to 6 month Libor for a tenor up to 30.03.2022 by entering into forward contract i.e. fully hedge basis at a competitive rate of interest. 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 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. GSPC had outstanding External Commercial Borrowing (ECB) of USD 144.72 Million as on March 2020 availed from various consortium of bank i.e. Foreign Currency Loan (ECB-1) of USD 200 Million (Outstanding of USD 12.55 Million), Foreign Currency Loan (ECB-2) of USD 250 Million (outstanding of USD 60.78 Million) and USD 75 Million (outstanding of USD 18.57 Million), Foreign Currency Loan (ECB - 3) of USD 100 Million (outstanding of USD 24.24 Million), Foreign Currency Loan (ECB - 4) of USD 100 Million (outstanding of USD 28.58 Million). During FY 2020-21, GSPC has repaid due installment of USD 12.55 Million under Foreign Currency Loan (ECB-1) of USD 200 Million and prepaid entire USD 28.58 Million under Foreign Currency Loan (ECB - 4). The balance outstanding of USD 103.59 Million has been converted to INR term loan of ₹.764.78 Crores after RBI approval with State Bank of India to mitigated foreign exchange risk exposure at a pricing linked to 3 Month MCLR of SBI + Spread. Thereafter, GSPC has on 4th June 2021, converted the entire existing INR term loan into USD FCNR loan of USD 104.50 Million, pricing linked to 6 month Libor for a tenor up to 30.03.2022 by entering into forward contract i.e. fully hedge basis at a competitive rate of interest. The Company has provided same security as offered to ECB lenders i.e. 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 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. State Bank of India has provided a Corporate Loan (RTL 3) of ₹.2,100 Crores (Current Outstanding - ₹.892.29 Crores (PY : ₹.971.25 Crores)) in FY 2019-20. The Company has repaid ₹.78.75 Crores towards installment due in FY 2020-21. GSPC has on 30th March 2021, entered into forward contract for converting the entire existing INR term loan into USD FCNR loan of USD 121.88 Million with loan start date effective from 5th April 2021, pricing linked to 6 month Libor for a tenor up to 30.03.2022 by entering into forward contract i.e. fully hedge basis at a competitive rate of interest. 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.
- d. Consortium of member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL 2) of ₹.4,500 Crore (Outstanding as on March 2020 ₹.889.32 Crore). During FY 2020-21, GSPC has prepaid ₹.300 Crores to all the term loan lenders on pro rata basis as per terms of the agreement, after which the outstanding was ₹.589.32 Crores. During the year,

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GSPC has replaced the entire term loan from consortium of bank to HDFC bank (Current Outstanding of ₹.588.75 Crores with same tenor and pricing linked to RBI repo rate. GSPC is in process of creation of security, wherein the ROC charge creation is pending for an approval from existing bank in who's favor security is provided, the loan will be 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.

Unsecured

- e. The Company had received sanction for long term loan of ₹.1,500 Crores in F.Y. 2018-19 from GSFS (Current outstanding ₹.574 Crores (Previous outstanding ₹.1,050 Crores) for general business purpose. The Company has also availed sanction for long term loan of ₹.1,050 Crores from GSFS (Current outstanding ₹.1,050 Crores (Previous outstanding ₹.1,050 crores) for general business purpose.
- f. Foreign Currency loans that are not hedged by derivative instruments (Currency) as on 31st March 2021 is USD NIL (31st March, 2020 USD 144.74 million) ₹.NIL (31st March, 2020 : ₹.1,091.08 crores).

Sr. no.	Particulars	Total Outstanding (₹ in crores)*	Maturity period	Rate of Interest (p.a)**	Repayable in 12 months	Repayable in 2 to 4 years	Repayable in 5 to 7 years	Repayable in 8 to 10 years
1	Rupee Term Loan-1	858.65	30-Sep-24	3 Month MCLR + Spread	-	858.65	-	-
2	Rupee Term Loan-2	588.75	31-Mar-29	RBI Repo Rate + Spread	-	0	388.55	200.20
3	Rupee Term Loan-3	764.78	31-Dec-25	3 Month MCLR + Spread	140.87	531.68	92.23	
4	Corporate Loan	892.29	30-Sep-28	3 Month MCLR + Spread	78.75	168.00	540.75	104.79
5	GSFS Loan	1,624.00	30-Sep-29	Floating Rate of Interest - presently 7.00%	347.69	324.75	689.06	262.50
	Total	4,728.47			567.31	1,883.08	1,710.59	567.49

*The amounts outstanding for various loans as on 31st March, 2021 are as per the terms of the agreement. The amount represents actual amount payable to banks on reporting date excluding accounting effects of Effective interest Rate (EIR) as per Ind AS.

**refer note 15(a), 15(b), 15(c)

Note 16

Other financial liabilities

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Other payables (including deposits received from customers)	12.65	12.56
Total non-current financial liabilities	<u>12.65</u>	<u>12.56</u>
Current		
Current maturities of non-current borrowings (Note 15)	567.31	451.31
Payable to/on behalf of joint arrangement	306.79	452.27
Others	36.87	62.20
Derivative liability (refer note 39)	2.06	-
Total current financial liabilities	<u>913.03</u>	<u>965.78</u>

Note 17
Provisions

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Provision for decommissioning obligations	73.74	92.58
Provision for gratuity and loyalty bonus*	0.15	12.23
Provision for leave benefits*	-	4.73
Total non-current provisions	<u>73.89</u>	<u>109.54</u>
Current		
Provision for profit petroleum	-	0.36
Provision for gratuity and loyalty bonus*	1.36	1.84
Provision for leave benefits*	0.05	0.65
Total current provisions	<u>1.41</u>	<u>2.85</u>

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

Movements in Provisions	(₹. in Crores)	
	Non-current	current
	Provision for decommissioning obligations	Provision for profit petroleum
At 1 April 2020 (Opening balance)	92.58	0.36
Add: Unwinding of Discounts	2.59	-
Add/(Less): Provision made/(reversed) during the year	(21.43)	0.11
Less: Provision utilised during the year	-	(0.47)
At 31 March 2021 (Closing balance)	<u>73.74</u>	<u>-</u>

Note 18
Deferred revenue/ contract liabilities

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-current		
Income received in advance	0.24	0.24
Total non-current deferred revenue/ contract liability	<u>0.24</u>	<u>0.24</u>
Current		
Income received in advance	0.12	0.42
Total current deferred revenue/ contract liability	<u>0.12</u>	<u>0.42</u>

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Note 19

A) Non Current Tax Assets (Net)

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Advance Income Tax	1,529.89	1,557.67
Provision for Tax	(1,406.36)	(1,406.36)
Non Current Tax Assets (Net)	<u>123.53</u>	<u>151.31</u>

B) Tax expense

Amount recognised in statement of profit and loss

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Current income tax	-	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(0.12)	-
Deferred tax expense	<u>(0.12)</u>	<u>-</u>
Total tax expense for the year	<u>(0.12)</u>	<u>-</u>

Amount recognised in other comprehensive income

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Items that will not be reclassified to profit or loss (A)		
Remeasurement of post-employment benefit obligations	0.49	(2.34)
Changes in fair value of equity instruments	(0.26)	(7.68)
	<u>0.23</u>	<u>(10.02)</u>
Income tax relating to items that will not be reclassified to profit or loss (B)		
Remeasurement of post-employment benefit obligations	(0.12)	-
	<u>(0.12)</u>	<u>-</u>
Net amount recognised in other comprehensive income (A+B)		
Remeasurements of the defined benefit plans	0.37	(2.34)
Equity instruments through other comprehensive income	(0.26)	(7.68)
	<u>0.11</u>	<u>(10.02)</u>

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

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Profit before tax	738.65	366.38
Tax using the Company's domestic tax rate @ 25.168% (Last Year @ 34.944%)	185.90	128.02
Tax effect of:		
Non-deductible tax expenses		
Provision for impairment not allowable for taxes	26.96	188.96
Taxable amount u/s. 42(2)(b)	4.99	-
Depreciation as per Statement of Profit and Loss	12.49	48.00
Interest on Late payment of TDS	-	0.02
Donations	-	3.49
Provision for Diminution in the Value of Investment	3.85	-
Exploration Cost Written Off	0.31	-
Impact on account of Ind As	6.61	6.55
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	(4.47)	2.36
Deductions		
Depreciation as per Income tax act	(164.49)	(265.91)
Dividend Income exempt u/s. 10(34)	-	(15.72)
Deduction allowable - Others		
Deduction u/s. 42	-	(36.98)
Profit on Sale of Asset	(0.60)	0.01
Recognition of tax effect of previously unrecognised tax losses	(71.55)	(58.80)
Recognition of deferred tax	(0.12)	-
Tax expense recognised in Statement of Profit and Loss	(0.12)	0.00

Note 19
C) Deferred tax asset/ (liabilities) [Net]
Movement in deferred tax balances
(₹. in Crores)

Particulars	31 st March, 2021							
	Net balance April 1, 2020	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 deficit of carrying value of PPE over Tax base	621.00	(5.67)	-	-	-	615.33	658.53	(43.20)
Investments	(609.15)	-	-	-	-	(609.15)	-	(609.15)
Loans and borrowings	(11.81)	5.85	-	-	-	(5.96)	-	(5.96)
Other items	(0.04)	(0.06)	(0.12)	-	-	(0.22)	-	(0.22)
Tax assets/ (liabilities)	0.00	0.12	(0.12)	-	-	0.00	658.53	(658.53)
Set off tax								
Net tax assets/ (liabilities)	0.00	0.12	(0.12)	-	-	0.00	658.53	(658.53)

(₹. in Crores)

Particulars	31 st 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 deficit 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)

Tax losses carried forward

Particulars	31-Mar-21	Expiry date	31-Mar-20	Expiry date
Expire	11,713.15	31-Mar-25	11,913.72	31-Mar-25
Never Expire	953.04	-	1,037.05	-

Notes

- The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
- Provision of Tax for the current year is ₹.NIL (31st March, 2020: NIL).

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

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

No provision is made for such disputed Income tax liabilities, which is estimated at ₹.1,682.62 crores (31st March, 2020 : 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. Accordingly, during the year under consideration, Deferred Tax Assets of ₹.4100.05 Crores and Deferred Tax Liabilities of ₹.658.54 Crores has been worked out. In view of paragraph 27,28,29,31 and 35 of Ind AS - 12 on Income Taxes, Deferred Tax Assets has been created only to the extent of Deferred Tax Liabilities i.e. ₹. 658.54 Crores and hence, Deferred Tax Assets of ₹.3,441.52 Crores has not been recognised.
5. During the year, the Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 dated 20/09/2019. Accordingly, the Company has recognised Provision for Income tax and re-measured its deferred tax liabilities.

Note 20
Other non financial liabilities

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-current		
Others	-	0.37
Total non-current non-financial liabilities	<u> </u>	<u>0.37</u>
Current		
Statutory liability	200.94	139.32
Other liabilities	8.52	17.16
Total current non-financial liabilities	<u>209.46</u>	<u>156.48</u>

Note 21
Trade payables

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Total outstanding dues of micro enterprises and small enterprises	0.63	0.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,085.04	700.55
Total trade payables	<u>1,085.67</u>	<u>700.60</u>

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Notes

(a) Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
1. The principal amount outstanding as at the end of accounting year.		
a) Trade payable	0.63	0.05
b) Capital creditors	-	-
2. Principal amount due and remaining unpaid as at the end of accounting year.	-	-
3. Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year. -	-	-
4. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
5. Interest accrued and remaining unpaid at the end of accounting year (Refer Note below).	-	-
6. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

- (b) In previous year, the company had claimed Force Majeure under the Gas Purchase Agreements on account of pandemic. Pursuant to which suppliers had agreed to reschedule the affected cargos and accordingly there is no additional impact on account of the claim for Force Majeure and rescheduled cargoes.

Note 22

a) Non Current Assets held for sale

During FY 2018-19, the management had 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. Of the total 12 blocks, MoP&NG approval was received for 4 blocks (namely Hazira, Dholasan, Allora and North Kathana) during FY 2020-21. Further, the Company has found buyer for 3 other blocks (namely Cambay, Bhandut and Unawa) and the Company is in the process of obtaining necessary approvals for transfer of Participating Interest. During the year, the Company has decided to surrender CB ONN 2004/3 block. For, balance blocks, the Company is in discussion with probable buyers. Accordingly, as per Ind AS 105 - 'Non-current Assets Held for Sale and Discontinued Operations', such group of assets/liabilities (8 blocks as at 31st March, 2021 and 12 blocks as at 31st March, 2020) have been reclassified as assets/liabilities held for sale and measured at the lower of carrying amount and fair value less cost to sale as presented in the table below:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Assets		
Non current assets (net of depreciation and amortisation where applicable)		
Producing Properties	201.90	248.80
Freehold Land	0.14	2.04
Office equipment	0.01	0.08
Computer equipment	0.02	0.05
Plant and machinery	0.01	0.06
Furniture and fixtures	0.01	0.01
Vehicle	0.01	0.01
Building	0.01	1.54
Exploration & Development	455.17	450.99
Site Restoration Fund	-	109.81
Other Current Assets	11.44	28.42
Total carrying value of non-current assets	<u>668.72</u>	<u>841.81</u>
Liabilities associated with above group of assets		
Other Current liabilities	(52.57)	(133.58)
Net assets classified as held for sale during the year (A)	<u>616.15</u>	<u>708.23</u>
Fair value less cost to sell of above group of assets (B)	<u>159.02</u>	<u>237.50</u>
Impairment loss recognised till 31.03.2019 (C)	<u>316.89</u>	<u>316.89</u>
Impairment loss recognised during FY 2019-20 (D)	<u>153.84</u>	<u>-</u>
Impairment loss relating 4 blocks transferred during the year (E)	<u>(53.78)</u>	<u>-</u>
Impairment loss recognised in statement of profit and loss as an exceptional item		
(F) = (A) - (B) - (C) - (D) - (E)	<u>40.18</u>	<u>153.84</u>

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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Revenue	13.09	17.66
Expense	(17.47)	(33.54)
Impairment	(40.18)	(153.84)
Profit/(loss) before tax	<u>(44.56)</u>	<u>(169.72)</u>
Income tax expense	-	-
Profit/(loss) after tax	<u>(44.56)</u>	<u>(169.72)</u>

b) During the year, the Company has classified a land in Andhra Pradesh having carrying value of ₹.13.16 crores as assets held for sale and the process to sale the land is initiated by the Company during the year.

During the previous year, the Company had classified one of its building, situated at Gandhinagar as asset held for sale at book value of ₹.0.23 Crores. The sale transaction was completed during FY 2020-21.

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Note 23

Revenue from operations

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Sale of products		
Sale of natural gas - Trading	12,967.29	14,708.90
Sale of gas - Joint Arrangements	13.92	16.18
Sale of oil - Joint Arrangements	48.36	50.57
Sale of electricity - Windmills	28.95	42.89
	<u>13,058.52</u>	<u>14,818.54</u>
Sale of service		
Re-gasification income	449.31	343.98
Transportation income	34.97	23.79
	<u>484.28</u>	<u>367.77</u>
Other operating revenues	36.96	46.06
Total revenue from operations*	<u>13,579.76</u>	<u>15,232.37</u>

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

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Revenue as per contracted price		
Adjustments	13,580.12	15,232.90
Rebates	(0.36)	(0.53)
Revenue from contract with customers	<u>13,579.76</u>	<u>15,232.37</u>

Note 24

Other income

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Interest Income		
Interest on Deposits with banks	26.34	49.44
Others interest income	10.53	13.39
	<u>36.87</u>	<u>62.83</u>
Dividend from long term investments		
Dividend from subsidiary/ Joint Venture companies	44.48	43.92
Dividend from other companies	1.07	1.07
	<u>45.55</u>	<u>44.99</u>
Other non-operating income		
Lease Rental Income	3.33	2.43
Other income - Joint Arrangements	1.63	3.96
Net profit on sale of Property, Plant & equipment	2.38	-



Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Other Non-Operating Income - G&G Projects	2.80	0.06
Net Foreign Exchange Gain	115.76	-
Other Non-Operating Income	1.05	0.33
	<u>126.95</u>	<u>6.78</u>
Total other income	<u>209.37</u>	<u>114.60</u>

Note 25
Production expenditure -E&P

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Production expenditure	39.95	57.89
Duties and taxes	6.31	8.14
Other G&A expenses	12.82	15.00
Total production expenditure - E&P	<u>59.08</u>	<u>81.03</u>

Note 26
Cost of traded goods

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Purchase of gas		
Local Purchase of Gas	2,511.84	3,349.66
Import Purchase of Gas	7,822.84	8,493.13
	<u>10,334.68</u>	<u>11,842.79</u>
Other costs		
Import Gas Regasification Charges	1,183.59	975.29
Gas Transmission Charges	645.45	452.25
Commodity Hedging Cost	375.64	206.05
Net movement on Deferred delivery of natural gas	(1.15)	37.58
Other expenses - Gas Trading	1.14	1.62
	<u>2,204.67</u>	<u>1,672.79</u>
Total cost of traded goods	<u>12,539.35</u>	<u>13,515.58</u>

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Note 27

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

(₹. in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Finished goods		
Closing stock of crude oil & Condensate	(17.84)	(16.14)
Opening stock of crude oil & Condensate	16.14	31.69
	<u>(1.70)</u>	<u>15.55</u>
(Increase)/ decrease in stock of oil *	-	2.79
(A)	<u>(1.70)</u>	<u>18.34</u>
Stock in trade		
Closing stock of liquified gas	(274.46)	(82.94)
Opening stock of liquified gas	82.94	44.83
(B)	<u>(191.52)</u>	<u>(38.11)</u>
Total change in inventories of finished goods, stock in process and stock in trade-(A)+(B)	<u>(193.22)</u>	<u>(19.77)</u>

*(Refer Note No:36(g))

Note 28

Employee benefits expenses

(₹. in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Salary and wages	10.28	12.20
Contribution to provident fund and other funds	1.90	5.25
Staff welfare expenses	0.07	0.04
Total employee benefit expenses^a	<u>12.25</u>	<u>17.49</u>

Notes

a. Amount represents net expenditure for corporate.

Note 29

Finance costs

(₹. in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Interest Cost on Financial Liabilities	441.49	580.78
Exchange differences regarded as an adjustment to borrowing cost	(19.55)	20.12
Unwinding of discount on Provisions	(18.84)	9.21
Other Borrowing Costs (includes bank guarantee, LC charges, bank charges, etc.)	10.91	14.79
Total finance costs	<u>414.01</u>	<u>624.90</u>

Note 30
Other expenses
(₹. in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Expenses related to wind mills		
Operation and maintenance expenses	10.75	9.91
Windmills insurance expenses	1.17	0.68
Total (A)	11.92	10.59
Administrative expenses		
Electricity expenses	0.57	0.93
Rent, rates and taxes	0.13	0.30
Repairs and maintenance		
Others	1.22	1.69
Insurance expenses	0.68	0.94
Business development and promotion	0.01	-
Advertisement and publicity	0.06	0.08
Administration and establishment	2.73	3.89
Travelling expenses	0.21	0.77
Stationery and printing	0.17	0.22
Professional and technical expenses	7.81	16.93
Telephone, trunk calls and postage	0.08	0.08
Vehicle running expenses	0.05	0.06
Bandwidth expenses	0.02	0.04
Payment to auditors ^a	0.20	0.24
Net Loss on Sale/discarding of PPE	-	0.03
Corporate social responsibility expenses ^b	-	10.00
Other expenses	0.35	0.14
Total (B)	14.29	36.34
Net Foreign Exchange Loss (C)	-	25.18
Total other expenses (A+B+C)	26.21	72.11

a. Payment to auditors
(₹. in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
For statutory audit	0.16	0.16
For other services	0.02	0.06
For reimbursement of expenses	0.02	0.02
Total payment to auditors	0.20	0.24

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 in the previous year, the Board of Directors of the Company passed the resolution dated 30th March, 2020, approved ₹.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.

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(₹. in Crores)		
Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
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	10.00

(₹. in Crores)		
Particular of Expenditure during the year	FY 2020-21	FY 2019-20
Contributed to Chief Minister Relief Fund, Government of Gujarat (Disaster relief for COVID-19)*	-	10.00
Total	10.00	10.00

*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 ₹.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 31 st March, 2021	For the period ended 31 st March, 2020
Impairment of oil and gas assets ^a		
Provided During the year	107.10	540.78
Less: Reversed during the year	(36.17)	(0.46)
Impairment on Investment ^b	15.35	-
Exploration cost written off/ (written back) ^c	1.48	0.67
Litigation Settlement ^d	55.41	10.99
Total exceptional items	143.17	551.98

Notes

- a. The Company identifies each E&P field /PSC under E&P segment as separate 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. During FY 2020-21, crude oil prices have remained highly volatile and hence Company has not done any reversal of impairments provided earlier based on short term upside in oil prices.

Further, during FY 2018-19 the Company had classified 12 E&P fields as assets held for sale (refer note no.22). In relation to which, during FY 2019-20 the Company had provided for impairment loss of ₹.154.30 Crore and had reversed impairment earlier provided for the extent of ₹.0.46 crores. Further, during FY 2020-21, additional impairment to the extent of ₹.76.35 crores is provided and reversal of impairment to the extent of ₹.36.17 crores is reversed during the year due to reduction in liability related to assets held for sale.

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, 2020 -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.

During the year, the Company has provided for impairment of nonmoving capital spares to the extent of ₹.30.75 crores.

- b. The Company had made an investment through Special Purpose Vehicle (SPV) in GSPC (JPDA) LTD. amounting to ₹.114.69 crores (31st March, 2020 : ₹.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 ₹.15.30 crore against additional investment made during FY 2020-21.
- c. . Exploration cost written off includes ₹.1.26 crores toward net loss between expected realisable price and actual price realised on sale of Participating Interest in 4 blocks during the year.
- d. The Company was in dispute with central government with respect to (i)Royalty on Royalty and (ii)Royalty on sales price instead of well head price. During FY 2020-21, the Company has provided for royalty payable amounting to ₹.55.41 crores on arbitration award against the company.

During FY 2019-20 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 ₹.8.11 Crores already paid under protest and additionally paid ₹.2.88 Crores.

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Note 32

Earnings per share

Particulars	(₹. in Crores)	
	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Profit attributable to equity holders for (₹.in Crores):		
Basic earnings	738.77	366.38
Adjusted for the effect of dilution	738.77	366.38
Weighted average number of equity Shares for:		
Basic EPS	10,756,540,264	9,663,473,708
Adjusted for the effect of dilution	10,756,540,264	10,756,540,264
Earnings per equity share (EPS) (face value of ₹.1/-)		
Basic (₹.)	0.69	0.38
Diluted (₹.)	0.69	0.34

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:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Income Tax (Ref. note no.19- C point no.3)	1,682.62	1,701.78
Joint arrangements (Ref. note a to e below)	552.75	130.45
Other (Ref. note f to h below)	171.66	181.97

Above Contingent Liabilities Includes-

- (a) JODPL: The Company has issued forfeiture notice to Jubilant Offshore Drilling Pvt Ltd (JODPL) 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) Profit Petroleum paid under protest for Hazira Block: Joint arrangement (JV) partners are liable to pay profit petroleum to MoP&NG after recovery of cost petroleum. The Director General of Hydrocarbons (DGH) disallowed an amount of USD 17.745 million (mainly on account of purchase of compressor amounting to USD 11.328 million) from the cost petroleum recovered by JV and demanded profit petroleum on disallowed amount. In the Operating Committee meeting (10th June 2013) it was decided to deposit the amount demanded by the MoP&NG under protest. The Company had deposited ₹.19.45 crore on this account. Arbitration awarded in favour of the Company however government of India has preferred an appeal and has filed the section 34 application before Delhi High Court challenging the arbitral award.
- In case of dispute related to royalty company has recognised the liability as per the arbitral award.
- (c) 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. Autoridade Nacional do Petroleo (ANP) has terminated the PSC with condition of paying the penalty of USD 3,403,758 (Previous year ₹.25.66 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 settled the matter and the final payable amount after out of court settlement is (GSPC JPDA Share) US\$ 1,600,000 and equivalent to (GSPC JPDA Share) ₹.11.90 crores and same has already been paid.. So the matter is resolved during the year.

- (d) GSPC has surrendered the South East Tungkai field in Indonesia. GSPC has requested to waive the minimum work program commitment and pending the response from the authority, contingent liability towards unfinished minimum work program amounting to ₹.14.85 crores (USD 2.02 Millions) is recognised.
- (e) Other liabilities with respect joint arrangements taken line by line amounting to ₹.23.64 crores.
- (d) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PNGRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

All the parties have preferred appeals against the PNGRB Orders before Appellate Tribunal for Electricity (APTEL) and APTEL has passed an interim order on 23.01.2012 and directed GAIL, IOCL and BPCL to give direct connectivity at Dahej Terminal subject to GSPC giving undertaking in respect of the following:

- i) GSPC shall open a separate bank account and deposit an amount of ₹.140 Crores. Accordingly, GSPC has opened and deposited equivalent amount in a separate bank account.
- ii) From the date of change of delivery point, GSPC shall also deposit differential amount in a separate bank account. (Accordingly the Company had deposited additional ₹.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 from the account separately maintained for the said purpose in accordance with APTEL's Order dated 23.01.2012 as narrated in (i) & (ii) above.

Accordingly, the Company utilized ₹.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 ₹.12/ MMBTU aggregating to ₹. 45.87 crores.

The appeal is pending before the Hon'ble Supreme Court.

- (e) Indo-Bajjin 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 refund of customs duty recovered by GSPC amounting to ₹.9.35 crores 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.

- (f) The Company has implemented 7th Pay commission with effect from 1st December 2020 as per Government of Gujarat's Resolution. However, the gross arrears amounting to ₹.18.60 crores for the period from 1st January 2016 to 30th November 2020 will be provided in the books as and when the decision to release the arrears will be taken by the state government.

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 (₹.6295.02 crores) and USD 200 Million (₹.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

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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 forms a component of gas trading pool, which effectively covers the risk of valuation adjustment under FIFO. Further, as on 31st March, 2021 there is an amount ₹.7.10 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 ₹.106.27 crores (31st March 2020 : ₹.135.63 crores)
2. In respect of others Nil (31st March 2020 : Nil)

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

1. In India: Nil (31st March 2020 : Nil)
2. Outside India: Nil (31st March 2020 : Nil)

Note 35

Employee Benefits:

A. Defined contribution plans

1. Company's contribution to Provident Fund is ₹.2.27 Crores (FY 2019-20 - ₹.2.42 Crores)
2. Company's contribution to Super Annuation fund is ₹.1.31 Crores (FY 2019-20 ₹.1.07 Crores)

B. Defined benefit plans

The following table sets out the funded status of the Gratuity, Loyalty Bonus, Leave Encashment Plan and Post Retirement Medical Benefit Scheme (PRMBS) and the amounts recognized in company's financial statements as at 31st March, 2021; 31st March, 2020 as required by Ind AS 19.

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS	
	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	(Non Funded)	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	
			As at 31 st March, 2021	As at 31 st March, 2020			As at 31 st March, 2021	As at 31 st March, 2020
Change in benefit obligation								
1 Liability at the beginning of the year	9.64	8.28	10.70	9.82	12.68	11.11	-	-
2 Interest cost	0.62	0.60	0.71	0.74	0.85	0.83	(0.01)	-
3 Current service cost	0.80	0.84	0.79	0.92	0.65	0.60	0.23	-
4 Past service cost	-	-	-	-	-	-	-	-

(₹. in Crores)

(₹. in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS	
	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	(Non Funded)	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	
			As at 31 st March, 2021	As at 31 st March, 2020			As at 31 st March, 2021	As at 31 st March, 2020
5 Benefit Paid	(0.92)	(2.05)	(1.24)	(0.97)	(0.52)	(2.10)	-	-
6 Actuarial (gain) / Losses	(0.05)	2.00	(0.66)	0.19	(0.80)	2.23	-	-
7 Transfer in Obligation	-	(0.03)	-	-	-	-	-	-
8 Liability at the end of the year	10.09	9.64	10.30	10.70	12.86	12.68	0.22	-
Change in fair value of plan assets								
1 Plan assets at the beginning of the year	6.28	7.88			7.29	8.62	-	-
2 Expected return of plan assets	0.63	0.63			0.51	0.67	0.01	-
3 Contributions	3.36	-	9.75		5.38	0.22	0.35	-
4 Benefit paid	(0.92)	(2.05)			(0.52)	(2.10)	-	-
6 Actuarial gain / (Loss)	(0.22)	(0.15)			0.15	(0.12)	-	-
7 Transfer in Plan Assets	-	(0.03)						
8 Plan assets at the end of the year	9.13	6.28	9.75	-	12.81	7.29	0.35	-
9 Total Actuarial Gain/(Loss) To Be Recognized	(0.17)	(2.15)	0.66	(0.19)	0.95	(2.35)	-	-
Actual Return on plan assets								
1 Expected return of plan assets	0.63	0.63			0.51	0.67	0.01	-
2 Actuarial gain / (loss)	(0.22)	(0.15)			0.15	(0.12)	-	-
3 Actual return on plan assets	0.41	0.48			0.66	0.54	0.01	-
Net (asset) / liability recognized in the Balance Sheet								
1 Liability at the end of the year	10.09	9.64	10.30	10.70	12.86	12.68	0.22	-
2 Plan assets at the end of the year	9.13	6.28	9.75	-	12.81	7.29	0.35	-
3 Amount recognized in the Balance Sheet Accrued (Pre paid)	0.96	3.36	0.55	10.70	0.05	5.39	(0.13)	-
Expenses recognized in the statement of profit & loss account for the year								
1 Current service cost	0.80	0.84	0.79	0.92	0.65	0.60	0.23	-
2 Interest cost	0.62	0.60	0.71	0.74	0.85	0.83	(0.01)	-
3 Expected return on plan assets	(0.63)	(0.63)	-	-	(0.51)	(0.67)	(0.01)	-
4 Actuarial (gain) / Losses	-	-	-	-	(0.95)	2.35	-	-
5 Benefits paid	-	-	-	-	-	-	-	-
6 Past service cost	-	-	-	-	-	-	-	-
7 Total expenses*	0.79	0.81	1.50	1.66	0.04	3.12	0.22	-

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS		
	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	(Non Funded)	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)		
			As at 31 st March, 2021	As at 31 st March, 2020			As at 31 st March, 2021	As at 31 st March, 2020	
Expenses recognized in the other comprehensive income for the year									
1. Actuarial (gain) / Losses	0.17	2.15	(0.66)	0.19			-		
Balance Sheet reconciliation									
1 Opening net liability	3.36	0.40	10.70	9.82	5.39	2.49	-	-	
2 Expenses as above	0.96	2.96	0.84	1.85	0.04	3.12	0.22	-	
3 Employer contribution / benefits paid	(3.36)	-	(9.75)		(5.38)	(0.22)	(0.35)	-	
4 Benefits paid by Employer directly	-	-	(1.24)	(0.97)	-	-	-	-	
5 Amount recognized in the Balance Sheet	0.96	3.36	0.55	10.70	0.05	5.39	(0.13)	-	
6 Expected contribution during next 12 months	0.81	1.03	0.55	0.81	0.05	0.65	0.02	-	
7 Average Outstanding Term of the Obligations (Years)	12.49	12.25	12.48	12.66	-	-	9.95	-	
Actuarial Assumptions									
1 Discount Rate	6.80%	6.85%	6.80%	6.85%	6.80%	6.85%	6.80%	-	
2 Rate of return on plan assets	6.80%	6.85%			6.80%	6.98%	6.80%	-	
3 Salary Escalation	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	NA	-	
4 Withdrawal Rate	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	-	
5 Medical Inflation Rate	NA	NA	NA	NA	NA	NA	9.00%	-	
6 Mortality Rate	Indian Assured Lives Mortality (2012-14) table								
7 Retirement Age	60 years							60 years	
* The figures represent the amount before the allocation of salary expense to Joint arrangements.									
** Benefits to KMPs - Refer note no. 40 - Related Party Transactions									

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS	
	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	(Non Funded)	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	
			As at 31 st March, 2021	As at 31 st March, 2020			As at 31 st March, 2021	As at 31 st March, 2020
Amount for the current & previous period are as follows:								
Defined Benefit obligation	10.09	9.64	10.30	10.70	12.86	12.68	0.22	-
Plan asset	9.13	6.28	9.75	-	12.81	7.29	0.35	-
Surplus/(deficit)	(0.96)	(3.36)	(0.55)	(10.70)	(0.05)	(5.39)	0.13	-

(₹. in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS	
			(Funded)	(Non Funded)			(Funded)	
	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020
Experience adjustment on plan liability	(0.10)	1.32	(0.72)	(0.74)	(0.87)	1.13	-	-
Experience adjustment on plan assets	-	-	-	-	-	-	-	-

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹. in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS	
			(Funded)	(Non Funded)			(Funded)	
	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020
Discount rate varied by 0.5%								
+0.5%	9.64	9.17	9.70	10.07	12.17	11.92	0.51	
0.5%	10.58	10.16	10.94	11.40	13.62	13.50	0.63	
Salary growth rate varied by 0.5%								
+0.5%	10.25	9.82	10.94	11.39	13.61	13.49	NA	
-0.5%	9.93	9.45	9.70	10.07	12.17	11.91	NA	
Withdrawal Rate (W.R.) varied by 10%								
W.R. @ 110%	10.21	9.76	10.29	10.68	12.85	12.67	0.56	
W.R. @ 90%	9.97	9.52	10.31	10.73	12.87	12.68	0.58	
Medical Inflation rate Sensitivity								
+0.5%	NA	NA	NA	NA	NA	NA	0.63	
-0.5%	NA	NA	NA	NA	NA	NA	0.51	

Notes
a. Investment details

The Company has participated in Group Gratuity scheme of LIC and HDFC Standard Life Insurance Company Limited. As per the bifurcation provided for planned assets, 100% investment as on 31st March 2021 (100% for Gratuity and Leave Encashment and 0% for Loyalty Bonus and PRMBS as on 31st March 2020) is made in Policy of insurance for Gratuity, Leave Encashment & Loyalty Bonus. Whereas, w.r.t Post Retirement Medical Benefit Scheme (PRMBS) 92% investment as on 31st March 2021 (Nil as on 31st March 2020) is made in Special Deposit Scheme and 8% in Bank Balance as on 31st March 2021 (Nil as on 31st March 2020).

The plans expose the Group to a number of actuarial risks such as Actuarial risk, investment risk, legislative risk, market risk and liquidity risk.

b. Asset-liability matching strategies:

For 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.

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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)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		PRMBS	
	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	(Non Funded)	As at 31 st March, 2021	As at 31 st March, 2020	(Funded)	
			As at 31 st March, 2021	As at 31 st March, 2020			As at 31 st March, 2021	As at 31 st March, 2020
1 st Following year	0.49	1.19	0.48	0.81	0.41	0.76	-	-
2 nd Following year	0.40	0.51	0.24	0.28	0.35	0.44	-	-
3 rd Following year	0.40	0.42	0.26	0.23	0.35	0.38	-	-
4 th Following year	0.80	0.50	0.64	0.26	0.68	0.50	0.00	-
5 th Following year	0.63	0.84	0.42	0.59	0.70	0.73	0.01	-
Sum of years 6 to 10	17.92	4.21	23.35	3.47	4.22	4.40	0.07	-

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 Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	Non Operated JVs			
1	Hazira (Refer Note a)	0% (66.67%)	Sun Petrochemicals Private Limited (Operator)	100%
2	Bhandut (Refer Note a)	0% (60%)	Oilex NL Holdings (India) Ltd (Operator)	100%
3	Cambay (Refer Note a)	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 (Refer Note b)	50% (50%)	Exploration	
			Hindustan Oil and Exploration Company Limited (Operator)	50%
			Development	
			Hindustan Oil and Exploration Company Limited (Operator)	35%
		35% (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 a)	0% (70%)	GNRL Oil & Gas Limited (Operator)	100%

I Blocks/Fields currently under exploraiton, development and production

Sr No	Joint Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI	
A	Non Operated Jvs				
8	North Kathana (Refer Note a)	0% (70%)	GNRL Oil & Gas Limited (Operator)	100%	
9	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator)	30%	
10	Allora (Refer Note a)	0% (70%)	GNRL Oil & Gas Limited (Operator)	100%	
11	CB-ONN-2004/1 (Refer Note a)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%	
12	CB-ONN-2004/2 (Refer Note a)	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%	
13	CB-ONN-2004/3 (Refer Note a)	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%	
14	MB-OSN-2005/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%	
15	GK-OSN-2009/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%	
			Indian Oil Corporation Limited	20%	
			Adani Welspun Exploration Ltd	20%	
16	KG-OSN-2001/3	10% (10%)	JODPL Pvt. Ltd.	10%	
			Oil and Natural Gas Corporation Ltd.	80%	
B	GSPC-Operated				
17a	Tarapur	80% (80%)	Exploration		
			Geo Global Resources (Barbados) Inc.	20%	
			Development		
			Geo Global Resources (Barbados) Inc.	14%	
17b	Tarapur - Extension phase	80% (80%)	Oil and Natural Gas Corporation Limited	30%	
			Geo Global Resources (Barbados) Inc.	20%	
18	Unawa (Refer Note a)	0% (70%)	GNRL Oil & Gas Limited (Formerly Heramec ltd.)	100%	
19a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%	
19b	CB-ONN-2000/1 -(Extension phase)	50% (50%)	GAIL (India) Ltd	50%	
20	CB-ONN-2002/3 (Sanand)	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.

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II Blocks/Fields proposed to be surrendered

Sr No	Joint Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	Non Operated Jvs			
1	RJ-ONN-2004/1	22.225% (22.225%)	GAIL (India) Ltd (Operator) Hindustan Petroleum Corporation Limited BPCL Hallworthy Shipping Ltd. SA Nitin Fire Protection Industries Ltd.	22.225% 22.22% 11.11% 11.11% 11.11%
2	CY-ONN-2005/1	30% (30%)	GAIL (India) Ltd (Operator) Bengal Energy Inc.	40% 30%
3	KK-DWN-2005/2	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
4	AA-ONN-2003/1(Assam)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator) Jubilant Securities Pvt. Ltd. GAIL (India) Ltd	10% 35% 35%
5	CY-DWN-2004/3	10% (10%)	Oil and Natural Gas Corporation Limited (Operator) GAIL (India) Ltd Hindustan Petroleum Corporation Limited	70% 10% 10%
6	CY-PR-DWN-2004/1	10% (10%)	Oil and Natural Gas Corporation Limited (Operator) GAIL (India) Ltd Hindustan Petroleum Corporation Limited	70% 10% 10%
7	MB-OSN-2005/5	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
8	MB-OSN-2005/6	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
9	CB-ONN-2005/4	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
10	CB-ONN-2005/10	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
11	CB-ONN-2009/4	50% (50%)	Oil and Natural Gas Corporation Limited (Operator)	50%

B	GSPC-Operated			
12	Block No 19 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
13	Block No 28 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
14	Block No 57 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
15	Sounth East Tungal (Indonesia)	50.50% (50.50%)	Essar Oil Limited	49.50%



Sr No	Joint Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI
B	GSPC-Operated			
16	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd	40%
			Petrogas E&P LLC	20%
17	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%

Notes

- a. 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. Out of 7 blocks for which bids were received, procedure to transfer PI in 4 blocks (Allora, Dholasan, North Kathana, Hazira) is completed on approval of MoP&NG during the year. For balance 3 blocks 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 of these blocks which include Unawa and Bhandut. The Company has filed the Deed of Assignment with Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas after completion of necessary operational procedures. The FIFO for Cambay field is in process of being executed. Accordingly, the Company has not taken any line by line entries after the respective effective dates of the agreements.
- b. 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 (₹.8.17 Crores) as per the guidelines of MOPNG for signing of CB-ON/7 RFPSC.
- c. During the financial year 2012-13, the Company along with its JV partners have recommended to surrender the three blocks by invoking the termination provision of the PSAs on account of continuation of force majeure events for more than six months. Vide letter dated 13th February, 2013, GSPC led consortium has terminated Production Sharing Agreements (PSAs) for 3 blocks awarded in Republic of Yemen (RoY). PSAs have been terminated on the ground of existence of force majeure event. The Consortium had initiated the arbitration proceedings under the PSAs before the International Chamber of Commerce (ICC), Paris and in the interim stage, obtained order Republic of Yemen not to take steps invoking SBLCs, while Consortium has been directed to extend the validity of SBLCs. Detailed pleadings were filed by both the parties and the final hearing was held from 8-12th September 2014 at the ICC hearing center in Paris. After the final hearing was concluded both the parties had submitted Post Hearing Briefs before the Arbitral Tribunal. Subsequently upon completion of the arbitration proceedings, the final award has been passed by the Arbitral Tribunal on 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. ~₹.308.72 crores) issued in their favor by the International bank of Yemen;
 - Arbitral Tribunal has awarded costs of approx. USD 3.92 million (~₹.28.81 crores) in favour of GSPC Consortium.
- The Said Arbitral Award has been challenged by the Yemen Government by filing Annulment Proceedings in Court Of Appeal at Paris. GSPC Consortium has filed the response to the Annulment Proceedings filed by Yemen Government. The hearing for the matter took place on February 28, 2017. The Annulment Proceedings have also been held in favour of GSPC Consortium by the Paris Court.
- Following dismissal of Annulment Proceedings by Court of Appeal at Paris, GSPC consortium has initiated enforcement actions against Government of Yemen to secure the award money. The matter is sub-judice.
- d. During the year, the Company has recommended ONGC Operated CB ONN 2004/3 block to be surrendered to Government of India.
- e. Of the current 12 fields/blocks are in production, namely Asjol, North Balol, CB-ON/7 (Palej), Kanawara, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3, 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 Reserves (Oil) (Million MT)**	Proved Reserves (Gas) (Million Cubic Meter)
Opening Balance for the year ended on 1 st April, 2020	0.29	3,101.67
	(0.33)	(4,155.60)
Additions	-	-
	(0.01)	(23.39)
** Adjustments on account of change in Reserve estimate		(22.72)
	(-0.02)	(-1051.42)
Deletions	0.04	19.31
	-	-
Production	0.02	16.20
	(0.03)	(25.90)
Closing Balance for the year ended on 31 st March, 2021	0.23	3,043.44
	(0.29)	(3,101.67)

*Figures in brackets relate to period ended 31st March, 2020

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

- f. The financial statements of the Company reflect its share of Assets, Liabilities, Income and Expenditure of the Joint arrangement operations which are accounted on a line to line basis with similar items in the Company's accounts to the extent of participating interest of the company as per the various joint arrangement agreements, in compliance of Ind AS 111 Joint Arrangements. The income and expenditure from Joint arrangements are disclosed separately in the Statement of Profit and Loss. The summary of the Company's share in Assets & Liabilities of Joint arrangements are as follow:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Property Plant & Equipment (Gross Block)	5,145.70	6,105.51
Current Assets	70.64	244.28
Current Liabilities and Provisions	11.51	72.33
Contingent Liabilities	552.75	130.45

- g. The Statement of Profit and Loss of the Company includes its share in Profit or Loss pertaining to the respective Joint arrangements. The summary of Statement of Profit and Loss for the year ended 31st March 2021 is given as under:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Income		
Sale of Crude Oil	48.36	50.57
Sale of Gas	17.83	28.91
Increase/(Decrease) in Stock	1.70	(18.34)
Other Income	1.63	3.96
Total	69.52	65.09

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Expenditure		
Production Expenses	39.95	57.89
Duties & Taxes	6.31	8.14
Administrative exps.	12.82	15.00
Total Expenditure before Depreciation	59.08	81.03
Profit before depreciation	10.44	(15.93)

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:

- Exploration and production (E&P)** : Company is engaged in oil and gas exploration and production operations
- Gas Trading** : Company is engaged in the procurement of gas from international market to meet the demand of gas across India.
- Wind power** : Generation of electricity through windmills.

2. Segment revenue and expenses

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

3. Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net Property, Plant & equipment, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions excluding borrowings and deferred tax liabilities.

4. Information about geographical areas

All non-current operating assets of the Company are held within India and whole revenue generated from external customers are related to indian geography

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 31 st March, 2021					As at 31 st March, 2020				
	E & P	Gas Trading	Wind Power	Unallocated	Total	E & P	Gas Trading	Wind Power	Unallocated	Total
A. Segment revenue										
External sales*	66.19	13,488.53	28.95	-	13,583.67	79.48	15,122.73	42.89	-	15,245.10
Inter segment sales	(3.91)	-	-	-	(3.91)	(12.73)	-	-	-	(12.73)
Total segment revenue	62.28	13,488.53	28.95	-	13,579.76	66.75	15,122.73	42.89	-	15,232.37
B. Segment results										
Segment results										
Profit(+)/ loss(-)	8.81	1,136.79	16.93	-	1,162.53	(19.89)	1,632.53	32.30	-	1,644.94
Unallocated expenses	-	-	-	(26.32)	(26.32)	-	-	-	(79.00)	(79.00)
Operating Profit	8.81	1,136.79	16.93	(26.32)	1,136.21	(19.89)	1,632.53	32.30	(79.00)	1,565.94

(₹. in Crores)

Particulars	As at 31 st March, 2021					As at 31 st March, 2020				
	E & P	Gas Trading	Wind Power	Unallocated	Total	E & P	Gas Trading	Wind Power	Unallocated	Total
Interest/ dividend Income		1.76		80.66	82.42	-	2.74	-	105.08	107.82
Other income	1.63		1.02	124.30	126.95	3.96	-	0.10	2.72	6.78
Interest Expenses				(414.01)	(414.01)				(624.90)	(624.90)
Depreciation	(35.08)		(12.60)	(1.95)	(49.63)	(120.61)		(14.33)	(2.33)	(137.27)
Profit/Loss from ordinary Activities	(24.64)	1,138.55	5.35	(237.32)	881.94	(136.54)	1,635.27	18.07	(598.43)	918.37
Impairment Recognised	(107.10)				(107.10)	(540.78)				(540.78)
Impairment Reversed	36.17				36.17	0.46				0.46
Other Exceptional items	(56.89)	-	-	(15.35)	(72.24)	(0.67)	-	-	(10.99)	(11.66)
Net profit/(loss)	(152.46)	1,138.55	5.35	(252.67)	738.77	(677.53)	1,635.27	18.07	(609.42)	366.39

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

(₹. in Crores)

Particulars	As at 31 st March, 2021					As at 31 st March, 2020				
	E & P	Gas Trading	Wind Power	Unallocated	Total	E & P	Gas Trading	Wind Power	Unallocated	Total
C. Segment assets										
Segment assets	1,896.10	1,435.05	92.82	-	3,423.97	2,107.54	1,353.17	106.92	-	3,567.63
Unallocated Assets	-	-	-	4,940.16	4,940.16	-	-	-	5,108.40	5,108.42
Total Assets	1,896.10	1,435.05	92.82	4,940.16	8,364.13	2,107.54	1,353.17	106.92	5,108.40	8,676.05
D. Segment Liabilities										
Segment Liabilities	468.86	813.46	11.01	-	1,293.33	720.15	631.08	9.35	-	1,360.58
Unallocated Liabilities	-	-	-	5,300.46	5,300.46	-	-	-	6,284.01	6,284.01
Total Liabilities	468.86	813.46	11.01	5,300.46	6,593.79	720.15	631.08	9.35	6,284.01	7,644.59
E. Other information										
Capital Expenditure	53.65	-	-	1.10	54.75	42.75	-	-	1.19	43.94
Depreciation	35.08	-	12.60	1.95	49.63	120.61	-	14.33	2.33	137.27
Impairment Recognised	107.10	-	-	-	107.10	540.78	-	-	-	540.78
Impairment Reversed	(36.17)	-	-	-	(36.17)	(0.46)	-	-	-	(0.46)
Non Cash Expenses other than Depreciation	56.89	-	-	15.35	-	0.67	-	-	10.99	11.66

Note 38
RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" notified by Ministry of Corporate Affairs, the related parties of the Company are as follows.

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 Company

exercise 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.

Name of Key Managerial Personnels:	F.Y.2020-21		F.Y.2019-20	
	From Date	To Date	From Date	To Date
Shri Anil Mukim, IAS (Chairman)	1-Apr-20	31-Mar-21	10-Dec-19	31-Mar-20
Shri Dr. J.N. Singh, IAS (Chairman)			1-Apr-19	10-Dec-19
Shri Sanjeevkumar, IAS (Managing Director)	1-Apr-20	31-Mar-21	22-Aug-19	31-Mar-20
Shri T. Natarajan, IAS (Managing Director)			1-Apr-19	22-Aug-19
Shri Pankaj Joshi, IAS - (Director)	1-Apr-20	31-Mar-21	20-Sep-19	31-Mar-20
Smt. Sunaina Tomar, IAS (Director)	1-Apr-20	31-Mar-21	4-Jan-20	31-Mar-20
Dr. Manjula Subramaniam, IAS (Retd.) (Woman Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Arvind Agrawal, IAS (Director)			1-Apr-19	6-Dec-19
Shri M. M. Srivastava, IAS (Retd.) (Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri K. Kailashnathan, IAS (Retd.) (Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Dr. N. Ravichandaran (Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Prof. Yogesh Singh (Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Dr. Ravindra Dholakia (Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Rajesh Sivadasan (CFO)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
			1-Apr-19	31-Mar-20
Shri Sandeep Dave (Company Secretary)			1-Apr-19	20-Feb-20
Smt. Reena Desai (Company Secretary)	1-Apr-20	31-Mar-21	27-Feb-20	31-Mar-20
Shri Pankaj Joshi, IAS - (Holding Company - Chairman)	1-Apr-20	31-Mar-21	27-Dec-19	31-Mar-20
Shri Arvind Motilal Agrawal, IAS Holding Company - Chairman)			1-Apr-19	27-Dec-19
Shri Milind Torawane, IAS - (Holding Company - Managing Director)	1-Apr-20	31-Mar-21	4-Oct-19	31-Mar-20
Shri Sanjeevkumar, IAS (Holding Company - Managing Director)			1-Apr-19	3-Sep-19
Ms. Arti Kanwar, IAS (Holding Company - Woman Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Ms. Mamta Verma, IAS - (Holding Company - Women Independent Director)	1-Apr-20	20 Jun-20	1-Apr-19	31-Mar-20
Ms. Shridevi Shukla - (Holding Company -Woman Independent Director)	20 Jun-20	31-Mar-21		
Mr. Yamal Vyas (Holding Company Woman Independent Director)	20 Jun-20	31-Mar-21		
Shri Ghanshyam Pathak - (Holding Company - CFO)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Sandeep Shah (Holding Company Secretary)	1-Apr-20	31-Mar-21	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.

Standalone Financial Statements

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Advance/Receivables	-	0.82	3.90	0.55	52.13	45.92	0.18	0.43	-	-	-	-	56.22	47.72
Gujarat State Petronet Ltd			0.43	-	-	-	-	-	-	-	-	-	0.43	-
GSPC Pipavav Power Company Ltd.			0.21	-	-	-	-	-	-	-	-	-	0.21	-
GSPC (JPDA) Ltd.			0.07	0.07	-	-	-	-	-	-	-	-	0.07	0.07
Gujarat State Investments Limited		0.82											-	0.82
Guj Info Petro Ltd			0.11	0.16	-	-	-	-	-	-	-	-	0.11	0.16
GSPC ENERGY LIMITED			2.62	-	-	-	-	-	-	-	-	-	2.62	-
GSPC OFFSHORE LIMITED			0.32	0.32	-	-	-	-	-	-	-	-	0.32	0.32
Gujarat Gas Limited			0.14	-	-	-	-	-	-	-	-	-	0.14	-
GSPC INDIA TRANSCO LTD					-	-	0.14	0.22	-	-	-	-	0.14	0.22
GSPC INDIA GASNET LTD					-	-	0.03	0.17	-	-	-	-	0.03	0.17
Gujarat State Energy Generation Ltd					-	45.92	-	-	-	-	-	-	52.13	45.92
Sabarmati Gas Ltd.					-	-	0.02	0.04	-	-	-	-	0.02	0.04
Payable	-		4.34	27.04	-	0.01	-	0.10	-	-	0.00	-	4.34	27.13
Gujarat State Petronet Ltd			4.24	13.18	-	-	-	-	-	-	-	-	4.24	13.18
Gujarat Gas Limited			0.02	0.09	-	-	-	-	-	-	-	-	0.02	0.09
Gujarat State Energy Generation Ltd			-	-	-	0.01	-	-	-	-	-	-	-	0.01
Guj Info Petro Ltd			0.08	0.15	-	-	-	-	-	-	-	-	0.08	0.15
GSPC INDIA GASNET LTD					-	-	-	0.10	-	-	-	-	-	0.10
Gujarat Narmada Fertilizer Company											0.00		-	0.00
GSPC Pipavav Power Company Ltd.			-	13.62	-	-	-	-	-	-	-	-	-	13.62
Advance received from Customer	-		-	2.95	-	-	-	-	-	-	-	-	-	2.95
Gujarat State Petronet Ltd			-	2.95	-	-	-	-	-	-	-	-	-	2.95
Term Loan														
Gujarat State Financial Services Ltd.													1,624.00	2,100.00
													1,624.00	2,100.00



(₹. in Crores)

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Investment in Share Capital														
(Allotment)*			1,168.12	1,152.83	290.18	290.18	55.10	55.10					1,513.40	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.			114.69	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
Bank guarantee received														
Gujarat Gas Limited			645.91	405.77	-	-	16.70	8.30			21.19	35.35	683.80	449.42
Sabarmati Gas Ltd.			645.91	405.77			16.70	8.30					645.91	405.77
Gujarat Narmada Valley Fertilizers & Chemicals Ltd.														33.30
Gujarat State Fertilizers & Chemicals Ltd.													19.14	2.05
Gujarat Alkalies & Chemicals Ltd.													2.05	-
Term / Liquid Deposit														
Gujarat State Financial Services Ltd.														

Standalone Financial Statements

(₹. in Crores)

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Interest received Income											16.41	22.92	16.41	22.92
Deposit - Placed/Renewed											13,406.43	11,589.83	13,406.43	11,589.83
Deposit - Withdrawn/Redeemed											13,581.99	11,387.78	13,581.99	11,387.78
Balance at the Period end											40.07	202.05	40.07	202.05
Deposit - Asset											40.07	202.05	40.07	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.



38.1.6 Related party disclosure
Transactions during the year with related parties:

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	(₹. in Crores)													
Income:														
Sale of LNG	-		6,867.57	6,776.58	322.69	130.20	223.50	251.54	-	-	261.45	452.39	7,675.21	7,610.70
Gujarat State Petronet Ltd			34.08	62.19									34.08	62.19
Gujarat Gas Limited			5,955.51	6,393.76									5,955.51	6,393.76
GSPC Pipavav Power Company Ltd.			480.79	147.49									480.79	147.49
Sabarmati Gas Ltd.							223.50	251.54					223.50	251.54
Gujarat Narmada Valley Fertilizer Company											132.74	253.63	132.74	253.63
Gujarat State Fertilizer Company											112.82	179.03	112.82	179.03
Gujarat Alkalies & Chemicals Ltd.											15.89	19.73	15.89	19.73
Gujarat State Energy Generation Ltd					322.69	130.20							322.69	130.20
GSPC Energy Ltd.			397.19	173.14									397.19	173.14
REGASIFICATION INCOME			128.57	51.86	64.46	21.08					21.22		214.25	72.94
Gujarat Gas Limited			31.01	33.48									31.01	33.48
GSPC Pipavav Power Company Ltd.			97.56	18.39									97.56	18.39
Gujarat State Energy Generation Ltd					64.46	21.08							64.46	21.08
Gujarat Alkalies & Chemicals Ltd.											1.97		1.97	
Gujarat Narmada Valley Fertilizer Company											16.68		16.68	
Gujarat State Fertilizer Company											2.57		2.57	
TRANSPORTATION INCOME			0.58								16.06		16.64	
Gujarat Alkalies & Chemicals Ltd.											1.29		1.29	
Gujarat Narmada Valley Fertilizer Company											13.10		13.10	
Gujarat State Fertilizer Company											1.67		1.67	
GSPC Energy Ltd.			0.58										0.58	
Rent received			1.14	1.18	0.21	0.20							1.35	1.38
Gujarat State Petronet Ltd			0.39	0.38									0.39	0.38

Standalone Financial Statements

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	GSPC Pipavav Power Company Ltd.			0.21	0.20	-	-	-	-	-	-	-	-	0.21
Gujarat Gas Limited			0.03	0.11	-	-	-	-	-	-	-	-	0.03	0.11
Guj Info Petro Ltd			0.51	0.49	-	-	-	-	-	-	-	-	0.51	0.49
Gujarat State Energy Generation Ltd				-	0.21	0.20	-	-	-	-	-	-	0.21	0.20
Dividend Income	-	-	42.46	42.46	-	-	2.02	1.46	-	-	-	-	44.48	43.91
Gujarat State Petronet Ltd			42.46	42.46	-	-	-	-	-	-	-	-	42.46	42.46
Sabarmati Gas Ltd.				-	-	-	2.02	1.46	-	-	-	-	2.02	1.46
Interest Income			-	-	7.85	9.86	-	-	-	-	-	-	7.85	9.86
Gujarat State Energy Generation Ltd				-	7.85	9.86	-	-	-	-	-	-	7.85	9.86
Reimbursement of Exp-Received	-	0.72	2.82	11.02	0.18	0.26	0.74	1.17	-	-	0.03	-	3.77	13.17
Gujarat Gas Limited			0.44	3.44	-	-	-	-	-	-	-	-	0.44	3.44
Gujarat State Petronet Ltd			0.35	4.76	-	-	-	-	-	-	-	-	0.35	4.76
GSPC Pipavav Power Company Ltd.			0.45	0.50	-	-	-	-	-	-	-	-	0.45	0.50
Gujarat State Investments Limited		0.72											-	0.72
GSPC ENERGY LIMITED			0.90	1.62	-	-	-	-	-	-	-	-	0.90	1.62
Sabarmati Gas Ltd.					-	-	0.12	0.22	-	-	-	-	0.12	0.22
Gujarat Narmada Valley Fertilizer & Chemicals Ltd.											0.01	-	0.01	-
Gujarat State Fertilizer Company Ltd.											0.01	-	0.01	-
Gujarat Alkalies & Chemicals Ltd.											0.01	-	0.01	-
Guj Info Petro Ltd			0.68	0.71	-	-	-	-	-	-	-	-	0.68	0.71
Gujarat State Energy Generation Ltd					0.18	0.26	-	-	-	-	-	-	0.18	0.26
GSPL INDIA GASNET LTD					-	-	0.16	0.33	-	-	-	-	0.16	0.33
GSPL INDIA TRANSCO LTD					-	-	0.46	0.62	-	-	-	-	0.46	0.62
Expenses:														
Purchase of Gas	-	-	0.27	871.94	-	-	-	-	-	-	-	2.15	0.27	874.09



(₹. in Crores)

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
GSPC Pipavav Power Company Ltd.			0.27	871.94	-	-	-	-	-	-	-	-	0.27	871.94
Gujarat Narmada Fertilizer Company												2.15	-	2.15
Gas transportation charges			345.63	307.76	-	-	-	-	-	-	-	-	345.63	307.76
Gujarat State Petronet Ltd			339.89	307.76	-	-	-	-	-	-	-	-	339.89	307.76
GSPC Pipavav Power Company Ltd.			5.74	-	-	-	-	-	-	-	-	-	5.74	-
Administrative & Other Expenses paid			0.12	0.20	-	-	-	-	-	-	-	0.00	0.12	0.21
Guj Info Petro Ltd			0.12	0.20	-	-	-	-	-	-	-	-	0.12	0.20
Gujarat Narmada Fertilizer Company												0.00	-	0.00
Software Development			0.30	-	-	-	-	-	-	-	-	-	0.30	-
Guj Info Petro Ltd			0.30	-	-	-	-	-	-	-	-	-	0.30	-
Interest on term Loan														
Gujarat State Financial Services Ltd.													140.11	140.50
													140.11	140.50
Purchase of Fuel			0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02
Gujarat Gas Limited			0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02
Remuneration of Expenses : paid			3.00	6.24	-	0.00	-	0.51	-	-	-	-	3.00	6.76
Gujarat Gas Limited			0.08	0.42	-	-	-	-	-	-	-	-	0.08	0.42
Gujarat State Petronet Ltd			0.32	0.22	-	-	-	-	-	-	-	-	0.32	0.22
GSPC Pipavav Power Company Ltd.			2.60	5.60	-	-	-	-	-	-	-	-	2.60	5.60
Gujarat State Energy Generation Ltd.					0.00								-	0.00
GSP INDIA TRANSCO LTD.								0.18					-	0.18
GSP INDIA GASNET LTD.								0.34					-	0.34

Standalone Financial Statements

Nature of Transaction	Holding Company		Subsidiaries		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Remuneration to key Managerial Personnel	-	-	-	-	-	-	-	-	0.94	1.21	-	-	0.94
Key management personnel compensation									0.83	0.99			0.83	0.99
Director Sitting Fees									0.05	0.05			0.05	0.05
Post employment benefit plan														
-Non-contributory superannuation plan														
-Employee group gratuity scheme									0.01	0.02			0.01	0.02
Other Long term benefits									0.05	0.15			0.05	0.15
Sale of Property, Plant & Equipment	-	-	2.58	0.28	-	-	0.05	-	-	-	-	-	2.58	0.33
Gujarat State Petronet Ltd			2.58	0.05									2.58	0.05
Gujarat Gas Limited				0.23										0.23
Sabarmati Gas Ltd.							0.03							0.03
GSPL INDIA GASNET LTD							0.01							0.01
GSPL INDIA TRANSCO LTD							0.01							0.01
GSPC Pipavav Power Company Ltd.														-
Purchase of Property, Plant & Equipment	-	-	-	0.07	-	-	-	-	-	-	-	-	-	0.07
Guj Info Petro Ltd				0.07										0.07
Current Assets & Liabilities:														
Trade Receivables			258.59	285.89	1.33	51.79	6.28	3.73	-	-	25.25	22.42	291.45	363.85
Gujarat State Petronet Ltd			0.63	1.36	-	-	-	-	-	-	-	-	0.63	1.36
Gujarat Gas Limited			239.04	191.60	-	-	-	-	-	-	-	-	239.04	191.60
GSPC Pipavav Power Company Ltd.			4.64	60.89									4.64	60.89
Gujarat Narmada Valley Fertilizer & Chemicals Ltd.											20.79	18.73	20.79	18.73
Gujarat State Fertilizer & Chemicals Ltd.											4.35	3.69	4.35	3.69
Gujarat Alkalies & Chemicals Ltd.											0.11	-	-	-
Gujarat State Energy Generation Ltd				-	1.33	51.79	-	-	-	-	-	-	1.33	51.79
Sabarmati Gas Ltd.				-	-	-	6.28	3.73	-	-	-	-	6.28	3.73
GSPC ENERGY LIMITED			14.28	32.05	-	-	-	-	-	-	-	-	14.28	32.05

Note 39
A. Financial instruments by category and their fair value
(₹. in Crores)

As at 31 st March, 2021	Carrying amount					Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1-Quoted price in active markets	Level-2-Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	-	28.00	-	2,633.65	2,661.65	28.00	-	-	28.00
Unquoted	-	44.94	-	1,294.59	1,339.53	-	-	44.94	44.94
Loans									
Non-current	-	-	5.44	-	5.44	-	-	-	-
Current	-	-	57.60	-	57.60	-	-	-	-
Trade Receivables	-	-	870.99	-	870.99	-	-	-	-
Cash and Cash Equivalents	-	-	184.43	-	184.43	-	-	-	-
Other Bank Balances	-	-	309.72	-	309.72	-	-	-	-
Other financial assets									-
Non-current	-	-	68.72	-	68.72	-	-	-	-
Current	-	-	614.70	-	614.70	-	-	-	-
Total financial assets	-	72.94	2,111.60	3,928.24	6,112.78	28.00	-	44.94	72.94
Financial liabilities									
Borrowings									
Non-current	-	-	4,144.75	-	4,144.75	-	-	-	-
Current	-	-	100.00	-	100.00	-	-	-	-
Other financial liabilities									
Non-current	-	-	12.65	-	12.65	-	-	-	-
Current	2.06	-	910.97	-	913.03	-	2.06	-	2.06
Trade Payables	-	-	1,085.67	-	1,085.67	-	-	-	-
Total financial liabilities	2.06	-	6,254.04	-	6,256.10	-	2.06	-	2.06

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 31 st 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	-	2,633.65	2,652.11	18.45	-	-	18.45
Unquoted	-	54.75	-	1,294.64	1,349.40	-	-	54.76	54.76
Loans									
Non-current	-	-	6.97	-	6.97	-	-	-	-
Current	-	-	48.35	-	48.35	-	-	-	-

(₹. in Crores)

As at 31 st 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
Trade Receivables	-	-	839.20	-	839.20	-	-	-	-
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	-	-	671.86		671.86	-	-	-	-
Total financial assets	-	73.21	2,277.49	3,928.29	6,278.99	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	-	-	12.55	-	12.55	-	-	-	-
Current	-	-	965.79	-	965.79	-	-	-	-
Trade Payables	-	-	700.60	-	700.60	-	-	-	-
Total financial liabilities	-	-	7,241.11	-	7,241.11	-	-	-	-

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	<p>Investments in Equity Shares of Other Entities</p> <p>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.</p>

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

Financial instruments measured at fair value	
FVTOCI in unquoted equity shares	<p>Investments in Equity Shares of Other Entities</p> <p>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.</p>

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, 2021 and 31st March, 2020 is as below:

Particulars	(₹. in Crores)
As at 1 April 2019	54.61
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	0.15
As at 31 March 2020	<u>54.76</u>
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	(9.62)
As at 31 March 2021	<u>44.94</u>

Transfer out of Level 3

There were no transfers out of level 3 during the year 2020-21 and 2019-20.

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 the Current year as well as in Previous Year.

Sensitivity analysis-ONGC Petro Additions Ltd. (OPAL)

Significant observable inputs	(₹. in Crores)			
	As at 31 st March, 2021 OCI		As at 31 st March, 2020 OCI	
Equity securities in unquoted investments measured through OCI	10% Increase in P/BV	10% Decrease in P/BV	10% Increase in P/BV	10% Decrease in P/BV
Fair Value of Investments in OPAL (₹.in Crores)	<u>31.90</u>	<u>26.10</u>	<u>31.90</u>	<u>26.10</u>

In the Current Year as well as in Previous Year, investments in GSPC LNG has been fair valued based on Market Approach using Comparable Companies Multiple("CCM")Method.

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Sensitivity analysis-GSPC LNG Ltd.

Significant observable inputs	(₹. in Crores)			
	As at 31 st March, 2021 OCI		As at 31 st March, 2020 OCI	
Equity securities in unquoted investments measured through OCI	10% Increase in P/BV	10% Decrease in P/BV	10% Increase in P/BV	10% Decrease in P/BV
Fair Value of Investments in GSPC LNG Ltd. (Rs. In Crores)	17.55	14.36	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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Within the credit period		
1-30 days past due	743.50	651.57
31-60 days past due	125.16	139.43
61-90 days past due	-	0.26
More than 90 days past due	5.27	50.88

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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Balance at the beginning of the year	2.94	3.12
Movements in allowance	-	(0.18)
Closing balance	2.94	2.94

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 ₹.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:

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Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Floating rate borrowings		
Expiring within one year (working capital demand loan, line of credit and other facilities)	1,200.00	1,050.00
Expiring beyond one year (working capital demand loan, line of credit and other facilities) -	-	
Total	<u>1,200.00</u>	<u>1,050.00</u>

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.

31 st March, 2021	(₹. in Crores)			
	Contractual cash flows based on maturity			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	4,144.75	4,144.75	-	4,144.75
Current borrowings	100.00	100.00	100.00	-
Non current financial liabilities	12.65	12.65	-	12.65
Current financial liabilities	913.03	913.03	913.03	-
Trade payables	1,085.67	1,085.67	1,085.67	-
Total	<u>6,256.10</u>	<u>6,256.10</u>	<u>2,098.70</u>	<u>4,157.40</u>

31 st March, 2020	(₹. in Crores)			
	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	12.56	12.56	-	12.56
Current financial liabilities	965.78	965.78	965.78	-
Trade and other payables	700.60	700.60	700.60	-
Total	<u>7,241.11</u>	<u>7,241.11</u>	<u>1,816.05</u>	<u>5,425.06</u>

(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 strategy 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 Liquefied Natural gas (LNG)) is open to price risk which is substantially mitigated through contractual agreement with back-to-back customers through terms of pricing and also through conventional derivative instruments which ensures the hedging of the commodity price at marketable/acceptable level for sale to the customer. The Company 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.

Particulars	(₹. in Crores)	
	Impact on Other Comprehensive Income	
	As at 31 st March, 2021	As at 31 st March, 2020
NSE NIFTY 50 - increase 6%	1.68	1.11
NSE NIFTY 50 - decrease 6%	(1.68)	(1.11)

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:

Particulars	(₹. in Crores)	
	Impact on Other Comprehensive Income	
	As at 31 st March, 2021	As at 31 st March, 2020
Non current borrowings		
ECB - principal	-	1,091.08
Net Foreign currency exposure	<u>-</u>	<u>1,091.08</u>

The currency exposure on account of USD denominated ECB loans as on 31st March, 2021 is NIL as 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, 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. 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.

Standalone Financial Statements

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

Rupees	(₹. in Crores)			
	Average rate		Year-end spot rate	
	2020-21	2020-20	As at 31 March 2021	As at 31 March 2020
USD	74.45	72.28	73.50	75.39

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

Effect in Rupees	(₹. in Crores)			
	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 st March, 2021				
USD (7% movement)	-	-	-	-

Effect in Rupees	(₹. in Crores)			
	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 st March, 2021				
USD (7% movement)	(76.38)	76.38	49.69	(49.69)

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 strategy for the balance foreign currency loans.

Variable-rate instruments	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non current - Borrowings	2,875.69	3,578.44
Current - Borrowings	100.00	149.67
Current portion of Long term borrowings	212.37	185.37
Total	<u>3,188.06</u>	<u>3,913.48</u>

(₹. in Crores)

Variable-rate instruments	As at 31 st March, 2021	As at 31 st March, 2020
Non current - Borrowings	1,269.06	1,834.06
Current - Borrowings	-	-
Current portion of Long term borrowings	354.94	265.94
Total	<u>1,624.00</u>	<u>2,100.00</u>

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 sensitivety 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, 2021				
Non current - Borrowings	(28.76)	28.76	(21.52)	21.52
Current - Borrowings	(1.00)	1.00	(0.75)	0.75
Current portion of Long term borrowings	(2.12)	2.12	(1.38)	1.38
Total	<u>(31.88)</u>	<u>31.88</u>	<u>(23.65)</u>	<u>23.65</u>
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	<u>(39.13)</u>	<u>39.13</u>	<u>(25.46)</u>	<u>25.46</u>

Other risk - Impact of COVID-19

The Company 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 bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio on 31st March, 2021 was as follows

	(₹. in Crores)	
Variable-rate instruments	As at 31 st March, 2021	As at 31 st March, 2020
Total liabilities comprising interest-bearing loans and borrowings	4,812.06	6,013.48
Less : Cash and bank balances	494.15	644.53
Adjusted net debt	<u>4,317.91</u>	<u>5,368.95</u>
Total equity	<u>1,770.46</u>	<u>1,031.46</u>
Adjusted net debt to adjusted equity ratio	2.44:1 times	5.21:1 times

Note 41

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 recognised in the books of accounts as and when realised.

Note 42

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 had 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.

On transition to Ind AS 116, the Company had elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company had 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, had 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 had tested its right-of-use assets for impairment on the date of transition and had concluded that there is no indication that the right-of-use assets are impaired.

The Company had 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 ₹.11.54 Crore has been recognised.

On transition, for leases that were 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 ₹.3.66 Crore and ₹.3.05 Crore had 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 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).

Amounts recognised in profit or loss

Particulars	(₹. in Crores)	
	2020-21	2019-20
Amortisation charge for right-of-use assets	0.59	0.60
Expenses/Cash Outflows for short term leases	-	-

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.

Particulars	(₹. in Crores)	
	2020-21	2019-20
Rental Income	3.33	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.

Particulars	(₹. in Crores)	
	2020-21	2019-20
Operating leases under Ind AS 116		
Less than one year	0.38	0.37
One to two years	0.40	0.38
Two to three years	0.42	0.40
Three to four years	0.27	0.42
Four to five years	0.27	0.27
More than five years	0.21	0.48

Note 43

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.

During the Year 2019-20, 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. During FY 2020-21, crude oil prices have remained highly volatile and hence company has not done any reversal of impairments provided earlier based on short term upside in oil prices. 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 44 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 2020:

(₹. in Crores)

Sr. No	Particulars	Before Reclassification	Reclassification/ Regroup	After Reclassification/ Regroup
1	ASSETS			
	Other financial assets			
	Non Current			
	Other financial assets	0.07	175.50	175.57
	Other financial assets			
	Current			
	Others Advances Recoverable	537.79	(537.79)	-
	Other financial assets	-	0.08	0.08
	Other Non Financial assets			
	Current			
	Balance with Government Authorities	-	60.47	60.47
	Other Non Financial assets	-	281.33	281.33
	Trade Receivables			
	Considered good - Unsecured	257.12	20.59	277.71
2	Liabilities			
	Other financial liabilities			
	Non-current liabilities			
	Operation and maintenance expense payable	0.37	0.37	-
	Other Non Financial Liabilities			
	Non-current liabilities			
	Others	-	(0.37)	0.37
	Other financial liabilities			
	current Liabilities			
	Others	62.35	0.15	62.20
	Operation & Maintenance expense payable	0.37	0.37	-
	Other Non Financial Liabilities			
	Current Liabilities			
	Other Liabilities	16.62	(0.54)	17.16

(₹. in Crores)

Sr. No	Particulars	Before Reclassification	Reclassification/ Regroup	After Reclassification/ Regroup
	Trade Payables			
	Total outstanding dues of micro enterprise and small enterprises	-	(0.05)	0.05
	Total outstanding dues of creditors other than micro enterprises and small enterprises	700.44	(0.11)	700.55
Items of Profit & Loss before and after reclassification/regroup as at 31 March 2020:				
	Income			
	Other Income			
	Other non-operating income	1.66	(1.33)	0.33
	Other Non-Operating Income - G&G Projects	-	0.06	0.06
	Other expenses			
	Administrative expenses			
	Advertisement and publicity	0.10	0.02	0.08
	Professional and technical expenses	18.17	1.24	16.93
	Administration and establishment	4.03	0.14	3.89
	Traveling Expenses	0.78	(0.01)	0.77
	Rent, rates and Taxes	0.16	(0.14)	0.30

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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar



GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED _____

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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, 2021, 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 2021, 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 (s) Accounting for oil and gas joint operations of Note No. 1 Significant Accounting Policies, which describes that the financial statements of the joint operations (unincorporated joint ventures) prepared in accordance with the requirements prescribed by the respective Production Sharing Contracts or Joint Operating Agreement of the joint operations (unincorporated joint ventures). In view of the same, certain adjustments/disclosures required under the mandatory Indian Accounting Standards and the provisions of the Companies Act, 2013 have been made in the Consolidated Ind AS financial statements to the extent information available with the Group as on the date.
- b) Note No. 32 to the Consolidated Ind AS financial statements regarding impairment loss of 12 E&P blocks classified as Asset Held for Sale amounting to ₹.76.35 Crores, reversal of impairment earlier provided for amounting to ₹.36.17 Crores shown under Exceptional Items, impairment of nonmoving capital inventory of ₹.30.75 Crores, litigation settlement for royalty on royalty & royalty on sales price of ₹.55.41 Crore and non-reversal of impairment loss provided in earlier years in case of 9 continuing E&P blocks based on short term upside in oil prices.
- 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 ₹.1,682.62 Crores (P.Y. ₹.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 ₹.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. 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 Charged 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 ₹.16,206.28 Crores & net assets of ₹.7,237.39 Crores as at 31st March, 2021, total revenues of ₹.13,356.82 Crores and net cash flows amounting to ₹.-272.67 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 ₹.119.68 Crores for the year ended 31st March, 2021, as considered in the consolidated Ind AS financial statements, in respect of Three (3) Jointly Controlled Entities and One (1) associate whose financial statements and other financial information have not been audited by us. These Ind As financial statements and other financial information has been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries, Jointly Controlled entities and Associate, is based solely on the reports of the other auditors.
- b) The consolidated financial statements also include the Group's share of net profit of ₹.NIL for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of One (1) associate, whose financial statements and financial information have not been audited by us. This financial statements and financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements and financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- c) The consolidated Ind AS financial statements include the Holding Company's share of:
 - (i) Total assets aggregating to ₹.287.55 Crores, total liabilities aggregating to ₹.2.90 Crores, income aggregating to ₹.39.70 Crores and expenditure aggregating to ₹.22.56 Crores in respect of Six (6) Producing Joint Operations (unincorporated joint ventures), which have been incorporated on the basis of accounts audited by other auditors.



- (ii) Total assets aggregating to ₹.3687.58 Crores, total liabilities aggregating to ₹.2.82 Crores, income aggregating to ₹.39.65 Crores and expenditure aggregating to ₹.36.27 Crores in respect of Nine (9) 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 ₹.1.80 Crores, total liabilities aggregating to ₹.0.27 Crores, income aggregating to ₹. Nil and expenditure aggregating to ₹.0.48 Crores in respect of Five (5) 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 ₹.239.41 Crores, total liabilities aggregating to ₹.5.52 Crores, income aggregating to ₹. Nil and expenditure aggregating to ₹. Nil Crores in respect of Fourteen (14) 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:
- 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 Twenty-Three (23) Joint Operations (unincorporated joint ventures) for the year ended March 31, 2021 referred to in sub paragraph (c) (ii) and (c) (iv) of other matter paragraph above and read with our comments in paragraph (a) of Emphasis of Matter.
 - 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.
 - 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.
 - 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.
 - As the Group comprising all 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.
 - 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".
 - 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:
 - 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 34 to the consolidated Ind AS financial statements.
 - 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.
 - 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:21122131AAAAAF4941

Date : 15th June, 2021
Place : Gandhinagar

“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, 2021, 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, 2021 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiaries, its associates and jointly controlled entities is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiaries, associates and jointly controlled entities, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED

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, 2021, 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:21122131AAAAAF4941

Date : 15th June, 2021
Place : Gandhinagar

“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, 2021, 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. Whether such cases are properly accounted for?

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

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

Reply: As per the information and explanations given to us, no fund (grant/subsidy etc.) has been received/ receivable by the Company for specific schemes from Central/State Government or its 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 maintains its books of account on IT System, SAP, which is an ERP system. All accounting transactions are processed in accounts maintained on SAP.	The company has system in place to process all the transactions through IT system i.e. SAP system. All the financial transactions including customer related transactions are integrated in 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."	The company has system in place to process all the accounting transactions through IT system 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.
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 2020-21, 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.

In case of Subsidiaries:

SR. No.	Particulars	GSPL	GGL	GPPC	GOL	GIPL	GSPC (JPDA) LTD	GEL
3.	Whether funds (grants/subsidy) received/receivable for specific schemes from central/state Government or its 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 (grants/subsidy) have been received/receivable from central/state Government or its 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 agencies.	There is no fund received for specific schemes from central/state 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 (Trading)

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	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 normally having 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.	Yes, the company has effective system of collection of dues & recovery against outstanding have been properly recorded in books of accounts.

In case of Subsidiaries:

SR. No.	Particulars	GSPL	GGL	GPPC	GEL	GOL	GIPL
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.	Yes
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. Based on expected credit loss model company has maintained the provision of ₹.9.85 crores towards allowance for bad and doubtful debts.	The Company is normally having effective system for dues in respect of its sales activities. Transactions are found to be properly record.	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 system is effective.

**In case of GIPL**

Sr. No.	Particulars	GIPL
1.	Whether the company's pricing policy absorbs all fixed and variable cost of production and all the overheads allocated at the time of fixation of price?	Yes, company's pricing policy for the services provided absorb fixed as well as variable costs including allocated overhead.
2.	Whether the company recovers commission for work executed on behalf of government/other organisation that is properly recorded in the books of accounts? Whether the company has an efficient system for billing and collection of revenue?	GIPL does not recover any commission from the government on work executed on behalf of the government/other organisations.
3.	Whether the company regularly monitors timely receipt of subsidy from government and it is properly recording them in its books?	The company does not receive any subsidy from the government.
4.	Whether interest earned on parking of funds received for specific projects from government was properly accounted for?	The interest earned on parked funds is accounted properly.
5.	Whether the company has entered into memorandum of understanding with its administrative ministry, if so, whether the impact thereof has been properly dealt with in the financial statements?	No the company has not entered into any MOU with administrative ministry.

3. Information Technology Sector**In case of Holding Company:**

Not Applicable

In case of Subsidiaries:

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 its agencies.

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4. Manufacturing Sector

In case of Holding Company:

Not Applicable

In case of Subsidiaries:

Sr. No.	Particulars	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?	The commercial activity of the Company has not yet started and therefore, the same are not applicable.
3.	Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?	The commercial activity of the Company has not yet started and therefore, the same are not applicable.
4.	Whether the company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.	The commercial activity of the Company has not yet started and therefore, the same are not applicable.
5.	Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?	The commercial activity of the Company has not yet started and therefore, the same are not applicable.

Additional 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.



Sr. No.	Particulars	GSPL
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 2020-21.

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

Amit Shah
(Partner)
Membership. No. 122131
UDIN:21122131AAAAAF4941

Date : 15th June, 2021
Place : Gandhinagar

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GUJARAT STATE PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of consolidated financial statements of Gujarat State Petroleum Corporation Limited for the year ended 31 March 2021 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 15 June 2021.

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 2021 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 Subsidiaries (**Annexure III**), Associate (**Annexure IV**) for the year ended on 31 March 2021. 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, neither for appointment of their Statutory Auditor and nor for conduct of supplementary audit. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to 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 & Auditor General of India

(H. K. Dharmadarshi)
Principal Accountant General(Audit - II),
Gujarat.

Date : 06/09/2021
Place : Ahmedabad



Annexure

Annexure - I (Subsidiaries)

1. Gujarat State Petronet Limited
2. Gujarat Gas Limited
3. GSPC Pipavav Power Company Limited
4. GSPC (JPDA) Limited

Annexure - II (Associates)

1. Gujarat State Energy Generation Ltd
2. Sabarmati Gas Ltd.
3. GSPL India Transco Limited
4. GSPL India Gasnet Limited

Annexure - III (Subsidiaries)

1. Guj Info Petro Limited
2. GSPC Energy Limited
3. GSPC Offshore Limited

Annexure - IV (Associates)

1. Alcock Ashdown (Gujarat) Limited

GUJARAT STATE PETROLEUM CORPORATION LIMITED
(CIN : U23209GJ1979SGC003281)
Consolidated Balance Sheet as at 31st March, 2021

(₹ in Crores)			
Particulars	Notes	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	11,556.59	11,502.57
Capital work-in-progress	2	1,138.53	988.28
Investment property	3	1.48	1.51
Goodwill on consolidation	4	186.14	186.14
Other intangible assets	4	525.82	499.40
Intangibles under development	4	186.74	191.80
Investment in equity accounted investees	5	1,802.54	1,281.83
Financial assets			
Other investments	6	194.42	216.16
Loans	7	95.94	92.68
Other financial assets	8	72.07	78.86
Non current tax asset (net)		187.85	212.86
Deferred tax assets (net)	20	0.50	1.42
Other non-financial assets	9	495.15	442.22
Total Non-Current Assets		<u>16,443.77</u>	<u>15,695.73</u>
Current Assets			
Inventories	10	505.24	333.20
Financial assets			
Trade receivables	11	1,681.30	1,366.06
Cash and cash equivalents	12	563.68	1,065.05
Other bank balances	12	368.81	421.03
Loans	7	55.88	51.77
Other financial assets	8	749.93	818.28
Current tax assets		-	9.75
Other non-financial assets	9	420.29	478.54
Total Current Assets		<u>4,345.13</u>	<u>4,543.68</u>
Assets held for sale	22	224.75	371.31
TOTAL ASSETS		<u>21,013.65</u>	<u>20,610.72</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,073.65	1,073.65
Other equity	14	1,031.09	(1,099.29)
Equity attributable to owners of the Company		<u>2,104.74</u>	<u>(25.64)</u>
Non controlling interest		6,010.81	4,520.39
Total Equity		<u>8,115.55</u>	<u>4,494.75</u>
Liabilities			
Non-Current Liabilities			
Financial liabilities			
Borrowings	15	5,779.04	8,490.02

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Balance Sheet as at 31st March, 2021

(₹ in Crores)

Particulars	Notes	As at	
		31 st March, 2021	31 st March, 2020
Other financial liabilities	16	102.96	88.73
Provisions	17	186.09	181.74
Deferred revenue/ contract liabilities	18	107.66	107.71
Deferred tax liabilities (net)	20	721.02	807.58
Other non-financial liabilities	19	-	0.37
Total Non-Current Liabilities		6,896.77	9,676.15
Current Liabilities			
Financial liabilities			
Borrowings	15	559.63	226.60
Trade payables	21		
Outstanding dues of micro enterprises and small enterprises		17.53	13.26
Outstanding dues of Creditors other than micro enterprises and small enterprises		1,314.04	857.23
Other financial liabilities	16	3,723.18	4,912.43
Other non-financial liabilities	19	264.22	228.83
Deferred revenue/ contract liabilities	18	38.33	23.66
Provisions	17	31.83	44.23
Total Current Liabilities		5,948.76	6,306.24
Total Liabilities		12,845.53	15,982.39
Liabilities associated with assets held for sale	22	52.57	133.58
TOTAL EQUITY AND LIABILITIES		21,013.65	20,610.72

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)

Amit Shah

Partner

Membership No. 122131

Anil Mukim, IAS

Chairman

DIN : 02842064

Reena Desai

Company Secretary

Sanjeev Kumar, IAS

Managing Director

DIN : 03600655

Rajesh Sivadasan

Chief Financial Officer

Date : 15th June, 2021

Place : Gandhinagar

Date : 15th June, 2021

Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Crores)

Particulars	Notes	As at 31 st March, 2021	As at 31 st March, 2020
INCOME			
Revenue from operations	23	19,409.63	21,303.09
Other income	24	264.52	186.31
TOTAL INCOME (A)		<u>19,674.15</u>	<u>21,489.40</u>
EXPENSES			
Production expenditure	25	59.08	81.03
Cost of material consumed	26	1,359.56	1,085.51
Cost of traded goods	27	11,466.23	14,211.46
Changes in inventories of finished goods, stock-in-process and stock-in-trade	28	(158.44)	(63.04)
Employee benefits expenses	29	266.14	271.86
Finance costs	30	701.71	1,095.33
Depreciation, depletion and amortization expenses		732.42	796.44
Other expenses	31	839.51	901.28
TOTAL EXPENSES (B)		<u>15,266.21</u>	<u>18,379.87</u>
Profit/ (loss) before exceptional items and tax (A-B)		<u>4,407.94</u>	<u>3,109.53</u>
Exceptional items	32	(154.88)	(551.98)
Profit/ (loss) before tax		<u>4,253.06</u>	<u>2,557.55</u>
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)		119.68	37.84
Tax expense			
Current Tax			
- Current Year		717.96	604.23
- Earlier Year		9.10	(17.37)
Deferred Tax		(87.61)	(313.70)
Profit/ (Loss) After Tax for the period (C)		<u>3,733.29</u>	<u>2,322.23</u>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss :			
Changes in fair value of FVTOCI equity instruments		(21.74)	(7.43)
Remeasurement of post-employment benefit obligations		2.65	(13.02)
Income tax relating to above items		(1.97)	2.88
Share of OCI in Associate and JV (Net of tax)		20.73	5.24



GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Crores)

Particulars	Notes	As at	
		31 st March, 2021	31 st March, 2020
Items that will be reclassified to profit or loss :			
Foreign Currency Translation Reserve		(4.08)	-
Other Comprehensive Income for the period, net of tax (D)		(4.41)	(12.33)
Total Comprehensive Income for the Period (C+D)		3,728.88	2,309.90
Profit attributable to:			
Owners of the Company		2,141.07	696.49
Non-Controlling Interest		1,592.22	1,625.74
Other comprehensive income attributable to:			
Owners of the Company		(10.94)	(13.77)
Non-Controlling Interest		6.53	1.44
Total comprehensive income attributable to:			
Owners of the Company		2,130.13	682.72
Non-Controlling Interest		1,598.75	1,627.18
Earnings per equity share (EPS) - (face value of ₹.1/-)	33		
Basic (₹.)		3.48	2.41
Diluted (₹.)		3.48	2.16

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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Cash Flows for the period ended 31st March, 2021

(₹ in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,253.06	2,557.55
Adjustments for:		
Depreciation, Amortization & Depletion	732.42	796.44
Interest & Finance Charges	703.99	1,068.08
(Profit)/Loss on Sale of Assets	3.40	1.61
Reversal in Impairment on account of expected credit loss assessment	-	(0.18)
Unrealized Foreign Exchange Loss/(Gain)	(15.41)	99.37
Employee benefit Expense	4.40	(3.84)
Other non-cash expenses	1.65	(5.30)
Exploration Cost Written off	1.16	0.67
Impairment of oil and gas assets & investments	67.36	540.32
Provision/(Reversal) for Doubtful Advances	(5.19)	2.70
Litigation Settlement	55.41	8.11
	<u>5,802.25</u>	<u>5,065.53</u>
Interest and Dividend Income	(97.43)	(152.68)
Operating Profit before working capital changes	<u><u>5,704.82</u></u>	<u><u>4,912.85</u></u>
Adjustments for changes in Working Capital		
Change in Current/non-current Assets		
(Increase)/decrease in Loans	(6.13)	6.96
(Increase)/decrease in Other Financial Assets	21.42	370.48
(Increase)/decrease in Inventories	(172.04)	(44.03)
(Increase)/decrease in Trade Receivables	(338.08)	(174.26)
(Increase)/decrease in Other Bank Balances	27.56	28.86
(Increase)/decrease in Other Assets	72.39	(174.09)
Change in Current/Non-current Liabilities		
Increase/(decrease) in Other Financial Liabilities	(534.69)	(243.62)
Increase/(decrease) in Provisions	(20.86)	(29.55)
Increase/(decrease) in Trade payables	491.96	618.63
Increase/(decrease) in Other Liabilities	23.90	74.29
Increase/(decrease) in Deferred Revenue/contract Liabilities	(0.30)	0.05
Cash Generated from/(Used in) Operations	<u><u>5,269.95</u></u>	<u><u>5,346.57</u></u>
Taxes (paid)/ refund	(692.16)	(612.35)
Net Cash Generated from/(Used in) Operating Activities (A)	<u><u>4,577.79</u></u>	<u><u>4,734.22</u></u>
CASH FLOW FROM INVESTING ACTIVITIES		
Cash Paid for Purchase of Assets / CWIP including Joint Arrangements	(929.15)	(781.27)
Sale of Property, Plant and Equipment	27.32	0.88

GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Cash Flows for the period ended 31st March, 2021

(₹. in Crores)

Particulars	For the period ended 31 st March, 2021	For the period ended 31 st March, 2020
Proceeds from Investments/(Investment in Subsidiaries)	-	0.13
Proceeds from/(cash used in) Other Investments	(384.80)	(334.00)
Interest and Dividend Income received	103.67	144.98
Movement in Other bank balances	20.25	115.74
Net Cash Generated from/(Used in) Investing Activities (B)	<u>(1,162.71)</u>	<u>(853.54)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of Share capital to Non Controlling Interest	0.83	0.84
Equity Share issue expenses paid	-	(0.55)
Proceeds from /(Repayment of) Long Term Loans (net)	(3,008.09)	(1,653.58)
Proceeds from /(Repayment of) Short Term Loans (net)	(92.15)	(303.94)
Interest & Financing Charges paid	(689.23)	(1,046.56)
Dividend (including Corporate Dividend Tax)	(110.11)	(132.33)
Payment of interest portion of lease liabilities	(5.09)	(4.51)
Payment of principal portion of lease liabilities	(12.60)	(12.77)
Net Cash Generated from/(Used in) Financing Activities (C)	<u>(3,916.44)</u>	<u>(3,153.40)</u>
Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	<u>(501.36)</u>	<u>727.28</u>
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	0.47	2.86
Fixed deposit with original maturity of less than 3 months	201.46	141.31
Cheques on Hand	23.00	-
Bank Balances	840.11	193.60
	<u>1,065.04</u>	<u>337.77</u>
Cash and Cash equivalents at the End of the Year		
Cash on hand	1.20	0.48
Cheques / Draft on Hand	-	23.00
Fixed deposit with original maturity of less than 3 months	354.54	755.08
Bank Balances	207.94	286.49
	<u>563.68</u>	<u>1,065.05</u>

Notes

- (i) The above Statement of Cash Flow has been prepared using the "Indirect Method" as set out in the Ind AS 7 Statements of Cash Flows.
- (ii) 749,06,36,704 fully paid equity shares of face value ₹.1 each at premium of ₹.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 ₹.7.01 per share(Non-Cash Transaction).

Consolidated Financial Statements

(iii) Change in Liability arising from Financing Activities

(₹ in Crores)

Particulars	1st April, 2020	Cash Flow	Foreign Exchange & Other Non Cash Movement	31 st March, 2021
Non-current borrowing including current maturities (Refer Note 15)	10,358.88	(3,008.09)	(434.95)	6,915.84
Current borrowings (Refer Note 15)	226.60	(92.15)	425.18	559.63

(₹ in Crores)

Particulars	1 st April, 2019	Cash Flow	Foreign Exchange & Other Non Cash Movement	31 st March, 2020
Non-current borrowing including current maturities (Refer Note 15)	11,909.67	(1,653.58)	102.79	10,358.88
Current borrowings (Refer Note 15)	530.54	(303.94)	0.00	226.60

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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar



GUJARAT STATE PETROLEUM CORPORATION LIMITED

(CIN : U23209GJ1979SGC003281)

Consolidated Statement of Changes in Equity (SOCIE) for the period ended 31st March, 2021

A. Equity Share Capital

Particulars	(₹. in Crores)	
	2020-21	2019-20
Issued, subscribed and paid up share capital		
Beginning balance of the year		
10,756,540,264 (P.Y. 2,579,262,920) Equity Shares of ₹.1/- each fully paid up	1,075.65	257.93
Equity shares issued during the year	-	817.72
10,756,540,264 (P.Y. 10,756,540,264) Equity Shares of ₹.1/- each fully paid up	1,075.65	1,075.65
Treasury Shares held by subsidiary company - 2,00,00,000 equity shares (3 rd March, 2020 : 2,00,00,000) of ₹.1/- each	(2.00)	(2.00)
Closing balance of the year	1,073.65	1,073.65

B. Instruments entirely equity in nature

Particulars	(₹. in Crores)	
	No. of Debentures	Amount
As at 1 st April 2019	6,79,61,130	6,550.00
Movement during the year		
Less : Equity Shares issued against NCD liability transfer (Refer Note 13(e))	(60,000)	(6,000.00)
Less : Compulsory Convertible Debentures converted during the year (Refer Note 13(e))	(6,79,01,130)	(550.00)
As at 31 st March 2020	-	-
Movement during the year	-	-
As at 31 st March 2021	-	-

C. Other equity

Particulars	(₹. in Crores)											
	Employee stock options outstanding (Net)	Capital reserve	Capital reserve on consolidation	Amalgamation and arrangement reserve*	Securities premium	General reserve	Capital reserve on common control & business combination	Retained earnings	Other Comprehensive	Total other equity	Non controlling interest	
Balance at April 1, 2019	0.66	10.01	6.21	358.00	3,894.08	3,261.77	(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 (net of tax)	-	-	-	-	-	-	-	(11.23)	-	(2.54)	(13.77)	1.44
Accounting policy change on adoption of Ind AS 115 (net of tax)	-	-	-	-	-	-	-	0.05	-	-	0.05	-
Dividend including DDT	-	-	-	-	-	-	-	-	-	-	-	(122.85)
Transaction with NCI	-	-	-	-	-	-	-	-	-	-	-	(5.78)
Total comprehensive income for the year	0.66	10.01	6.21	358.00	3,894.08	3,261.77	(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	-
Utilization during the year	(0.35)	-	-	-	(0.55)	-	-	(9.00)	-	-	(9.90)	-
Balance at March 31, 2020	0.31	10.01	6.21	358.00	9,626.47	3,261.77	(3,594.73)	(10,917.59)	61.62	88.64	(1,099.29)	4,520.39
Profit for the year	-	-	-	-	-	-	-	2,141.07	-	-	2,141.07	1,592.22

Particulars	Reserves & Surplus										Total other equity	Non controlling interest
	Employee stock options outstanding (Net)	Capital reserve	Capital reserve on consolidation	Amalgamation and arrangement reserve*	Securities premium	General reserve	Capital reserve on common control & business combination	Retained earnings	Foreign currency translation reserve	Equity instruments through other comprehensive income		
Other comprehensive income for the year	-	-	-	-	-	-	-	1.26	(4.08)	(8.13)	(10.95)	6.53
Total comprehensive income for the year	-	-	-	-	-	-	-	2,142.33	(4.08)	(8.13)	2,130.12	1,598.75
Addition during the year	-	-	-	-	0.57	-	-	-	-	-	0.57	-
Utilization during the year	(0.31)	-	-	-	-	-	-	-	-	-	(0.31)	(70.38)
Dividend including DDT	-	-	-	-	-	-	-	-	-	-	-	(37.95)
Transaction with NCI	-	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2021	-	10.01	6.21	358.00	9,627.04	3,261.77	(3,594.73)	(8,775.26)	57.54	80.51	1,031.09	6,010.81

* Includes Amalgamation and Adjustment Reserve of ₹ (118.44) Crore.

Purpose of Reserves:

- Capital Reserve:** Capital reserve was created on account of transition to Ind AS.
- Securities Premium:** Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.
- General Reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- Retained Earnings:** The amount that can be distributed by the Group as dividends to its equity shareholders out of accumulated reserves is determined considering the requirements of the Companies Act, 2013. Thus, the closing balance amounts reported above are not distributable in entirety.
- Equity Instruments through Other Comprehensive Income:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity Investments through OCI reserves.
- Employees Stock Options Outstanding (Net):** The Employee stock options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.
- Amalgamation & Arrangement Reserve:** The "Amalgamation and Arrangement Reserve" created pursuant to scheme of amalgamation and arrangement is treated as free reserve based on the judgment of Hon'ble Gujarat High Court dated 18th April 2015 read with relevant other court decisions.
- Capital Reserve on common control business combination:** The reserve is created on account of using pooling of interest method under Appendix C to Ind AS 103 Business Combination for acquisition/restructuring within the Group.
- Capital reserve on consolidation:** The reserve is generated while consolidating the acquired entities on acquisition date under previous IGAAP.
- Foreign Currency Translation Reserve:** The reserve is created on translating the foreign operation's financial statements into presentation currency of the Group. The same will be reclassified to profit or loss on disposal of foreign operations.

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 : 15th June, 2021
Place : Gandhinagar

Anil Mukim, IAS
Chairman
DIN : 02842064

Reena Desai
Company Secretary

Date : 15th June, 2021
Place : Gandhinagar

For and on behalf of the Board of Directors

Sanjeev Kumar, IAS
Managing Director
DIN : 03600655

Rajesh Sivadasan
Chief Financial Officer



Notes to Consolidated Financial Statements for the year ended 31st March, 2021

CORPORATE INFORMATION

Gujarat State Petroleum Corporation Limited ("GSPC" or "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office is situated at GSPC Bhavan, B/H Udyog Bhavan, Sector - 11, Gandhinagar - 382010. GSPC is a Government Company u/s 2(45) of Companies Act, 2013. The Company, along with its subsidiaries, is referred as "the Group". The Group has further investments in joint arrangements and associate.

The Group is primarily engaged in oil and gas activities comprising of oil & gas exploration, development and production and trading of natural gas. The Group is also engaged in transmission of natural gas, city gas distribution, PNG-CNG gas sale and generation and sale of electricity.

The Consolidated Financial Statements ("the financial statements") for the year ended March 31, 2021 were approved and authorized for issue in accordance with a resolution passed in the meeting of the Board of Directors held on 15th June, 2021.

1. Significant accounting policies

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

(a) Basis of preparation of Consolidated Financial Statements:

(i) Statement of compliance with Ind AS

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

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

(ii) Historical cost convention

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

- certain financial assets and liabilities measured at fair value; 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:

the next financial year are included in the following notes:

- Useful lives of property, plant and equipment, right of use assets and intangible assets
- Current / Deferred tax expense
- Measurement of defined benefit obligations, Key Actuarial Assumptions
- Provisions and contingencies
- Expected credit loss for receivables
- Estimation of Oil and Gas reserves
- Impairment

Consolidated Financial Statements

- Valuation of Inventory
- Going Concern including impact of COVID 19 pandemic
- Fair valuation of unlisted securities and Assets held for sale
- Definition of lease, lease term and discount rate

(iv) Current versus non-current classification

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

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in its normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- 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:

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

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

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

(b) Principles of consolidation and equity accounting

The consolidated financial statement of GSPC represents consolidation of its standalone financial statements with subsidiaries, associates and joint ventures (JV). The proportion of ownership interest in each subsidiary, associate and joint venture is as follows:

Name of Entity	Relationship with GSPC	Direct Control or Control through Subsidiary (indirect Control)	ownership interest as on 31 st March 2021	ownership interest as on 31 st March 2020
Gujarat State Petronet Limited (GSPL)	Subsidiary (By Management Control)	Direct Control	37.63%	37.64%
Gujarat Gas Limited (GGL) (earlier known as GSPC Distribution Networks Limited)	Subsidiary	Indirect Control	20.38%	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	19.57%	19.58%
GSPL India Transco Limited	JV	Indirect JV	19.57%	19.58%
Sabarmati Gas Ltd	JV	Direct JV	32.87%	32.87%
Gujarat State Energy Generation Limited	Associate	Associate	54.17%	54.17%
Alcock Ashdown (Gujarat) Limited	Associate	Associate	22.50%	22.50%
Social Welfare Trust	Subsidiary	Direct	100%	100%
Gujarat Gas Limited Employee welfare stock option trust	Subsidiary	Indirect	20.38%	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. Assessment of whether the Group has significant influence or not is made based on Ind AS 28 - Investments in Associates and joint ventures, which requires duly considering potential voting rights if any. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint ventures

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The investments in joint ventures are accounted using the equity method based on requirements of Ind AS 111 - Joint arrangements, after initially being recognised at cost in the Consolidated Balance Sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

Any excess/short of the amount of investments in associate or joint venture over the Group's portion of net assets of associate or joint venture, at the date of investments is considered as goodwill/ capital reserve.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been aligned where necessary to ensure consistency with the policies adopted by the Group.

The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the

purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets 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.

Business combination of entities under common control

Business combinations involving entities that are ultimately controlled by the same party before and after the business combination are considered as common control business combination to be accounted using the pooling of interest method which comprises of the below.

- The assets and liabilities of the combining entities are reflected at their carrying amount.
- No adjustments are made to reflect the fair values or recognise new assets or liabilities. Adjustments are made to align accounting policies.
- The financial information in the financial statements in respect of prior period is restated as the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve. Acquisition costs that the Group incurs in connection with a business combination are expensed as incurred.

The identity of the reserves is preserved, and the reserves of the transferor become the reserve of the transferee. The difference if any between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to "Capital Reserve on common control business combination" and is presented separately from other capital reserves.

(c) Property, plant and equipment

(i) Oil and Gas properties

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

1) Pre-acquisition Cost

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

2) Acquisition, Exploration & Evaluation Costs:-

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

Exploration and Evaluation activities cover the prospecting activities conducted in search for oil and gas after 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 costs are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development based on the nature of the expenditure.

3) Development Cost

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

**4) Producing properties:-**

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

5) Abandonment Cost

The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete/facilities are installed.

6) Surrender / Relinquishment of a Contract Area

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

7) Disposal of Interest

Gain (excess of net consideration over carrying value of the assets) or loss (excess of carrying value of the assets over net consideration) on sale of interest in a contract area is recognized in the consolidated statement of profit or loss in the year in which such agreement is executed.

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.

(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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

In case of transmission and city gas distribution business, the Group capitalises all the cost directly attributable and ascertainable to project assets, till completing the project. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Costs of meter / regulator consumed for initial connection to customers are capitalized as per underlying contracts with customers and consumed for replacement during the year are charged to statements of profit & loss.

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

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

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

(d) Investment properties

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

Investment property is measured initially at its cost, including related transaction costs and applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits

associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed out as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(e) Intangible assets

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

Goodwill on acquisitions of subsidiaries is included in intangible assets. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets like software, licenses, right of way / right of use which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to the consolidated statement of profit and loss when the intangible asset is derecognised.

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

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

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

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

In case of Property, Plant and equipment, the right-of-use asset under Ind AS 116 is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

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

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

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

No depreciation or depletion is provided in the accounts of the Joint Ventures. However, the depreciation and depletion, as applicable, has been provided for by the Group in its own books based on its participating interest.

Depreciation on Plant and Machinery-pipelines (Steel and MDPE) is provided at 3.33% on Straight-Line Method (SLM) considering useful life of thirty years.

City gas stations, skids, pressure regulating stations, meters & regulators are written off on SLM basis. These are estimated to have useful life of 18 years based on technical assessment made by technical expert and management

The Group has constructed / installed CNG stations' buildings and machineries, on land taken on lease from various lessors under lease deed for periods ranging from 35 years to 99 years. However, assets constructed / installed on such land have been depreciated at useful lives as referred above. Capital assets / facilities installed at the customers' premises on the land of the customers/CNG franchisee whose ownership is not with the Group have been depreciated at the useful lives specified as above.

On Power Generation Assets depreciation is provided on straight line method (SLM) following the rate and methodology as notified by Central Electricity Regulatory Commission (CERC) pursuant to provisions of Electricity Act, 2003.

For intangible assets, Right of Use in land for laying pipelines is indefinite life and hence it is not amortised. However, the same is tested for impairment annually. Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

Depreciation on items of property, plant and equipment acquired / disposed 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 considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Impairment losses of continuing operations are recognised in the consolidated statement of profit and loss, except for properties previously valued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(h) Leases

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, had 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 had 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.

On transition to Ind AS 116, the Group had 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 had 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 (date of initial application). The Group had used judgement in assessing the lease term (including anticipated renewals/termination options).

The Group as a lessee

As a lessee, the Group leases many assets including land, office building, factory shed, vehicles, plant and machinery and guest house. The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

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

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

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option

that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

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

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 and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

Apart from grandfathering the assessment of which contracts contain a lease, the Group had 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; and
- Used hindsight in determining the lease term.

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 initial application of 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 had recognised lease equalisation asset as on date of initial application of the standard for straight lining of the lease rentals. In case of modification of contractual terms, the same is accounted as a new lease, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

(i) Borrowing costs

The Group is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For interest capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the interest for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the



interest is charged to the consolidated statement of profit and loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the consolidated statement of profit and loss.

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

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

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

Trade receivables

Trade receivables are recognised initially at fair value which is generally the transaction price 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. Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. 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 and 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 and financial liabilities measured at amortised cost, as appropriate.

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

The Group's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, 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 measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability 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 drawn down. The said fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss as other income or other expenses.

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

Trade and other payables

These amounts represent liability for goods and services provided to the Group prior to the end of financial year which are unpaid. 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. forward contracts, swaps, commodity hedging contracts and option contracts, to hedge its price fluctuation risk, foreign exchange 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 investment in equity shares, derivatives etc., at fair value at each balance sheet date.

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

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

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

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



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

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

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

The Group's Board of Directors (BOD) determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale/distribution in discontinued operations. 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, Post-Retirement Medical Benefit Scheme (PRMBS) & loyalty bonus etc. and
- B. Defined contribution plan such as provident fund, superannuation fund etc.

Gratuity/Post-Retirement Medical Benefit Scheme 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 accumulated 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. Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(v) Employee Stock Option plan

Share-based compensation benefits are provided to employees via Employee Stock Option Scheme.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- A. including any market performance conditions (e.g. entity's share price)
- B. excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period); and
- C. including the impact of any non-vesting conditions (e.g. the requirements for employees to save or holding shares for specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

(p) Foreign currency transactions

(i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic



environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is 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 and MTM for derivatives taken for FCNR loan 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

- Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Group assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.
- Revenue is measured based on the amount of consideration to which the Group expects to be entitled in exchange of service. The transaction price includes Excise Duty; however, it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Group collects on behalf of the government.
- In determining the transaction price, the Group estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.
- The Group recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs.
- Income from sale of crude oil and gas produced from wells until start of commercial production is adjusted against the cost of such wells.
- Revenue from sale of gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered/assessed measurements facility. In case of high sea sales, control is transferred to the customer on delivery of the gas outside the territorial water of India.
- Profit Petroleum payable to the Government of India (MoP&NG) under a PSC is accounted for initially on an estimated basis and upon approval of the DGH, MoP&NG, difference, if any, is accounted for in the year of such of approval.
- Revenue from regasification services is recognised over time such service is performed by the Group and revenue from gas transmission is recognized over the period in which the related volumes of gas are delivered to the customers.
- Revenue from sale of electricity is recognized at the point in time when control is transferred to the customer, generally on delivery of the electricity on metered/assessed measurements facility.
- Revenue from transmission of gas through pipeline is recognised over the period in which the related services are performed. Customers are billed on fortnightly basis.
- In case of city gas distribution business, revenue from sale of Natural Gas is recognized at the point in time when the control is transferred to the customers, generally on delivery of the gas on metered/assessed measurement facility. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial and non-commercial customers and fortnightly for industrial customers.
- Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery to customers from retail outlets.

- Revenue recognised towards supply of natural gas already occurred for the period from the end of the last billing date to the balance sheet date has been reflected under Contract Asset (as unbilled revenue) which is calculated based on customer wise previous average consumption. In case of IT business, Revenue from sale of traded goods is recognised at the point in when control is transferred to the customers, generally on delivery of the goods to the customers. Revenue from operation & maintenance services, webcasting services, server co-location, software as a service model over specified period of time on a straight-line basis, because customers simultaneously receives and consumes the benefits provided by the Group. Facility Management Services are recognised at gross amount charged to customers with a corresponding charge in the consolidated statement of profit and loss.
- Revenue in respect of 'Take or Pay' quantity of gas (short lifted quantity of gas under the Gas Sale Agreements) (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 Operations.
- Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

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

(r) Allocation of General Administrative Expenses

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

(s) Accounting for oil and gas joint operations

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

(t) Taxation

Income taxes

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



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

Advance taxes and provisions for current income taxes are presented 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.

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

Contingent liability is disclosed in the case of:

- A. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- B. A present obligation arising from the past events, when no reliable estimate is possible;
- C. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for & 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, cash at bank, cheque / demand draft on hand and deposits with banks/financial institutions and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with 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 lacs 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) Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If the Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income specified under the head 'additional information' in the notes forming part of consolidated financial statements.

While the amendments are mandate significant disclosures, no financial impact is perceived. The Group will evaluate requirements and give effect of the same as required by the regulations.

Note - 2
Property, plant, equipment as at 31st March 2021

(₹ in Crores)

Particulars	Gross Block			Depreciation, Depletion and Amortization				Net Block		
	As at 1 st April 2020	Addition during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 1 st April 2020	Charge For the year	Impairment	Disposal/ Adjustment	As at 31 st March 2021	As at 31 st March 2020
Freehold Land	706.18	3.22	(13.16)	696.25	-	-	-	-	696.25	706.18
Lease hold Land (i)	145.92	1.41	(0.21)	147.12	5.68	2.61	-	(0.21)	139.04	140.24
Buildings (i)	555.16	17.97	(1.04)	572.09	116.82	24.47	-	(0.47)	431.27	438.34
Plant and Machinery (i)	13,680.24	711.50	(10.67)	14,381.07	4,150.19	620.44	-	(6.88)	9,617.32	9,530.05
Furniture and Fixture	33.01	1.63	(0.44)	34.19	19.31	2.81	-	(0.39)	12.46	13.70
Office Equipments	26.73	1.60	(0.48)	27.85	20.09	1.61	-	(0.45)	6.60	6.64
Computer Equipment	55.37	4.91	(2.83)	57.45	34.82	5.61	-	(2.66)	19.69	20.56
Vehicles (i)	25.20	26.21	(12.55)	38.86	16.20	9.55	-	(12.53)	25.64	9.00
Electrical Installation & Equipment	111.10	2.76	(0.07)	113.79	64.24	11.58	-	(0.03)	38.00	46.85
Communication Equipment	61.23	0.59	(0.00)	61.82	35.20	4.74	-	-	21.89	26.03
Ships	0.06	-	-	0.06	0.05	0.00	-	-	0.01	0.01
Books	0.33	-	-	0.33	0.33	-	-	-	-	-
Producing Properties (being Group's share in Joint Arrangement)	1,369.88	0.57	-	1,370.45	804.90	25.30	-	(8.17)	548.42	564.97
Total tangible assets	16,770.39	772.37	(41.45)	17,501.33	5,267.82	708.73	-	(31.79)	11,556.59	11,502.57
Capital work in progress:										
Exploration & Development*									185.58	156.76
CWIP Others									952.95	831.52
Total capital work in progress	-	-	-	-	-	-	-	-	1,138.53	988.28

* During the FY 20-21, the Company has provided for ₹.30.75 Crores as impairment. Refer note No-32 (a).



Property, plant, equipment as at 31st March 2020

(₹. in Crores)

Particulars	Gross Block			Depreciation, Depletion and Amortization				Net Block		
	As at 1 st April 2019	Addition during the year	Disposal/ Adjustment	As at 31 st March 2020	As at 1 st April 2019	Charge For the year	Impairment	Disposal/ Adjustment	As at 31 st March 2020	As at 31 st March 2019
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	-	-	140.24	58.08
Buildings (i)	530.45	25.27	(0.56)	555.16	92.24	24.88	-	(0.30)	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)	9,530.05	9,514.09
Furniture and Fixture	29.46	4.08	(0.53)	33.01	17.00	2.72	-	(0.41)	13.70	12.46
Office Equipments	25.50	1.55	(0.32)	26.73	18.43	1.96	-	(0.30)	6.64	7.07
Computer Equipment	54.66	3.96	(3.25)	55.37	31.99	5.83	-	(3.01)	20.56	22.66
Vehicles (i)	11.51	13.75	(0.06)	25.20	8.14	8.11	-	(0.05)	9.00	3.36
Electrical Installation & Equipment	101.13	9.96	-	111.10	51.57	12.68	-	-	46.85	49.57
Communication Equipment	56.86	4.37	(0.00)	61.23	29.65	5.55	-	(0.00)	26.03	27.21
Ships	0.06	-	-	0.06	0.04	0.01	-	-	0.01	0.02
Books	0.33	-	-	0.33	0.33	-	-	-	-0.00	-0.00
Producing Properties (being Group's share in Joint Arrangement)	1,369.11	14.16	(13.39)	1,369.88	677.21	38.86	101.36	(12.53)	564.97	691.89
Total tangible assets	15,939.15	854.17	(22.93)	16,770.39	4,411.33	774.75	101.36	(19.62)	11,502.57	11,527.82
Capital work in progress :										
Exploration & Development*									156.76	131.09
CWIP Others									831.52	933.66
Total capital work in progress									988.28	1,064.75

*During the FY 19-20, the Company has provided for ₹3.18 Crores as impairment. Refer Note - 32 (a).

(i) the above includes the right of use assets recognised under Ind AS 116 Leases:

Particulars	Gross Block			Depreciation, Depletion and Amortization				Net Block		
	As at 1 st April 2020	Addition during the year	Disposal/ Adjustment	As at 31 st March 2021	As at 1 st April 2020	Charge For the year	Impairment	Disposal/ Adjustment	As at 31 st March 2021	As at 31 st March 2020
ROU - Land	148.98	1.41	0.21	150.18	6.20	2.74	-	0.21	141.46	142.78
ROU - Building	10.67	0.49	0.27	10.89	2.34	1.67	-	0.27	7.16	8.33
Plant and Equipments	31.30	-	-	31.30	1.79	2.09	-	-	27.42	29.51
Vehicles	12.47	26.20	12.47	26.21	7.12	8.73	-	12.47	22.83	5.35
Total	203.42	28.11	12.95	218.58	17.45	15.22	-	12.95	198.86	185.97

Particulars	Gross Block			Depreciation, Depletion and Amortization				Net Block		
	As at 1 st April 2019	Addition during the year#	Disposal/ Adjustment	As at 31 st March 2020	As at 1 st April 2019	Charge For the year	Impairment	Disposal/ Adjustment	As at 31 st March 2020	As at 31 st March 2019
ROU - Land	61.40	87.58	-	148.98	3.34	2.85	-	-	142.78	58.06
ROU - Building	3.23	7.44	-	10.67	0.57	1.77	-	-	8.33	2.66
Plant and Equipments	-	31.30	-	31.30	-	1.79	-	-	29.51	-
Vehicles	-	12.47	-	12.47	-	7.12	-	-	5.35	-
Total	64.63	138.79	-	203.42	3.91	13.53	-	-	185.97	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".

In the Case of Subsidiary - GSPC Pipavav Power Company Limited:

- a. GSPC Pipavav Power Company Limited had capitalized substantial portion of 702MW power plant during FY 2013 - 2014 that were ready for commercial production based on trial run as per terms of Power Purchase Agreement (PPA) with GUVNL. Further the work under EPC contract is not over and the company has not issued Provisional Acceptance Certificate (PAC) to Bharat Heavy Electricals Ltd. (BHEL). Considering uncertainty in recoverability and crystallization of exact amount of liquidated damages on account of delay in execution of contract under the EPC contract with BHEL (including liquidated damages arising that may arise on Performance Acceptance Certificate), the management has decided to consider accounting of liquidated damages under EPC contract after PAC and Performance Guarantee test by BHEL.
- b. On 8th July 2020, a major fire broke out at Switch yard and control room of the Company's 5 MW Solar Plant in which factory building was destroyed. The Company had entered agreement with LANCO, whereby LANCO had indemnified the Company for any damage to assets at solar plant. Accordingly, the written down value of the building was removed from property, plant and equipment and loss pertaining to the same was debited to LANCO. The plant is partially recommissioned on 7th April, 2021 and entire plant came into service and available for generation from 17th April, 2021.



c. The land for 702MW Pipavav Project has been provided by Gujarat Power Corporation Limited (GPCL) and is comprised of 114.44 Hectares of acquired land and 11.28 Hectares of Government Land. The acquired land has already been transferred in GPPC's name and subsequently the said land had been mortgaged in favor of Company's lenders. During the FY 2019-20, GPPC has made full payment of outstanding term loan availed in connection with 702MW Pipavav Project. The process of the freeing the acquired land in revenue records, Sub Registrar office, Taluka Rajula District Amreli is going on.

Moreover, during the FY 2020-21, as per the decision taken by the management of the Company, a request has been made to Government of Gujarat (GoG) through the competent authority i.e. District Collector, Amreli with respect to the whole Government land 16.09.46 Hectare Square Meter (HSM) inclusive of 11.28.94 HSM as per Revenue Records and additional Government land (04.80.52 HSM) which is inside GPPC's 702 MW CCPP premises, whereby it has been proposed by the Company that:

- i. To surrender 02.05.88 HSM Government land which is not required by GPPC;
- ii. To exchange 05.76.66 HSM Government land with equivalent acquired land of GPPC and
- iii. To seek Government's permission for obtaining 08.26.92 HSM Government Land on 99 Years long term lease.

Presently, GPPC's above mentioned proposal is under consideration of the GoG and Company continues to follow up in the matter.

d. The assets i.e. 702MW gas based combined cycle power plant located at Pipavav, Amreli is commissioned for generation of power (electricity). Presently, the Company is generating power as per the Power Purchase Agreement (PPA) executed with GUVNL. Although, GUVNL is the sole procurer of electricity generated from the assets at this point in time, the Company has right to use the assets for other customer/s in future, if any.

In light of the above aspects of the arrangement, the Company had previously examined the parameters of determining whether this arrangement contains a Lease with respect to Appendix C of Ind AS 17-Leases in light of the Power Purchase Agreement, Articles of Association, its relationship with the promoters and the Government of Gujarat. The Company had concluded that the arrangement did not fulfil the criteria for the determination of lease and accordingly classified as PPE.

On transition to Ind AS 116 Leases, the Company had elected to apply the practical expedient in Para C3 of Appendix C which states that an entity is not required to reassess whether a contract is, or contains, a lease at the date of initial application. 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.

Note 3

Investment property as at 31st March 2021

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2020	Addition during the year	Disposal/Adjustment	As at 31 st March 2021	As at 1 st April 2020	For the year	Disposal/Adjustment	As at 31 st March 2021	As at 31 st March 2020
Land and building*	1.56	0.00	-	1.56	0.05	0.03	-	1.48	1.51
Total Investment property	1.56	-	-	1.56	0.05	0.03	-	1.48	1.51

Investment property as at 31st March 2020

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2019	Addition during the year	Disposal/Adjustment	As at 31 st March 2020	As at 1 st April 2019	For the year	Disposal/Adjustment	As at 31 st March 2020	As at 31 st March 2019
Land and building*	1.56	-	-	1.56	0.04	0.01	-	1.51	1.52
Total Investment property	1.56	-	-	1.56	0.04	0.01	-	1.51	1.52

*Includes land of an amount of ₹.1.45 crores (P.Y ₹.1.45 crores) which is non depreciable.

Notes

- The assets are given on lease for various lease terms as agreed mutually. The leases are cancellable subject to agreed notice period.
- Amount recognised in profit or loss for investment properties :

Particulars	For the period ended	
	31 st March, 2021	31 st March, 2020
Rental Income	0.20	0.20
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	0.20
Depreciation	(0.03)	(0.01)
Net Profit from investment properties	0.17	0.19

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)

Fair value of investment properties:

Particulars	As at		As at
	31 st March, 2021	31 st March, 2020	
Investment Properties	3.20	2.40	2.40
Total	3.20	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. Capitalized income projections based upon a property's estimated net market income, and a capitalization rate derived from an analysis of market evidence
- The 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, janry 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 2021

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block	
	As at 1 st April 2020	Addition during the year	As at 31 st March 2021	As at 1 st April 2020	For the year	As at 31 st March 2021	As at 31 st March 2021	As at 31 st March 2020
Goodwill on consolidation	186.14	-	186.14	-	-	186.14	186.14	186.14
Total Goodwill on consolidation	186.14	-	186.14	-	-	186.14	186.14	186.14

Other intangible assets as at 31st March 2021

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block	
	As at 1 st April 2020	Addition during the year	As at 31 st March 2021	As at 1 st April 2020	For the year	As at 31 st March 2021	As at 31 st March 2021	As at 31 st March 2020
Right of Use/ Right of Way**	525.54	42.54	568.08	55.33	14.17	69.38	498.70	470.21
Software	103.36	7.60	110.80	74.16	9.50	83.67	27.12	29.19
Total other intangible assets	628.89	50.13	678.87	129.49	23.66	153.05	525.82	499.40
Intangible assets under development								
Exploration & Development Software							186.38	190.60
Total of Intangible assets under development							0.36	1.20
							186.74	191.80

Goodwill on Consolidation as at 31st March 2020

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2019	Addition during the year	Disposal/ Adjustment	As at 31 st March 2020	As at 1 st April 2019	For the year	Disposal/ Adjustment	As at 31 st March 2020	As at 31 st 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

Particulars	Gross Block			Depreciation, Depletion and Amortization			Net Block		
	As at 1 st April 2019	Addition during the year	Disposal/ Adjustment	As at 31 st March 2020	As at 1 st April 2019	For the year	Disposal/ Adjustment	As at 31 st March 2020	As at 31 st March 2019
Right of Use / Right of Way**	484.62	41.38	(0.46)	525.54	42.45	12.88	-	470.21	442.17
Software	110.12	4.16	(10.92)	103.36	76.13	8.80	(10.76)	29.19	33.99
Total other intangible assets	594.74	45.54	(11.38)	628.89	118.58	21.67	(10.76)	499.40	476.16
Intangible assets under development Exploration & Development* Software								190.60	482.91
Total of intangible assets under development								191.80	483.42

* During the FY 19-20, the Company has provided for ₹.281.94 Crores as impairment. Refer note No-32 (a)

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 authorized by the Group, have unrestricted right of entry and lay pipeline or do any other act necessary for the purpose of laying of pipeline. The Group has disclosed the cost incurred for acquisition of ROU as 'Right of Use' in the Intangible Asset schedule. Right of Use has an indefinite life and hence it is not amortised. However, the same is tested for impairment annually.

**Includes RoU of ₹.116.26 Crores (31st March 2020: ₹.112.14 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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Investments in unquoted equity shares of equity accounted investees		
278,647,426 (31 st March, 2020 : 278,647,426) fully paid up equity shares of Gujarat State Energy Generation Ltd of ₹.10 each	338.90	285.72
9,987,400 (31 st March, 2020 : 9,987,400) fully paid up equity shares of Sabarmati Gas Ltd of ₹.10 each	406.72	298.76
11,500,000 (31 st March, 2020 : 11,500,000) fully paid up equity shares of Alcock Ashdown (Gujarat) Ltd of ₹.10 each	-	-
82,78,50,060 (31 st March, 2020: 48,98,50,060) Fully Paid Up Equity Shares of 10 each of GSPL India Gasnet Limited	806.53	459.99
30,26,40,000 (31 st March, 2020: 25,58,40,000) Fully Paid Up Equity Shares of 10 each of GSPL India Transco Limited	250.39	237.37
Total investments in unquoted equity shares of equity accounted investees	<u>1,802.54</u>	<u>1,281.83</u>

Notes

- The percentage holding of the Group in GSEG has increased to 53.70% in F.Y.2018-19. The Group holds majority shares of GSEG but does not have majority voting power and hence GSEG is still an associate and not subsidiary of the Group. The voting rights on such incremental equity shares acquired by the Group during FY 2018-19 are restricted on account of ongoing litigation. 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. the Group has given undertaking to NCLT, Ahmedabad that it shall not exercise voting powers in respect of such shares as are allotted to the Group pursuant to the said offer for Right Issue of shares during the pendency of the petition no. 51 of 2018 filed by KRIBHCO and In view of that, NCLT has ordered to keep on hold the allotment against share application money of ₹.61.47 crores. The matter is still pending with NCLT.
- The Group had made investment in shares of Alcock Ashdown (Gujarat) Ltd. to the tune of ₹.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 ₹.11.50 crores. Further, National Company Law Tribunal (Ahmedabad), vide its order dated 8 March 2021, appointed Insolvency Resolution Profession to initiate Corporate Insolvency Resolution Process of Alcock Ashdown (Gujarat) limited.

Note 6
Other Investments

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
A. Investment in quoted equity shares of other company (measured at fair value through OCI)		
3,697,000 (31 st March, 2020 : 3,697,000) fully paid up equity shares of Gujarat Industries Power Company Ltd. of ₹.10/ each	28.00	18.45

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Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
B. Investment in unquoted equity shares of other companies (measured at fair value through OCI)		
36,430,000 (31 st March, 2020 : 36,430,000) fully paid up equity shares of GSPC LNG Ltd of ₹.10 each	50.82	82.10
29,004,033 (31 st March, 2020 : 29,004,033) fully paid up equity shares of ONGC Petro Additions Ltd of ₹.10/ each	29.00	29.00
86,603,175 (31 st March 2020: 86,603,175) Fully Paid Up Equity Shares of Swan LNG Private Limited ₹.10/- each	86.60	86.60
200 (31 st March, 2020 : 200) fully paid up Equity shares of Kalupur Co Op Comm Bank Ltd of ₹.25 /- each amounting to ₹.5000/-	-	-
Total non-current other investments	<u>194.42</u>	<u>216.16</u>
Aggregate value of quoted investments	<u>28.00</u>	<u>18.45</u>
Market value of quoted investment	<u>28.00</u>	<u>18.45</u>
Aggregate value of unquoted investments	<u>166.42</u>	<u>197.71</u>

Notes

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

Note 7

Loans

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current (measured at amortised cost)		
Loans and Advances to Employees		
Considered good - Secured	13.81	15.97
Considered good - Unsecured	3.51	1.53
Security deposits**		
Considered good - Unsecured	78.60	75.18
Considered doubtful - Unsecured - Credit Impaired	13.38	13.62
Less: Provision Credit Impaired	(13.38)	(13.62)
Loans and Advance to Related Parties Unsecured, considered good	0.02	-
Total non-current loans	<u>95.94</u>	<u>92.68</u>
Current (measured at amortised cost)		
Loans and advances to employees		
Considered good - Secured	1.25	1.10
Considered good - Unsecured	2.07	1.87
Loans and Advance to Vendors		
Considered good - Secured	4.52	0.57
Loans and Advance to Related Parties considered good - Unsecured*	47.98	48.06
Security Deposit (Considered good - Unsecured)	0.06	0.17
Total current loans	<u>55.88</u>	<u>51.77</u>

* Refer Note 39

**** 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 ₹.34.05 Crs - (31st March, 2020: ₹.32.19 Crs.) and interest accrued on such fixed bank deposits ₹.6.99 Crs (31st March, 2020: ₹.6.61 Crs), till they are in custody with project authorities as "Security Deposits".

Note 8

Other financial assets

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Share application money pending allotment (refer note 5 a)	61.47	61.47
Advances recoverable in cash		
Receivable from employees (Considered good - Secured)	1.35	2.15
Receivable from employees (Considered good - Unsecured)	0.25	0.20
Security deposit given (Considered good)	0.08	0.13
Margin money deposit (bank guarantee / letter of credit) having original maturity of more than 12 months	-	9.83
Advance for Gratuity to employees	0.17	0.12
Deposits with remaining maturity more than 12 months	1.73	-
Site restoration fund - Deposits with banks ^a	7.02	4.96
Others (Unsecured - considered good)	-	-
Other Receivables Unsecured - Credit Impaired	0.36	0.36
Less: Provision Credit Impaired	(0.36)	(0.36)
Total non-current financial assets	<u>72.07</u>	<u>78.86</u>
Current		
Advances recoverable in cash (Unsecured, considered good)	76.65	89.67
Unbilled Revenue	2.34	3.84
Receivable from Joint Arrangements	614.18	671.39
Advances recoverable in cash		
Unsecured, Credit Impaired	290.01	290.01
Less : Provision for Credit Impaired	(290.01)	(290.01)
Intercompany Deposits with GSFS (Earmarked funds)	2.89	14.10
Intercompany Deposits with GSFS (GIPL's own Investment)	37.93	33.12
Advance to Dept. of Telecom.- Payment under protest (net)	4.37	4.37
Security deposit given (Unsecured - Considered good)	0.21	0.16
Receivable from employees (Secured - considered good)	1.10	1.14
Receivable from employees (Unsecured - considered good)	0.16	0.27
Fixed Deposits with original maturity more than 12 Months	9.83	-
Derivative assets ^b	-	0.14
Other financial assets *	0.27	0.08
Total Current financial assets	<u>749.93</u>	<u>818.28</u>

* includes assets related to employee benefits plan.

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

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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 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Prepaid expense	88.84	84.34
Balances with Government Authorities	147.20	135.90
Capital Advances	83.87	35.73
Payment under Protest	0.01	0.01
Deferred employee cost	7.33	10.60
Other non current assets*	167.90	175.64
Total Other Non-current assets	495.15	442.22
Current		
Prepaid expense	47.65	43.22
Balances with Government Authorities	223.71	131.32
Deferred employee cost	5.49	6.56
Advance to vendors - Unsecured Considered good	0.01	0.01
Advance to vendors - Unsecured Credit Impaired	-	0.02
Allowance - Credit Impaired	-	(0.02)
Other current assets**	143.43	297.43
Total Other Current assets	420.29	478.54

*Includes lease equalisation asset.

** Includes amount paid under protest

Note 10

Inventories (For valuation, refer significant accounting policy)

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Finished goods - Crude oil	2.01	1.84
Traded goods - Liquefied natural gas	272.19	115.45
Line Pack Gas	94.32	103.31
Natural Gas Deferred Delivery (GIT)	7.98	3.31
Condensate	15.83	14.30
Stores and spares/Project materials (Including In-Transit ₹.1.15 Crores (PY NIL))	112.91	94.99
Total Inventories	505.24	333.20

Note 11
Trade receivables

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Considered Good - Secured	1,282.10	783.04
Considered Good - unsecured	399.20	583.02
Considered Doubtful - unsecured	18.18	16.60
Less : Impairment on account of expected credit loss assessment	(18.18)	(16.60)
Total Trade receivables	<u>1,681.30</u>	<u>1,366.06</u>

Note 12
Cash and cash equivalents*

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash and cash equivalents		
Balances with banks		
In current accounts	207.94	286.49
Fixed deposit with original maturity of less than 3 months	354.54	755.08
Cheques / Draft on Hand	-	23.00
Cash on hand	1.20	0.48
Total cash and cash equivalents	<u>563.68</u>	<u>1,065.05</u>
Other bank balances		
Earmarked balances In unclaimed dividend accounts ^a	2.44	2.78
Escrow Account	1.49	0.42
Margin money deposits	196.88	165.62
Fixed Deposit		
With original maturity of more than 3 months up to 12 months**	167.88	252.18
With original maturity more than 12 months	0.01	0.03
Total Other bank balances	<u>368.81</u>	<u>421.03</u>

* Refer note 40 - Financial instruments, fair values and risk measurement

** includes ₹.42.78 crores PY (₹.42.78 Crores) as DSRA (Debt Service Reserve Account).

a. The balances in dividend accounts are not available for use by the Group and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.

Note 13
Equity share capital

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised share capital		
1200,00,00,000 equity shares (31 st March, 2020 : 1200,00,00,000)		
of ₹.1/- each	1,200.00	1,200.00
Total	<u>1,200.00</u>	<u>1,200.00</u>

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Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Issued, subscribed and paid up capital		
10,756,540,264 equity shares (31 st March, 2020 : 10,756,540,264) of ₹.1/- each	1,075.65	1,075.65
Treasury Share (held by Subsidiary company)		
2,00,00,000 equity shares (31 st March, 2020 : 2,00,00,000) of ₹.1 each	(2.00)	(2.00)
Total	<u><u>1,073.65</u></u>	<u><u>1,073.65</u></u>

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 2019		
At the beginning of the year	2,579,262,920	257.93
Add : Shares issued during the year (Refer Note (e))	8,177,277,344	817.72
As at 31st March 2020	<u><u>10,756,540,264</u></u>	<u><u>1,075.65</u></u>
As at 1st April 2020		
At the beginning of the year	10,756,540,264	1,075.65
Add : Shares issued during the year	-	-
As at 31st March 2021	<u><u>10,756,540,264</u></u>	<u><u>1,075.65</u></u>

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 2019		
At the beginning of the year	20,000,000	2.00
Add : Shares issued during the year	-	-
As at 31st March 2020	<u><u>20,000,000</u></u>	<u><u>2.00</u></u>
As at 1st April 2020		
At the beginning of the year	20,000,000	2.00
Add : Shares issued during the year	-	-
As at 31st March 2021	<u><u>20,000,000</u></u>	<u><u>2.00</u></u>

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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Number of Equity Shares		
Government of Gujarat (Ultimate Holding Company)	3,489,449,630	2,241,010,179
Gujarat State Investment Limited (Holding Company)	6,264,789,694	7,513,229,145
Gujarat State Financial Service Limited	170,000,000	170,000,000

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

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
% Holding in equity shares		
Government of Gujarat (Ultimate Holding Company)	32.44%	20.83%
Gujarat State Investment Limited (Holding Company)	58.24%	69.85%
Gujarat State Financial Service Limited	1.58%	1.58%

Notes

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

Terms /Rights attached to equity shares

b. The Company has only one class of equity share having a face value of ₹.1 per share. Each holder of equity shares is entitled to one vote per share.

c. During the year ended 31st March, 2021 the amount of dividend per share recognized as distributions to equity shareholders is ₹.NIL (31st March, 2020: NIL).

d. In the event of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by each shareholder.

e. No bonus shares issued by the Company during last five years immediately preceding the reporting date. Further during 2019-20, the Company issued:

- 686,640,640 fully paid up equity shares against conversion of Compulsorily Convertible Debentures of ₹.550 Crore; and

- 7,490,636,704 fully paid up equity shares on settlement of Non-Convertible Debenture of ₹.6000 Crore (through Scheme of Arrangement).

Note 13A
Instruments entirely equity in nature

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Balance at the beginning of the year	-	6,550.00
Less : Converted into equity during the year (Refer Note 13 (e))	-	(6,550.00)
Total	-	-

Note 14
Other equity

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital reserve	10.01	10.01
Amalgamation and Arrangement Reserve	358.00	358.00
Securities premium	9,627.04	9,626.47
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
Capital reserve on consolidation	6.21	6.21
Retained Earnings	(8,775.26)	(10,917.59)
Foreign Currency Translation Reserve	57.54	61.62
Equity instruments through other comprehensive income	80.51	88.64
Total Other equity	1,031.09	(1,099.29)

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(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital reserve		
Opening Balance	10.01	10.01
Movements during the year	-	-
Total Capital reserve	<u>10.01</u>	<u>10.01</u>

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital reserve on consolidation		
Opening Balance	6.21	6.21
Movements during the year	-	-
Total Capital reserve on consolidation	<u>6.21</u>	<u>6.21</u>

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Securities premium		
Opening Balance	9,626.47	3,894.08
Add : Addition during the Year	0.57	5,732.94
Less: Utilization during the Year	-	(0.55)
Total Securities premium	<u>9,627.04</u>	<u>9,626.47</u>

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
General reserve		
Opening Balance	3,261.77	3,261.77
Movements during the year	-	-
Total General reserve	<u>3,261.77</u>	<u>3,261.77</u>

(₹. in Crores)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employees Stock Options Outstanding (Net)		
Opening balance		
Gross compensation for ESOPs granted	11.26	11.26
Less: Deferred employee stock compensation	-	(0.51)
Less: Transferred to securities premium on exercise of ESOPs/Lapsed	(7.74)	(6.94)
Less: ESOP lapsed / cancelled	(3.52)	(3.51)
Total Employees Stock Options Outstanding (Net)	<u>-</u>	<u>0.31</u>



(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Foreign Currency Translation Reserve		
Opening Balance	61.62	49.53
Add/ Less: Addition/ (Utilization) during the Year	(4.08)	12.09
Total Foreign Currency Translation Reserve	<u>57.54</u>	<u>61.62</u>

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital Reserve on Common Control & Business combination		
Opening Balance	(3,594.73)	(3,594.73)
Movements during the year	-	-
Total Capital Reserve on Common Control & Business combination	<u>(3,594.73)</u>	<u>(3,594.73)</u>

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Amalgamation and Arrangement Reserve*		
Opening Balance	358.00	358.00
Movements during the year	-	-
Total Amalgamation and adjustment Reserve	<u>358.00</u>	<u>358.00</u>

* Includes Amalgamation and Adjustment Reserve of Rs. (118.44) Crore.

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Retained earnings		
Opening Balance	(10,917.59)	(11,593.90)
Add: Profit during the year	2,141.07	696.50
Remeasurement of post employment benefit obligation, net of tax	1.26	(11.23)
Dividend distribution tax	-	-
Accounting policy change on adoption of Ind AS 115/Ind AS 116 (net of tax)	-	0.05
Add/Less: Addition/utilization during the year	-	(9.00)
Total Retained earnings	<u>(8,775.26)</u>	<u>(10,917.59)</u>

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Equity instruments through other comprehensive income		
Opening Balance	88.64	91.18
Fair value gain / (loss) during the year	(4.90)	(2.54)
Income tax on net fair value gain or loss	(3.23)	-
Total Other Comprehensive Income	<u>80.51</u>	<u>88.64</u>

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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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-current borrowings		
Secured		
Term loan from banks	3,970.33	5,800.89
Secured-Term loan from Financial Institutions	-	35.15
	<u>3,970.33</u>	<u>5,836.04</u>
Unsecured		
Term loan from related party - GSFS	1,808.71	2,653.98
	<u>1,808.71</u>	<u>2,653.98</u>
Total non-current borrowings	<u>5,779.04</u>	<u>8,490.02</u>
Current borrowings		
Secured		
From banks (Loans repayable on demand)	34.45	226.60
Unsecured		
From banks (Loans repayable on demand)	260.63	-
From financial institutions - Related Party (GSFS)	264.55	-
	<u>525.18</u>	<u>-</u>
Total current borrowings	<u>559.63</u>	<u>226.60</u>
Current maturities of long term borrowings (Shown as part of other current financial liabilities : Refer Note 16)		
Secured		
Term loan from banks	491.83	390.65
Term loan from Financial Institutions	166.01	193.10
	<u>657.84</u>	<u>583.75</u>
Unsecured		
Term loan from related party - GSFS	478.96	1,285.11
	<u>478.96</u>	<u>1,285.11</u>
Total current maturities of non-current borrowings	<u>1,136.80</u>	<u>1,868.86</u>

In case of Gujarat State Petroleum Corporation Limited

Secured Loans

- a. State Bank of India had sanctioned a Rupee Term Loan (RTL 1) Facility amounting to ₹.3,000 Crores (Current outstanding is ₹. 858.65 Crores (PY - ₹.859.09 Crores)) in F.Y. 2014-15. During FY 2020-21, 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. GSPC has on 9th April 2021, converted the entire existing INR term loan into USD FCNR loan of USD 115.56 Million, pricing linked to 6 month Libor for a tenor up to 30.03.2022 by entering into forward contract i.e. fully hedge basis at a competitive rate of interest. The loan is secured by way of first ranking Pari passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.
- b. GSPC had outstanding External Commercial Borrowing (ECB) of USD 144.72 Million as on March 2020 availed from various consortium of bank i.e. Foreign Currency Loan (ECB-1) of USD 200 Million (Outstanding of USD 12.55 Million), Foreign Currency Loan (ECB-2) of USD 250 Million (outstanding of USD 60.78 Million) and USD 75 Million (outstanding of USD 18.57 Million),



Foreign Currency Loan (ECB - 3) of USD 100 Million (outstanding of USD 24.24 Million), Foreign Currency Loan (ECB - 4) of USD 100 Million (outstanding of USD 28.58 Million). During FY 2020-21, GSPC has repaid due installment of USD 12.55 Million under Foreign Currency Loan (ECB-1) of USD 200 Million and prepaid entire USD 28.58 Million under Foreign Currency Loan (ECB - 4). The balance outstanding of USD 103.59 Million has been converted to INR term loan of ₹.764.78 Crores after RBI approval with State Bank of India to mitigated foreign exchange risk exposure at a pricing linked to 3 Month MCLR of SBI + Spread. Thereafter, GSPC has on 4th June 2021, converted the entire existing INR term loan into USD FCNR loan of USD 104.50 Million, pricing linked to 6 month Libor for a tenor up to 30.03.2022 by entering into forward contract i.e. fully hedge basis at a competitive rate of interest. The Company has provided same security as offered to ECB lenders i.e. is secured by way of first ranking Pari passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

- c. State Bank of India has provided a Corporate Loan (RTL 3) of ₹.2,100 Crores (Current Outstanding - ₹.892.29 Crores (PY : ₹.971.25 Crores)) in FY 2019-20. The Company has repaid ₹.78.75 Crores towards installment due in FY 2020-21. GSPC has on 30th March 2021, entered into forward contract for converted the entire existing INR term loan into USD FCNR loan of USD 121.88 Million with loan start date effective from 5th April 2021, pricing linked to 6 month Libor for a tenor up to 30.03.2022 by entering into forward contract i.e. fully hedge basis at a competitive rate of interest. 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.
- d. Consortium of member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL 2) of ₹.4,500 Crore (Outstanding as on March 2020 ₹.889.32 Crore). During FY 2020-21, GSPC has prepaid ₹.300 Crores to all the term loan lenders on pro rata basis as per terms of the agreement, after which the outstanding was ₹.589.32 Crores. During the year, GSPC has replaced the entire term loan from consortium of bank to HDFC bank (Current Outstanding of ₹.588.75 Crores with same tenor and pricing linked to RBI repo rate. GSPC is in process of creation of security, wherein the ROC charge creation is pending, the loan will be secured by way of first ranking Pari passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited (JODPL) as on 31st March 2017 and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

Unsecured

- e. The Company had received sanction for long term loan of ₹.1,500 Crores in F.Y. 2018-19 from GSFS (Current outstanding ₹.574 Crores (Previous outstanding ₹.1,050 Crores) for general business purpose. The Company has also availed sanction for long term loan of ₹.1,050 Crores from GSFS (Current outstanding ₹.1,050 Crores (Previous outstanding ₹.1,050 crores) for general business purpose.
- f. Foreign Currency loans that are not hedged by derivative instruments (Currency) as on 31st March 2021 is USD NIL (31st March, 2020 USD 144.74 million) ₹.NIL (31st March, 2020 : ₹.1,091.08 crores).

g. 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.

h. In Case of Subsidiary GSPC Pipavav Power Company Limited:

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 Promissory note from the Company as well as post dated quarterly installment cheques. Loan from GSFS bears interest rate of 7% PA and the maturity date is 30 June 2025. The term loan from Vijaya Bank for 5 MW solar project is repaid during the year.

The Company has availed Working capital loan sanctioned amounting to ₹.280 crores (P.Y. March 31, 2020: 200 crores) with Dena bank is secured through account receivables through GUVNL. The Interest would be payable at One year MCLR.

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i. Loan repayment schedule

(₹. in Crores)

S. No.	Particulars	Total Outstanding (₹.in crores)*	Maturity period	Rate of Interest (p.a.)	Repayable in 12 months	Repayable in 2 to 4 years	Repayable in 5 to 7 years	Repayable in 8 to 10 years
1	Rupee Term Loan-1	858.65	30-Sep-24	3 Month MCLR + Spread		858.65		-
2	Rupee Term Loan-2	588.75	31-Mar-29	RBI Repo Rate + Spread	-	-	388.55	200.20
3	Rupee Term Loan-3	764.78	31-Dec-25	3 Month MCLR + Spread	140.87	531.68	92.23	
4	Corporate Loan	892.29	30-Sep-28	3 Month MCLR + Spread	78.75	168.00	540.75	104.79
5	GSFS Loan	1,624.00	30-Sep-29	Floating Rate of Interest - presently 7.00%	347.69	324.75	689.06	262.50
	Total	4,728.47			567.31	1,883.08	1,710.59	567.49

*The amounts outstanding for various loans as on 31st March, 2021 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)

S. No.	Terms of repayment	No. of Installments due	Interest rate	Maturity	2020-21	2019-20	2020-21	2019-20
					Non-current	Current	Non-current	Current
1	Quarterly installments	-	7.86%	-	-	-	35.16	28.13
2	Half yearly installments	-	1 Year GSEC + 2.175%	-	-	-	-	6.03
3	Quarterly installments	24	Repo rate + 2.35%	Mar-27	83.28	16.68	99.96	16.68
4	Yearly installments	-	7.00%	-	-	-	-	933.33
5	Yearly installments	1	7.00%	Mar-22	-	50.00	50.00	50.00
6	Yearly installments	2	7.00%	Sep-21	-	16.67	16.67	16.67
7	Yearly installments	2	7.00%	Dec-21	-	16.67	16.67	16.67
8	Yearly installments	1	7.00%	Apr-21	-	40.00	40.00	-
9	Quarterly installments	10	1 year T Bill +2.22%	Aug-23	110.00	80.00	190.00	10.00
10	Quarterly installments	23	Repo rate + 2.35%	Oct-26	124.60	26.23	95.83	4.17
11	Quarterly installments	27	5.50%	Dec-27	292.11	40.43	453.72	34.38
12	Quarterly installments	Prepaid	NA	NA	-	-	1,380.14	129.57
13	Quarterly installments	26	5.50%	Sep-27	477.85	86.88	-	-
14	Quarterly installments	5	Repo rate +0.50%	Apr-22	7.03	28.13	-	-
	Total				1,094.87	401.68	2,378.14	1,245.62

In the Case of Subsidiary GSPC Pipavav Power Company Limited.

(₹. in Crores)

S. No.	Particulars	Rate of Interest	Maturity	Outstanding as at March 31, 2021	Maturity Profile		
					2021-2022	2022-2027	2027-2032
1	Secured Term Loan from GSFS	7.00%	30-Jun-25	688.98	162.08	5.27	-
2	Secured Term Loan from GSFS	7.00%	30-Jun-25	8.95	2.11	0.07	-
3	Secured Term Loan from GSFS	7.00%	30-Jun-25	7.73	1.82	0.06	-
	Total			705.66	166.01	5.40	-

Note 16
Other financial liabilities

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Lease liability	61.57	50.08
Security deposits received from customers	28.74	26.09
Other payables	12.65	12.56
Total non-current financial liabilities	102.96	88.73
Current		
Current maturities of non-current borrowings (Note 15)	1,136.80	1,868.85
Creditors for Capital Expenditure ⁵	366.74	377.10
Security Deposit from Vendors	68.97	48.08
Other Payables		
Total outstanding dues of micro enterprises and small enterprises	37.42	24.45
Total outstanding dues of Creditors other than micro enterprises and small enterprises	348.76	265.72
Dividend payable / unclaimed ³	2.55	2.78
Lease liability	14.18	12.24
Other Expense Payable	4.47	3.92
Deposits from customers and others ²	1,208.44	1,019.46
Earnest Money Deposits	2.32	3.05
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	43.72	67.81
Derivative liability ¹	182.02	766.70
Payable to/on behalf of joint arrangement	306.79	452.27
Total current financial liabilities	3,723.18	4,912.43

Notes
In case of Gujarat State Petroleum Corporation Limited

1 The Group had entered into Gas Commodity hedging contract to hedge price risk.

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

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

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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. During the year, the Group has received the ruling from the Hon'ble Authority for Advance Ruling ("AAR"), vide consolidated ruling order dated 25th February 2021 wherein the Hon'ble AAR has held that the Purchaser is not required to withhold tax since the capital gains is not subject to tax in India under India Singapore Double Tax Avoidance Agreement in the hands of the Seller. Pursuant to the ruling of the Hon'ble AAR and as per the terms of the Escrow Agreement, Escrow Account amount ₹.464.78 Cr will remit to the BG Asia Pacific Holdings Pte. Limited (the Seller). Accordingly, Escrow Account amount have been paid to BG Asia Pacific Holdings Pte Ltd.'s bank account in Singapore on 7th April 2021.

In Case of Subsidiary GSPC Pipavav Power Company Limited:

5. This amount includes ₹.10.68 Crore (PY ₹.10.68 Crore) retained towards Liquidated damage and other deductions from Lanco Solar Energy Pvt Ltd which is under arbitration.

Note 17

Provisions

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Non-Current		
Provision for decommissioning obligations	78.81	97.18
Provision for Employee Benefits*	76.86	84.56
Provision for CSR Expenses	30.42	-
Total non-current provisions	<u>186.09</u>	<u>181.74</u>
Current		
Provision for profit petroleum	-	0.36
Provision for Employee Benefits*	30.06	42.49
Provision for Other Expenses	1.77	1.38
Total current provisions	<u>31.83</u>	<u>44.23</u>

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

Movements in Provisions	(₹. in Crores)	
	Non-current	Current
	Provision for decommissioning obligations and CSR Expenses	Provision for profit petroleum & Other Expenses
At 1 April 2020 (Opening balance)	97.18	1.74
Add: Unwinding of Discounts	2.91	(0.36)
Add: Provision made during the year	30.56	0.39
Less: Provision reversed during the year	(21.43)	-
At 31 March 2021 (Closing balance)	<u>109.23</u>	<u>1.77</u>

Note 18
Deferred revenue/ contract liability

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non-current		
Income received in advance	107.66	107.71
Total non-current deferred revenue/ contract liability	<u>107.66</u>	<u>107.71</u>
Current		
Income received in advance	38.33	23.66
Total current deferred revenue/ contract liability	<u>38.33</u>	<u>23.66</u>

Note 19
Other non-financial liabilities

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non-current		
Others	-	0.37
Total non-current non-financial liabilities	<u>-</u>	<u>0.37</u>
Current		
Statutory tax liability	239.79	181.61
Advance from customers	3.50	14.40
Others	20.93	32.82
Total current non-financial liabilities	<u>264.22</u>	<u>228.83</u>

Note 20
A) Non Current Tax Assets (Net)

(₹. in Crores)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advance Income Tax	2,028.73	3,118.65
Provision for Tax	(1,840.88)	(2,896.04)
Net Advance Tax	<u>187.85</u>	<u>222.61</u>
Non Current Tax Asset (Net)	187.85	212.86
Current Tax Assets (Net)	<u>-</u>	<u>9.75</u>

B) Tax expense
Amount recognised in Statement of Profit and Loss

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Current income tax	717.96	604.23
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(87.61)	(313.70)
Deferred tax expense	<u>630.35</u>	<u>290.53</u>
Adjustments of tax for earlier years	9.10	(17.37)
Total tax expense for the year	<u>639.45</u>	<u>273.16</u>

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Amount recognised in Other Comprehensive Income

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Items that will not be reclassified to profit or loss (A)		
Remeasurements of the defined benefit plans	2.65	(13.02)
Equity instruments measured through other comprehensive income	(21.74)	(7.43)
Foreign Currency Translation Reserve	(4.08)	-
Share of OCI in Associate and JV (Net of Tax)	20.73	5.24
	<u>(2.44)</u>	<u>(15.21)</u>
Income tax relating to items that will not be reclassified to profit or loss (B)	(1.97)	2.88
Net amount recognised in other comprehensive income (A+B)	<u>(4.41)</u>	<u>(12.33)</u>

Reconciliation of effective tax rate

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Profit before tax	4,253.06	2,557.55
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 34.944%)	1,070.41	906.93
Tax effect of:		
Chapter VI Deductions	(12.35)	2.43
Items having no tax consequences/other items	(418.61)	(636.20)
	<u>639.45</u>	<u>273.16</u>

Note 20

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

Movement in deferred tax balances

Particulars	31 st March, 2021						
	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)							
On account of difference of carrying value of PPE over Tax base	(1,022.53)	68.49			(954.04)	535.62	(1,489.66)
Other items	216.37	19.12	(1.97)		233.52	248.28	(14.76)
Tax assets/ (liabilities)	<u>(806.16)</u>	<u>87.61</u>	<u>(1.97)</u>	-	<u>(720.52)</u>	<u>783.90</u>	<u>(1,504.42)</u>
Set off tax							
Net tax assets/ (liabilities)	<u>(806.16)</u>	<u>87.61</u>	<u>(1.97)</u>	-	<u>(720.52)</u>	<u>783.90</u>	<u>(1,504.42)</u>

Deferred tax asset/ (liabilities) [Net]
Movement in deferred tax balances
(₹ in Crores)

Particulars	31 st March, 2020						
	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)							
On account of difference of carrying value of PPE over Tax base	(672.74)	(349.79)	-	-	(1,022.53)	598.66	(1,621.19)
Other items	(450.00)	663.49	2.88	-	216.37	235.47	(19.10)
Tax assets/ (liabilities)	(1,122.74)	313.70	2.88	-	(806.16)	834.13	(1,640.29)
Set off tax							
Net tax assets/ (liabilities)	(1,122.74)	313.70	2.88	-	(806.16)	834.13	(1,640.29)

Tax losses carried forward

Particulars	31 st March, 2021	Expiry Date	31 st March, 2020	Expiry Date
Business Loss (Expirable)	11,782.70	31-Mar-25	11,991.54	31-Mar-25
Un absorb Depreciation (Never Expirable) - Carried Forward	1,529.66	NA	1,578.74	NA

Notes

- The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
- Provision of Tax for the current year is ₹.717.96 crores (31st March, 2020: ₹.604.23 crores)

The Group 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 Group 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 Group's contention regarding claim U/s. 80IB (9). The second appellate authority, i.e. Income Tax Appellate Tribunal (ITAT) has also upheld The Group'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 Group has been claiming deduction U/s. 80IB (9) by treating each well as a separate undertaking. The Group 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 favor of The Group by its order dated 26th March, 2015 and has struck down the retrospective application of law by holding it as ultra vires. The Union of India has further preferred an SLP before Hon'ble Supreme Court of India challenging the Judgment of High Court of Gujarat. The SLP is placed for hearing on Application for Interim Stay sought by Union of India. The matter is still sub-judice. From F.Y. 2009-10 (A.Y. 2010-11), The Group 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 Group does not envisage any tax liability. Both The Group 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 favor. The Group is confident of its position.

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4. With respect to Parent Company, 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 Parent Company is also having history of recent losses and there is not any convincing evidence for sufficient future taxable profit. Accordingly, during the year under consideration, Deferred Tax Assets of ₹. 4,100.05 Crores and Deferred Tax Liabilities of ₹.658.53 Crores has been worked out. In view of paragraph 27, 28, 29, 31 and 35 of Ind AS - 12 on Income Taxes, Deferred Tax Assets has been created only to the extent of Deferred Tax Liabilities i.e. ₹.658.53 Crores and hence, Deferred Tax Assets of ₹.3,441.52 Crores has not been recognised.
5. During the year, the Parent Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019 dated 20/09/2019. Accordingly, the Company has recognised Provision for Income tax and re-measured its deferred tax liabilities.

Note 21

Trade payables

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Total outstanding dues of micro enterprises and small enterprises	17.53	13.26
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,314.04	857.23
Total Trade payables	<u>1,331.57</u>	<u>870.49</u>

- a. In previous year, the company had claimed Force Majeure under the Gas Purchase Agreements on account of pandemic. Pursuant to which suppliers had agreed to reschedule the affected cargos and accordingly there is no additional impact on account of the claim for Force Majeure and rescheduled cargoes.

Note 22

Non Current Assets held for sale

During FY 2018-19, the management had 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. Of the total 12 blocks, MoP&NG approval was received for 4 blocks (namely Hazira, Dholasan, Allora and North Kathana) during FY 2020-21. Further, the Group has found buyer for 3 other blocks (namely Cambay, Bhandut and Unawa) and the Group is in the process of obtaining necessary approvals for transfer of Participating Interest. During the year, the Group has decided to surrender CB ONN 2004/3 block. For, balance blocks, the Group is in discussion with probable buyers. Accordingly, as per Ind AS 105 - 'Non-current Assets Held for Sale and Discontinued Operations', such group of assets/liabilities (8 blocks as at 31st March, 2021 and 12 blocks as at 31st March, 2020) have been reclassified as assets/liabilities held for sale and measured at the lower of carrying amount and fair value less cost to sell as presented in the table below:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Assets		
Non current assets (net of depreciation and amortization where applicable)		
Producing Properties	201.90	248.80
Freehold Land	0.14	2.04
Office equipment	0.01	0.08
Computer equipment	0.02	0.05
Plant and machinery	0.01	0.06
Furniture and fixtures	0.01	0.01
Vehicle	0.01	0.01
Building	0.01	1.54
Exploration & Development	455.17	450.99
Site Restoration Fund	-	109.81
Other Current Assets	11.44	28.42
Total carrying value of assets	<u>668.72</u>	<u>841.81</u>

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Liabilities associated with above group of assets		
Other Current liabilities	(52.57)	(133.58)
Liabilities associated with Assets held for sale	(52.57)	(133.58)
Net assets classified as held for sale (A)	<u>616.15</u>	<u>708.23</u>
Fair value less cost to sell of above group of assets (B)	<u>159.02</u>	<u>237.50</u>
Impairment loss recognised till 31.03.2019 (C)	<u>316.89</u>	<u>316.89</u>
Impairment loss recognised during FY 2019-20 (D)	<u>153.84</u>	<u>-</u>
Impairment loss relating 4 blocks transferred during the year (E)	<u>(53.78)</u>	<u>-</u>
Impairment loss recognised in statement of profit or loss as an exceptional item (F) = (A) - (B) - (C) - (D) - (E)	<u>40.18</u>	<u>153.84</u>

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

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Revenue	13.09	17.66
Expense	(17.47)	(33.54)
Depletion	-	-
Impairment	(40.18)	(153.84)
Profit/(loss) before tax	(44.56)	(169.72)
Income tax expense	-	-
Profit/(loss) after tax	(44.56)	(169.72)

b) During the year, the Group has classified a land in Andhra Pradesh having carrying value of ₹.13.16 crores as assets held for sale and the process to sale the land is initiated by the Group during the year.

During the previous year, the Group had classified one of its building, situated at Gandhinagar as asset held for sale at book value of ₹.0.23 Crores. The sale transaction was completed during FY 2020-21.

Note 23

Revenue from Operations

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Sale of products		
Sale of natural gas - Trading	16,545.49	18,651.39
Sale of gas - Joint Arrangement	13.92	16.18
Sale of oil - Joint Arrangement	48.35	50.57
Sale of electricity	1,123.34	596.87
	<u>17,731.10</u>	<u>19,315.01</u>
Sale of services		
Re-gasification income	320.74	292.11
Revenue from Transportation of Gas (net)	1,261.59	1,598.60
IT Service Income	14.78	12.49
	<u>1,597.11</u>	<u>1,903.20</u>
Other operating revenues		
Take or pay income	47.16	53.47
Connectivity Charges	32.64	31.41
Other Operating Income	1.62	-
	<u>81.42</u>	<u>84.88</u>
Total Revenue from Operations*	<u>19,409.63</u>	<u>21,303.09</u>

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

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Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Revenue as per contracted price	19,410.29	21,304.08
Adjustments		
Discounts	(0.66)	(0.99)
Revenue from contract with customers	<u>19,409.63</u>	<u>21,303.09</u>

Note 24

Other Income

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Dividend from long term investments		
Dividend from other companies	1.07	2.53
Other Non-Operating Income		
Usage charges	2.14	1.34
Other income - Joint arrangements	1.63	3.96
Net profit on sale of property, plant and equipment	0.04	-
Other Interest Income	36.12	46.89
Net Foreign Exchange Gain	115.76	-
Interest from Deposits with banks (measured at amortised cost)	64.03	105.28
Insurance Claim (Refer (a))	8.20	-
Other Non Operating Income	35.53	26.31
Total Other Income	<u>264.52</u>	<u>186.31</u>

Notes

In Case of Subsidiary GSPC Pipavav Power Company Limited:

a. On 8th July 2020, a major fire broke out at Switch yard and control room of GSPC Pipavav Power Company Limited's 5 MW Solar Plant. Provisional estimate for insurance claim for Business Interruption works out to be around ₹.9.52 Crore which is lodged with the insurance company along with the supporting claims documents.

The plant is partially recommissioned on 7th April, 2021 and entire plant came into service and available for generation from 17th April, 2021. Business interruption claim amount as assessed by independent surveyor is ₹.8.62 Crore. Out of which ₹.8.20 Crore pertain to financial year 2020-21. Considering the above facts, the Group has recorded the revenue of ₹.8.20 Crore as insurance claim receivable.

Note 25

Production expenditure - E&P

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Production expenditure	39.95	57.89
Duties and taxes	6.31	8.14
Other G&A expenses	12.82	15.00
Total Production expenditure - E&P	<u>59.08</u>	<u>81.03</u>

Note 26
Cost of material consumed

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Purchase of natural gas	596.55	218.81
Transportation charges	510.98	602.05
Consumable and commissioning charges	61.37	37.80
Excise duty	190.66	226.85
Total Cost of material consumed	<u>1,359.56</u>	<u>1,085.51</u>

Note 27
Cost of traded goods

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Purchase of gas		
Local Purchase of Gas	2,441.09	4,005.32
Import Purchase of Gas	7,822.84	8,493.13
	<u>10,263.93</u>	<u>12,498.45</u>
Purchase of IT equipment	-	0.30
Other costs		
Import Gas Regasification Charges	1,183.59	956.90
Gas Transmission Charges	229.82	270.63
Commodity Hedging Cost/ Other expenses	(211.10)	445.98
Other expenses - Gas Trading	1.14	1.62
Deferred delivery of natural gas	(1.15)	37.58
	<u>1,202.30</u>	<u>1,712.71</u>
Total Cost of traded goods	<u>11,466.23</u>	<u>14,211.46</u>

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

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Finished goods		
Closing stock of oil	(17.84)	(16.14)
Opening stock of oil	16.14	31.69
	<u>(1.70)</u>	<u>15.55</u>
(Increase)/ decrease in stock of oil (Refer Note No.37(g))	-	2.79
	<u>(1.70)</u>	<u>18.34</u>
Stock in trade		
Closing stock of liquified gas	(272.19)	(115.45)
Opening stock of liquified gas	115.45	34.07
	<u>(156.74)</u>	<u>(81.38)</u>
Total Change in inventories of finished goods, stock in process and stock in trade-(A)+(B)	<u>(158.44)</u>	<u>(63.04)</u>

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Note 29

Employee benefit expenses

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Salary, wages and allowances	209.43	207.40
Contribution to provident fund and other funds (Refer note 36)	41.57	47.85
Staff welfare expenses	15.15	16.61
ESOP Compensation Expenses	(0.01)	-
Total Employee benefit expenses^a	266.14	271.86

a. Amount represents net expenditure for group.

Note 30

Finance costs

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Interest Cost on Financial Liabilities	706.58	1,018.69
Interest expense on lease liability	4.92	4.08
Unwinding of discount on Provisions & transaction cost on borrowings	(18.12)	10.19
Other Borrowing Costs (includes bank guarantee, LC charges, bank charges, etc.)	30.19	28.09
Exchange differences regarded as an adjustment to borrowing cost	(21.86)	34.28
Total Finance costs	701.71	1,095.33

In case of Gujarat State Petronet Limited, the borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project(s). The weighted average rate of borrowings used for projects is 7.09% for FY 2020-21 [P.Y. : 8.24%]. Further, the borrowing costs of ₹.2.77 Crore (PY ₹.8.52 Crore) is capitalised.

Note 31

Other expenses

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Expenses related to wind mills		
Operation and maintenance expenses	17.10	15.53
Windmills insurance expenses	1.17	0.68
Total (A)	18.27	16.21
Operation & Maintenance Expenditure (B)	427.95	435.10
Administrative expenses		
Electricity expenses	85.43	99.14
Rent, rates and taxes	26.82	24.59
Repairs and maintenance		
Building repairs	3.09	2.91
Others	5.37	5.89
Insurance expenses	23.19	17.07
Business development and promotion	6.31	2.35
Advertisement and publicity	1.17	1.03
Administration and establishment	26.51	28.91

Note 31
Other expenses

(₹. in Crores)

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Recruitment and training expense	0.13	1.23
Travelling expenses	1.12	4.59
Stationery and printing	2.30	2.32
Professional and technical expenses	54.98	76.81
Donations	37.96	44.93
Telephone, trunk calls and postage	4.90	5.89
Vehicle running expenses	11.46	12.82
Bandwidth expenses	0.54	0.36
Payment to auditors	0.68	0.71
Net loss on sale/ discarding of property, plant and equipment	3.45	1.67
Diminution in Capital Inventory & Inventory	7.24	-
Franchisee and other Commission	29.08	35.33
Imbalance and over run charges (i)	-	6.95
Agency & Contract Staff Expenses	28.22	29.78
Billing & collection	9.66	9.49
Other expenses	20.28	0.90
Miscellaneous expenses	0.12	0.21
Stamp Duty Expense	0.14	-
Total (C)	<u>390.15</u>	<u>415.88</u>
Network Operating and Project Expenses		
Network Operating Expenses	0.01	0.64
Project Expenses	1.55	1.88
Total (D)	<u>1.56</u>	<u>2.52</u>
Provision for doubtful advances (E)	1.58	6.39
Net Foreign Exchange Loss (F)	-	25.18
Total Other expenses (A+B+C+D+E+F)	<u>839.51</u>	<u>901.28</u>

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

- (i) The amount pertains to the appropriation of accumulated amount of imbalance and overrun charges collected from customer lying in the escrow account operated by the Subsidiary Company as during the previous year, the said amount has been deposited into the escrow account established by Petroleum and Natural Gas Regulatory Board (PNGRB) in compliance with amendment of Petroleum and Natural Gas Regulatory Board (Access Code for Common Carrier or Contract Carrier Natural Gas Pipelines) Amendment Regulations, 2019.
- (ii) Includes rental charges of all assets that have lease period of 12 month or less, remaining lease period of 12 months or less as on transition date, rental charges of low value assets, variable lease payments and component of taxes of ROU lease charges. Vehicle Hiring, Operating & Maintenance Expenditure includes non lease component viz. manpower, fuel cost, repair and maintenance and rental charges of LCV/HCV lease assets that have lease period of 12 month or less.

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Note 32

Exceptional items

The exceptional Items comprises of the following:

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Impairment of oil and gas assets ^a		
Provided During the year	107.11	540.78
Less: Reversed during the year	(39.74)	(0.46)
Exploration cost written off/ written back ^b	13.38	0.67
CSR Expense ^d	18.72	-
Litigation Settlement ^c	55.41	10.99
Total Exceptional items	154.88	551.98

Notes

a. The Group identifies each E&P field /PSC under E&P segment as separate Cash Generating Unit (CGU). During FY 2019-20, the Group 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. During FY 2020-21, crude oil prices have remained highly volatile and hence the Group has not done any reversal of impairments provided earlier based on short term upside in oil prices.

Further, during FY 2018-19, the Group had classified 12 E&P fields as assets held for sale (refer note no.22). In relation to which, during FY 2019-20, the Group had provided for impairment loss of ₹.154.30 Crore and had reversed impairment earlier provided for the extent of ₹.0.46 crores. Further, during FY 2020-21, additional impairment to the extent of ₹.76.35 crores is provided and reversal of impairment to the extent of ₹.36.17 crores is reversed during the year due to reduction in liability related to assets held for sale. Further, during the year, the Group has provided for impairment of nonmoving capital spares to the extent of ₹.30.75 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 Group 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, 2020 -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. Exploration cost written off includes ₹.1.26 crores toward net loss between expected realisable price and actual price realised on sale of Participating Interest in 4 blocks during the year.

c. The Group was in dispute with central government with respect to (i) Royalty on Royalty and (ii) Royalty on sales price instead of well head price. During FY 2020-21, the Group has provided for royalty payable amounting to ₹.55.41 crores on arbitration award against the company.

During FY 2019-20, 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 ₹.8.11 Crores already paid under protest and additionally paid ₹.2.88 Crores.

d. In case of subsidiary GSPC Pipavav Power Company Limited:

Pursuant to directives issued by Ministry of Environment and Forest ('MoEF') while granting original environmental clearance in 2008 to GPPC with respect to establishing 1050 MW Gas based power plant which was later on further extended in 2013 with certain specific condition/s whereby the Company was required to earmark following amounts towards CSR activities:

(a.) INR 11.70 crore as one-time capital cost

(b.) INR 2.34 crore annually as a recurring expenditure till the life of the plant

GPPC has been regularly intimating MoEF through half yearly compliance reports for not providing for the expenditure and there has been no objection to this. Further, the Company had shown a contingent liability towards the same until 31 March 2020 since the payments were considered to be dependent on discussions with MOEF which had not been concluded and the outflow to settle the provision was not considered probable.

MoEF vide Letter (File) No.4-7/2008/ENV/735 dated 27.08.2020, has asked GPPC to provide clarification specifically with respect to Details of fund earmarked towards CSR activity and time targeted action plan for the CSR activities to be undertaken over next five years.

Based on past intimations to MoEF and in an attempt to get clarity, in March, 2021, GPPC has requested to MoEF from exempting from the compliance of condition no. (xxxiii) with respect to above expenditure towards CSR obligations.

Till date, no confirmation of the exemption from the compliance of condition no. (xxxiii) from MoEF has been received. Hence, the earlier assessment of the probability of no outflow being envisaged has undergone a change. Basis this, it no longer meets the definition of contingent liability and should be disclosed as a provision.

Accordingly, the Company has capitalised INR 11.70 crores towards one-time capital cost under the head property, plant and equipment and charged INR 18.72 crores as recurring expenditure under the head exceptional item in statement of profit and loss. The corresponding impact of the same is shown as a non-current provision as on 31st March, 2021 since the settlement of the same is not expected to happen by next year.

Note 33

Earnings per share

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Profit attributable to equity holders for (₹. in Crores):		
Basic earnings	3,733.29	2,322.23
Adjusted for the effect of dilution	3,733.29	2,322.23
Weighted average number of equity Shares for:		
Basic EPS	10,736,540,264	9,643,473,708
Adjusted for the effect of dilution	10,736,540,264	10,736,540,264
Earnings Per Share (₹.) (EPS) (Face Value of ₹.1/-)		
Basic	3.48	2.41
Diluted	3.48	2.16

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Note 34

Contingent liabilities & Contingent Assets *

1. Claims against the Group not acknowledged as debts which in the opinion of the Management are not tenable/under appeal at various stages:

Particulars	(₹. in Crores)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Direct & Indirect Tax matters (Ref. note no.20 C point no. 3)	2,141.93	2,161.74
Joint Arrangements (Ref. note a to below)	552.75	130.45
Guarantee / Letter of Credit	638.76	2,746.84
Other	1,096.39	1,286.47

* Refer note 46 (B) for details of associates and joint ventures.

Above Contingent Liabilities includes:

In the Case of Gujarat State Petroleum Corporation Limited

- (a) JODPL: The Company has issued forfeiture notice to Jubilant Offshore Drilling Pvt Ltd (JODPL) 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) Profit Petroleum paid under protest for Hazira Block: Joint arrangement (JV) partners are liable to pay profit petroleum to MoP&NG after recovery of cost petroleum. The Director General of Hydrocarbons (DGH) disallowed an amount of USD 17.745 million (mainly on account of purchase of compressor amounting to USD 11.328 million) from the cost petroleum recovered by JV and demanded profit petroleum on disallowed amount. In the Operating Committee meeting (10th June 2013) it was decided to deposit the amount demanded by the MoP&NG under protest. The Company had deposited ₹.19.45 crore on this account. Arbitration awarded in favor of the Company however government of India has preferred an appeal and has filed the section 34 application before Delhi High Court challenging the arbitral award.
- In case of dispute related to royalty company has recognised the liability as per the arbitral award.
- (c) 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. Autoridade Nacional do Petroleo (ANP) has terminated the PSC with condition of paying the penalty of USD 3,403,758 (Previous year ₹.25.66 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 settled the matter and the final payable amount after out of court settlement is (GSPC JPDA Share) US\$ 1,600,000 and equivalent to (GSPC JPDA Share) ₹.11.90 Crore and the same has already been paid. So the matter is resolved during the year.
- (d) GSPC has surrendered the South East Tungkai field in Indonesia. GSPC has requested to waive the minimum work program commitment and pending the response from the authority, contingent liability towards unfinished minimum work program amounting to ₹.14.85 Crores (USD 2.02 Millions) is recognised.
- (e) Other liabilities with respect joint arrangements taken line by line amounting to ₹.23.64 crores.
- (f) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PNGRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

All the parties have preferred appeals against the PNGRB Orders before Appellate Tribunal for Electricity (APTEL) and APTEL has passed an interim order on 23.01.2012 and directed GAIL, IOCL and BPCL to give direct connectivity at Dahej Terminal subject to GSPC giving undertaking in respect of the following:

- 1) 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 the 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 from the account separately maintained for the said purpose in accordance with APTEL's Order dated 23.01.2012 as narrated in (i) & (ii) above.

Accordingly, the Company utilized ₹.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 ₹.12/ MMBTU aggregating to ₹. 45.87 crores.

The appeal is pending before the Hon'ble Supreme Court.

- (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 refund of customs duty recovered by GSPC amounting to ₹.9.35 crores 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) The Company has implemented 7th Pay commission with effect from 1st December 2020 as per Government of Gujarat's Resolution. However, the gross arrears amounting to ₹.18.60 crores for the period from 1st January 2016 to 30th November 2020 will be provided in the books as and when the decision to release the arrears will be taken by the state government.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

- a) The Group is subject to legal proceeding and claim, which have arisen in the ordinary course of business. The Company does not reasonably expect that these claims, when ultimately concluded and determined, will have material and adverse effect on Company's results of operations or financial position.

The Group is contesting the demands and the management including its advisors believe that its position is likely to be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

- b) UPL Limited (UPL) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited (now known as Gujarat Gas Limited) had filed a complaint before Petroleum and Natural Gas Regulatory Board (PNGRB) against erstwhile GGCL alleging charging of tariff illegally under the City Gas Network Distribution Agreement entered into between the Parties. The matter was decided against the Group by PNGRB vide its Order dated 20.10.2014. The Group had preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the afore mentioned PNGRB Order. The Group had submitted a bank guarantee of 4,000 Lacs in favor of UPL.

APTEL has delivered final judgement on 10.03.2021 in favor of the Group by setting aside the afore mentioned PNGRB Order, and has recorded that invocation of HAPI tariff by PNGRB for the negotiated arrangement between the parties was not only against the letter and spirit of regulations defining tariff zone but also tantamount to rewriting of contract.

- 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 Regasified 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).

PNGRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

The PLL Offtakers (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 ₹.523.82 Crs (P. Y. ₹.508.24 Crs), for use of allocated gas for other than specified purpose, demand in earlier years related to FY 2013-14 to FY 2019-20 (H1) and no claim received from supplier for FY 2019-20 (H2) and FY 2020-2021. 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 ₹.177.14 Crs (P. Y. ₹.177.14 Crs) 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.

- a. 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 to be crystallized. 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

- a. Income Tax assessments up to Assessment Year 2018-19 have been completed and Company had filed various appeals against orders passed by Income Tax Department for various Assessment years. The tax impact/demand of appeals lying the Income Tax Appellate Tribunal (ITAT) for AY 2008-09 is ₹.22.37 Lacs (Previous Year : 89.38 Lacs).
- b. **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. Then, the company has paid ₹.5.00 Cr. towards AGR dues as an ad-hoc payment under protest. Thereafter, DoT has carried out assessment of due license fees for the period F.Y. 2009-10 to F.Y. 2013-14 and issued assessment order about refund of license fees vide letter CCA/GUJ/ISP-IT/LF Assess/GIPL/2019-20/89 dated 04/12/2020. As per assessment order there is a refund of AGR License fees dues, hence there is no contingent liability of AGR Dues. Further, company has also requested DoT to refund the excess amount of ₹.5,27,12,405 paid towards License Fee as per assessment order and also to return the Performance Bank Guarantee: 180375IBGP00382 amounting ₹.2.00 Crore and Financial Bank Guarantee: 180375IBGF00057 amounting Rs. 0.20 Crore. As and when refund will be received and bank guarantees will be released from DoT, necessary accounting entries will be passed and provision will be reversed.

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 (₹.6295.02 crores) and USD 200 Million (₹.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 forms a component of gas trading pool, which effectively covers the risk of valuation adjustment under FIFO. Further, as on 31st March, 2021 there is an amount ₹.7.10 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 (PY ₹.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 (PY ₹. 30.72 Crs) out of total claim ₹.43.08 Crs (PY ₹.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 ₹.19.83 per MMBtu as transmission charges for domestic gas being purchased and delivered by GAIL at one of the delivery points. If verdict is in favor of GGL, GGL will get refund of ₹.173.29 crs (PY: ₹.163.58 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.

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Note 35
Commitments*

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Estimated Amount of Contracts remaining to be executed on capital accounts and not provided for		
i. In respect of Joint Arrangements	106.27	135.63
ii. In respect of Others	1,395.98	909.97
Investment Commitments	1,328.08	1,391.16
Estimated amount of Contracts remaining on revenue accounts	1,098.52	651.21

* Refer note 46 (B) for details of associates and joint ventures.

Note 36

Employee Benefits:

A. Defined contribution plans

1. Company's contribution to Provident Fund is ₹.15.52 Crores (FY 2019-20 - ₹.15.27 Crores)
2. Company's contribution to Super Annuation fund is ₹.3.18 Crores (FY 2019-20 ₹.3.02 Crores)
3. Company's contribution to National Pension Scheme is ₹.3.72 Crores (FY 2019-20 ₹.1.94 Crores)

B. Defined benefit plans

The following table sets out the funded status of the Gratuity, Post Retirement Medical Benefit Scheme (PRMBS) and Leave Encashment Plan and the amounts recognized in Group's consolidated financial statements as at 31st March, 2021 and 31st March, 2020 as required by Ind AS 19.

Particulars	(₹. in Crores)									
	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		Leave Encashment (Unfunded)		PRMBS (Funded)	
	2020-2021	2019-2020	(Funded)	(Non Funded)	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
I Change in obligation during the year										
1 Liability - Opening Balance	107.86	86.41	10.70	9.82	14.42	12.49	63.04	53.31	2.64	0.75
2 Interest cost	6.73	6.40	0.71	0.74	0.96	0.93	4.26	4.00	0.18	0.06
3 Current service cost	9.19	8.09	0.79	0.92	0.80	0.73	5.03	4.14	0.35	0.11
4 Past service cost	-	-	-	-	-	-	-	-	-	1.47
6 Benefit Paid	(5.59)	(5.93)	(1.24)	(0.97)	(0.64)	(2.14)	(4.13)	(5.73)	-	-
7 Actuarial (gain) / losses due to changes in financial, demographic and experience assumptions	1.08	12.34	(0.66)	0.19	(0.92)	2.40	2.69	7.59	(1.29)	0.25
8 Contribution by Employees	0.00	-	-	-	-	-	-	-	-	-
9 Transfer in Obligation	0.68	0.55	-	-	-	-	0.19	(0.27)	-	-
10 Liability - Closing Balance	119.95	107.86	10.30	10.70	14.62	14.41	71.08	63.04	1.88	2.64
II Change in assets during the year										
1 Plan assets - Opening Balance	87.96	73.88	-	-	8.49	9.64	-	-	0.20	0.10
2 Expected return of plan assets	4.84	4.57	-	-	0.60	0.75	-	-	0.01	-
3 Contributions	20.50	14.47	9.75	-	5.49	0.37	-	-	0.37	0.07
4 Benefit paid	(5.40)	(5.93)	-	-	(0.64)	(2.14)	-	-	-	-
5 Interest Income	1.56	1.22	-	-	-	-	-	-	0.05	0.03
6 Actuarial gain / (Loss)	1.74	(0.25)	-	-	0.15	(0.12)	-	-	0.01	-
7 Transfer in/(out) plan assets	0.39	(0.03)	-	-	-	-	-	-	-	-
8 Plan assets - Closing Balance	111.59	87.94	9.75	-	14.09	8.49	-	-	0.62	0.20
9 Total Actuarial Gain/(Loss) To Be Recognized	0.66	(12.59)	0.66	(0.19)	1.07	(2.52)	(2.69)	(7.59)	1.29	(0.25)
III Actual Return on plan assets										
1 Expected return of plan assets	4.83	4.57	-	-	0.60	0.75	-	-	0.01	0.03
2 Actuarial gain / (loss)	1.74	(0.25)	-	-	0.15	(0.12)	-	-	0.01	-
3 Actual return on plan assets	6.57	4.33	-	-	0.76	0.62	-	-	0.01	0.03

(₹. in Crores)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		Leave Encashment (Unfunded)		PRMBS (Funded)	
	2020-2021	2019-2020	(Funded)	(Non Funded)	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
			2020-2021	2019-2020						
IV Net asset / (liability)										
1 Liability at the end of the year	119.95	107.86	10.30	10.70	14.62	14.41	71.08	63.04	1.88	2.64
2 Plan assets at the end of the year	111.59	87.94	9.75	-	14.09	8.49	-	-	0.62	0.20
3 Liability / (Asset) in Balance Sheet	8.36	19.92	0.55	10.70	0.53	5.92	71.08	63.04	1.26	2.44
V Expenses recognized in the Statement of Profit & Loss										
1 Current service cost	9.19	8.09	0.79	0.92	0.80	0.73	5.03	4.14	0.35	0.11
2 Interest cost	6.73	6.40	0.71	0.74	0.96	0.93	4.26	4.00	0.18	0.06
3 Expected return on plan assets	(4.84)	(4.57)	-	-	(0.60)	(0.75)	-	-	(0.05)	(0.03)
4 Actuarial (gain) / Losses	(0.83)	10.44	-	-	(1.07)	2.52	2.69	7.58	(1.30)	0.25
5 Benefits Paid	-	-	-	-	-	-	-	-	-	-
6 Transfer in Obligation(net)	-	-	-	-	-	-	-	-	-	-
7 Past service cost	-	-	-	-	-	-	-	-	-	1.47
8 Total expenses	10.25	20.36	1.50	1.66	0.10	3.43	11.98	15.72	(0.82)	1.86
Expenses recognized in the Other Comprehensive Income										
1. Actuarial (gain) / Losses	(0.66)	12.59	(0.66)	0.19	(1.07)	2.52	2.69	7.59	(1.29)	0.25
VI Balance Sheet reconciliation										
1 Opening net liability	19.91	12.53	10.70	9.82	5.93	2.85	63.04	53.31	2.44	0.65
2 Expenses as above	10.42	22.50	0.84	1.85	0.10	3.44	11.98	15.72	(0.82)	1.86
3 Employer contribution	(20.50)	(14.47)	(9.75)	-	(5.49)	(0.37)	-	-	(0.37)	(0.07)
4 Benefits Paid	(0.19)	(0.00)	(1.24)	(0.97)	-	(0.00)	(4.13)	(5.73)	-	-
5 Transfer Obligation	0.29	0.58	-	-	-	-	0.19	(0.27)	-	-
6 Interest Income	(1.56)	(1.22)	-	-	-	-	-	-	-	-
6 Amount recognized	8.36	19.92	0.55	10.70	0.53	5.92	71.08	63.04	1.26	2.44
7 Expected contribution during next 12 months	3.86	15.19	0.55	0.81	0.05	0.65	1.88	1.96	0.02	0.01
VII Actuarial Assumptions										
1 Discount Rate	6.45-6.85%	6.85%	6.80%	6.85%	6.8-6.85%	6.85%	6.45-6.85%	6.85%	6.8-6.85%	6.85%
2 Rate of return on plan assets	6.45-6.85%	6.85%	0.00%	0.00%	6.8-6.85%	6.85%	0.00%	0.00%	6.8-6.85%	6.85%
3 Salary Escalation	7-10%	7% - 10%	7.00%	7.00%	7.00%	7.00%	7% - 10%	7% - 10%	-	-
4 Withdrawal Rate	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%
5 Medical Inflation rate	NA	NA	NA	NA	NA	NA	NA	NA	9.00%	4.00%

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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)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment (Funded)		Leave Encashment (Unfunded)		PRMBS (Funded)	
			(Funded)	(Non Funded)						
	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020
Sensitivity %										
Discount rate varied by 0.5%										
Increase + 0.5%	113.14	88.69	9.70	10.07	13.84	13.57	66.23	58.89	2.06	2.45
Decrease - 0.5%	127.44	100.16	10.94	11.40	15.49	15.34	76.05	67.57	2.62	3.01
Salary growth rate varied by 0.5%										
Increase + 0.5%	126.80	99.99	10.94	11.39	15.48	15.33	75.89	67.44	NA	NA
Decrease - 0.5%	113.64	88.78	9.70	10.07	13.84	13.56	66.32	58.96	NA	NA
Withdrawal rate varied by 10%										
Increase + 10%	43.69	26.16	10.29	10.68	14.62	14.41	18.84	17.47	2.27	2.65
Decrease - 10%	43.49	26.25	10.31	10.73	14.64	14.42	18.86	17.49	2.38	1.01
Medical Inflation Rate varied by 0.5%										
Increase + 0.5%	-	-	-	-	-	-	-	-	2.42	2.78
Decrease - 0.5%	-	-	-	-	-	-	-	-	2.07	2.44

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, PRMBS & 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:

Composition of the plan assets	2020-21			2019-20		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Policy of insurance	100%	NA	100%	99%	NA	100%
Bank balance	0.00%	NA	NA	0.25%	NA	100%

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 ₹.0.97 Cr (Previous year ₹.0.89 Cr) on account of Long service award benefit. Current Liability as at 31st March 2021 is ₹.0.07 Cr (Previous year ₹.0.09 Cr) and Non- Current Liability is ₹.0.90 Cr (Previous year ₹.0.80 Cr). Discount rate considered for current year is 6.45% (previous year 6.85%).

In the Case of Subsidiary Guj Info Petro Limited:

a. 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. Loyalty bonus

GIPL has also provided for ₹.0.09 crores (31st March 2020: ₹.0.16 crores) towards liability of loyalty bonus (a non-funded defined benefit plan) during the year as per the actuarial valuation.

In the Case of Gujarat State Petroleum Corporation Limited:

Composition of the plan assets	2020-21			2019-20		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Policy of insurance	100%	100%	0%	100%	100%	NA
Special Deposit Scheme	NA	NA	93%	NA	NA	NA
Bank balance	NA	NA	7%	NA	NA	NA

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)

Particulars	Gratuity (Funded)		Loyalty Bonus		Leave Encashment		PRMBS (Funded)	
			(Funded)	(Un Funded)				
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1 st Following year	0.49	1.19	0.48	0.81	0.41	0.76	-	-
2 nd Following year	0.40	0.51	0.24	0.28	0.35	0.44	-	-
3 rd Following year	0.40	0.42	0.26	0.23	0.35	0.38	-	-
4 th Following year	0.80	0.50	0.64	0.26	0.68	0.50	0.00	-
5 th Following year	0.63	0.84	0.42	0.59	0.70	0.73	0.01	-
Sum of years 6 to 10	17.92	4.21	23.35	3.47	4.22	4.40	0.07	-

Note 37
Joint Operations (un incorporated Joint arrangements)

The Company has entered into Production Sharing Contracts (PSCs) / Agreements in consortium with various Private/Public Sector & Foreign Companies as stated below with the Ministry of Petroleum & Natural Gas (Government of India), for exploration of oil and gas in the following fields. The Company has also entered into Production Sharing Agreements (PSAs)/Work Permits overseas relating to Oil & Gas/ Exploration Areas blocks along with various companies. Pursuant to the PSCs, Joint Operations {unincorporated Joint arrangements (JVs)} have been formed to undertake necessary economic activities for production of Oil and Gas by entering into a Joint Operating Agreement with them. The details are stated below:

I Blocks/Fields currently under exploraiton, development and production

Sr No	Joint Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	Non Operated Jvs			
1	Hazira (Refer Note a)	0% (66.67%)	Sun Petrochemicals Private Limited (Operator)	100%
2	Bhandut (Refer Note a)	0% (60%)	Oilex NL Holdings (India) Ltd (Operator)	100%
3	Cambay (Refer Note a)	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 (Refer Note b)	50% (50%)	Exploration	
			Hindustan Oil and Exploration Company Limited (Operator)	50%
		35% (35%)	Development	
			Hindustan Oil and Exploration Company Limited (Operator)	35%
		Oil and Natural Gas Corporation Limited	30%	
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 a)	0% (70%)	GNRL Oil & Gas Limited (Operator)	100%

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Sr No	Joint Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI	
A	Non Operated Jvs				
8	North Kathana (Refer Note a)	0% (70%)	GNRL Oil & Gas Limited (Operator)	100%	
9	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator)	30%	
10	Allora (Refer Note a)	0% (70%)	GNRL Oil & Gas Limited (Operator)	100%	
11	CB-ONN-2004/1 (Refer Note a)	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%	
12	CB-ONN-2004/2 (Refer Note a)	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%	
13	CB-ONN-2004/3 (Refer Note a)	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%	
14	MB-OSN-2005/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%	
15	GK-OSN-2009/1 (Refer Note a)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%	
			Indian Oil Corporation Limited	20%	
			Adani Welspun Exploration Ltd	20%	
16	KG-OSN-2001/3	10% (10%)	JODPL Pvt. Ltd.	10%	
			Oil and Natural Gas Corporation Ltd. (Operator)	80%	
B	GSPC-Operated				
17a	Tarapur	80% (80%)	Exploration		
			Geo Global Resources (Barbados) Inc.	20%	
			Development		
			Geo Global Resources (Barbados) Inc.	14%	
17b	Tarapur - Extension phase	80% (80%)	Oil and Natural Gas Corporation Limited	30%	
			Geo Global Resources (Barbados) Inc.	20%	
18	Unawa (Refer Note a)	0% (70%)	GNRL Oil & Gas Limited (Formerly Heramec Ltd.)	100%	
19a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%	
19b	CB-ONN-2000/1 -(Extension phase)	50% (50%)	GAIL (India) Ltd	50%	
20	CB-ONN-2002/3 (Sanand)	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 Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI
1	RJ-ONN-2004/1	22.225% (22.225%)	GAIL (India) Ltd (Operator)	22.225%
			Hindustan Petroleum Corporation Limited	22.22%
			BPCL	11.11%
			Hallworthy Shipping Ltd. SA	11.11%
			Nitin Fire Protection Industries Ltd.	11.11%
2	CY-ONN-2005/1	30% (30%)	GAIL (India) Ltd (Operator)	40%
			Bengal Energy Inc.	30%
3	KK-DWN-2005/2	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
4	AA-ONN-2003/1(Assam)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator)	10%
			Jubilant Securities Pvt. Ltd.	35%
			GAIL (India) Ltd	35%
5	CY-DWN-2004/3	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
6	CY-PR-DWN-2004/1	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
7	MB-OSN-2005/5	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
8	MB-OSN-2005/6	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
9	CB-ONN-2005/4	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
10	CB-ONN-2005/10	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
11	CB-ONN-2009/4	50% (50%)	Oil and Natural Gas Corporation Limited (Operator)	50%
12	JPDA-06-103 (Australia/ East Timor) (Refer Note f)	20% (20%)	Oilex (JPDA 06/103) Ltd (Operator)	10%
			Videocon JPDA 06-103 Limited	20%
			Bharat Petro Resources JPDA Ltd	20%
			Japan Energy Corporation	15%
			Pan Pacific Petroleum NL	15%
B	GSPC-Operated			
13	Block No 19 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%
14	Block No 28 (Yemen) (Refer Note c)	45% (45%)	Alkor Petroo Ltd.	25%
			Western Drilling Contractors Pvt. Ltd.	30%

Sr No	Joint Venture/PSCs	GSPC's PI	Operatorship/Other Partners	PI
B	GSPC-Operated			
15	Block No 57 (Yemen) (Refer Note c)	45% (45%)	Alkor Petro Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
16	South East Tungal (Indonesia)	50.50% (50.50%)	Essar Oil Limited	49.50%
17	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd Petrogas E&P LLC	40% 20%
18	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%

Notes

- a. 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. Out of 7 blocks for which bids were received, procedure to transfer PI in 4 blocks (Allora, Dholasan, North Kathana, Hazira) is completed on approval of MoP&NG during the year. For balance 3 blocks 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 of these blocks which include Unawa and Bhandut. The Company has filed the Deed of Assignment with Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas after completion of necessary operational procedures. The FIFO for Cambay field is in process of being executed. Accordingly, the Company has not taken any line by line entries after the respective effective dates of the agreements.
- b. 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 (₹.8.17 Crores) as per the guidelines of MOPNG for signing of CB-ON/7 RFPSC.
- c. During the financial year 2012-13, the Company along with its JV partners have recommended to surrender the three blocks by invoking the termination provision of the PSAs on account of continuation of force majeure events for more than six months. Vide letter dated 13th February, 2013, GSPC led consortium has terminated Production Sharing Agreements (PSAs) for 3 blocks awarded in Republic of Yemen (RoY). PSAs have been terminated on the ground of existence of force majeure event. The Consortium had initiated the arbitration proceedings under the PSAs before the International Chamber of Commerce (ICC), Paris and in the interim stage, obtained order Republic of Yemen not to take steps invoking SBLCs, while Consortium has been directed to extend the validity of SBLCs. Detailed pleadings were filed by both the parties and the final hearing was held from 8-12th September 2014 at the ICC hearing center in Paris. After the final hearing was concluded both the parties had submitted Post Hearing Briefs before the Arbitral Tribunal. Subsequently upon completion of the arbitration proceedings, the final award has been passed by the Arbitral Tribunal on 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. ~₹.308.72 crores) issued in their favor by the International bank of Yemen;
 - Arbitral Tribunal has awarded costs of approx. USD 3.92 million (~₹.28.81 crores) in favor 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 favor of GSPC Consortium by the Paris Court.
- Following dismissal of Annulment Proceedings by Court of Appeal at Paris, GSPC consortium has initiated enforcement actions against Government of Yemen to secure the award money. The matter is sub-judice.
- d. During the year, the Company has recommended ONGC Operated CB ONN 2004/3 block to be surrendered to Government of India.
- e. Of the current 12 fields/blocks are in production, namely Asjol, North Balol, CB-ON/7 (Palej), Kanawara, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3, 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 Reserves (Oil) (Million MT)*	Proved Reserves (Gas) (Million Cubic Meter) *
Opening Balance for the year ended on 1 st April, 2020	0.29	3,101.67
	(0.33)	(4,155.60)
Additions	-	-
	(0.01)	(23.39)
** Adjustments on account of change in Reserve estimate		(22.72)
	(-0.02)	(-1051.42)
Deletions	0.04	19.31
	-	-
Production	0.02	16.20
	(0.03)	(25.90)
Closing Balance for the year ended on 31 st March, 2021	0.23	3,043.44
	(0.29)	(3,101.67)

*Figures in brackets relate to period ended 31st March, 2020

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

f. The financial statements of the Company reflect its share of Assets, Liabilities, Income and Expenditure of the Joint arrangement operations which are accounted on a line to line basis with similar items in the Company's accounts to the extent of participating interest of the company as per the various joint arrangement agreements, in compliance of Ind AS 111 Joint Arrangements. The income and expenditure from Joint arrangements are disclosed separately in the Statement of Profit and Loss. The summary of the Company's share in Assets & Liabilities of Joint arrangements are as follow:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Property Plant & Equipment - Gross Block	5,145.70	6,105.51
Current Assets	70.64	244.28
Current Liabilities and Provisions	11.51	72.33
Contingent Liabilities	552.75	130.45

g. The Statement of Profit and Loss of the Company includes its share in Profit or Loss pertaining to the respective Joint arrangements. The summary of Statement of Profit and Loss for the year ended 31st March 2021 is given as under:

Particulars	(₹. in Crores)	
	For the year Ended	
	31 st March, 2021	31 st March, 2020
	GSPC's Share	GSPC's Share
Income		
Sale of Crude Oil	48.36	50.57
Sale of Gas	17.83	28.91
Increase/(Decrease) in Stock	1.70	(18.34)
Other Income	1.63	3.96
Total	<u>69.52</u>	<u>65.10</u>

Particulars	(₹. in Crores)	
	For the year Ended	
	31 st March, 2021	31 st March, 2020
	GSPC's Share	GSPC's Share
Expenditure		
Production Expenses	39.95	57.89
Duties & Taxes	6.31	8.14
Administrative Exps.	12.82	15.00
Total Expenditure before Depreciation	<u>59.08</u>	<u>81.03</u>
Profit before depreciation	<u>10.44</u>	<u>(15.93)</u>

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 transmission 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 property, plant and equipment, 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 property, plant and equipment, 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".



Particulars	As at 31 st March, 2021							As at 31 st March, 2020									
	E & P	Gas Trading	Power Generation	Gas Transmission	City Gas Distribution	Internet, IT	Unallocated	Total	E & P	Gas Trading	Power Generation	Gas Transmission	City Gas Distribution	Internet, IT	Unallocated	Total	
	(₹ in Crores)																
A. Segment revenue																	
External sales*	66.18	13,895.28	1,123.34	1,720.68	10,014.06	17.10		26,836.64	79.48	15,937.00	596.87	2,323.75	10,525.73	14.78		29,477.61	
Inter segment sales	(3.91)	(7,004.53)		(416.25)		(2.32)		(7,427.01)	(12.73)	(7,434.35)	-	(725.15)		(2.29)		(8,174.52)	
Total segment revenue	62.27	6,890.75	1,123.34	1,304.43	10,014.06	14.78		19,409.63	66.75	8,502.65	596.87	1,598.60	10,525.73	12.49		21,303.09	
B. Segment results																	
Segment results	8.81	1,723.66	269.49	1,864.70	1,709.84	3.43	(21.10)	5,579.93	(19.89)	1,632.53	300.18	1,660.94	782.72	(1.55)	460.06	4,354.93	
Profit(+)/ loss(-)								(21.10)								460.06	
Unallocated Other Income																	
Operating Profit	8.81	1,723.66	269.49	1,864.70	1,709.84	3.43	(21.10)	5,558.83	(19.89)	1,632.53	300.18	1,660.94	782.72	(1.55)	460.06	4,814.99	
Interest/ dividend		1.76				2.45	97.01	101.22	3.96	2.74				2.73	149.24	154.71	
Other income	1.63		1.02			0.22	160.43	163.30						0.16	27.48	31.60	
Finance Cost							(701.71)	(701.71)									
Depreciation							(1.93)	(732.42)									
Share of profit/loss from JV							(1.93)	(732.42)									
Provision for taxation	(35.08)		(153.24)	(200.94)	(340.83)	(0.40)	(639.45)	(639.45)	(120.61)		(155.21)	(200.03)	(317.98)	(0.52)	(2.09)	(796.44)	
Profit/Loss from ordinary Activities	(24.64)	1,725.42	117.27	1,663.76	1,369.01	5.70	(987.07)	3,869.45	(136.54)	1,635.27	144.97	1,460.91	464.74	0.82	399.37	2,874.21	
Impairment Recognised	(107.11)							(107.11)	(540.78)							(540.78)	
Impairment Reversed	39.74							39.74	0.46							0.46	
Other Exceptional Items	(68.79)							(68.79)	(0.67)						(10.99)	(11.66)	
Net profit/(loss)	(160.80)	1,725.42	117.27	1,663.76	1,369.01	5.70	(987.07)	3,733.29	(677.53)	1,635.27	144.97	1,460.91	464.74	0.82	388.38	2,322.23	

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

Note 38
Segment Information

Particulars	As at 31 st March, 2021						As at 31 st March, 2020										
	E & P	Gas Trading	Power Generation	Gas Transmission	City Gas Distribution	Internet, IT	Unallo-cated	Total	E & P	Gas Trading	Power Generation	Gas Transmission	City Gas Distribution	Internet, IT	Unallo-cated	Total	
	(₹. in Crores)																
C. Segment assets																	
Segment assets	1,900.48	1,461.93	2,028.23	5,688.97	8,479.75	66.09	19,625.45	2,215.25	1,326.42	2,248.28	5,424.74	7,925.43	72.86	1,397.74	19,212.98		
Unallocated Assets							1,388.20								1,397.74		
Total Assets	1,900.48	1,461.93	2,028.23	5,688.97	8,479.75	66.09	21,013.65	2,215.25	1,326.42	2,248.28	5,424.74	7,925.43	72.86	1,397.74	20,610.72		
D. Segment Liabilities																	
Segment Liabilities	473.06	1,019.31	1,161.56	379.93	2,178.72	9.91	5,222.49	720.09	1,397.78	1,529.06	341.88	1,766.27	20.85	10,340.04	5,775.93		
Unallocated Liabilities							7,675.61								10,340.04		
Total Liabilities	473.06	1,019.31	1,161.56	379.93	2,178.72	9.91	12,898.10	720.09	1,397.78	1,529.06	341.88	1,766.27	20.85	10,340.04	16,115.97		
E. Other information																	
Capital Expenditure	53.65		19.81	105.35	751.33		1.10	42.75		31.67	107.23	595.55		1.19	778.39		
Depreciation	35.08		153.24	200.94	340.83	0.40	732.42	120.61		155.21	200.03	317.98	0.52	2.09	796.44		
Impairment Recognised	107.11						107.11	540.78							540.78		
Impairment Reversed	(39.74)						(39.74)	(0.46)							(0.46)		
Other Exceptional Items	68.79						68.79	0.67						10.99	11.66		

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.

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.

A. 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:

Name of Key Managerial Personnels:	F.Y.2020-21		F.Y.2019-20	
	From Date	To Date	From Date	To Date
Shri Anil Mukim, IAS (Chairman)	1-Apr-20	31-Mar-21	10-Dec-19	31-Mar-20
Shri Dr. J.N. Singh, IAS (Chairman)			1-Apr-19	10-Dec-19
Shri Pankaj Joshi, IAS - (Holding Company - Chairman)	1-Apr-20	31-Mar-21	27-Dec-19	31-Mar-20
Shri Arvind Motilal Agrawal, IAS (Holding Company - Chairman)			1-Apr-19	27-Dec-19
Shri Sanjeev Kumar, IAS (Managing Director)	1-Apr-20	31-Mar-21	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)	1-Apr-20	31-Mar-21	4-Oct-19	31-Mar-20
Shri T. Natarajan, IAS (Managing Director)			1-Apr-19	22-Aug-19
Shri Pankaj Joshi, IAS (Director)	1-Apr-20	31-Mar-21	20-Sep-19	31-Mar-20
Smt. Sunaina Tomar, IAS (Director)	1-Apr-20	31-Mar-21	4-Jan-20	31-Mar-20
Dr. Manjula Subramaniam, IAS (Retd.) (Woman Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Ms. Mamta Verma, IAS - (Holding Company - Women Independent Director)	1-Apr-20	20-Jun-20	1-Apr-19	31-Mar-20
Ms. Shridevi Shukla - (Holding Company - Woman Independent Director)	20-Jun-20	31-Mar-21		
Ms. Arti Kanwar, IAS - (Holding Company - Woman Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Arvind Agarwal, IAS (Director)			1-Apr-19	6-Dec-19
Shri M. M. Srivastava, IAS (Retd.) (Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri K. Kailashnathan, IAS (Retd.) (Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Vasantkumar Raval - (Holding Company - Independent Director)	1-Apr-20	20-Jun-20	1-Apr-19	31-Mar-20
Mr. Yamal Vyas - (Holding Company - Independent Director)	20-Jun-20	31-Mar-21		
Dr. N. Ravichandaran (Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Prof. Yogesh Singh (Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Dr. Ravindra Dholakia (Independent Director)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Rajesh Sivadasan (CFO)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Ghanshyam Pathak - (Holding Company - CFO)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20
Shri Sandeep Dave (Company Secretary)			1-Apr-19	20-Feb-20
Smt. Reena Desai (Company Secretary)	1-Apr-20	31-Mar-21	27-Feb-20	31-Mar-20
Shri Sandeep Shah - (Holding Company - Company Secretary)	1-Apr-20	31-Mar-21	1-Apr-19	31-Mar-20

Related party disclosure

C. Transactions during the year with related parties :

Nature of Transaction	Holding Company		Associates		Joint Ventures		KMP		Associate of Holding Company		TOTAL	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	
Income:												
Sale of LNG	-	130.20	223.50	251.54	-	-	-	-	261.45	452.39	807.64	834.12
Sabarmati Gas Ltd.	-	-	223.50	251.54	-	-	-	-	-	-	223.50	251.54
Gujarat State Energy Generation Ltd.	-	130.20	-	-	-	-	-	-	-	-	322.69	130.20
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	-	132.74	253.63	132.74	253.63
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	112.82	179.03	112.82	179.03
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	15.89	19.73	15.89	19.73
Regasification Income		21.08	-	-	-	-	-	-	21.22	-	85.68	21.08
Gujarat State Energy Generation Ltd.	-	21.08	-	-	-	-	-	-	1.97	-	64.46	21.08
Gujarat Alkalies & Chemicals Ltd.	-	21.08	-	-	-	-	-	-	16.68	-	1.97	-
Gujarat Narmada Valley Fertilizer Company	-	-	-	-	-	-	-	-	2.57	-	16.68	-
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	-	2.57	-
Gas Transportation Income		17.75	54.33	57.51	-	-	-	-	47.85	58.78	149.62	134.04
Sabarmati Gas Ltd.	-	-	54.33	57.51	-	-	-	-	-	-	54.33	57.51
Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	43.80	56.02	43.80	56.02
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	1.09	2.76	1.09	2.76
Gujarat State Energy Generation Ltd.	-	17.75	-	-	-	-	-	-	1.29	-	47.44	17.75
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	1.67	-	1.29	-
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	-	1.67	-
PNG Sales - Income		-	-	-	-	-	-	-	0.01	0.03	0.02	0.04
Sabarmati Gas Ltd.	-	-	-	-	-	-	-	-	-	-	-	-
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.01	0.03	0.01	0.03
Gujarat State Energy Generation Ltd.	-	-	-	-	-	-	-	-	-	-	0.01	-
Line Crossing Charges Received		-	0.02	0.08	-	-	-	-	-	0.04	0.02	0.12
Sabarmati Gas Ltd.	-	-	0.02	0.08	-	-	-	-	-	-	0.02	0.08
Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	0.04	0.02	0.04
Rent received		0.20	1.93	0.54	-	-	-	-	0.03	-	2.17	0.74
Gujarat State Energy Generation Ltd.	-	0.20	-	-	-	-	-	-	-	-	0.21	0.20
GSPL INDIA GASNET LTD	-	-	0.69	0.07	-	-	-	-	-	-	0.69	0.07
GSPL INDIA TRANSOCO LTD	-	-	0.54	0.00	-	-	-	-	-	-	0.54	0.00
Sabarmati Gas Ltd.	-	-	0.70	0.47	-	-	-	-	-	-	0.70	0.47
Gujarat State Financial Services Ltd.	-	-	-	-	-	-	-	-	0.03	-	0.03	-
Dividend Income		-	4.49	3.24	-	-	-	-	-	-	4.49	3.24
Sabarmati Gas Company Ltd.	-	-	4.49	3.24	-	-	-	-	-	-	4.49	3.24
Gujarat State Energy Generation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-



(₹. in Crores)

Nature of Transaction	Holding Company		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Interest Income Gujarat State Energy Generation Ltd.	-	-	7.85	9.86	-	-	-	-	-	-	7.85	9.86
Reimbursement of Exp-Received Sabarmati Gas Company Ltd.	-	0.72	1.14	0.43	4.39	5.73	-	-	0.03	0.01	5.56	6.90
Gujarat State Energy Generation Ltd.	-	-	0.03	-	2.18	0.22	-	-	-	-	2.22	0.22
GSPL INDIA GASNET LTD.	-	-	0.55	0.43	-	-	-	-	0.01	0.01	0.55	0.44
GSPL INDIA TRANSCO LTD.	-	-	-	-	1.28	2.65	-	-	-	-	1.28	2.65
Gujarat State Investments Limited	-	-	0.56	-	0.93	2.86	-	-	-	-	1.48	2.86
Gujarat Narmada Valley Fertilizer Company	-	0.72	-	-	-	-	-	-	0.01	0.01	-	0.72
Gujarat State Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.01	0.01	-	-
Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.01	0.01	-	-
Sale of Material - Inventory Sabarmati Gas Company Ltd.	-	-	0.90	-	-	0.22	-	-	-	-	0.90	0.22
GSPL INDIA GASNET LTD.	-	-	0.90	-	-	0.18	-	-	-	-	0.90	0.18
Services Received Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	-	-	-	-	-	0.04	-	-	-	-	-	0.04
Expenses: Purchase of Gas Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	0.03	0.02	-	0.02
Interest on Term Loan paid Gujarat State Financial Services Limited	-	-	-	-	-	-	-	-	0.03	0.02	-	0.02
Gas transportation charges GSPL INDIA GASNET LTD.	-	-	-	-	193.68	12.89	-	-	-	-	193.68	12.89
Sabarmati Gas Ltd.	-	-	-	-	193.10	12.20	-	-	-	-	193.10	12.20
Reimbursement of Expenses: Paid Gujarat State Energy Generation Ltd	-	-	0.54	0.44	0.58	0.69	-	-	0.07	0.19	0.58	0.69
GSPL INDIA GASNET LTD.	-	-	-	-	-	-	-	-	-	-	-	-
GSPL INDIA TRANSCO LTD.	-	-	-	-	-	-	-	-	-	-	-	-
Gujarat State Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Paid Gujarat State Energy Generation Ltd.	-	-	0.17	0.13	-	-	-	-	10.16	6.85	10.32	6.98
Gujarat Narmada Valley Fertilizers & Chemicals Ltd.	-	-	-	-	-	-	-	-	-	-	0.17	0.13
	-	-	-	-	-	-	-	-	1.63	0.03	1.63	0.03

Nature of Transaction	Holding Company		Associates		Joint Ventures		Key Management personnel		Associate of Holding Company		TOTAL	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	
	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	(₹. in Crores)	
Gujarat Alkalies & Chemicals Ltd. Gujarat State Fertilizers & Chemicals Limited	-	-	-	-	-	-	-	-	2.66	2.13	2.66	2.13
ROW Expense GSPL India Gasnet Ltd	-	0.06	-	0.06	-	-	-	-	-	-	-	0.06
Rent Expense GSPL India Gasnet Ltd Gujarat Narmada Valley Fertilizers & Chemicals Ltd. Gujarat State Fertilizers & Chemicals Limited	-	0.66	-	0.14	0.66	0.14	-	0.05	0.52	0.46	1.23	0.60
Remuneration to KMP (Parent Company) Key management personnel compensation Director Sitting Fees -Non-contributory superannuation plan -Employee group gratuity scheme (including loyalty bonus) Other Long Term benefit	-	-	-	-	-	-	2.19	0.99	-	-	-	2.19
Remuneration to KMP (Subsidiary Companies) Key management personnel compensation Director Sitting Fees Post employment benefit plan Employee group gratuity scheme Other Long Term benefit	-	-	-	-	-	-	0.94	0.83	-	-	0.94	1.22
Purchase of Assets GSPL India Transco Ltd	-	-	-	-	-	-	0.05	0.05	-	-	0.05	0.05
Sale of Assets Gujarat State Energy Generation Ltd. Sabarmati Gas Ltd. GSPL India Gasnet Ltd GSPL India Transco Ltd	-	-	-	-	-	-	0.01	0.02	-	-	0.01	0.02
Bank guarantee received Sabarmati Gas Ltd. Gujarat Narmada Valley Fertilizers & Chemicals Ltd. Gujarat State Fertilizers & Chemicals Ltd. Gujarat Alkalies & Chemicals Ltd.	-	-	16.70	8.30	-	-	-	-	-	-	-	0.01
												0.01
												0.05
												-
												0.03
												0.01
												0.01
												8.30
												33.33
												2.05
												-

Nature of Transaction	Holding Company		Associates		Joint Ventures		Associate of Holding Company		TOTAL	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Investment in Share Capital (Allotment-pending- Share application money) Gujarat State Energy Generation Ltd.	-	61.47	61.47	61.47	-	-	-	-	61.47	61.47
Inter Corporate Loan Gujarat State Financial Services Ltd. - Repayment Gujarat State Financial Services Ltd. - Availment	-	-	-	-	-	-	3,401.67	3,242.49	3,401.67	3,242.49
Interest on Term Loan Gujarat State Financial Services Ltd.	-	-	-	-	-	-	197.12	278.14	197.12	278.14
Security deposits paid/released Sabarmati Gas Ltd. Gujarat Narmada Valley Fertilizers & Chemicals Limited	-	-	-	-	0.14	0.14	0.02	-	0.16	0.14
Security deposits Received Sabarmati Gas Ltd. Gujarat Alkalies & Chemicals Ltd.	-	-	-	-	4.04	4.04	0.10	-	4.14	4.04
Term / Liquid Deposit Gujarat State Financial Services Ltd. Interest Income received Deposit - Placed/Renewed Deposit - Withdrawn/Redeemed Balance at the Period end Deposit - Asset	-	-	-	-	-	-	46.20	54.17	46.20	54.17
							24,054.43	20,327.48	24,054.43	20,327.48
							24,547.50	19,875.10	24,547.50	19,875.10
							301.07	808.34	301.07	808.34
							301.07	848.44	301.07	848.44

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 40
A. Financial instruments by category and their fair value

(₹. in Crores)

As at 31 st March, 2021	Carrying amount					Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level-1-Quoted price in active markets	Level-2-Significant observable inputs	Level - 3 Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	-	28.00	-	-	28.00	28.00	-	-	28.00
Unquoted	-	166.42	-	-	166.42	-	-	166.42	166.42
Loans									
Non-current	-	-	95.94	-	95.94	-	-	-	-
Current	-	-	55.88	-	55.88	-	-	-	-
Trade Receivables	-	-	1,681.30	-	1,681.30	-	-	-	-
Cash and Cash Equivalents	-	-	563.68	-	563.68	-	-	-	-
Other Bank Balances	-	-	368.81	-	368.81	-	-	-	-
Other financial assets									
Non-current	-	-	72.07	-	72.07	-	-	-	-
Current	-	-	749.93	-	749.93	-	-	-	-
Total financial assets	-	194.42	3,587.61	-	3,782.03	28.00	-	166.42	194.42
Financial liabilities									
Borrowings									
Non-current	-	-	5,779.04	-	5,779.04	-	-	-	-
Current	-	-	559.63	-	559.63	-	-	-	-
Other financial liabilities									
Non-current	-	-	102.96	-	102.96	-	-	-	-
Current	182.02	-	3,541.16	-	3,723.18	-	182.02	-	182.02
Trade Payables	-	-	1,331.57	-	1,331.57	-	-	-	-
Total financial liabilities	182.02	-	11,314.36	-	11,496.38	-	182.02	-	182.02

(₹. in Crores)

As at 31 st 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	-	-	197.71	-	-	197.71	197.71
Loans									
Non-current	-	-	92.68	-	92.68	-	-	-	-
Current	-	-	51.77	-	51.77	-	-	-	-
Trade Receivables	-	-	1,366.06	-	1,366.06	-	-	-	-
Cash and Cash Equivalents	-	-	1,065.05	-	1,065.05	-	-	-	-
Other Bank Balances	-	-	421.03	-	421.03	-	-	-	-
Other financial assets									
Non-current	-	-	78.86	-	78.86	-	-	-	-
Current	0.14	-	818.14	-	818.28	-	0.14	-	0.14
Total financial assets	0.14	216.16	3,893.59	-	4,109.89	18.45	0.14	197.71	216.30

(₹. in Crores)

As at 31 st 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 liabilities									
Borrowings									
Non-current	-	-	8,490.02	-	8,490.02	-	-	-	-
Current	-	-	226.60	-	226.60	-	-	-	-
Other financial liabilities					-				-
Non-current	-	-	88.73	-	88.73	-	-	-	-
Current	766.70	-	4,145.73	-	4,912.43	-	766.70	-	766.70
Trade Payables	-	-	870.49	-	870.49	-	-	-	-
Total financial liabilities	766.70	-	13,821.57	-	14,588.27	-	766.70	-	766.70

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. (CY & PY)

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. Investment in equity shares of SWAN LNG Limited is fair valued using Net Asset Value method.
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.

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, 2021 and 31st March, 2020 is as below:

Particulars	(₹. in Crores)
	Amount
As at 1 April 2019	170.56
Acquisitions/ (disposals)	26.68
Gains/ (losses) recognised in other comprehensive income	0.47
As at 31 March 2020	197.71
Acquisitions/ (disposals)	0.00
Gains/ (losses) recognised in other comprehensive income	(31.29)
As at 31 March 2021	166.42

Transfer out of Level 3

There were no movement in level 3 in either directions during 2020-21 and the year 2019-20.

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 the Current year as well as in Previous Year.

Sensitivity analysis-ONGC Petro Additions Ltd. (OPAL)

Significant observable inputs	(₹. in Crores)			
	As at 31 st March, 2021		As at 31 st March, 2020	
	OCI		OCI	
	10% Increase in P/BV	10% Decrease in P/BV	10% Increase in P/BV	10% Decrease in P/BV
Fair Value of Investments in OPAL (₹.in Crores)	<u>31.90</u>	<u>26.10</u>	<u>31.90</u>	<u>26.10</u>

Sensitivity analysis-GSPC LNG Ltd.

Significant observable inputs	(₹. in Crores)			
	As at 31 st March, 2021		As at 31 st March, 2020	
	OCI		OCI	
	10% Increase in P/BV	10% Decrease in P/BV	10% Increase in P/BV	10% Decrease in P/BV
Fair Value of Investments in OPAL (₹.in Crores)	<u>21.05</u>	<u>17.83</u>	<u>90.35</u>	<u>73.91</u>

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

Particulars	₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Balance at the beginning of the year	16.60	12.89
Movements in allowance	1.58	3.71
Closing balance	18.18	16.60

Value of receivables outstanding beyond one year from the due date is not significant. Such receivables which are past due but not impaired are assessed on case-to-case basis. The instances pertain to third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired. The provision for impairment of trade receivables, movement of which has been provided above, is not significant / material. Since the Group has a fairly diversified in terms of spread and hence no concentration risk is foreseen.

Other financial assets

Other financial assets comprises of an amount of ₹.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 materialize subsequent to which JODPL has gone into liquidation and a liquidator has been appointed. The Group has issued forfeiture notice to JODPL to recover the outstanding dues. The Group has adequate rights under the Production Sharing Contract to ensure recovery of receivable amounts from JODPL through the future cash flows of KG Block. The Group is assessing way forward and committed to undertake necessary steps.

Apart from this, other financial assets comprise of cash and cash equivalents, loans provided to employees and investments in equity shares of companies other than subsidiaries, associates and joint 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:

Particulars	(₹. in Crores)	
	As at 31 st March, 2021	As at 31 st March, 2020
Expiring within one year (working capital demand loan, line of credit and other facilities)	2,298.83	1,179.50
Expiring beyond one year (working capital demand loan, line of credit and other facilities)	-	9.60
Total	<u>2,298.83</u>	<u>1,189.10</u>

Further, the Group 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.

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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 exclude the impact of netting agreements.

(₹. in Crores)				
31 st March, 2021	Contractual cash flows based on maturity			
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	5,779.04	5,779.04	-	5,779.04
Current borrowings	559.63	559.63	559.63	-
Non current financial liabilities	102.96	102.96	-	102.96
Current financial liabilities	3,723.18	3,723.18	3,723.18	-
Trade and other payables	1,331.57	1,331.57	1,331.57	-
Total	<u>11,496.38</u>	<u>11,496.38</u>	<u>5,614.38</u>	<u>5,882.00</u>

(₹. in Crores)				
31 st 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	8,490.02	8,490.02	-	8,490.02
Current borrowings	226.60	226.60	226.60	-
Non current financial liabilities	88.73	88.73	-	88.73
Current financial liabilities	4,912.43	4,912.43	4,912.43	-
Trade and other payables	870.49	870.49	870.49	-
Total	<u>14,588.27</u>	<u>14,588.27</u>	<u>6,009.52</u>	<u>8,578.75</u>

(iv) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the Group is commodity price risk i.e. price risk of natural gas that could adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. The currency risk for the Group involves exposure arising from External Commercial Borrowings and payments for supply of natural gas. The interest rate risk involves rate risk linked to borrowings of the Group. The Group is in process of reviewing interest rate hedging strategy 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 Group's integrated natural gas procurement and trading business (including Liquefied Natural gas (LNG)) is open to price risk which is substantially mitigated through contractual agreement with back-to-back customers through terms of pricing and also through conventional derivative instruments which ensures the hedging of the commodity price at marketable/acceptable level for sale to the customer. The Group 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, the sales prices are modified appropriately to counter market price movements.

Equity price risk

The Group'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.

Sensitivity

The table below summarizes the impact of increases/decreases of the index on the Company's other comprehensive income for the period. The analysis is based on the assumption that the index had increased average of the actual movements in quoted prices of equity shares held as investments for the respective periods. All other variables held constant.



(₹. in Crores)

Particulars	Impact on Other Comprehensive Income (Before Tax)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
NSE NIFTY 50 - increase 6%	1.68	1.11
NSE NIFTY 50 - decrease 6%	(1.68)	(1.11)

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 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. Further, the Group enters into forward contract to hedge against the fluctuation 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. 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 denominated in JPY was fully hedged using a CCIRS.

(₹. in Crores)

Particulars	Impact on Other Comprehensive Income (Before Tax)	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Non current borrowings		
ECB - principal and interest	-	1,091.08
Total USD denominated exposure	-	1,091.08

The currency exposure on account of USD denominated ECB loans as on 31st March, 2021 is NIL as 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, 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. 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	
	2020-21	2019-20	As at	As at
USD	74.45	72.28	73.50	75.39

Sensitivity analysis

Since the JPY denominated ECB is fully hedged, only USD denominated ECB is considered for the below sensitivity analysis.

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

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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 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. 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	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Non current - Borrowings	3,970.33	5,836.04
Current - Borrowings	295.08	226.60
Current portion of Long term borrowings	657.84	583.75
Total	<u>4,923.25</u>	<u>6,646.39</u>

(₹. in Crores)		
Fixed-rate instruments	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Non current - Borrowings	1,808.71	2,653.98
Current - Borrowings	264.55	-
Current portion of Long term borrowings	478.96	1,285.11
Total	<u>2,552.22</u>	<u>3,939.09</u>

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. 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, 2021				
Non current - Borrowings	39.70	(39.70)	29.71	(29.71)
Current - Borrowings	2.95	(2.95)	2.21	(2.21)
Current portion of Long term borrowings	6.58	(6.58)	4.92	(4.92)
Total	<u>49.23</u>	<u>(49.23)</u>	<u>36.84</u>	<u>(36.84)</u>
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	<u>66.46</u>	<u>(66.46)</u>	<u>43.24</u>	<u>(43.24)</u>

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

The Group 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 Petro Additions 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 Group 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 bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio on 31st March, 2021 was as follows.

	(₹. in Crores)	
Variable-rate instruments	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Total liabilities	7,475.47	10,585.48
Less : Cash and bank balances	932.49	1,486.08
Adjusted net debt	6,542.98	9,099.40
Total equity	<u>2,104.74</u>	<u>(25.64)</u>
Adjusted net debt to adjusted equity ratio	3.11 times	-354.9 times

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.

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Set out below is a summary of options granted under the plan:

Particulars	31 st march, 2021		31 st march, 2020	
	Avg Exercise Price per share option (₹.)	Number of options	Avg Exercise Price per share option (₹.)	Number of options
Opening Balance	75.00	1,11,913	75.00	2,41,801
Granted during the year	75.00	-	75.00	-
Exercised during the year	75.00	(1,10,135)	75.00	(1,29,888)
Lapsed/cancelled during the year	75.00	(1,778)	75.00	-
Closing balance		-		1,11,913

Fair value of options granted

The fair value at grant date of options granted during the year ended 31 March 2021 was ₹.72.45 per option (31 March 2020 - ₹. 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:

Particulars	₹. in Crores	
	31-Mar-21	31-Mar-20
Employee option plan	(0.01)	-

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 ₹.10/- each of GGL, for every 1 (one) equity share of ₹.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 2021, 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	₹. in Crores	
	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 2021 and 31 March 2020.

NOTE 43 RECEIVABLES, CONTRACT ASSETS AND CONTRACT LIABILITIES UNDER IND AS 115 REVENUE FROM CONTRACTS WITH CUSTOMERS

In case of Subsidiary Gujarat State Petronet Limited Consolidated:

Performance obligations -Connection, Service and Fitting Income

The following table provides information about contract assets and contract liabilities from contract with customers:

Particulars	₹. in Crores	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Unbilled revenue - Other Financial Assets (Contract Assets)	60.47	79.42
Advance from customers - Other Non-Financial Liability (Contract Liabilities)	23.02	18.85
Trade receivables	906.20	655.32
Revenue received in advance - Other Non-Financial Liability (Income recognised during the year out of opening balance ₹.13.04 Crore (PY: ₹.11.56 Crore))	143.36	129.40

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. Performance Obligation for Gas Transmission is to transmit Natural Gas as per the contractual arrangement with the customer.

In case of Subsidiary Guj. Info Petro Limited

Out of the opening amount of contract liability (excess billing over revenue), amount of ₹.1.21 Crore has been recognised as revenue during the year (P.Y ₹.1.12 Crore).

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, had 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 had 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.

On transition to Ind AS 116, the Group had 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 had 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 assets. 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 had recognised 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 were measured at the present value of the remaining lease payments, discounted at the incremental borrowing rate as at 1 April 2019. The Group had tested its right-of-use assets for impairment on the date of transition and has concluded that there was no indication that the right-of-use assets were impaired. Under Ind AS 116, the Group had reclassified prepaid rent, lease hold land and ARO to right-of-use assets for most of these leases.

The Group had 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% had 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 was 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 was 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 had 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 contracts are having renewal option with mutual consent and also contain termination options. Such options are appropriately considered in determination of the lease term based on the management's judgement. In certain contacts, the Group is restricted from assigning and subletting the leased assets. For leases where the lease term is less than 12 months with no purchase option, the Group has elected to apply exemption for short term leases and accordingly, right of use assets and lease liabilities for these contracts are not recognised.

The following is the movement in lease liabilities during the year ended March 31, 2021:

(₹. in Crores)		
Particulars	2020-21	2019-20
Opening Balance	62.32	-
Additions During the Year	26.23	75.21
Lease modifications during the year	0.01	-
Add: Interest Expenses	4.88	4.39
Less: Payments	(17.69)	(17.28)
Closing Balance	75.75	62.32
Non-current	61.57	50.08
Current	14.18	12.24

Amounts recognised on statement of cash flows

(₹. in Crores)		
Particulars	2020-21	2019-20
Total cash outflow for leases	18.56	17.71

(₹. in Crores)		
Particulars	2020-21	2019-20
Less than 12 Months	17.87	13.07
More than 12 Months	120.35	115.63

Amounts recognised in profit or loss

(₹. in Crores)		
Particulars	2020-21	2019-20
Amortisation charge for right-of-use assets	15.22	13.53
Interest on lease liabilities	4.92	4.08
Expenses relating to short-term leases	24.94	18.65

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. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Amounts recognised in profit or loss

(₹. in Crores)		
Particulars	2020-21	2019-20
Operating leases under Ind AS 116		
Less than one year	1.04	1.13
One to two years	0.48	1.13
Two to three years	0.30	0.30
Three to four years	0.21	0.02
Four to five years	0.00	0.00
More than five years	0.01	0.02

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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 significant impact on the reported profit, other comprehensive income and net worth of the Group for the comparative period.

Items of balance sheet before and after reclassification as at 31 March 2020:

Sr No	Particulars	Before Reclassification	Reclassification	After Reclassification
Assets				
1	Non-Current Tax Assets (Net)	212.70	0.16	212.86
2	Capital Work in Progress	988.31	(0.03)	988.28
3	Non-Current - Other Non-Financial Assets	266.69	175.53	442.22
4	Trade receivables	1,345.47	20.59	1,366.06
5	Cash and Cash Equivalents	1,065.08	(0.03)	1,065.05
6	Other bank balances	421.14	(0.11)	421.03
7	Current - Other Financial Assets	1,356.00	(537.72)	818.28
8	Current - Other Non-Financial Assets	136.75	341.78	478.54
Liabilities				
1	Non-Current - Other Financial Liabilities	89.11	0.38	88.73
2	Non-Current - Other Non Financial Liabilities	-	(0.37)	0.37
3	Trade Payables	893.09	22.60	870.49
4	Current - Other Financial Liabilities	4,912.95	0.52	4,912.43
5	Current - Other Non Financial Liabilities	228.28	(0.55)	228.83
6	Current - Provisions	21.48	(22.75)	44.23

Items of statement of profit and loss before & after reclassification as at 31 March 2020:

Sr No	Particulars	Before Reclassification	Reclassification	After Reclassification
1	Other Income	187.56	(1.25)	186.31
2	Other Expenses	902.53	1.25	901.28



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 consolidated net assets as on 31.03.2021	Amount as on 31.03.2021	as % of consolidated net assets as on 31.03.2020	Amount as on 31.03.2020	as % of consolidated profit or loss for FY 2020-21	Amount FY 2020-21	as % of consolidated profit or loss for FY 2019-20	Amount FY 2019-20	as % of consolidated profit or loss for FY 2020-21	Amount FY 2020-21	as % of consolidated profit or loss for FY 2019-20	Amount FY 2019-20	as % of consolidated profit or loss for FY 2020-21	Amount FY 2020-21	as % of consolidated profit or loss for FY 2019-20	Amount FY 2019-20
Parent	-17.81%	(1445.10)	-64.94%	(2,918.74)	36.29%	1,354.88	3.41%	79.13	898.38%	(39.62)	106.80%	(13.17)	35.27%	1,315.26	2.86%	65.96
Subsidiaries:																
Indian																
Gujarat State Petronet Limited	12.36%	1,002.81	18.66%	838.72	8.84%	330.03	17.64%	409.62	-87.32%	3.85	8.23%	(1.02)	8.95%	333.88	17.69%	408.60
Gujarat Gas Limited	11.27%	914.35	14.91%	670.00	6.98%	260.45	10.49%	243.50	-11.79%	0.52	12.14%	(1.50)	7.00%	260.97	10.48%	242.01
Guj Info Petro Limited	0.42%	33.85	0.70%	31.34	0.07%	2.55	0.00%	(0.03)	0.93%	(0.04)	0.46%	(0.06)	0.07%	2.51	0.00%	(0.08)
GSPC Pipavav Power Company Limited	9.43%	765.00	13.48%	605.92	4.25%	158.74	-3.35%	(77.68)	-7.74%	0.34	1.40%	(0.17)	4.27%	159.08	-3.37%	(77.85)
GSPC (JPDA) Limited	0.00%	0.18	-0.06%	(2.50)	-0.32%	(12.10)	0.00%	0.00	-80.85%	3.57	26.28%	(3.24)	-0.23%	(8.54)	-0.14%	(3.24)
GSPC Energy Limited	0.01%	0.99	0.01%	0.42	0.02%	0.57	0.01%	0.24	0.00%	-	0.00%	-	0.02%	0.57	0.01%	0.24
GSPC Offshore Limited	0.00%	(0.33)	-0.01%	(0.32)	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%	0.18	0.00%	0.16	0.00%	0.02	0.00%	0.04	0.00%	-	0.00%	-	0.00%	0.02	0.00%	0.04
Social Welfare Trust	0.06%	4.73	0.11%	4.76	0.00%	(0.02)	0.00%	0.08	0.00%	-	0.00%	-	0.00%	(0.02)	0.00%	0.08
Non Controlling Interest In All																
Subsidiaries	74.07%	6,010.81	100.57%	4,520.39	42.65%	1,592.22	70.01%	1,625.74	-148.07%	6.53	-11.65%	1.44	42.87%	1,598.75	70.44%	1,627.18
Associates (Investment as per the equity method)																
Indian																
Gujarat State Energy Generation Limited	4.18%	338.90	6.36%	285.72	0.86%	32.25	0.71%	16.54	-462.17%	20.38	-44.61%	5.50	1.41%	52.64	0.95%	22.04
Sabarmati Gas Limited	3.29%	267.38	4.37%	196.40	0.62%	23.26	1.75%	40.57	0.20%	(0.01)	0.23%	(0.03)	0.62%	23.25	1.76%	40.54
GSPIL India Transco Limited	1.16%	94.25	1.99%	89.35	-0.34%	(12.74)	-0.36%	(8.46)	-0.59%	0.03	0.51%	(0.06)	-0.34%	(12.71)	-0.37%	(8.52)
GSPIL India Gasnet Limited	1.57%	127.56	3.85%	173.14	0.08%	3.17	-0.30%	(7.05)	-0.98%	0.04	0.20%	(0.02)	0.09%	3.22	-0.31%	(7.08)
Alcock Ashdown (Gujarat) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	100.00%	8,115.55	100.00%	4,494.75	100.00%	3,733.29	100.00%	2,322.23	100.00%	(4.41)	100.00%	(12.33)	100.00%	3,728.88	100.00%	2,309.90

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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 2021 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 2021	31 March 2020	31 March 2021	31 March 2020
Gujarat State Petronet Limited (GSPL)	India	37.63%	37.64%	62.37%	62.36%
Gujarat Gas Limited (GGL)	India	20.38%	20.39%	79.62%	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	20.38%	20.39%	79.62%	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 31.03.2021	8,822.98	549.84	9,372.82	883.62	944.20	1,827.82	7,545.00	2,376.51
As at 31.03.2020	8,578.24	524.63	9,102.87	1,073.58	1,306.75	2,380.33	6,722.54	1,840.96
Gujarat Gas Limited								
As at 31.03.2021	7,067.78	1,411.95	8,479.73	1,755.96	2,212.21	3,968.17	4,511.56	3,592.10
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
GSPC Pipavav Power Company Limited								
As at 31.03.2021	1,748.60	186.80	1,935.41	571.06	579.48	1,150.55	784.86	19.86
As at 31.03.2020	1,877.93	263.42	2,141.35	805.41	714.30	1,519.71	621.64	17.75
Guj Info Petro Limited								
As at 31.03.2021	5.48	60.61	66.09	2.04	7.87	9.91	56.18	22.34
As at 31.03.2020	6.84	66.03	72.86	1.87	18.98	20.85	52.01	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 2020-21	2,148.69	924.24	10.23	934.47	600.59	1,241.22	(437.86)	(809.12)	(5.76)
For the financial year 2019-20	2,427.86	1,108.73	(2.70)	1,106.04	697.44	1,360.23	(310.22)	(1,029.74)	20.28
Gujarat Gas Limited									
For the financial year 2020-21	10,116.44	1,277.72	2.54	1,280.26	1,019.29	1,655.16	(610.27)	(1,317.67)	(272.78)
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
GSPC Pipavav Power Company Limited									
For the financial year 2020-21	1,076.52	162.86	0.35	163.21	4.13	281.41	(18.44)	(266.76)	(3.79)
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
Guj Info Petro Limited									
For the financial year 2020-21	17.10	4.23	(0.07)	4.16	1.66	(2.17)	2.36	-	0.19
For the financial year 2019-20	15.15	(0.06)	(0.11)	(0.16)	(0.08)	(5.49)	2.38	-	(3.11)

Associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 March 2021.

(₹. in Crores)

Name of Entity	Place of business	Relationship	Accounting method	% of ownership interest		Carrying Amount	
				31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Sabarmati Gas Limited	India	Joint Venture	Equity Method	32.87%	32.87%	406.72	298.76
GSPL India Gasnet Limited	India	Joint Venture	Equity Method	19.57%	19.58%	806.53	459.99
GSPL India Transco Limited	India	Joint Venture	Equity Method	19.57%	19.58%	250.39	237.37
Gujarat State Energy Generation Limited	India	Associate Venture	Equity Method	54.17%	54.17%	338.90	285.72
Alcock Ashdown (Gujarat) Limited*	India	Associate Venture	Equity Method	22.50%	22.50%	-	-
						1,802.54	1,281.84
Total equity accounted investments							

Consolidated Financial Statements

* Fully provided for impairment.

Set out below is summarised financial information for each associate/joint venture that are material to the Group.

(₹. in Crores)

Name of the Associate/ Joint Venture	Balance Sheet							Net Assets	Company's Share in Net Worth
	Non-current Assets	Current Assets	Total Assets	Non-current Liabilities	Current Liabilities	Total Liabilities			
Sabarmati Gas Limited									
As at 31.03.2021	838.03	310.57	1,148.60	104.01	231.12	335.13	813.47	406.72	
As at 31.03.2020	787.97	136.06	924.03	105.52	220.96	326.49	597.54	298.76	
GSPL India Gasnet Limited									
As at 31.03.2021	4,632.98	579.70	5,212.69	3,376.08	285.60	3,661.67	1,551.02	806.53	
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	
GSPL India Transco Limited									
As at 31.03.2021	1,134.12	192.51	1,326.63	694.76	150.34	845.10	481.53	250.39	
As at 31.03.2020	1,148.16	64.29	1,212.45	574.00	181.97	755.96	456.49	237.37	
Gujarat State Energy Generation Limited									
As at 31.03.2021	900.43	202.18	1,102.62	157.87	293.03	450.90	651.72	338.90	
As at 31.03.2020	925.08	212.00	1,137.08	171.02	411.16	582.18	554.90	285.72	

(₹. in Crores)

Name of the Associate/ Joint Venture	Statement of Profit & Loss					Cash Flow Statement			
	Revenue for the year	Profit for the year	Other Compreh- ensive Income	Total Compreh- ensive Income	Company's Share in Total Compre- hensive 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 2020-21	1,127.03	225.01	(0.09)	224.92	23.25	257.54	(229.95)	(37.40)	(9.81)
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
GSPL India Gasnet Limited									
For the financial year 2020-21	180.40	16.21	0.22	16.43	3.22	208.77	(1,727.17)	1,922.52	404.12
For the financial year 2019-20	116.23	(36.02)	(0.13)	(36.15)	(7.08)	30.18	(1,223.89)	1,297.77	104.06
GSPL India Transco Limited									
For the financial year 2020-21	45.25	(65.09)	0.13	(64.96)	(12.71)	(64.25)	20.54	166.85	123.14
For the financial year 2019-20	15.23	(43.22)	(0.32)	(43.55)	(8.52)	120.09	(348.34)	245.71	17.46
Gujarat State Energy Generation Limited									
For the financial year 2020-21	723.61	59.32	37.49	96.81	52.64	151.67	8.36	(126.61)	33.43
For the financial year 2019-20	434.82	30.12	10.00	40.12	22.04	60.61	(9.92)	(48.22)	2.47
Particulars								31-Mar-21	31-Mar-20
Commitments - joint ventures								185.11	442.95
Commitments - associates								2.11	13.31
Contingent liabilities - joint ventures								53.46	47.89
Contingent liabilities - associates								1,133.76	18.01
Total commitments and contingent liabilities								1,374.44	522.16



- 47A In case of Gujarat State Petronet Limited, during the year, the Petroleum and Natural Gas Regulatory Board ('PNGRB') has notified the amendment in PNGRB (Access Code for Common Carrier or Contract Carrier Natural Gas Pipelines) Regulations, 2008 whereby the accumulated amount towards imbalance and overrun charges are required to be deposited with PNGRB. Accordingly, the accumulated amount recovered from customers (net of taxes) till date has been deposited to PNGRB Escrow Account and the remaining amount invoiced (net of taxes) is recognized as liability and grouped under 'Statutory liabilities' in note no. 20.
- 47B In case of Gujarat State Petronet Limited, during FY 2018-19, PNGRB vide its order dated 27th September 2018 has issued tariff order for final initial unit tariff and vide its order dated 10th December, 2018 has issued finalized zonal tariff for GSPL Gas Grid. The said order is effective from 1st April, 2018 and accordingly, the Group had raised supplementary invoices for the period from 1st April 2018 to 30 November 2018 as per Ind AS 115 - Revenue from Contracts with Customers. However, one of the customers had approached Honorable High Court of Gujarat against retrospective applicability of order. The High Court had vide its order dated 17th June 2019 directed the customer to pay transportation charges in accordance with final tariff order from 17th June, 2019 and retrospective applicability shall be decided separately by the honorable court. . Currently the matter is sub-judice and hence for the interim period (i.e. April 2018 to 16th June 2019) , the Group has raised invoices as per earlier applicable tariff order and accordingly recognized revenue as per Ind AS 115 - Revenue from Contracts with Customers.
48. 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 recognised 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 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 Group has assessed the potential impact of the pandemic 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 on 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. Event After Balance Sheet Date (GSPC Pipavav Power Company Limited)

There was a cyclone which hit the coasts on 17th May, 2021 causing severe damage in coastal areas of Gujarat State. It has also affected the Company's power plant located at Kovaya. The cyclone damaged parts of 220 kV Switchyard, Main Store Building, RO/DM Plant Building, Main GT ST Turbine Building, chimney & HRSG insulation, etc. GPPC main store roof blown away during cyclone and heavy rain water ingress occurred in the entire stores, resulted in the suspected damaged of all the electrical, electronic, paper filters etc. Also, Hydrogen gas for Generator Cooling Circuit of Unit-1 was evacuated during the cyclone for safety of the man and machinery. Unit-1 is not available for power generation since 18/05/2021. In view of the same, GPPC vide letter dtd.18th May, 2021, announced Force Majeure to GUVNL, under the provision of the PPA. During restoration, further inspection of individual equipment will be undertaken and further damages may be identified during the course of restoration. The Power Plant (Kovaya) is insured for material loss as well as business interruption. Company is assessing the quantum of loss caused due to the effect of cyclone.

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

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 : 15th June, 2021
Place : Gandhinagar

Date : 15th June, 2021
Place : Gandhinagar



GSPC

GUJARAT STATE PETROLEUM CORPORATION LIMITED

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GUJARAT STATE PETROLEUM CORPORATION LIMITED

(A Govt. of Gujarat Undertaking)

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