CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Maheswar Sahu

Dr. Rajiv I. Modi

Mr. Amitabha Banerjee

Mr. Badri Mahapatra

Mr. Vinod Jain

Mr. Krishan Kumar Gupta (Independent Director) *(upto March 19, 2020)*

Mr. Chikmagalur Kalasheety Gopal (Independent Director)

Mr. Anand Mohan Tiwari (Additional Independent Director) *(w.e.f. June 14, 2020)*

BANKING PARTNERS

Corporation Bank

Oriental Bank of Commerce

United Bank of India

Bank of Baroda

Kotak Mahindra Bank

IndusInd Bank

AUDITORS

Statutory Auditor:
Mukesh M. Shah & Co.,
Chartered Accountants,
7th Floor, Heritage Chambers,
Behind Bikanerwala Sweets,
Near Azad Society,
Nehru Nagar,
Ahmedabad – 380015

Cost Auditor:
Dalwadi & Associates
Cost Accountants
403, Ashirwad Complex,
B/h Sardar Patel Seva Samaj,
Near Mithakhali Six Roads,
Ahmedabad – 380 006

Secretarial Auditor:
M. C. Gupta & Co.,
Company Secretaries
703, Mauryansh Elanza,
Near Parekh's Hospital,
Shyamal Cross Roads, Satellite,
Ahmedabad - 380015

REGISTERED AND CORPORATE OFFICE

4th Floor, 8th Block, Magnet Corporate Park, Nr. Zydus Hospital,
S. G. Highway, Thaltej, Ahmedabad – 380054, Gujarat, India
Phone: +91-079-49031500,
Fax: +91-02718 225031
Email: info@irmenergy.com

BOARD'S REPORT

To,
The Members
IRM ENERGY PRIVATE LIMITED

Your Directors have pleasure in presenting their Fifth Annual Report together with Audited Balance Sheet and Statement of Profit and Loss for the Financial Year ended on March 31, 2020 and the report of the Auditors thereon.

FINANCIAL & OPERATING RESULTS

(a) FINANCIAL RESULTS

The Company's financial performance for the year ended on March 31, 2020 is summarized below:

Particulars	*Financial Year 2019-20 (Amount in Rs.)*	*Financial Year 2018-19 (Amount in Rs.)*
Revenue from Operations	1,65,65,70,235	83,85,05,282
Other Income	46,93,141	35,89,913
Total Income	**1,66,12,63,376**	**84,20,95,195**
Total Expenditure other than Finance Cost, Depreciation and Tax	1,15,94,99,271	62,40,61,325
Operating Profit / (Loss) before Finance Cost, Depreciation and Tax	**50,17,64,105**	**21,80,33,870**
Less: Interest and Finance Charges	9,66,58,586	5,73,35,732
Less: Depreciation and amortization expenses	9,18,05,715	3,52,18,470
Profit / (Loss) before Tax	**31,32,99,804**	**12,54,79,668**
Less: Provision for Taxation	10,23,80,797	1,21,91,939
Profit for the period	**21,09,19,007**	**11,32,87,729**
Other comprehensive income/(Expenses) [net of tax]		
Items that will not be reclassified to Profit or (Loss), net of tax	(3,98,053)	8,98,693
Total comprehensive income/(Expenses) for the period	**21,05,20,953**	**11,41,86,422**
Earning per equity share	**8.61**	**4.96**

(b) OPERATING RESULTS

During the year, your Company has created critical infrastructure in the Geographical Areas (GAs) of Banaskantha District in the State of Gujarat, Fatehgarh Sahib District in the State of Punjab.

The Company has commissioned the City Gate Station and Mother station at Diu and Gir Somnath District in the state of Gujarat and has become the 1st entity to do so out of all the entities who have got the authorisation under the 9th Bidding round of PNGRB.

The Company is still continuing to create the infrastructure as required for complying with the Minimum Work Program of the authorisation granted by PNGRB.

Backed by the robust infrastructure and increased CNG Stations rollout during the year under review, the Company generated a Profit after Tax of Rs. 2,109.19 lacs (PY: Rs. 1,132.88 lacs) with gross turnover of Rs. 16,565.70 lacs (PY: 8,385.05 lacs).

(c) CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2019-20 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules made thereunder. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of your Company and joint control entities, as approved by their respective Board of Directors. The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

(d) DIVIDEND

During the year under review, your Company has declared and paid an interim dividend of 1% (Re. 0.1 per equity share of Rs.10/- each) on equity shares in month of November, 2019 aggregating to Rs. 26.77 Lacs. In addition to this, your Company has declared and paid interim dividend of 10% (Re. 1/- per preference share of Rs. 10/- each) on 10% Redeemable Non-Cumulative Preference Shares in month of November, 2019 and March, 2020 aggregating to Rs. 315.85 Lacs.

(e) TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserve during the year under review.

CGD PROJECTS OVERVIEW

Your Company was awarded authorizations by Petroleum and Natural Gas Regulatory Board (PNGRB), Government of India to implement two City Gas Distribution (CGD) Projects under 6th round of City Gas Distribution bidding and one City Gas Distribution (CGD) Project under 9th round of City Gas Distribution bidding. This includes:

- Banaskantha Geographical Area vide letter dated 1st July 2016.
- Fatehgarh Sahib Geographical Area in the state of Punjab vide letter dated 5th July 2016.
- Diu & Gir Somnath Geographical Area vide letter dated September 25, 2018.

The Company has set up critical infrastructure in both the above geographical areas which comprises:

- City Gate Station
- Mother CNG Station
- CNG Stations (Online and Daughter Booster)
- Last mile connectivity for Domestic, Commercial and Industrial Segments
- Steel and MDPE Pipeline infrastructure at various Demand Centers within the Geographical area

The Project is being funded through mix of Debt and Equity. As on 31.03.2020, the total debt outstanding from Banks is Rs. 12943.39 lacs (PY: Rs. 9769.63 lacs). The debt repayment shall start from July, 2021 in 40 structured quarterly installments.

SHARE CAPITAL

The paid-up share capital of the Company as on March 31, 2020 is Rs. 58,70,99,910/-. During the year under review, the Company has issued 56,25,000 Equity Shares of Rs. 10/- each, and 1,00,84,991 10% Redeemable Preference Shares of Rs.10 /- each. The Company has only one class of equity shares having par value to Rs.10 each. During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

a) **Equity shares with differential rights:** The Company has not issued any equity share with differential rights during the year under review.

b) **Buy Back of Securities:** The Company has not bought back any of its securities during the year under review.

c) **Sweat Equity:** The Company has not issued any Sweat Equity Shares during the year under review.

d) **Bonus Shares:** No Bonus Shares were issued during the year under review.

e) **Employees Stock Option Plan:** The Company has not provided any Stock Option Scheme to the employees.

The Company after the closing of financial year 2019-20 has issued and allotted 4,40,432 Equity Shares of Rs. 10/- each and 19,98,977 10% Redeemable Preference Shares of Rs. 10 each.

EXTRACTS OF ANNUAL RETURN

As required under the provisions of sub-section 3(a) of Section and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of annual return in Form No. MGT-9 forms part of this report as ***Annexure-A***.

LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013 with respect to loan, guarantee or security are not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempt under Section 186 of the Companies Act, 2013. The details of investment made during the year under review are disclosed in financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party transactions that were entered during the year under review were on arm's length basis, pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. Your Directors draw attention of the Members to Note no. 33 of the Standalone Financial Statements which sets out related party transaction disclosures.

DEPOSITS

Pursuant to Section 73 of the Companies Act, 2013, the Company has not accepted the deposits during the year under review.

HOLDING COMPANY

IRM Energy Private Limited is a subsidiary of Cadila Pharmaceuticals Limited.

ASSOCIATE COMPANIES

During the year under review, following two companies were formed as Joint Control Entities:

(a) Farm Gas Private Limited (FGPL)

FGPL incorporated on December 09, 2019 is engaged in the business of storage, supply, distribution, sale and to otherwise deal in Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), Bio Fuels or any other gaseous fuels and ancillary services on commercial basis.

(b) Venuka Polymers Private Limited (VPPL)

VPPL incorporated on December 19, 2019 is engaged in the business of manufacturing, supply, storage, trading, distribution, sale and to otherwise deal in plastic pipes, HDPE and LDPE pipes, conduit for fibre optic cables, etc.

The highlights w.r.t joint control entities as on March 31, 2020 is as under:

Particulars	Farm Gas Private Limited	Venuka Polymers Pvt Ltd
Year	2019-20	2019-20
Country of Incorporation	India	India
% of ownership interest	50%	50%
Current Assets	19,47,563	10,42,851
Non Current Assets	33,68,805	11,51,503
Current Liabilities	35,69,057	14,59,871
Non Current Liabilities	-	-
Income	-	-
Profit/(Loss) for the year	(2,00,569)	(2,14,397)
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Contingent Liabilities	-	-
Capital Commitments	1,27,85,934	-

Pursuant to Section 129 (3) of the Companies Act, 2013 and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its associates.

A separate statement containing the salient features of the financial performance of associates in the prescribed form AOC – 1 is annexed to the Directors' Report as ***Annexure -B*** and forms part of this report. The Audited Consolidated financial statements together with Auditors' Report forms an integral part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Board of Directors

The Board of Directors of the Company is led by the Chairman and comprises of six Directors as on March 31, 2020.

During the year under review, Mr. Krishan K Gupta (DIN: 03476812) ceased to be the Director of the Company w.e.f. March 19, 2020.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

Pursuant to the requirement of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014, the Independent Directors have submitted their declaration of independence stating that they meet the criteria of independence as set out in the Companies Act, 2013.

After the closing of financial year 2019-20, Mr. Anand Mohan Tiwari (DIN: 02986260) was appointed as Additional Independent Director w.e.f. June 14, 2020. The Board is of the opinion that Mr. Tiwari possesses requisite qualification, experience, expertise and holds high standards of integrity. In accordance with the provision of Companies Act, 2013, Mr. Anand Mohan Tiwari is being appointed as an Independent Director to hold office for a period of five years w.e.f. June 14, 2020 in the ensuing Annual General Meeting of the Company.

(b) Key Managerial Personnel

Mr. Karan Kaushal, Chief Executive Officer, Mr. Harshal Anjaria, Chief Finance Officer, and Ms. Shikha Jain, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

During the year under review, Ms. Avani Sejpal ceased to be the Company Secretary of the Company w.e.f. January 03, 2020 and Ms. Shikha Jain was appointed as the Company Secretary w.e.f. January 04, 2020.

After the closing of financial year 2019-20, Mr. Karan Kaushal who was appointed as Manager of the Company for three years w.e.f. July 13, 2017 was re-designated as Chief Executive Officer w.e.f. July 13, 2020.

MEETINGS OF BOARD OF DIRECTORS

Regular meetings of the Board are held to discuss and decide on various business strategies, policies and other issues. A calendar of Board / Committee meetings for the year is prepared and circulated to the Directors well in advance to enable them to plan their schedule for effective participation in the meetings. During the year, five meetings of the Board of Directors were convened. The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

Name of Director	Date of Board Meeting					Total No. of Meetings attended
	01.06.19	21.09.19	21.11.19	04.01.20	20.03.20	
Mr. Maheswar Sahu	√	√	√	√	√	5/5
Dr. Rajiv I. Modi	√	√	√	√	√	5/5
Mr. Amitabha Banerjee	√	×	×	×	√	2/5
Mr. Vinod Jain	√	×	×	×	√	2/5
Mr. Badri Mahapatra	√	√	√	√	√	5/5
Mr. Krishan Kumar Gupta	√	√	√	×	NA*	3/4
Mr. C K Gopal	√	√	√	×	√	4/5

* Mr. Krishan K Gupta ceased to be the Director of the Company w.e.f. March 19, 2020.

COMMITTEES OF THE BOARD

- **Audit Committee**:

The Board has constituted the Audit Committee to review of internal controls and audit findings, review of financial statements, appointment of auditors amongst other responsibilities as contained in the Terms of Reference.

During the year under review, Mr. Krishan K Gupta, member of the Committee, ceased to be the Director of the Company w.e.f. March 19, 2020.

The Board of Directors, reconstituted the composition of Audit Committee by appointing Mr. Anand Mohan Tiwari as the member of the Audit Committee w.e.f. June 14, 2020.

The Composition of Audit Committee effective from June 14, 2020 is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. C K Gopal	Independent Director	Chairman
2.	Mr. Anand Mohan Tiwari	Independent Director	Member
3.	Mr. Maheswar Sahu	Non-Executive Director	Member

- **Nomination & Remuneration Committee**

The Board has constituted the Nomination & Remuneration Committee to recommend the recruitments of MDs, WTDs, Independent Directors, KMPs, as & when applicable to the Company and to do all the acts pursuant to provisions of Section 178 as per Companies Act, 2013.

During the year under review, Mr. Krishan K Gupta, Chairman of the Committee ceased to be the Director of the Company w.e.f. March 19, 2020.

The Board of Directors reconstituted the composition of Nomination & Remuneration Committee by appointing Mr. Anand Mohan Tiwari as the member and Chairman of the Nomination & Remuneration Committee w.e.f. June 14, 2020.

The Composition of Nomination & Remuneration Committee effective June 14, 2020 is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. Anand Mohan Tiwari	Independent Director	Chairman
2.	Mr. C K Gopal	Independent Director	Member
3.	Mr. Maheswar Sahu	Non-Executive Director	Member

Nomination and Remuneration Policy:

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder. This Policy is available on the website of the Company i.e. www.irmenergy.com

- **Management Committee:**

The Board has constituted the Management Committee to oversee the day to day management affairs of the Company.

The composition of the Management Committee is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. Maheswar Sahu	Non-executive Director	Chairman
2.	Mr. Amitabha Banerjee	Non-executive Director	Member
3.	Mr. Badri Mahapatra	Non-executive Director	Member
4.	Mr. Vinod Jain	Non-executive Director	Member

- **Corporate Social Responsibility Committee**

Pursuant to Section 135 of the Companies Act, 2013, the Board has constituted the CSR Committee to formulate CSR policy, review and recommend to the Board amount of expenditure to be incurred on the CSR activities.

The composition of the CSR Committee is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. Maheswar Sahu	Non-executive Director	Chairman
2.	Mr. C K Gopal	Independent Director	Member
3.	Mr. Vinod Jain	Non-executive Director	Member

The Annual Report on CSR activities is annexed to this report as ***Annexure -C.***

The CSR policy is available on your Company's website www.irmenergy.com

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3)(c) of the Companies Act, 2013, in relation to financial statements of the Company for the year ended March 31, 2020, the Board of Directors state that:

i. the applicable Accounting Standards have been followed in preparation of the financial statements and there are no material departures from the said standards;

ii. reasonable and prudent accounting policies have been used in preparation of the financial statements and that they have been consistently applied and that reasonable and prudent judgments and estimates have been made in respect of items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit for the year ended on that date;

iii. Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. The financial statements have been prepared on a going concern basis;

v. proper internal financial controls were in place and were adequate and operating effectively; and

vi. Proper systems to ensure compliance with the provisions of applicable laws were in place and were adequate and operating effectively.

BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2019-20 in accordance with the framework.

RISK MANAGEMENT FRAMEWORK

The Company has in place a Risk Management framework for a systematic approach to control risks. The Risk Management process is appropriately handled by functional heads / business process owners. As on date, the Company do not envisage risks which could threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all assets and investments are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Internal Auditors review the efficiency and effectiveness of these systems and procedures. The Internal Auditors submit their Report periodically which is placed before and reviewed by the Audit Committee.

VIGIL MECHANISM

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of the Companies Act, 2013, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The policy of vigil mechanism is available on the Company's website www.irmenergy.com

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has a Policy on Prevention of Sexual Harassment at Workplace which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

Your Company has also set up an Internal Complaints Committee which is duly constituted in compliance with the provisions of the POSH Act. Further, the Company also conducts interactive sessions for employees, to build awareness about the policy and the provisions of POSH Act.

HEALTH, SAFETY AND ENVIRONMENT POLICY

The Company has formulated Health, Safety and Environment Policy to conduct the business with a strong environment conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and the community.

STATUTORY AUDITORS

M/s. Mukesh M. Shah & Co., Chartered Accountants (Firm Registration No.106625W), were appointed as the Statutory Auditors of the Company to hold office for a term of five years in 1st Annual General meeting till the conclusion 6th Annual General Meeting.

Statutory Auditors' Report
During the period under review, no incident of frauds was reported by the Statutory Auditors pursuant to Section 143 (12) of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

COST AUDIT REPORT

Your Company has re-appointed M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) to conduct the audit of cost records maintained for Petroleum Products of the Company for the financial year 2020-21 at a remuneration of Rs. 45,000/- plus applicable taxes and out of pocket expense. The remuneration is subject to the approval of shareholders in the ensuing Annual General Meeting. The Cost Audit Report for Financial year 2019-20 will be submitted to the Central Government in the prescribed format within stipulated time period.

The company has maintained the cost accounts and records in accordance with Section 148 of the Companies act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board in its meeting held on November 21, 2019 had appointed M/s M. C. Gupta & Co., Company Secretaries as the Secretarial Auditor of the Company for the financial year 2019-20. The Secretarial Audit Report for the financial year 2019-20 is annexed which forms part pf this report as ***Annexure - D***. There were no qualification, reservation or adverse remarks or disclaimers given by the Secretarial Auditor of the Company.

Your Company has re-appointed M/s M. C. Gupta & Co., Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2020-21.

COMPLIANCES

The Company has complied with all the statutory requirements and framed requisite policies and procedures, in accordance with the provisions of the Companies Act, 2013 and the rules formed thereunder.

MATERIAL CHANGES, TRANSACTIONS AND COMMITMENTS

There has not been any material change or commitment affecting the financial position of the company which have been occurred between the end of the financial year of the company to which this financial statement relates and the date of this report.

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

Details of conservation of Energy, Technology and Absorption, Foreign Exchange Earnings and Outgo are provided in ***Annexure – E***.

HUMAN RESOURCES

Relations with employees across all the offices and units continued to be cordial throughout the year. The HR team made good strides during the year and at the closure of financial year, IRMEPL's head count was 68. IRMEPL maintains a congenial working environment by providing stable employment, safe working conditions and job satisfaction, which encourages the employees to contribute their best. Our responsible approach to structured working conditions includes fair treatment at work, equitable compensation system and flexible working arrangements. HR Policies are revisited in a time bound manner to keep abreast with the industry practices. Your Directors place on record, their sincere appreciation of the significant contribution made by the employees at all levels through their dedication, hard work and commitment.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their sincere thanks to the Financial Institutions, Banks and Government Agencies, for their support and co-operation. Your Directors also acknowledge the trust reposed in the company.

For and on behalf of the Board

Date: August 11, 2020
Place: Ahmedabad

IRM ENERGY PRIVATE LIMITED

Maheswar Sahu
Chairman
DIN: 00034051

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U40100GJ2015PTC085213
ii)	Registration Date	01/12/2015
iii)	Name of the Company	IRM ENERGY PRIVATE LIMITED
iv)	Category / Sub-Category of the Company	PRIVATE COMPANY LIMITED BY SHARES
v)	Address of the Registered Office and contact details	4TH FLOOR, BLOCK 8, MAGNET CORPORATE PARK, NR SOLA BRIDGE, S G HIGHWAY, THALTEJ, AHMEDABAD, GUJARAT – 380054
vi)	Whether listed Company	No
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	LINK INTIME INDIA PVT LTD C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400083 Tel: 022 - 4918 6270

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr No	Name and Description of main products / services	NIC Code of the product / service	% of total turnover of the Company
1	Distribution of Gas	3520	99%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1.	Cadila Pharmaceuticals Limited	U24231GJ1991PLC015132	Holding	51%	2(87)(ii)
2.	Farm Gas Private Limited	U40108GJ2019PTC111286	Jointly Control Entity	50%	2(6)
3.	Venuka Polymers Private Limited	U25209GJ2019PTC111511	Jointly Control Entity	50%	2(6)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) *Category-wise Share Holding*

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	1,09,65,000	Nil	1,09,65,000	51%	1,38,33,750	Nil	1,38,33,750	51%	Nil
e) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other...	40,84,999		40,84,999	19%	51,53,749		51,53,749	19%	Nil
Sub-Total A (1)	**1,50,49,999**	**Nil**	**1,50,49,999**	**70%**	**1,89,87,499**	**Nil**	**1,89,87,499**	**70.00%**	**Nil**
(2) Foreign									
a) NRIs – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total A (2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Total Shareholding of Promoters (A) = A (1) + A (2)	**1,50,49,999**	**Nil**	**1,50,49,999**	**70%**	**1,89,87,499**	**Nil**	**1,89,87,499**	**70%**	**Nil**

Category of shareholders	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	% of change during the year
B. Public Shareholding									
(1) **Institutions**									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
(2) **Non- Institutions**									
a) Bodies Corp.									
i) Indian	64,50,001	Nil	64,50,001	30%	81,37,501	Nil	81,37,501	30%	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lac	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lac	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2)									
Total Public Shareholding (B) = B (1) + B (2)	**64,50,001**	**Nil**	**64,50,001**	**30%**	**81,37,501**	**Nil**	**81,37,501**	**30%**	**Nil**
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	**2,15,00,000**	**Nil**	**2,15,00,000**	**100%**	**2,71,25,000**	**Nil**	**2,71,25,000**	**100%**	**Nil**

ii) Shareholding of Promoter & Promoter Group

Sr No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
A.	**Bodies Corporate**							
	Cadila Pharmaceuticals Limited	1,09,65,000	51%	Nil	1,38,33,750	51%	Nil	Nil
B.	**Other**							
	Dr. Rajiv I Modi (Trustee of IRM Trust)	40,84,999	19%	Nil	51,53,749	19%	Nil	Nil
	Total	**1,50,49,999**	**70.00%**	**Nil**	**2,71,25,000**	**70.00%**	**Nil**	**Nil**

iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr No	Shareholder's Name	Shareholding		Cumulative Shareholding during the year (01.04.19 to 31.03.20)	
		No of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	**Cadila Pharmaceuticals Limited**				
	At the beginning of the year	1,09,65,000	51%	1,09,65,000	51%
	Increase (28-08-2019)	19,12,500		1,28,77,500	
	Increase (21-10-2019)	9,56,250		1,38,33,750	
	At the end of the year	1,38,33,750	51%	1,38,33,750	51%
2	**Dr. Rajiv I Modi (Trustee of IRM Trust)**	40,84,999	19%	40,84,999	19%
	Increase (28-08-2019)	7,12,500		47,97,499	
	Increase (04-01-2020)	3,56,250		51,53,749	
	At the end of the year	51,53,749	19%	51,53,749	19%

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No	Shareholder's Name	Shareholding		Cumulative Shareholding during the year (01.04.19 to 31.03.20)	
		No of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	**Enertech Distribution Management Private Limited**				
	At the beginning of the year	64,50,001	30%	64,50,001	30%
	Increase (28-08-2019)	11,25,000		75,75,001	
	Increase (21-10-2019)	5,62,500		81,37,501	
	At the end of the year	81,37,501	30%	81,37,501	30%

v) Shareholding of Directors and Key Managerial Personnel:

Sr No	Particulars	Shareholding		Cumulative shareholding during the year (01.04.19 to 31.03.20)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Rajiv Indravadan Modi**				
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00
2.	**Maheswar Sahu**	00	0.00	00	0.00
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00
3.	**Amitabha Banerjee**				
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00
4.	**Vinod Jain**				
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00
5.	**Badri Narayan Mahapatra**				
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00
6.	**Krishan Kumar Gupta**[1]				
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00
7.	**Chikmagalur K Gopal**				
	At the beginning of the year	00	0.00	00	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00

Key Managerial Personnel

1.	**Karan Kaushal** **Manager**				
	At the beginning of the year	00	0.00	00	0.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00%
2.	**Harshal Anjaria** **Chief Financial Officer**				
	At the beginning of the year	00	0.00	00	0.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00%
3.	**Avani Sejpal[2]** **Company Secretary**				
	At the beginning of the year	00	0.00	00	0.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00%
4.	**Shikha Jain[3]** **Company Secretary**				
	At the beginning of the year	00	0.00	00	0.00%
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease	NIL			
	At the End of the year	00	0.00	00	0.00%

Notes:

1. Mr. Krishan K Gupta ceased to be the Director of the Company w.e.f. March 19, 2020.
2. Ms. Avani Sejpal ceased to be the Company Secretary of the Company w.e.f. January 03, 2020.
3. Ms. Shikha Jain appointed as the Company Secretary of the Company w.e.f. January 04, 2020.

V. INDEBTEDNESS

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

(Rs. in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i. Principal Amount ii. Interest due but not paid iii. Interest accrued but not due	9769.63 - -	- - -	- - -	**9769.63** - -
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	3173.76	-	-	**3173.76**
Net Change	**3173.76**	-	-	**3173.76**
Indebtedness at the end of the financial year i. Principal Amount ii. Interest due but not paid iii. Interest accrued but not due	12943.39 - -	- - -	- - -	**12943.39** - -
Total (i+ii+iii)	**12943.39**	-	-	**12943.39**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(Rs. in Lakhs)

Sr No	Particulars of Remuneration	Mr. Karan Kaushal (Manager)	Total
1.	Gross Salary a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 b) Value of perquisites under section 17(2) of the Income-tax Act, 1961 c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961.	38.95 0.33 -	38.95 0.33 -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - As % of profit - Others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	**39.28**	**39.28**
	Ceiling as per the Act	5% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013	

B. Remuneration to other Directors:

(i) Particulars to remuneration of Independent Directors:

(Rs.in Lakhs)

Sr No	Particulars of Remuneration	Name of Independent Director		Total Amount
		Mr. Krishan Kumar Gupta*	Mr. Chikmagalur K Gopal	
1.	Fees for attending board and committee meetings	2.80	4.00	6.80
2.	Commission			
3.	Others, please specify – OPE)	0.15	0.20	0.35
	Total	**2.95**	**4.20**	**7.15**

*Mr. Krishan K Gupta ceased to be the director of the Company w.e.f. March 19, 2020.

(ii) Particulars to remuneration of Non-Executive Directors:

(Rs. in Lakhs)

Sr No	Particulars of Remuneration	Name of Non-Executive Directors					Total Amount
		Mr. Maheswar Sahu	Dr. Rajiv I. Modi	Mr. Badri Mahapatra	Mr. Amitabha Banerjee	Mr. Vinod Jain	
1	Fees for attending board and committee meetings	8.40	-	7.20	-	-	15.60
2	Commission	12.90	-	-	-	-	12.90
3	Others, please specify (salary, bonus and contribution to PF)	-	-	-	-	-	-
	Total	**21.30**	**-**	**7.20**	**-**	**-**	**28.50**

C. Remuneration to key managerial personnel other than MD / Manager / WTD

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Harshal Anjaria (CFO)	Ms. Avani Sejpal[1] (CS)	Ms. Shikha Jain[2] (CS)	Total Amount
1.	Gross Salary				
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	27.65	-	0.77	28.42
	b. Value of perquisites under section 17(2) of the Income-tax Act, 1961	0.31	-	0.03	0.34
	c. Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961.	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission As % of profit Others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	**27.96**	**-**	**0.80**	**28.76**

1. Ms. Avani Sejpal ceased to be the Company Secretary of the Company w.e.f. January 03, 2020.
2. Ms. Shikha Jain was appointed as the Company Secretary of the Company w.e.f. January 04, 2020.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeals made, if any (give details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

Annexure - B

FORM NO. AOC.1
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

1. Sl. No.
2. Name of the subsidiary – **Not Applicable**
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share capital
6. Reserves & surplus
7. Total assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before taxation
12. Provision for taxation
13. Profit after taxation
14. Proposed Dividend
15. % of shareholding

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Annexure - B

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr No.	Name of Associates	Farm Gas Private Limited	Venuka Polymers Private Limited
1.	Latest Balance sheet date	31.03.2020	31.03.2020
2.	Date on which Associate or Joint Ventures was associated or acquired	09.12.2019	19.12.2019
3.	Shares of Associate or Joint Ventures held by the Company on the year end		
	No.	1,00,000	50,000
	Amount of Investment in Associates/Joint Venture	10,00,000	5,00,000
	Extend of holding (%)	50%	50%
4.	Description of how there is significant influence	% of holding	% of holding
5.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	(1,26,345)	(1,32,759)
7.	Profit / Loss for the year	(2,00,569)	(2,14,397)
	Considered in Consolidation	(2,52,689)	(2,65,517)
	Not Considered in Consolidation	-	-

For and on behalf of Board of Directors

Maheswar Sahu
Chairman
DIN: 00034051

Vinod Jain
Director
DIN: 08204721

Karan Kaushal
Chief Executive Officer

Harshal Anjaria
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Ahmedabad
Date: August 11, 2020

IRM ENERGY PRIVATE LIMITED

Annexure - C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

   The Company's CSR policy intends to operate its activities in providing energy solutions to its customers in a manner that is efficient, safe & ethical, which minimizes negative impact on environment and enhances quality of life of the community, towards sustaining a holistic business. The Company undertakes a number of CSR activities in larger interest of the community, especially in the area of health, education, women empowerment, and childcare and environment protection

   The CSR policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website www.irmenergy.com.

2. **The composition of CSR Committee:**

   As on March 31, 2020, the CSR Committee comprises following members:

   Mr. Maheswar Sahu - Chairman
   Mr. C K Gopal - Member
   Mr. Vinod Jain - Member

3. **Average net profit of the Company for last three financial years:** Rs. 4,63,03,571/-

4. **Prescribed CSR Expenditure (2 % of the amount as in item 3 above):** Rs. 9,26,071/-

5. **Details of CSR spent during the financial year:**

   a) Total amount to be spent for the financial year: Rs. 9,26,071/-

   b) Amount unspent, if any: Nil

   c) Manner in which the amount spent during the financial year is detailed below:

Sr No	CSR Project or Activity	Sector in which project is covered	Project Programs 1. Local Area 2. Specify the State and Projects or Programs was undertaken	Amount outlay (Budget) Project or Programs wise	Amount spent on the Projects or Programs		Cumulative Expenditure up to the Reporting Period Amount	Amount Spent: Direct or through implementing agency
					Direct Expenditure on Projects or Programs	Overheads		
1	Green initiative into Energy Sector and to promote usage of clean & green fuel in transport sector for students	Education	College situated at Kadi, Mehsana District, Gujarat	23,00,000	21,72,550	-	21,72,550	Implementing agency

6. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof.** – Not Applicable

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2020

[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,
IRM Energy Private Limited,
4th Floor, Block 8, Magnet Corporate Park,
Near Zydus Hospital,
S G Highway,
Ahmedabad 380 054.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IRM Energy Private Limited (CIN: U40100GJ2015PTC085213). 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 IRM Energy Private Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IRM Energy Private Limited, having its Registered Office at 4th Floor, Block 8, Magnet Corporate Park, Near Zydus Hospital, S G Highway, Ahmedabad 380 054 for the financial year ended on 31st March, 2020 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not Applicable)

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable).

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (Not Applicable being an Unlisted Company)

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(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;
(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

vi. The Company has complied with the following specifically other applicable laws to the Company:

(a) The Petroleum and Natural Gas Regulatory Board Act, 2006;
(b) The Environment (Protection) Act 1986;
(c) The Explosives Act, 1884;
(d) The Gujarat State Disaster Management Act, 2003;
(e) The Petroleum and Natural Gas Regulatory Board Act, 2006;
(f) The Hazardous Waste (Management & Handling) Rules, 2016.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India. *However, the system for dispatch of draft and signed minutes to the directors of the company needs to be streamlined.*

ii. The Company is not a listed entity and the compliance with the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, are not applicable.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance *except in some cases* 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.

There were no dissenting views on any matter.

M. C. GUPTA & CO. COMPANY SECRETARIES

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

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. An Extra Ordinary General Meeting of the members of the Company was held on 20th December, 2019 to seek approval for conversion of loans into Equity, in case of default, as per Loan agreement with Lender Banks.

2. The Management Committee/ Board of Directors of the Company has allotted 37,50,000 Equity shares of Rs. 10/- each at par on 28th August, 2019, 15,18,750 Equity Shares and 3,56,250 Equity Shares of Rs. 10/- each at a premium of Rs. 10/- per share on 21st October, 2019 and 4th January, 2020 respectively. The Company has also allotted 30,87,500 Preference shares of Rs. 10/- each on 5th August, 2019 and 69,97,491 Preference shares on 4th January, 2020.

3. During the year under review, the Company has promoted Farm Gas Private Limited and Venuka Polymers Private Limited, as 50:50 Joint Venture Companies for Compressed Bio Gas and PVC/ MDPE/HDPE/LDPE pipes respectively.

For M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

M. C. GUPTA & CO. COMPANY SECRETARIES 703, Mauryansh Elanza, Nr. Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad-15 (CP: 1028)

Mahesh Gupta

Place : Ahmedabad
Date : 9th July, 2020

Mahesh C Gupta
Proprietor
FCS: 2047 (CP: 1028)
UDIN: F002047B000430233

Note: *This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.*

M. C. Gupta & Co.
Company Secretaries

CS Mahesh C. Gupta
B.Com (Hons.), LL.M., MBA, ACMA, FCS

Annexure: "A"

To,
The Members,
IRM Energy Private Limited,
4th Floor, Block 8, Magnet Corporate Park,
Near Zydus Hospital,
S G Highway,
Ahmedabad 380 054.

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 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. In the situation of COVID-19 pandemic and resultant lockdown, we have conducted the Secretarial Audit based upon the online documents/ information provided by and discussion with the management without personal visit to the Company's premises.

4. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. Our examination was limited to the verification of the procedures on test basis.

7. 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 M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

Mahesh Gupta

Mahesh C Gupta
Proprietor
FCS: 2047 (CP: 1028)
UDIN: F002047B000430233

Place : Ahmedabad
Date : 9th July, 2020

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Annexure - E

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

A. CONSERVATION OF ENERGY

(i) Your Company has taken various steps for conservation of energy, which are as under:

1. Installation of APFC (Automatic Power Factor Controller) panels at all the 32 CNG stations at all the Geographical Areas: Automatic power factor controller has been installed at all CNG stations with 4 quadrant energy meter, in order to maintain power factor to ~ 0.99.

2. Installation of LED light fittings at all the CNG stations.

(ii) The steps taken by the company for utilizing alternate sources of energy: Nil

(iii) The capital investment on energy conservation equipment: Rs. 24.14 lacs (PY: 53.10 lacs) towards Installation of APFC (Automatic power factor controller) panels and LED light fittings at IRMEPL CNG stations.

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

Your Company is continuously improving on technology front and below activities have been undertaken:

a) All CNG stations are shifted from manual to SCADA system for online monitored.
b) In domestic segment, the Company has introduced SPOT billing mechanism along with options for online payments.
c) Implementation of Complaint Management System for efficient logging and disposal of onsite complaints w.r.t. CNG Station equipments.
d) Implementation of Geographical Information System (GIS) for monitoring the Gas assets and infrastructure created on real time basis.

(ii) The benefits derived like product improvement, cost reduction, product development and import substitution:

a) Moving to SCADA software has saved man hours and will have accuracy in CNG billing.
b) By introducing SPOT billing, the cost of meter reading and collection has been minimized.
c) Complaint Management System has ensured continuous and smooth operations of the CNG stations by real time tracking of all kinds of CNG Stations complaints with regard to equipment installed.
d) GIS system helps monitoring entire pipeline grid network on real time basis.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): None

a) the details of technology imported: NA
b) the year of import: NA
c) whether the technology has been fully absorbed: NA
d) If not fully absorbed, areas where absorption has not taken place, and the reason thereof: NA

(iv) Expenditure on R&D (Rs. In lacs): Rs. Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the foreign currency outgo was Rs. Nil (PY: Rs. 1.40 lacs (approx.)). The Company did not receive any amount in foreign currency.

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MUKESH M. SHAH & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD • MUMBAI • BANGALORE

INDEPENDENT AUDITOR'S REPORT

To the Members of IRM Energy Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **IRM Energy Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 41 to the Financial Statements, which elaborates and explains the uncertainties of the management's assessment of the financial impact due to lockdown and other restrictions imposed by the Government of India and respective State Governments and other conditions due to Covid-19 pandemic situation, for which definitive assessment in subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

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 Board's Report and Other Relevant Information contained therein, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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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 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Responsibilities for the Audit of the Financial Statements

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

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

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

f) Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Standalone Financial Statements.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

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e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

   i. The Company has no pending litigations on its financial position in its 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 are no amounts which are required to be transferred Investor Education and Protection Fund by the Company.

For **Mukesh M. Shah & Co.,**
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.:128670
Place: Ahmedabad
UDIN: 20128670AAAAAX5285

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"Annexure – A" referred to in the Independent Auditors' Report of even date to the members of IRM Energy Private Limited on the Financial Statements for the year ended March 31, 2020

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

   (b) Some of the fixed assets were physically verified during the year by the management in accordance with programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

   (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.

2. As explained to us, the inventories were verified during the year by management at reasonable intervals and no material discrepancies were noticed on physical verification.

3. The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.

4. Based on our verification of records and in our opinion and according to the information and explanations given to us, the Company has not given any loans, guarantees or security or made any investments to which provisions of section 185 and 186 of the Act is applicable, Hence reporting requirements in terms of clause (iv) of Paragraph 3and any sub-clauses thereunder of the order are not applicable to the company for the current year.

5. The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board of National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, in this regard.

6. We have broadly reviewed the books of account maintained by the Company, pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Custom duty, Excise duty, Value added Tax, Cess and any other material statutory dues during the year with the appropriate authorities. Moreover, as at March 31, 2020, there are no such undisputed dues payable for a period of more than six months from the date they became payable.

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(b) According to the information and explanations given to us, there are no such dues as at March 31, 2020 which have not been deposited/paid on account of any dispute.

8. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or due to debenture holders during the year.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans raised during the year have been utilized by the Company for the purpose for which the same has been taken.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanation given to us and on the basis of examination of books of accounts, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 (with schedule V) of the Act.

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

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year. Company has complied with Section 42 of the Companies Act 2013 and amount raised have been used for the purposes for which the funds were raised.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence reporting requirements in terms of clause (xv) of Paragraph 3 and any sub-clauses thereunder of the order are not applicable to the company for the current year.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **MUKESH M. SHAH & CO.**
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
UDIN: 20128670AAAAAX5285

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"Annexure B" to the Auditors' Report – March 31, 2020

Report on the Internal Financial Control 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 **IRM Energy Private Limited** ("the company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial control 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the act.

Auditors' Responsibility

As per Section 143(3)(i) 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both issued by the ICAI. 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgement, including the assessment of the material misstatement of the financial statements, whether due to fraud or error.

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

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A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 on the financial statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MUKESH M. SHAH & CO.
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
UDIN: 20128670AAAAAX5285

IRM ENERGY PRIVATE LIMITED

SEPARATE BALANCE SHEET AS AT MARCH 31, 2020

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars	Note No.	as at March 31, 2020 (Audited)	as at March 31, 2019 (Audited)
ASSETS			
Non-current assets			
a) Property, plant and equipment	3.1	1,89,01,80,733	1,34,31,31,044
b) Capital work-in-progress	3.2	28,95,96,325	16,01,11,844
c) Intangibles assets	3.3	2,41,14,004	1,79,03,054
d) Right to Use Assets	3.4	6,27,33,982	-
e) Intangibles under Development		23,57,729	26,91,783
f) Financial assets			
(i) Investments	4	15,00,000	-
(ii) Loans		-	-
(iii) Other financial assets	5	1,24,95,659	39,66,040
g) Other non-current assets	6	13,49,32,689	7,39,51,729
h) Current Tax Asset (Net)	7	-	1,02,01,385
		2,41,79,11,122	1,61,19,56,880
Current assets			
a) Inventories	8	69,49,186	26,64,336
b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	9	4,21,53,585	2,96,61,868
(iii) Cash and cash equivalents	10A	10,27,02,692	7,33,26,905
(iv) Bank balances other than (iii) above	10B	8,75,44,530	7,44,68,030
(v) Loans		-	-
(vi) Other financial assets	11	1,42,09,889	1,45,59,600
c) Other current assets	12	2,30,99,777	20,53,281
		27,66,59,659	19,67,34,021
Total Assets		2,69,45,70,781	1,80,86,90,900
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	13	27,12,50,000	21,50,00,000
b) Other equity	14	47,63,43,889	12,12,12,640
Total equity		74,75,93,889	33,62,12,640
Liabilities			
Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	15	1,44,92,48,597	1,18,65,17,189
(ii) Trade payables		-	-
(iii) Other financial liabilities	17	12,17,91,492	5,01,41,857
b) Provisions	18	39,52,373	18,81,704
c) Deferred tax liabilities (Net)	7	7,38,52,112	-
		1,64,88,44,574	1,23,85,40,750
Current liabilities			
a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		2,42,03,603	1,40,79,724
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,78,97,651	3,30,82,541
(iii) Other financial liabilities	17	16,86,76,587	14,80,75,218
b) Provisions	18	41,957	24,908
c) Other current liabilities	19	1,64,12,520	1,42,39,144
d) Current tax liabilities (Net)		4,09,00,000	2,44,35,976
		29,81,32,318	23,39,37,511
Total Equity and Liabilities		2,69,45,70,781	1,80,86,90,900

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 9th July, 2020

For and on behalf of the Board

M Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED

IRM ENERGY PRIVATE LIMITED

SEPARATE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars	Note No.	For the year ending March 31, 2020 (Audited)	For the year ending March 31, 2019 (Audited)
REVENUE :			
Revenue from Operations	20	1,65,65,70,235	83,85,05,282
Other Non-operating Income	21	46,93,141	35,89,913
		1,66,12,63,376	84,20,95,195
EXPENSES :			
Cost of Natural Gas and other Operating Cost	22	86,28,23,913	45,51,83,804
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	(4,95,583)	(12,20,992)
Excise Duty on Sale of Compressed Natural Gas		18,09,92,323	9,60,01,921
Employee Benefits Expense	24	3,85,85,623	1,81,93,920
Finance Costs	25	9,66,58,586	5,73,35,732
Depreciation and Amortisation expense	26	9,18,05,715	3,52,18,470
Other Expenses	27	7,75,92,995	5,59,02,671
		1,34,79,63,572	71,66,15,527
Profit before Tax		31,32,99,804	12,54,79,668
Tax Expense			
- Current Tax	28	4,27,63,276	-
- Deferred Tax	28	5,96,17,521	1,21,91,939
Profit for the year		21,09,19,006	11,32,87,729
Other Comprehensive Income			
I. Items that will not be reclassified to profit or loss			
a. Remeasurements of the defined benefit asset		(5,57,497)	8,98,693
b. Income tax related to this items		1,59,444	-
		(3,98,053)	8,98,693
Total comprehensive income		21,05,20,953	11,41,86,422
Earnings Per Share (Face Value of Rs. 10 each)	34		
Basic		8.61	4.96
Diluted		8.61	4.96

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 9th July, 2020

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED

IRM ENERGY PVT LTD

CASH FLOW STATEMENT AS AT MARCH 31, 2020

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars		For the period ending	
		Mar- 2020 (Audited)	Mar- 2019 (Audited)
A. Cash flow from operating activities			
Net profit before tax and extraordinary items		31,32,99,804	12,54,79,668
Adjustment for:			
Interest Income		(46,93,141)	(35,89,913)
Interest and Finance Charges		9,66,58,586	5,73,35,732
Provision for Expenses		3,20,45,231	49,04,528
Provision for Income		(48,13,676)	(22,22,833)
Depreciation and Amortisation expense		9,18,05,715	3,52,18,470
Operating profit before working capital changes		**52,43,02,519**	**21,71,25,652**
(Increase)/Decrease in Other Assets		(7,04,66,162)	(86,42,325)
(Increase)/Decrease in Inventories		(42,84,850)	(20,69,634)
(Increase)/Decrease in Trade Receivable		(1,24,91,717)	(2,47,28,388)
Increase/(Decrease) in Trade Payables		2,49,38,989	3,36,83,817
Increase/(Decrease) in Financial Liabilities		2,80,82,789	3,91,82,587
Increase/(Decrease) in Other Liabilities		1,30,31,302	6,48,06,914
Cash generated from operation		**50,31,12,871**	**31,93,58,622**
Direct taxes paid (incl TDS)		(5,83,84,408)	(1,31,24,190)
Cash flow before extraordinary items		44,47,28,463	30,62,34,432
Net cash from operating activities	(a)	**44,47,28,463**	**30,62,34,432**
B. Cash flow from investing activities			
Interest Income		49,74,873	32,24,695
Long Term Investment		(15,00,000)	-
Purchase of Fixed Assets (incl. capital work in progress)		(75,90,45,917)	(86,52,07,483)
Net cash used in investing activities	(b)	**(75,55,71,044)**	**(86,19,82,788)**
C. Cash flow from financing activities			
Proceeds from equity shares issued		7,50,00,000	5,18,14,270
Proceeds from Banks Borrowings		31,73,76,220	50,20,64,354
Interest and Finance Cost		(9,00,33,429)	(7,47,39,250)
Lease cost		(84,17,156)	-
Stamp duty on issue of shares		(1,75,851)	-
Dividend (incl. Dividend Distribution tax)		(4,13,04,825)	(6,75,647)
Proceeds from preference shares issued		10,08,49,910	16,50,00,000
Net cash from financing activities	(c)	**35,32,94,869**	**64,34,63,727**
Net increase / (decrease) in cash and cash equivalents (a+b+c)		4,24,52,288	8,77,15,372
Cash and cash equivalents — opening balance		14,77,94,934	6,00,79,563
Cash and cash equivalents — closing balance		19,02,47,222	14,77,94,934

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 9th July, 2020

For and on behalf of the Board

M Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED

IRM ENERGY PVT LTD

Statement of changes in equity

(a) Equity Share Capital

Particulars	No. of Shares	INR
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at March 31, 2019	2,15,00,000	21,50,00,000
Add: Issued during the year	56,25,000	5,62,50,000
As at March 31, 2020	2,71,25,000	27,12,50,000

(b) Other equity

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars	Equity component of compound financial instruments	Reserves and Surplus			Other Comprehensive Income		Total
		General reserve	Securities Premium	Profit and Loss account	Remeasurement of defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 31 March 2019	61,29,504	-	-	11,51,76,343	(93,207)	-	12,12,12,640
Profit for the year	-	-	-	21,09,19,004	-	-	21,09,19,004
Equity Component of Preference Shares	16,73,40,974	-	-	-	-	-	16,73,40,974
Remeasurements of the defined benefit asset (net of tax)	-	-	-	-	(3,98,053)	-	(3,98,053)
Dividend Distribution Tax	-	-	-	(70,42,959)	-	-	(70,42,959)
Corporate Dividend	-	-	-	(3,42,61,866)	-	-	(3,42,61,866)
Stamp duty on issue of shares	-	-	(1,75,851)	-	-	-	(1,75,851)
Share Premium	-	-	1,87,50,000	-	-	-	1,87,50,000
Balance as at 31 March 2020	17,34,70,478	-	1,85,74,149	28,47,90,522	(4,91,260)	-	47,63,43,889

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh Kejriwal
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IRM ENERGY PRIVATE LIMITED

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CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED

Notes to the Financial Statements

1. Company Information

IRM Energy Pvt. Ltd. was incorporated on 01st December, 2015 with the object, inter alia of undertaking or carry out the business of storage, supply, distribution & sale of natural gas & business relating to or incidental to the laying, operating, maintaining & expanding of the City Gas Distribution Networks. The Company is currently supplying natural gas in Banaskantha District in the State of Gujarat, Fatehgarh Sahib in the State of Punjab and at Diu and Gir Somnath Districts in the State of Gujarat as per the authorisation granted by Petroleum & Natural Gas Regulatory Board (PNGRB).

The financial statements are presented in Indian Rupee (INR) which is also Functional Currency of the Company. The financial statements were authorised for issue by the Board of Directors on 9th July, 2020.

2. Basis of Preparation & Measurement

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The significant accounting policies that are used in the preparation of these financial statements are summarised below:

2.1 Historical cost convention

The financial statements have been prepared on a historical cost convention & on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets & financial liabilities measured initially at fair value (refer accounting policy on financial instruments);
- Defined benefit & other long-term employee benefits.

2.2 Current vs Non-Current Classification

The Company presents assets & liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is treated as current when:

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

All other liabilities are classified as non-current.

Deferred tax assets & liabilities are classified as non-current assets & liabilities.

The operating cycle is the time between the acquisition of assets for processing & their realisation in cash & cash equivalents.

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IRM ENERGY PRIVATE LIMITED

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions & estimates are significant to these financial statements are disclosed below.

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates & assumptions that affect the reported amounts of assets & liabilities & disclosure of contingent liabilities as the date of the financial statements & reported amounts of revenues & expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

When preparing the financial statements, management undertakes a number of judgments', estimates & assumptions about the recognition & measurement of assets, liabilities, income & expenses. In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information. Judgements are based on the information available at the date of balance sheet.

(i) Income Taxes: Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant & equipment: Property, plant & equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life & the expected residual value at the end of its life. Management reviews the residual values, useful lives & methods of depreciation of property, plant & equipment at each reporting period end & any revision to these is recognised prospectively in current & future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Employee Benefits: Significant judgments are involved in making judgments about the life expectancy, discounting rate, salary increase, etc. Which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

(iv) Impairment of assets & investments: Significant judgment is involved in determining the estimated future cash flows from the investments, Property, Plant & Equipment & Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.

(v) Deferred Tax: Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

(vi) Recognition & measurement of unbilled gas sales revenues: In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date & reporting date has been accrued by the company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas & classified under current financial assets.

(vii) Recognition & measurement of other provisions: The recognition & measurement of other provisions are based on the assessment of the probability of an outflow of resources & on past experience & circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided & included as liability.

(viii) Leases: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

Impact of COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in Joint control entity. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including related information and economic forecasts. 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. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2.4 Property, Plant & Equipment

(i) Property, Plant and Equipment are stated at cost of acquisition / construction less accumulated depreciation.

The Company capitalises to project assets all the cost directly attributable & ascertainable, to completing the project. These costs include expenditure of pipelines, plant & machinery, cost of laying of pipeline, cost of survey, commissioning & testing charge, detailed engineering & 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).

Subsequent expenditure related to an item of property, plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses incurred towards normal repairs and maintenance of the existing property, plant and Equipment (including cost of replacing parts) are charged to profit and loss for the period during which such expenses are incurred.

Interest on borrowings attributable to the acquisition / construction of Property, Plant and Equipment for the period of construction is added to the cost of Property, Plant and Equipment.

Preoperative expenses including trial run expenses (net of revenue) are capitalised.

Assets installed at customer premises, including meters & regulators where applicable, are recognised as property plant & equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management & followed consistently.

(ii) Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned & capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable & ascertainable expenditure, incidental & related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) & after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

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Further, advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

The capitalisation rate of 8.14% is used to determine the amount of Borrowing cost that is capitalised to the qualifying asset.

Capital work in progress and current year fixed assets includes borrowing cost capitalised on qualifying assets amounting to Rs. 2,87,02,760 (31st March, 2019: Rs. 3,19,25,350)

(iii) Depreciation is provided as follow:

- Property, Plant and Equipment is depreciated over the permissible useful life specified in Schedule II pursuant to section 123(2) of the Companies Act, 2013 as per 'Straight line method", read with the following notes:
    - The Schedule specifies useful life of Pipelines as 30 years for those used in exploration, production & refining of oil & gas. The Company has considered the useful life of 25 yrs for the pipelines used in city gas distribution business.
    - City gas stations, skids, pressure regulating stations, meters & regulators, Compressors, Dispensers, Cascades are estimated to have useful life of 15 years based on technical assessment made by technical expert & management.
    - The management believes that these useful lives are realistic & reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful life.
    - For the purpose of calculating the depreciation, residual value for Tangible assets has been considered as 5% of the value of asset concerned.
- Depreciation on items of property, plant & equipment acquired / disposed-off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- Depreciation on additions to Property, Plant and Equipment made during the period having cost of Rs. 5000 or less is provided @ 100% on pro rata basis with reference to the date of addition.
- Gains & losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit & loss under Other Expenses/Income.

(iv) Useful life of assets are considered as mentioned in Companies Act, 2013 under Schedule II. However, useful life of the Right of Way (ROW) charges is considered as the period for which such charges are paid. In cases where the tenor of payment is not specified by the authorities, the useful life of such ROW charges is considered as 10 years. Cost incurred towards purchase of software is amortised on Straight line method over its useful life of 5 yrs as estimated by the management.

(v) Intangible Assets:

Intangible Assets includes amount paid towards obtaining Right of Way (ROW) permissions for laying the gas pipeline network & cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as & when incurred.

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 de-recognition of the intangible asset (calculated as the difference between the net

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disposal proceeds & the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

2.5 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets & liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gain/Loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets & liabilities are recognised in the Statement of Profit & Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

2.6 Revenue recognition

(i) Revenue is measured at fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company & no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods /services & regarding its collection. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction & the specifics of each arrangement.

Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial & non-commercial customers & fortnightly for industrial customers as the timing of the transfer of risks & rewards varies depending on the individual terms of the sales agreement. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets.

The amount recognised as revenue is stated inclusive of excise duty & exclusive of Sales Tax /Value Added Tax (VAT) & Goods & Service Tax & is net of trade discounts or quantity discounts.

Unbilled revenue is recognised as the related supply of natural gas are performed & revenue from the end of the last billing cycle to the Balance Sheet date.

The amounts collected towards connection charges from certain domestic customers are "Non-Refundable Charges". Accordingly, the same are recognized as revenue as & when the Company receives the amount from the customers.

The amounts collected from certain domestic customers which includes amount "refundable" in nature. Accordingly, the same are recognized as a liability under head "Deposit from Customers" in the balance sheet.

(ii) Interest income is recognised on time proportionate method (on accrual basis).

(iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.7 Borrowing Costs:

(i) The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(ii) Other borrowing costs are recognised as an expense in the year in which they are incurred, if any.

2.8 Impairment of Property, Plant & Equipment & Intangible Assets:

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset &/ or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset &/ or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

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IRM ENERGY PRIVATE LIMITED

2.9 Inventories

Inventory of Gas (including gas inventory in pipeline & CNG cascades) is valued at lower of cost & net realizable value. Cost is determined on weighted average cost method.

Stores, spares & consumables and other inventory items (viz. CNG Kits, etc) are valued at lower of cost & net realizable value. Cost is determined on moving weighted average basis.

2.10 Accounting for Income Taxes

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) & deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income & taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

(i) 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 & liabilities attributable to temporary differences & 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, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance Taxes & provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid & income tax provision arising in the same tax jurisdiction for relevant tax paying units & where the Company is able to & intends to settle the asset & liability on a net basis.

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

Deferred Income Tax is determined using tax rates (& laws) that have been enacted or substantially enacted by the end of the reporting period & 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 & unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences & losses.

Deferred Tax Assets & Liabilities are offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority. Current tax assets & tax liabilities are offset where the Company has a legally enforceable right to offset & intends either to settle on a net basis, or to realise the asset & settle the liability simultaneously.

Current & 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 including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 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 & loss & shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date & reduced to the extent that it is no longer probable that sufficient taxable profit will be available to

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IRM ENERGY PRIVATE LIMITED

allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date & are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.11 Leases:

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a initial application date i.e. 1 April 2019. 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 an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of initial application of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on actual payment basis as and when incurred.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized that is equal to lease liabilities on the initial application date, that is arrived based on incremental borrowing rate on the initial application date. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the initial application date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever 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. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.12 Employee Benefits:

Liabilities for wages & salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting & are measured

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at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(i) Defined Contribution Plan:

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes & deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Group does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plan:

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent Actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost in calculated by applying the discounting rate to the net balance of the defined benefit obligation & the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit & Loss. Re-measurements gains or losses arising from experience adjustments & changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" & are included in retained earnings in the statement of changes in equity & in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit & loss:

- Service costs comprising current service costs, past-service costs, gains & losses on curtailments & non-routine settlements;
- Net interest expense or income.

(iii) Long Term Employee Benefits:

The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method.

Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

(iv) Refer note no. **30** below for disclosure.

2.13 Segment Reporting:

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets & segment liabilities are reflected in the financial statements themselves as at & for the financial year ended March 31, 2020.

2.14 Provisions, Contingent Liabilities & Contingent Assets:

Provision is recognised when the Company has a present obligation as a result of past events & it is probable that the outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is

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a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statement.

Provisions & contingencies are reviewed at each balance sheet date & adjusted to reflect the correct management estimates.

2.15 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 accruals of past or future operating cash receipts or payments & item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing & financing activities of the Company are segregated.

2.16 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 & commitment affecting the financial position are disclosed in the Directors' Report.

2.17 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 & accordingly, disclosed in the notes accompanying to the financial statements.

2.18 Dividends:

Final Dividend on shares is recorded as liability on the date of approval of the same by Shareholders & interim dividend are recorded as liability on the date on declaration by Company's board of Directors. The Company has declared coupon dividend of Rs. 2,45,87,500 on 20th November, 2019 and Rs. 69,97,491 on 20th March, 2020 on the outstanding preference shares.

2.19 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split & reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders & the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.20 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 instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

a. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value (plus transaction costs attributable to the acquisition of the financial assets, in the case of financial assets are not recorded at fair value through profit or loss).

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I. Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

II. Business model assessment

The company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial Assets at amortised cost

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

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the 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 as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial

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assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

Impairment of investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- 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 (a) the company has transferred substantially all the risks and rewards of the asset, or (b) 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 recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes 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.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

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b. **Financial Liabilities**

i. **Initial recognition and measurement**

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

All financial liabilities are recognised initially at fair value and in the case of amortised cost, net of directly attributable transaction costs.

ii. **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in the 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 the P&L. However, the Company may transfer the cumulative gain or loss within equity. All the other changes in fair value of such liability are recognised in the statement of profit or loss.

iii. **Derecognition of financial liabilities**

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

c. **Modifications of financial assets and financial liabilities**

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income. The gain / loss is recognised in other equity in case of transaction with shareholders.

Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction

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proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method. The company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

The Company has computed the Equity component of the Preference Shares considering the terms of the RPS to be non-cumulative and further modified the estimates of future cash flows.

2.21 Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.22 Fair Value Measurements:

These financial statements are prepared under the historical cost convention, except certain financial assets & liabilities measured at fair value (refer accounting policy on financial instruments) as per relevant applicable Ind AS.

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 in the principal market for the asset or liability, or 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 to 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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest & best use or by selling it to another market participant that would use the asset in its highest & best use.

The Company uses valuation techniques that are appropriate in the circumstances & for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs & minimising the use of unobservable inputs. All assets & liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets & 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.

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As at 31 March 2020	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	15,00,000	15,00,000	-	-	15,00,000	15,00,000
Trade receivables	-	-	4,21,53,585	4,21,53,585	-	-	4,21,53,585	4,21,53,585
Cash & cash equivalents	-	-	10,27,02,692	10,27,02,692	-	-	10,27,02,692	10,27,02,692
Other Bank Balances	-	-	8,75,44,530	8,75,44,530	-	-	8,75,44,530	8,75,44,530
Other financial assets	-	-	2,67,05,548	2,67,05,548	-	-	2,67,05,548	2,67,05,548
Total financial assets	-	-	**26,06,06,355**	**26,06,06,355**	-	-	**26,06,06,355**	**26,06,06,355**
Financial liabilities								
Borrowings	-	-	1,44,92,48,597	1,44,92,48,597	-	-	1,44,92,48,597	1,44,92,48,597
Trade payables	-	-	7,21,01,254	7,21,01,254	-	-	7,21,01,254	7,21,01,254
Other financial liabilities	-	-	29,04,68,079	29,04,68,079	-	-	29,04,68,079	29,04,68,079
Total financial liabilities	-	-	**1,81,18,17,930**	**1,81,18,17,930**	-	-	**1,81,18,17,930**	**1,81,18,17,930**

As at 31 March 2019	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	-	-	-	-	-	-
Trade receivables	-	-	2,96,61,868	2,96,61,868	-	-	2,96,61,868	2,96,61,868
Cash & cash equivalents	-	-	7,33,26,905	7,33,26,905	-	-	7,33,26,905	7,33,26,905
Other Bank Balances	-	-	7,44,68,030	7,44,68,030	-	-	7,44,68,030	7,44,68,030
Other financial assets	-	-	2,05,78,921	2,05,78,921	-	-	2,05,78,921	2,05,78,921
Total financial assets	-	-	**19,80,35,725**	**19,80,35,725**	-	-	**19,80,35,725**	**19,80,35,725**
Financial liabilities								
Borrowings	-	-	1,18,65,17,189	1,18,65,17,189	-	-	1,18,65,17,189	1,18,65,17,189
Trade payables	-	-	4,71,62,265	4,71,62,265	-	-	4,71,62,265	4,71,62,265
Other financial liabilities	-	-	19,82,17,075	19,82,17,075	-	-	19,82,17,075	19,82,17,075
Total financial liabilities	-	-	**1,43,18,96,529**	**1,43,18,96,529**	-	-	**1,43,18,96,529**	**1,43,18,96,529**

2.23 The previous year numbers have been reclassified wherever necessary. Unless otherwise stated, all amounts are in Indian Rupees.

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Note 3.1

Property, Plant and Equipment (PPE) as of March 31, 2020

Particulars	Gross Block					Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Reclassified pursuant to adoption of IndAS 116 (Refer note 3.4)	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2020	
Freehold Land	19,85,285	1,55,94,537	-	-	1,75,79,822	-	-	-	-	1,75,79,822
Leasehold land	2,25,79,216	-	-	2,25,79,216	-	-	-	-	-	-
Buildings	8,95,19,616	4,38,98,739	-	-	13,34,18,355	15,85,236	40,98,201	-	56,83,437	12,77,34,918
Plant and Machinery	1,25,74,21,696	57,36,10,096	-	-	1,83,10,31,793	3,49,19,772	7,27,79,194	-	10,76,98,966	1,72,33,32,826
Computers and laptops	32,86,488	23,47,076	-	-	56,33,564	13,01,441	13,98,421	-	26,99,862	29,33,702
Furnitures & Fixtures	48,86,700	32,43,531	-	-	81,30,231	4,99,221	6,39,351	-	11,38,573	69,91,659
Vehicles	58,800	-	-	-	58,800	19,589	11,203	-	30,792	28,008
Office Equipments	29,02,697	1,10,19,673	-	-	1,39,22,370	5,32,627	18,09,944	-	23,42,571	1,15,79,798
Grand Total	**1,38,26,40,498**	**64,97,13,652**	**-**	**2,25,79,216**	**2,00,97,74,935**	**3,88,57,886**	**8,07,36,315**	**-**	**11,95,94,201**	**1,89,01,80,733**

Property, Plant and Equipment (PPE) as of March 31, 2019

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2019
	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2019	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2019	
Freehold Land	-	19,85,285	-	19,85,285	-	-	-	-	19,85,285
Leasehold land	2,19,19,440	6,59,776	-	2,25,79,216	4,23,428	2,28,141	-	6,51,569	2,19,27,647
Buildings	2,72,66,970	6,22,52,646	-	8,95,19,616	68,603	15,16,632	-	15,85,236	8,79,34,380
Plant and Machinery	32,54,29,929	93,19,91,767	-	1,25,74,21,696	54,62,044	2,94,57,728	-	3,49,19,772	1,22,25,01,924
Computers and laptops	23,60,691	9,25,797	-	32,86,488	4,27,716	8,73,725	-	13,01,441	19,85,047
Furnitures & Fixtures	42,04,398	6,82,302	-	48,86,700	48,940	4,50,282	-	4,99,221	43,87,479
Vehicles	58,800	-	-	58,800	8,417	11,172	-	19,589	39,211
Office Equipments	12,49,176	16,53,521	-	29,02,697	1,43,366	3,89,261	-	5,32,627	23,70,069
Sub-Total (a)	**38,24,89,404**	**1,00,01,51,094**	**-**	**1,38,26,40,498**	**65,82,513**	**3,29,26,941**	**-**	**3,95,09,455**	**1,34,31,31,044**

Note 3.2

Capital work in progress

Particulars	Closing Balance as of 31.03.2020	Closing Balance as of 31.03.2019
Capital Work-in-Progress (project under construction)	28,95,96,325	16,01,11,844
Grand Total	**28,95,96,325**	**16,01,11,844**

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Note 3.3

Intangible assets as at March 31, 2020

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2020	
Softwares	24,85,508	34,30,776	-	59,16,284	4,89,252	6,32,720	-	11,21,971	47,94,313
Right of Way charges	1,81,45,881	65,38,500	-	2,46,84,381	22,39,083	31,25,606	-	53,64,689	1,93,19,692
Grand Total	**2,06,31,389**	**99,69,276**	-	**3,06,00,665**	**27,28,335**	**37,58,326**	-	**64,86,661**	**2,41,14,004**

Intangible assets as at March 31, 2019

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2019
	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2019	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2019	
Softwares	19,57,458	5,28,050	-	24,85,508	54,955	4,34,297	-	4,89,252	19,96,256
Right of Way charges	46,02,855	1,35,43,026	-	1,81,45,881	3,81,851	18,57,232	-	22,39,083	1,59,06,798
Grand Total	**65,60,313**	**1,40,71,076**	-	**2,06,31,389**	**4,36,806**	**22,91,529**	-	**27,28,335**	**1,79,03,054**

Note 3.4 Leases

Company as a lessee

Operating Lease

On transition, the lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. Right to use assets are initially recognized that is equal to lease liabilities on the initial application date. Accordingly, a right-of-use asset of Rs. 3,79,70,587/- and a corresponding lease liability of Rs. 3,79,70,587/- has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

Finance Lease

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Accordingly, an amount of Rs. 2,25,79,216/- has been reclassified from property, plant and equipment to right-of-use assets

The details of the right-of-use asset held by the Company is as follows:

Particulars	Gross Block					Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments/ Transfer	Reclassified pursuant to adoption of IndAS 116	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2020	
Right to Use										
- for Land	3,01,23,850	81,53,694	-	2,25,79,216	6,08,56,760	6,51,569	43,88,174	-	50,39,743	5,58,17,017
- for Building	78,46,737	19,93,128	-	-	98,39,865		29,22,900		29,22,900	69,16,965
Grand Total	**3,79,70,587**	**1,01,46,822**	-	**2,25,79,216**	**7,06,96,625**	**6,51,569**	**73,11,074**	-	**79,62,643**	**6,27,33,982**

Interest on lease liabilities is Rs. 38,66,593/- for the year ended March 31, 2020.

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Accompanying notes to the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

Note No.	Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
4	**Non Current Investments**		
	Unquoted Investment (at fully paid up)		
	Investment in Equity Instruments of Joint Control Entity (measured at cost)		
	- 1,00,000 Equity Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2019: Nil)	10,00,000	-
	- 50,000 Equity Shares of Rs. 10 each fully paid of Venuka Polymers Private limited (31st March, 2019: Nil)	5,00,000	-
		15,00,000	**-**
5	**Other financial asset- Non-current**		
	Security Deposit		
	To Related Parties (Unsecured, considered good)	4,38,600	4,38,600
	To Others (Unsecured, considered good)	1,20,57,059	35,27,440
	Less: Allowance for bad and doubtful	-	-
		1,24,95,659	**39,66,040**
6	**Other non- current assets**		
	Capital advances (Unsecured, considered good)	-	3,22,60,497
	Unamortised expenses - Borrowing Cost under EIR	2,03,98,616	2,43,53,115
	Advance payment of income tax	6,98,04,766	1,31,74,831
	Prepaid Expenses	4,47,29,307	41,63,287
		13,49,32,689	**7,39,51,729**
7	**Current tax assets (net)**		
	Current tax assets	**-**	**2,44,35,976**
	MAT Credit Entitlement	-	2,44,35,976
	Current Tax Liabilities	**(7,38,52,112)**	**(1,42,34,591)**
	Deferred tax liabilities (Net)	(7,38,52,112)	(1,42,34,591)
	(Refer note 36)		
		(7,38,52,112)	**1,02,01,385**
8	**Inventories**		
	Natural Gas	18,68,615	13,73,032
	Spares and Consumables	49,76,111	12,91,305
	CNG Kits	1,04,460	-
	(For Valuation- Refer note 2.10)		
		69,49,186	**26,64,336**
9	**Current financial assets : Trade receivables**		
	Secured, considered good (secured against security deposits))	2,73,89,409	1,12,96,406
	Unsecured, considered good (Others)	1,47,64,176	1,83,65,462
	Less: Allowance for Bad and Doubtful	-	-
		4,21,53,585	**2,96,61,868**

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Note No.	Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
10	**Current financial assets**		
10A	**Cash and cash equivalents**		
	(a) Balance with banks		
	Balance in Current Accounts	10,25,65,925	7,25,64,345
	(b) Cash on hand	1,36,767	7,62,560
10B	**Bank balances other than above**		
	(a) Margin Money deposits under lien against Bank Guarantee and/or Stand By Letter of Credit (SBLC)*	8,75,44,530	7,44,68,030
	*The Company has issued Bank Guarantees and Stand-By Letter of Credit(SBLC) to various Govt. Agencies and other Suppliers during normal course of business. Such Bank Guarantees and SBLC have been issued against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of between 6 months to 12 months.		
		19,02,47,222	**14,77,94,935**
11	**Current financial assets : Others**		
	Unbilled Revenue	48,13,676	22,22,833
	Interest Receivable	47,256	1,06,420
	Deposit - Current	90,77,138	1,20,93,862
	Imprest amount with Employees	2,71,819	1,36,484
		1,42,09,889	**1,45,59,600**
12	**Other current assets**		
	Advance to Suppliers	38,29,317	14,38,113
	Prepaid Expenses	1,92,70,460	6,15,168
		2,30,99,777	**20,53,281**
13	**Share capital**		
	Authorised :		
	2,90,00,000 Equity Shares of Rs.10/- Each	29,00,00,000	29,00,00,000
	4,60,00,000 Preference Shares of Rs.10/- Each	46,00,00,000	46,00,00,000
		75,00,00,000	75,00,00,000
	Issued, Subscribed and Fully Paid-up Equity Shares :		
	Equity shares		
	2,71,25,000 [as at March 31, 2019: 2,15,00,000], Equity Shares of Rs.10/- each	27,12,50,000	21,50,00,000
	Preference shares		
	10% Redeemable Preference Shares	-	-
	3,15,84,991[as at March 31, 2019: 2,15,00,000] shares of Rs. 10/- each		
		27,12,50,000	21,50,00,000

A **Details of Shareholders holding more than 5% of outstanding Shares as at March 31, 2020 is as under:**

i) **Equity Shares**

Name	No. of shares	% of Holding
Cadila Pharmaceuticals Ltd	1,38,33,750	51.00%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	51,53,749	19.00%
Enertech Distribution Management Pvt. Ltd.	81,37,501	30.00%

ii) **10% Non Cumulative Reedemable Preference Shares**

Name	No. of shares	% of Holding
Cadila Pharmaceuticals Ltd	3,15,84,991	100%

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Note No.	Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
B	**Terms and conditions:**		
(I)	**Equity Shares:**		
a	Voting rights: The company has only one class of equity shares having par value of Rs. 10 per share. Equity shareholders are entitled to one vote per share held.		
b	Dividend: The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
(II)	**Redeemable Non- Cumulative Preference Shares (RPS):**		
a	Redemption terms: The preference shares carries redemption period between 5 years to 10 years from the date of issuance.		
b	Dividend: The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
C	**Reconciliation of shares outstanding at the beginning and at the end of the reporting period**		

Equity Shares of Rs. 10 each

Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
Shares outstanding at the beginning of the period	2,15,00,000	1,63,18,573
Add: Shares issued during the period	56,25,000	51,81,427
Shares outstanding at the end of the period	**2,71,25,000**	**2,15,00,000**

Non Cumulative Reedemable Preference Shares of Rs. 10 each

Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
Shares outstanding at the beginning of the period	2,15,00,000	50,00,000
Add: Shares issued during the period	1,00,84,991	1,65,00,000
Shares outstanding at the end of the period	**3,15,84,991**	**2,15,00,000**

Note No.	Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
14	**Reserves and surplus**		
	A. Statement of profit and loss		
	Opening balance	11,51,76,343	21,67,000
	Add: Transfer from statement of profit and loss	21,09,19,004	11,32,87,729
	Less: Items routed through SOCIE	4,13,04,825	2,78,387
	Closing balance	**28,47,90,522**	**11,51,76,343**

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Note No.	Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
	B. Equity Component of Preference Shares		
	i) OCCPS (Optionally Convertible Cumulative Preference Shares)		
	Opening	2,31,601	2,31,601
	Amount reclassified as Equity on conversion of OCCPS to Equity Shares	-	-
	Equity Component- 9% Optionally Convertible Cumulative Preference Shares of Rs. 10/- Each*	-	-
	* The difference between the fair value of OCCPS shares on the date of issue / modification and the transaction price is recognised as a deemed equity component by the promoters. Estimation of fair value - For computation of the fair value benefit, the company has estimated the fair value of the financial liability on the date of issue / modification by considering comparable market interest rates adjusted to the facts and circumstances relevant to the company.		
	Closing Balance	**2,31,601**	**2,31,601**
	ii) Non Cumulative Reedemable Preference Shares		
	Opening	58,97,903	9,35,715
	Equity Component of non-cumulative redeemable preference shares (refer note 2.2(c))	16,73,40,974	49,62,188
	Closing Balance	**17,32,38,877**	**58,97,903**
	Closing balance (i+ii)	**17,34,70,478**	**61,29,504**
	C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect		
	Opening	(93,207)	(9,91,900)
	Remeasurement of the net defined benefit liability/asset, net of tax effect*	(3,98,053)	8,98,693
	Closing balance	**(4,91,260)**	**(93,207)**
	*Remeasurement of defined benefit plans represents acturial gain and losses and returns on plan assets (excluding intetest income).		
	D. Securities Premium		
	Opening Balance	-	-
	Addition during the year	1,87,50,000	-
	Less: Stamp duty expense on shares	(1,75,851)	-
	Closing Balance	**1,85,74,149**	-
	Total Reserves	**47,63,43,889**	**12,12,12,640**
15	**Non- current financial liabilities : Borrowings**		
	Secured (carried at amortized cost)$		
	Rupee Term loans from banks#	1,29,43,39,479	97,69,63,259
	Unsecured		
	Preference shares		
	liability component 10% Non cumulative Redeemable Preference Shares of Rs. 10/- each	15,49,09,118	20,95,53,930
		1,44,92,48,597	**1,18,65,17,189**

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Note No.	Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
#	Details of Secured loans		
	From Banks		
	Particulars	**Terms of Repayment**	
	Rupee Term loan: For project of City Gas Distribution of Banaskantha and Fatehgarh Sahib District (consortium of banks: Corporation Bank, Oriental Bank of Commerce, United Bank of India and Vijaya Bank)	40 quaterly installments from July 2021	
	Rupee Term loan: For project of City Gas Distribution of Diu and Gir Somnath District (consortium of banks: Bank of Baroda, Oriental Bank of Commerce, United Bank of India and Corporation Bank)	1st Tranche: 20 quaterly installments from April, 2023 2nd Tranche: 20 quaterly installments from April, 2027	
$	The details of security given for all loans are as under :		
	The Rupee Term Loan is secured by First pari - passu charge on (a) the fixed assets (moveable, immovable and intangible assets) of the Borrower, both present and future, with respect to the relevant project (b) the Trust and Retention Account except DSRA (c) the DSRA created to meet the debt service requirements for the ensuing three months principal and interest payment due to the Lenders, on exclusive basis and (d) the current assets of the Borrower, both present and future.		
	There are no defaults in repayment of loan and interest thereon as on March 31, 2020 for all the loans under this head.		
	For security details on bank financing (working capital and PBG), refer note 35 and 36.		
16	**Current financial liabilities : Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises:-		
	Trade payables - Others	2,42,03,603	1,40,79,724
	(Refer note 37)		
	Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
	Trade payables - Gas Purchase / Transmission	2,14,08,682	2,26,42,384
	Trade payables - Related parties	1,21,63,529	6,24,530
	Trade payables - Others	1,43,25,440	98,15,626
		7,21,01,254	**4,71,62,265**
17	**Other financial liabilities**		
	Non-Current		
	Customer Security Deposit	7,82,24,646	5,01,41,857
	Lease Liabilities	4,35,66,846	-
		12,17,91,492	**5,01,41,857**
	Current		
	Creditors for Capital Goods	13,67,78,787	12,30,33,408
	Dividend Liability- Current	-	1,73,97,260
	Others payable	3,18,97,800	76,44,550
		16,86,76,587	**14,80,75,218**
18	**Provisions**		
	Non-Current		
	Provision for Employee Benefits	39,52,373	18,81,704
		39,52,373	**18,81,704**
	Current		
	Provision for Employee Benefits	41,957	24,908
		41,957	**24,908**
19	**Current liabilities : Others**		
	Statutory dues payable	1,64,12,520	1,42,39,144
		1,64,12,520	**1,42,39,144**

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Note No.	Particulars	For the year ending March 31, 2020	For the year ending March 31, 2019
20	**Revenue from Operations**		
	Sale of Goods		
	CNG Sales (Gross of Taxes)	1,47,37,94,634	78,17,27,593
	PNG Sales	17,06,32,714	4,90,58,777
	Sale of Services		
	Connection Income	1,05,41,536	46,58,555
	Other Operating Revenues	16,01,351	30,60,357
	Other Operating Revenues	14,70,963	30,60,357
	CNG Kit Sales	1,30,388	-
		1,65,65,70,235	83,85,05,282
21	**Other Non-operating Income**		
	Interest Income	46,93,141	35,89,913
		46,93,141	35,89,913
22	**Cost of Natural Gas and other Operating Cost**		
	Natural Gas	67,76,03,134	35,05,45,068
	HCV Transportation Cost	8,71,95,830	5,16,22,584
	CNG Station Electricity Cost	4,46,19,543	2,51,35,036
	CNG Station Rent	-	16,25,914
	CNG Kits	1,04,460	-
	O&M Spares and Consumables	12,56,010	37,10,292
	O&M Cost	5,20,44,936	2,25,44,911
		86,28,23,913	45,51,83,804
23	**Changes in Inventories of Natural Gas**		
	Changes in inventories of finished goods, stock in trade and work in progress - Natural Gas		
	Inventory at the beginning of the year	13,73,032	1,52,040
	Less: Inventory at the end of the year	18,68,615	13,73,032
		(4,95,583)	(12,20,992)
24	**Employee Benefits Expense**		
	Salaries, wages and bonus	3,39,55,422	1,50,58,386
	Company's contribution to provident & other funds	13,53,996	8,04,314
	Leave Encashment and Gratuity (Refer note 31)	16,63,960	19,31,555
	Staff welfare expenses	16,12,245	3,99,665
		3,85,85,623	1,81,93,920
25	**Finance Costs**		
	Bank Charges	2,91,709	3,30,472
	Other Finance Charges	1,46,31,471	49,05,307
	Interest Cost	7,56,51,001	5,02,63,407
	Unwinding of Interest Cost- Security Deposit	11,30,797	-
	Unwinding of Interest Cost- Lease	38,66,593	-
	Amortisation of Transaction cost of borrowings	10,87,015	18,36,547
		9,66,58,586	5,73,35,732
26	**Depreciation and Amortisation expense**		
	Depreciation of tangible assets (refer note 3.1)	8,07,36,315	3,29,26,941
	Amortisation of intangible assets (refer note 3.3)	1,10,69,400	22,91,529
		9,18,05,715	3,52,18,470
27	**Other Expenses**		
	Advertisement and Marketing Expenses	44,12,597	51,22,628
	Statutory Audit Fees	8,85,000	8,26,000
	Business Promotion Expenses	24,94,378	16,66,253
	Corporate Social Responsibility Expense (refer note 42)	21,72,550	-
	Director's Sitting Fees	22,40,000	25,20,000
	Foreign Exchange Fluctuation	-	420
	Insurance Cost	30,44,334	15,80,859
	Legal and Professional Charges	2,38,40,452	66,63,656
	Managerial Remuneration	45,98,023	-
	Rent	11,07,758	47,50,388
	Stamp Duty Expense	42,15,105	48,65,404
	Security Expense	41,47,968	32,18,516
	Tender Fees	5,62,360	1,41,02,534
	Other Expenses	2,38,72,470	1,05,86,014
		7,75,92,995	5,59,02,671
28	**Tax Expense**		
	Current Tax	4,26,03,832	2,44,35,976
	Less: MAT Credit Entitlement	-	(2,44,35,976)
	Deferred Tax (refer note 35)	5,96,17,521	1,21,91,939
		10,22,21,353	1,21,91,939

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29. Financial risk management:

The Companies activities expose it to credit risk, liquidity risk & market risk. This note explains the sources of risk which the entity is exposed to & how the entity manages the risk & the related impact in the financial statements. The Companies risk management is done in close co-ordination with the board of directors & focuses on actively securing the Companies short, medium & long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

(i) Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits & other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, & analysis of historical bad debts & ageing of accounts receivable. Individual limits are set accordingly.

The Company trades with recognized & credit worthy third parties. It is the Companies policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Companies exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups & assessed for impairment collectively. The calculation is based on exchange losses historical data. Also, the Company does not enter into sales transaction with customers having credit loss history.

There are no significant credit risks with related parties of the Company. Adequate expected credit losses are recognized as per the assessments.

The history of trade receivables shows no allowance for bad & doubtful debts.

Ageing of Trade Receivables	**Days**			**TOTAL**
	0-180	**180-365**	**Above 365**	
As at 31 March 2020	4,21,53,585	-	-	**4,21,53,585**
As at 31 March 2019	2,96,61,868	-	-	**2,96,61,868**

(ii) Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables & other financial liabilities.

The Company's principle sources of liquidity are cash & cash equivalents & the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position & maintains adequate source of funding.

(iii) Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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As at 31st March, 2020	On demand	6 mths or less	6 – 12 mths	1-2 yrs	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	-	-	-	5,02,45,619	32,79,19,010	91,61,74,850
Redeemable preference shares	-	-	-	3,73,32,820	-	11,75,76,298
Trade payables	-	7,21,01,254	-	-	-	-
Other Current Liabilities	-	1,64,12,520	-	-	-	-
Other financial liabilities	-	15,86,76,587	1,48,07,681	37,75,571	52,65,380	10,79,42,860
TOTAL	-	**24,71,90,361**	**1,48,07,681**	**9,13,54,010**	**33,31,84,390**	**1,14,16,94,008**
GRAND TOTAL	**1,82,82,30,450**					

As at 31st March, 2019	On demand	6 mths or less	6 – 12 mths	1-2 yrs	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	-	-	-	-	18,07,33,845	79,62,29,414
Redeemable preference shares	-	-	-	-	4,90,64,285	16,04,89,645
Trade payables	-	4,71,62,265	-	-	-	-
Other Current Liabilities	-	1,42,39,144	-	-	-	-
Other financial liabilities	-	13,06,77,958	-	-	1,73,97,260	5,01,41,857
TOTAL	-	**19,20,79,367**	-	-	**24,71,95,390**	**1,00,68,60,916**
GRAND TOTAL	**1,44,61,35,673**					

(iv) Market risk:

Market risk is the risk that changes in market prices— such as foreign exchange rates, interest rates & equity prices — will affect the Companies income or the value of its holdings of financial instruments.

(v) Foreign exchange risk:

The Company is not directly exposed to foreign exchange risk as no direct foreign currency transactions are entered into.

(vi) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Companies exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates.

The Companies investments in fixed deposits are at fixed interest rates.

The exposure of the Companies borrowing to interest rate changes at the end of the reporting period are as follows:

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Particulars		As at 31st March, 2020	As at 31st March, 2019
Variable rate instruments			
Financial Assets		2,67,05,548	1,85,25,640
Financial Liabilities		1,29,43,39,479	99,43,60,518
Fixed Rate instruments			
Financial Assets		-	-
Financial Liabilities		15,49,09,118	20,95,53,930
Interest rate variation	Change	Impact	Impact
Scenario-1	(+) 0.50%	63,38,170	47,92,188
Scenario-2	(-) 0.50%	(63,38,170)	(47,92,188)

30. Capital Management:

The company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders & benefits for other stakeholders, & maintain an optimal structure to reduce the cost of capital.

Net Debt = Total term loan borrowings less cash & cash equivalents including current investments

Total 'equity' means share capital issued (Equity Shares & Preference Shares) & accumulated reserves.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total borrowings	1,29,43,39,479	97,69,63,259
Less: cash & cash equivalents & Balance with Banks	19,02,47,222	14,77,94,935
Net debt	1,10,40,92,257	82,91,68,324
Total equity	88,99,73,321	54,50,83,136
Net Debt to Equity Ratio	1.24	1.52

Loan Covenants:

Under the terms of the major borrowing facilities, the Company is required to comply any 2 of the following financial covenants failing which penal interest as prescribed in the facility agreement shall apply. The Financial Covenants shall be tested at the end of each Fiscal Year based on the certification of the Auditor.

a) Gross DSCR- 1.10
b) Interest Coverage ratio- 1.25
c) FACR = (Net Property, Plant and Equipment/ Loan Outstanding)- 1.25

The first testing of financial covenants will be done for the first full operational year post the commencement of commercial operations of the Project, i.e. based on audited financials for Fiscal Year ending March 31, 2023.

Impact of COVID-19 (Global pandemic)

The Company basis their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic. The Company continues to believe that there is no impact on effectiveness of its hedges.

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31. **Employee Benefits:**

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, incentives & allowances, short terms compensated absences, etc., & the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

(ii) Long term employee benefits

(a) Gratuity (Unfunded):

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

Particulars	**For the year ended 31st March, 2020**	**For the year ended 31st March, 2019**
Table Showing Change in the Present Value of Projected Benefit Obligation:		
Present Value of Benefit Obligation at the Beginning of the Period	9,52,782	4,24,086
Interest Cost	74,126	33,333
Current Service Cost	542,174	3,69,408
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	327,002	13,793
Actuarial (Gains)/Losses on Obligations - Due to Experience	230,495	1,12,162
Present Value of Benefit Obligation at the End of the Period	21,26,579	9,52,782

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Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Table Showing Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet:		
(Present Value of Benefit Obligation at the end of the Period)	(21,26,579)	(9,52,782)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(21,26,579)	(9,52,782)
Net (Liability)/Asset Recognized in the Balance Sheet	(21,26,579)	(9,52,782)
Expenses Recognized in the Statement of Profit or Loss for Current Period:		
Current Service Cost	5,42,174	3,69,408
Net Interest Cost	74,126	33,333
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	6,16,300	4,02,741
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:		
Actuarial (Gains)/Losses on Obligation For the Period	5,57,497	1,25,955
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	5,57,497	1,25,955
Balance Sheet Reconciliation:		
Opening Net Liability	9,52,782	4,24,086
Expenses Recognized in Statement of Profit or Loss	6,16,300	4,02,741
Expenses Recognized in OCI	5,57,497	1,25,955
Net Liability/(Asset) Transfer In	-	-

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	21,26,579	9,52,782
Assumptions:		
No of Active Members	69	48
Per Month Salary For Active Members	16,20,661	11,75,737
Weighted Average Duration of the Projected Benefit Obligation	21	21
Average Expected Future Service	23	22
Projected Benefit Obligation (PBO)	21,26,579	9,52,782
Rate of Discounting	6.87%	7.78%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Prescribed Contribution For Next Year (12 Months)	-	-
Maturity Analysis of the Benefit Payments: From the Employer:		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2,948	1,545
2nd Following Year	25,604	1,713
3rd Following Year	36,451	16,325
4th Following Year	45,948	24,604
5th Following Year	56,523	30,304
Sum of Years 6 To 10	333,071	178,398
Sum of Years 11 & above	89,98,750	48,09,363
Sensitivity Analysis:		
Projected Benefit Obligation on Current Assumptions	21,26,579	9,52,782
Delta Effect of +1% Change in Rate of Discounting	(3,55,778)	(1,55,780)
Delta Effect of -1% Change in Rate of Discounting	4,49,748	1,95,582
Delta Effect of +1% Change in Rate of Salary Increase	4,44,463	1,95,136
Delta Effect of -1% Change in Rate of Salary Increase	(3,58,375)	(1,58,111)
Delta Effect of +1% Change in Rate of Employee Turnover	(46,860)	(11,704)
Delta Effect of -1% Change in Rate of Employee Turnover	48,664	9,203

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

(b) Leave Encashment (unfunded):

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Table Showing Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the Period	9,53,830	4,36,820
Interest Cost	74,208	34,334
Current Service Cost	3,57,387	2,47,907
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(1,33,740)	(25,090)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	2,74,643	13,233
Actuarial (Gains)/Losses on Obligations - Due to Experience	3,41,422	2,46,626
Present Value of Benefit Obligation at the End of the Period	18,67,750	9,53,830
Change in the fair value of plan assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-

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Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(18,67,750)	(9,53,830)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(18,67,750)	(9,53,830)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(18,67,750)	(9,53,830)
Expenses / [Incomes] recognised in the Statement of Profit & Loss:		
Current Service Cost	3,57,387	2,47,907
Net Interest Cost	74,208	34,334
Actuarial (Gains)/Losses	6,16,065	2,59,859
Past Service Cost - Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost - Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	10,47,660	542,100
Balance Sheet Reconciliation:		
Opening Net Liability	9,53,830	4,36,820
Expense Recognized in Statement of Profit or Loss	10,47,660	5,42,100
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	(1,33,740)	(25,090)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	18,67,750	9,53,830
Principal actuarial assumptions as at Balance sheet date:		
Expected Return on Plan Assets	-	-
Rate of Discounting #	6.87%	7.78%
Rate of Salary Increase $	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
No of Active Members	69	49
Per Month Salary For Active Members	16,20,661	11,85,237
Projected Benefit Obligation (PBO)	18,67,750	9,53,830
Prescribed Contribution For Next Year (12 Months)	-	-

#The rate of discount is considered based on market yield on Government Bonds having currency & terms in consistence with the currency & terms of the post-employment benefit obligations.

$ The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.

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32. Disclosure of Interest in Other Entities pursuant to Para B14 of Ind AS 112:

Following is the disclosure relating to Joint Control entities:

Particulars	Farm Gas Private Limited	Venuka Polymers Pvt Ltd
Year	2019-20	2019-20
Country of Incorporation	India	India
% of ownership interest	50%	50%
Current Assets	19,47,563	10,42,851
Non Current Assets	33,68,805	11,51,503
Current Liabilities	35,69,057	14,59,871
Non Current Liabilities	-	-
Income	-	-
Profit/(Loss) for the year	(2,00,569)	(2,14,397)
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Contingent Liabilities	-	-
Capital Commitments	1,27,85,934	-

33. Related Party Disclosures:

(a) Name of the Related party & Nature of the Related Party Relationship:

Sr. No.	Nature	Name of the Person/Entity
i.	Holding Company	(i) Cadila Pharmaceuticals Ltd
ii.	Joint Control entities	(i) Farm Gas Private Limited (ii) Venuka Polymers Private Limited
iii.	Associate Enterprise	(i) Enertech Distribution Management Pvt Ltd (ii) Enertech Fuel Solutions Pvt Ltd
iv.	Fellow Subsidiary Company	(i) Casil Health Products Limited
v.	Enterprises Significantly Influenced by Directors or their relatives or Key Management Personnel	(i) IRM Pvt Ltd (ii) IRM Enterprise Pvt Ltd (iii) Sanguine Management Services Pvt Ltd (iv) IRM Trust (v) Mauktika Ventures LLP (vi) Shree Saraswati Education Sansthan (Indrashil University)
vi.	Key Management Personnel	(i) Mr. Maheswar Sahu (Chairman) (ii) Dr. Rajiv I. Modi (Director) (iii) Mr. Amitabha Banerjee (Director) (iv) Mr. Vinod Jain (Director) (v) Mr. Badri Mahapatra (Director) (vi) Mr. Karan Kaushal (Manager) (vii) Mr. Harshal Anjaria (CFO) (viii) Ms. Shikha Jain (CS)

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(b) Transactions with related parties (Amt. in Rs.):

Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2019-20	For the year 2018-19
i.	For Goods Procured/Services Availed	Cadila Pharmaceuticals Ltd	1,43,64,191	5,72,018
		IRM Trust	31,05,288	31,05,288
		Venuka Polymers Pvt Ltd	(14,400)	-
		Sanguine Management Services Pvt Ltd	23,60,000	23,60,000
		Enertech Fuel Solutions Pvt Ltd	1,87,61,328	87,52,948
		Casil Health Products Ltd	32,623	3,410
		IRM Enterprise Pvt Ltd	1,180	-
		IRM Pvt Ltd	4,83,066	5,22,751
ii.	Reimbursement of Expenses	Cadila Pharmaceuticals Ltd	-	18,75,000
		Maheswar Sahu	12,193	-
		Venuka Polymers Pvt Ltd	(11,80,031)	-
		Mauktia Ventures LLP	(42,270)	-
		Farm Gas Pvt Ltd	(10,05,463)	-
		IRM Trust	(5,89,747)	(3,54,640)
iii.	Subscription of Equity Shares (incl. securities premium)	Cadila Pharmaceuticals Ltd	3,82,50,000	2,64,25,280
		IRM Trust	1,42,50,000	98,44,710
		Enertech Distribution Management Pvt Ltd	2,25,00,000	1,55,44,280
iv.	Subscription of Preference Shares	Cadila Pharmaceuticals Ltd	11,99,74,910	16,50,00,000
v.	Director Sitting Fees	Maheswar Sahu	11,60,000	12,00,000
		Badri Mahapatra	8,40,000	12,00,000
vi.	Managerial Remuneration	Key Management Personnel	45,98,023	-
vii.	Corporate Social Responsibility Expense	Shree Saraswati Education Sansthan (Indrashil University)	21,72,550	-
viii.	Outstanding Payables	IRM Pvt Ltd	27,888	27,686
		Casil Health Products Ltd	3,108	3,410
		IRM Trust	1,34,516	2,36,844
		Sanguine Management Services Pvt Ltd	-	3,60,000
		Enertech Fuel Solutions Pvt Ltd	12,33,044	-
		IRM Enterprise Pvt Ltd	1,180	-
		Cadila Pharmaceuticals Ltd	1,19,88,000	-

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Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2019-20	For the year 2018-19
ix.	Outstanding Receivables	IRM Trust	4,38,600	4,38,600
		Venuka Polymers Pvt Ltd	11,97,023	-
		Mauktika Ventures LLP	42,270	-
		Farm Gas Pvt Ltd	10,05,463	-

34. Earnings Per Share:

Sr. No.	Particulars	UOM	For the year 2019-20	For the year 2018-19
	Basic EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	21,09,19,006	10,08,90,469
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	2,44,85,400	2,03,50,149
c	Value of equity share	Rs.	8.61	4.96
	Diluted EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	21,09,19,006	10,08,90,469
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	2,44,85,400	2,03,50,149
c	Value of equity share	Rs.	8.61	4.96

35. Deferred Tax Assets/(liabilities):

(a) Break up of Deferred Tax Liabilities & Assets into major components of the respective balances are as under:

Particulars	As at 01.04.2019	Change during the year	As at 31.03.2020
Deferred Tax Liabilities			
Depreciation	3,59,56,785	4,98,66,474	8,58,23,259
(a)	**3,59,56,785**	**4,98,66,474**	**8,58,23,259**
Deferred Tax Assets			
Losses as per IT Act carried forward	2,47,788	5,09,654	10,05,373
Provision for Retirement Benefits	4,95,718	(2,47,788)	-
Ind AS Adjustment	-	1,09,65,775	1,09,65,775
MAT Credit Entitlements	2,09,78,688	(2,09,78,688)	-
(b)	**2,17,22,194**	**(97,51,047)**	**1,19,71,148**
Net Deferred Tax (Liabilities)/Assets (a-b)	**(1,42,34,591)**	**5,96,17,521**	**7,38,52,111**

(b) The Net Deferred Tax Liability of Rs. 5,96,17,521 [Previous Year: Rs. 1,21,91,939 (Deferred Tax liabilities)] for the year has been provided in the Statement of Profit & Loss.

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36. Contingent Liabilities & Contingent Assets (to the extent not provided for):

(i) Commitments

Sr. No.	Particulars	For the year 2019-20	For the year 2018-19
I	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	49,22,52,256	49,25,30,043

37. Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Diu (UT of Diu & Daman) & Gir Somnath District (Gujarat), the Company has submitted Performance Bank Guarantee of Rs. 25 crores to PNGRB.

The said limits were taken from banks (through credit facilities) which is secured as under-

a. First charge (pari passu basis) on current assets, cash flow (incl TRA account), receivables (both present & future) arising out of the project of Diu & Gir Somnath.
b. First charge on entire movable & immovable assets (incl intangible assets, goodwill, uncalled capital, intellectual property) of the project of Diu & Gir Somnath (both present & future).

38. The Company has taken working capital facilities from Banks which is secured as under:

a. Second charge on entire movable & immovable assets (both present & future) of the Company.
b. First charge on current assets of the Company & TRA account (both present & future) on pari passu basis to be shared with Term Loan lenders.

39. Payments to auditor (Included in Other expenses under note 27):

Particulars	During the year 2019-20	During the year 2018-19
For Statutory Audit (Incl GST)	8,85,000	8,26,000
For GST & Tax Audit (Incl GST)	2,46,620	2,41,310
For Certification & other reimbursements (incl. GST)	14,750	27,364

40. Disclosure required under micro, small & medium enterprises development act, 2006 (the act) are as follows:

Sr. No	Particulars	As at 31.03.2020	As at 31.03.2019
1	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
a	Trade Payables	10,71,962	7,20,302
b	Payables for purchase of property, plant & equipment	2,31,31,641	1,33,59,422
2	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
3	The amount of interest paid by the company in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-

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Sr. No	Particulars	As at 31.03.2020	As at 31.03.2019
4	The amount of interest due & 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 & Medium Enterprises Development Act, 2006	-	-
5	The amount of interest accrued & remaining unpaid at the end of the accounting year	-	-
6	The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006	-	-

The above information regarding Micro enterprises & Small enterprises has been determined based on information available with the company. This has been relied upon by the auditors.

41. Management has assessed the situation of Covid-19 based on the internal and external information available up to the date of approval of these financial results by the Board of Directors. Management believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of Deferred tax assets, Property, Plant & Equipment, trade receivables and other financial assets or any adverse impact on ability of the Company to continue as a going concern. Considering the uncertainties prevailing in the economic conditions globally and in India, the eventual outcome of the impact of the global health pandemic may be different from those-estimated as on the date of approval of these financial results and the Company will closely monitor any material changes to the economic environment and their impact on its business in the times to come.

42. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally been carried out by making payment contribution to eligible Trusts. The Trusts carry out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company. During the year, Company was required to spend CSR expense of Rs. 926,071 (for March 31, 2019: Rs. Nil) as per the requirements of section 135 of the Companies Act, 2013 & has spent 21,72,550 for the year (for March 31, 2019: Rs. Nil)

Sr. No	Particulars	Amount Contributed	Amount yet to be contributed	Total Rs.
1	Construction/Acquisition of any Assets	21,72,550	-	21,72,550
2	On purposes other than a above	-	-	-
	TOTAL	**21,72,550**	**-**	**21,72,550**

As per our report of even date

For Mukesh M. Shah & Associates
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number: 128670
Ahmedabad, Dated: 9th July, 2020

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

For & on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
CS

Ahmedabad, Dated: 9th July, 2020

IRM ENERGY PRIVATE LIMITED

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INDEPENDENT AUDITOR'S REPORT

To the Members of IRM Energy Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **IRM Energy Private Limited** (hereinafter referred to as the "Holding Company") and its Joint Controlled entity (Joint Controlled Entity together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including comprehensive income), the Consolidated Statement of Changes in equity and the Consolidated Cash Flows Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Indian Accounting standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, of Consolidated profit, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2.4 to the Consolidated Financial Statements, which elaborates and explains the uncertainties of the management's assessment of the financial impact due to lockdown and other restrictions imposed by the Government of India and respective State Governments and other conditions due to Covid-19 pandemic situation, for which definitive assessment in subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

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MUKESH M. SHAH & CO.
CHARTERED ACCOUNTANTS
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 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 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 Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group 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 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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.

The respective Board of Directors of the companies included in the Group and of its are also responsible for overseeing the financial reporting process of the Group.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

a) Identify and assess the risks of material misstatement of the consolidated 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.

b) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company and its Joint Controlled entity companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 the Group and its associates 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 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 and its associates to cease to continue as a going concern.

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

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial

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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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the 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 Matters

We did not audit the financial statements of one jointly controlled entity, whose financial statements reflect total assets of Rs. 5,316,368/- as at March 31, 2020, total revenues of Rs. NIL and net cash flows amounting to Rs. 715,057/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 200,569/- for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of one Joint controlled entity, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly Controlled entity, and 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 jointly Controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated 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 and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our and on the consideration of the reports of the other auditors on the Consolidated financial statements and other financial information of the Joint Controlled entity, we report, to the extent applicable that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.

c) The Consolidated Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and its Joint Controlled Entity incorporated in India and the reports of the statutory auditors of its Joint Controlled entity companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

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

    i. The Company has no pending litigations on its financial position in its 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 are no amounts which are required to be transferred Investor Education and Protection Fund by the Company.

For **Mukesh M. Shah & Co.,**
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
UDIN: 20128670AAAAAY9482

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"Annexure A" to the Auditors' Report

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")

In conjunction with our audit of the consolidated financial statements of the **IRM Energy Private Limited** ("the Holding Company") and its Joint Controlled entity, ('Joint Controlled entity' together referred to as the " Group") as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of the Holding Company, Joint Controlled entity incorporated in India, as of the date.

Management Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and jointly Controlled entity companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the respective companies 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Company and Joint Controlled entity, which are companies incorporated in India, 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") issued by Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Joint Controlled entity, which are companies incorporated in India.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 on the financial statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Company and its Joint Controlled entity companies, which are companies incorporated in India, have, 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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mukesh M. Shah & Co.,**
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO.
7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15.
CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
UDIN: 20128670AAAAAY9482

IRM ENERGY PRIVATE LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars	Note No.	as at March 31, 2020	as at March 31, 2019
ASSETS			
Non-current assets			
a) Property, plant and equipment	3.1	1,89,01,80,733	1,34,31,31,044
b) Capital work-in-progress	3.2	28,95,96,325	16,01,11,844
c) Intangibles assets	3.3	2,41,14,004	1,79,03,054
d) Right to Use Assets	3.4	6,27,33,982	-
e) Intangibles under Development		23,57,729	26,91,783
f) Financial assets			
(i) Investments	4	12,40,897	-
(ii) Loans		-	-
(iii) Other financial assets	5	1,24,95,659	39,66,040
g) Other non-current assets	6	13,49,32,689	7,39,51,729
h) Current Tax Asset (Net)	7	-	1,02,01,385
		2,41,76,52,019	**1,61,19,56,880**
Current assets			
a) Inventories	8	69,49,186	26,64,336
b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	9	4,21,53,585	2,96,61,868
(iii) Cash and cash equivalents	10A	10,27,02,692	7,33,26,905
(iv) Bank balances other than (iii) above	10B	8,75,44,530	7,44,68,030
(v) Loans		-	-
(vi) Other financial assets	11	1,42,09,889	1,45,59,600
c) Other current assets	12	2,30,99,777	20,53,281
		27,66,59,659	**19,67,34,021**
Total Assets		**2,69,43,11,678**	**1,80,86,90,900**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	13	27,12,50,000	21,50,00,000
b) Other equity	14	47,60,84,787	12,12,12,640
Total equity		**74,73,34,787**	**33,62,12,640**
Liabilities			
Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	15	1,44,92,48,597	1,18,65,17,189
(ii) Trade payables		-	-
(iii) Other financial liabilities	17	12,17,91,492	5,01,41,857
b) Provisions	18	39,52,373	18,81,704
c) Deferred tax liabilities (Net)	7	7,38,52,112	-
		1,64,88,44,574	**1,23,85,40,750**
Current liabilities			
a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		2,42,03,603	1,40,79,724
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,78,97,650	3,30,82,541
(iii) Other financial liabilities	17	16,86,76,587	14,80,75,218
b) Provisions	18	41,957	24,908
c) Other current liabilities	19	1,64,12,520	1,42,39,144
d) Current tax liabilities (Net)		4,09,00,000	2,44,35,976
		29,81,32,317	**23,39,37,511**
Total Equity and Liabilities		**2,69,43,11,678**	**1,80,86,90,900**

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated: 9th July, 2020

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July 2020

IRM ENERGY PRIVATE LIMITED

IRM ENERGY PRIVATE LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars	Note No.	For the year ending March 31, 2020	For the year ending March 31, 2019
REVENUE :			
Revenue from Operations	20	1,65,65,70,235	83,85,05,282
Other Non-operating Income	21	46,93,141	35,89,913
		1,66,12,63,376	**84,20,95,195**
EXPENSES :			
Cost of Natural Gas and other Operating Cost	22	86,28,23,913	45,51,83,804
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	(4,95,583)	(12,20,992)
Excise Duty on Sale of Compressed Natural Gas		18,09,92,323	9,60,01,921
Employee Benefits Expense	23	3,85,85,623	1,81,93,920
Finance Costs	25	9,66,58,586	5,73,35,732
Depreciation and Amortisation expense	26	9,18,05,715	3,52,18,470
Other Expenses	24	7,75,92,996	5,59,02,671
		1,34,79,63,573	**71,66,15,527**
Profit before Tax		31,32,99,803	12,54,79,668
Tax Expense			
- Current Tax	27	4,27,63,276	-
- Deferred Tax	27	5,96,17,521	1,21,91,939
Profit for the year before share of profit/(loss) from Joint Control Entities		**21,09,19,005**	**11,32,87,729**
Share of profit/(loss) from Joint Control Entities		(2,59,103)	-
Profit for the year		21,06,59,902	11,32,87,729
Other Comprehensive Income			
I. Items that will not be reclassified to profit or loss			
a. Remeasurements of the defined benefit asset		(5,57,497)	8,98,693
b. Income tax related to this items		1,59,444	-
		(3,98,053)	**8,98,693**
Total comprehensive income		21,02,61,849	11,41,86,422
Earnings Per Share (Face Value of Rs. 10 each)	32		
Basic		8.60	4.96
Diluted		8.60	4.96

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated: 9th July, 2020

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED

IRM ENERGY PVT LTD

CONSOLIDATED CASH FLOW STATEMENT AS AT MARCH 31, 2020

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars		For the period ending	
		Mar- 2020	Mar- 2019
A. Cash flow from operating activities			
Net profit before tax and extraordinary items		31,32,99,803	12,54,79,668
Adjustment for:			
Interest Income		(46,93,141)	(35,89,913)
Interest and Finance Charges		9,66,58,586	5,73,35,732
Provision for Expenses		3,20,45,231	49,04,528
Provision for Income		(48,13,676)	(22,22,833)
Depreciation and Amortisation expense		9,18,05,715	3,52,18,470
Operating profit before working capital changes		**52,43,02,519**	**21,71,25,652**
(Increase)/Decrease in Other Assets		(7,04,66,162)	(86,42,325)
(Increase)/Decrease in Inventories		(42,84,850)	(20,69,634)
(Increase)/Decrease in Trade Receivable		(1,24,91,717)	(2,47,28,388)
Increase/(Decrease) in Trade Payables		2,49,33,479	3,36,83,817
Increase/(Decrease) in Financial Liabilities		2,80,82,789	3,91,82,587
Increase/(Decrease) in Other Liabilities		1,30,31,302	6,48,06,914
Cash generated from operation		**50,31,07,361**	**31,93,58,622**
Direct taxes paid (incl TDS)		(5,83,84,408)	(1,31,24,190)
Cash flow before extraordinary items		44,47,22,953	30,62,34,432
Net cash from operating activities	(a)	**44,47,22,953**	**30,62,34,432**
B. Cash flow from investing activities			
Interest Income		49,74,873	32,24,695
Long Term Investment		(15,00,000)	-
Purchase of Fixed Assets (incl. capital work in progress)		(75,90,45,917)	(86,52,07,483)
Net cash used in investing activities	(b)	**(75,55,71,044)**	**(86,19,82,788)**
C. Cash flow from financing activities			
Proceeds from equity shares issued		7,50,00,000	5,18,14,270
Proceeds from Banks Borrowings		31,73,76,220	50,20,64,354
Interest and Finance Cost		(9,00,33,429)	(7,47,39,250)
Lease cost		(84,17,156)	-
Stamp duty on issue of shares		(1,75,851)	-
Dividend (incl. Dividend Distribution tax)		(4,13,04,825)	(6,75,647)
Proceeds from preference shares issued		10,08,49,910	16,50,00,000
Net cash from financing activities	(c)	**35,32,94,869**	**64,34,63,727**
Net increase / (decrease) in cash and cash equivalents (a+b+c)		4,24,46,778	8,77,15,372
Cash and cash equivalents — opening balance		14,77,94,934	6,00,79,563
Cash and cash equivalents — closing balance		19,02,41,712	14,77,94,934

As per our report of even date

For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15. CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated: 9th July, 2020

For and on behalf of the Board

M. Sahu
Chairman

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Director

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Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED

IRM ENERGY PVT LTD

Consolidated Statement of changes in equity

(a) Equity Share Capital

Particulars	No. of Shares	INR
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at March 31, 2019	2,15,00,000	21,50,00,000
Add: Issued during the year	56,25,000	5,62,50,000
As at March 31, 2020	2,71,25,000	27,12,50,000

(b) Other equity

(Unless otherwise stated, all amounts are in Indian Rupees)

Particulars	Equity component of compound financial instruments	Reserves and Surplus			Other Comprehensive Income		Total
		General reserve	Securities Premium	Profit and Loss account	Remeasurement of defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 31 March 2019	**61,29,504**	**-**	**-**	**11,51,76,343**	**(93,207)**	**-**	**12,12,12,640**
Profit for the year	-	-	-	21,06,59,902	-	-	21,06,59,902
Equity Component of Preference Shares	16,73,40,974	-	-	-	-	-	16,73,40,974
Remeasurements of the defined benefit asset (net of tax)	-	-	-	-	(3,98,053)	-	(3,98,053)
Dividend Distribution Tax	-	-	-	(70,42,959)	-	-	(70,42,959)
Corporate Dividend	-	-	-	(3,42,61,866)	-	-	(3,42,61,866)
Stamp duty on issue of shares	-	-	(1,75,851)	-	-	-	(1,75,851)
Share Premium	-	-	1,87,50,000	-	-	-	1,87,50,000
Balance as at 31 March 2020	**17,34,70,478**	**-**	**1,85,74,149**	**28,45,31,420**	**(4,91,260)**	**-**	**47,60,84,787**

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15.

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated: 9th July, 2020

For and on behalf of the Board

M. Sahu
Chairman

Karan Kaushal
Manager

Shikha Jain
Company Secretary

Ahmedabad, Dated : 9th July, 2020

IRM ENERGY PRIVATE LIMITED ★

Vinod Jain
Director

Harshal Anjaria
CFO

IRM ENERGY PRIVATE LIMITED

Notes to the Consolidated Financial Statements

1. Company Information

IRM Energy Pvt. Ltd. was incorporated on 01st December, 2015 with the object, inter alia of undertaking or carry out the business of storage, supply, distribution & sale of natural gas & business relating to or incidental to the laying, operating, maintaining & expanding of the City Gas Distribution Networks. The Company is currently supplying natural gas in Banaskantha District in the State of Gujarat, Fatehgarh Sahib in the State of Punjab and at Diu and Gir Somnath Districts in the State of Gujarat as per the authorisation granted by Petroleum & Natural Gas Regulatory Board (PNGRB).

The Consolidated Financial Statements are presented in Indian Rupee (INR) which is also Functional Currency of the Company. The consolidated financial statements were authorised for issue by the Board of Directors on 9th July, 2020.

2. Basis of Preparation & Measurement

The Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The significant accounting policies that are used in the preparation of these financial statements are summarised below:

2.1 Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost convention & on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets & financial liabilities measured initially at fair value (refer accounting policy on financial Instruments);
- Defined benefit & other long-term employee benefits.

2.2 Current vs Non-Current Classification

The Company presents assets & liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is treated as current when:

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

All other liabilities are classified as non-current.

Deferred tax assets & liabilities are classified as non-current assets & liabilities.

The operating cycle is the time between the acquisition of assets for processing & their realisation in cash & cash equivalents.

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2.3 Principles of equity accounting for Consolidation

The Consolidated Financial Statement of IRM Energy Private Limited ('the Company') includes financial statements of IRM Energy Private Limited, Farm Gas Private Limited ("the Joint Control Entity") and Venuka Polymers Private Limited ('the Joint Control Entity"), in both of which the Company owns 50% paid up share capital, collectively referred to as 'the Group'.

The consolidated financial statements have been prepared on the following basis:

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet. Accordingly, the share of profit/ loss of each of the associate companies, joint venture (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

Equity accounting

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

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 31 below.

2.4 Use of estimates

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions & estimates are significant to these Consolidated Financial Statements are disclosed below.

The preparation of Consolidated Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates & assumptions that affect the reported amounts of assets & liabilities & disclosure of contingent liabilities as the date of the Consolidated Financial Statements & reported amounts of revenues & expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

When preparing the Consolidated Financial Statements, management undertakes a number of judgments', estimates & assumptions about the recognition & measurement of assets, liabilities, income & expenses. In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information. Judgements are based on the information available at the date of balance sheet.

(i) Income Taxes: Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant & equipment: Property, plant & equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life & the expected residual value at the end of its life. Management reviews the residual values, useful lives & methods of depreciation of property, plant & equipment at each reporting period end & any revision to these is recognised prospectively in current & future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Employee Benefits: Significant judgments are involved in making judgments about the life expectancy, discounting rate, salary increase, etc. Which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

(iv) Impairment of assets & investments: Significant judgment is involved in determining the estimated future cash flows ~~from the~~ investments, Property, Plant & Equipment

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& Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.

(v) Deferred Tax: Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

(vi) Recognition & measurement of unbilled gas sales revenues: In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date & reporting date has been accrued by the company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas & classified under current financial assets.

(vii) Recognition & measurement of other provisions: The recognition & measurement of other provisions are based on the assessment of the probability of an outflow of resources & on past experience & circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided & included as liability.

(viii) Leases: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.
The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

Impact of COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in Joint control entity. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these Consolidated Financial Statements has used internal and external sources of information including related information and economic forecasts. 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. The impact of COVID-19 on the Company's Consolidated Financial Statements may differ from that estimated as at the date of approval of these Consolidated Financial Statements.

2.5 Property, Plant & Equipment

(i) Property, Plant and Equipment are stated at cost of acquisition / construction less accumulated depreciation.

The Company capitalises to project assets all the cost directly attributable & ascertainable, to completing the project. These costs include expenditure of pipelines, plant & machinery, cost of laying of pipeline, cost of survey, commissioning & testing charge, detailed engineering & 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).

Subsequent expenditure related to an item of property, plant and Equipment is added to its book value only if it increases ~~the future~~ economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses incurred

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towards normal repairs and maintenance of the existing property, plant and Equipment (including cost of replacing parts) are charged to profit and loss for the period during which such expenses are incurred.

Interest on borrowings attributable to the acquisition / construction of Property, Plant and Equipment for the period of construction is added to the cost of Property, Plant and Equipment.

Preoperative expenses including trial run expenses (net of revenue) are capitalised.

Assets installed at customer premises, including meters & regulators where applicable, are recognised as property plant & equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management & followed consistently.

(ii) Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned & capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable & ascertainable expenditure, incidental & related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) & after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

Further, advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

The capitalisation rate of 8.14% is used to determine the amount of Borrowing cost that is capitalised to the qualifying asset.

Capital work in progress and current year fixed assets includes borrowing cost capitalised on qualifying assets amounting to Rs. 2,87,02,760 (31st March, 2019: Rs. 3,19,25,350)

(iii) <u>Depreciation is provided as follow:</u>

- Property, Plant and Equipment is depreciated over the permissible useful life specified in Schedule II pursuant to section 123(2) of the Companies Act, 2013 as per 'Straight line method", read with the following notes:
  - The Schedule specifies useful life of Pipelines as 30 years for those used in exploration, production & refining of oil & gas. The Company has considered the useful life of 25 yrs for the pipelines used in city gas distribution business.
  - City gas stations, skids, pressure regulating stations, meters & regulators, Compressors, Dispensers, Cascades are estimated to have useful life of 15 years based on technical assessment made by technical expert & management.
  - The management believes that these useful lives are realistic & reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful life.
  - For the purpose of calculating the depreciation, residual value for Tangible assets has been considered as 5% of the value of asset concerned.
- Depreciation on items of property, plant & equipment acquired / disposed-off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
- Depreciation on additions to Property, Plant and Equipment made during the period having cost of Rs. 5000 or less is provided @ 100% on pro rata basis with reference to the date of addition.

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- Gains & losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit & loss under Other Expenses/Income.

(iv) Useful life of assets are considered as mentioned in Companies Act, 2013 under Schedule II. However, useful life of the Right of Way (ROW) charges is considered as the period for which such charges are paid. In cases where the tenor of payment is not specified by the authorities, the useful life of such ROW charges is considered as 10 years. Cost incurred towards purchase of software is amortised on Straight line method over its useful life of 5 yrs as estimated by the management.

(v) Intangible Assets:

Intangible Assets includes amount paid towards obtaining Right of Way (ROW) permissions for laying the gas pipeline network & cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as & when incurred.

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 de-recognition of the intangible asset (calculated as the difference between the net disposal proceeds & the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

2.6 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets & liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gain/Loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets & liabilities are recognised in the Statement of Profit & Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

2.7 Revenue recognition

(i) Revenue is measured at fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company & no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods /services & regarding its collection. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction & the specifics of each arrangement.

Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial & non-commercial customers & fortnightly for industrial customers as the timing of the transfer of risks & rewards varies depending on the individual terms of the sales agreement. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets.

The amount recognised as revenue is stated inclusive of excise duty & exclusive of Sales Tax /Value Added Tax (VAT) & Goods & Service Tax & is net of trade discounts or quantity discounts.

Unbilled revenue is recognised as the related supply of natural gas are performed & revenue from the end of the last billing cycle to the Balance Sheet date.

The amounts collected towards connection charges from certain domestic customers are "Non-Refundable Charges". Accordingly, the same are recognized as revenue as & when the Company receives the amount from the customers.

The amounts collected from certain domestic customers which includes amount "refundable" in nature. Accordingly, the same are recognized as a liability under head

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"Deposit from Customers" in the balance sheet.

(ii) Interest income is recognised on time proportionate method (on accrual basis).

(iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.8 Borrowing Costs:

(i) The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(ii) Other borrowing costs are recognised as an expense in the year in which they are incurred, if any.

2.9 Impairment of Property, Plant & Equipment & Intangible Assets:

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset &/ or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset &/ or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

2.10 Inventories

Inventory of Gas (including gas inventory in pipeline & CNG cascades) is valued at lower of cost & net realizable value. Cost is determined on weighted average cost method.

Stores, spares & consumables and other inventory items (viz. CNG Kits, etc) are valued at lower of cost & net realizable value. Cost is determined on moving weighted average basis.

2.11 Accounting for Income Taxes

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) & deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income & taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

(i) 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 & liabilities attributable to temporary differences & 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, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance Taxes & provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid & income tax provision arising in the same tax jurisdiction for relevant tax paying units & where the Company is able to & intends to settle the asset & liability on a net basis.

(ii) Deferred Tax is provided in full on temporary difference arising between the tax bases of the assets & liabilities & their carrying amounts in Consolidated Financial Statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income & accounting income that originate in one period & are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses & the carry forward of unused tax credits.

Deferred Income Tax is determined using tax rates (& laws) that have been enacted or substantially enacted by the end of the reporting period & 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 & unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences & losses.

Deferred Tax Assets & Liabilities are offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority. Current tax assets & tax liabilities are offset where the Company has a legally enforceable right to offset & intends either to settle on a net basis, or to realise the asset & settle the liability simultaneously.

Current & 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 including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 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 & loss & shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date & 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 & are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2.12 Leases:

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a initial application date i.e. 1 April 2019. 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 an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of initial application of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on actual payment basis as and when incurred.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized that is equal to lease liabilities on the initial application date, that is arrived based on incremental borrowing rate on the initial application date. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the initial application date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. The lease payments are discounted

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using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever 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. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.13 Employee Benefits:

Liabilities for wages & salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting & are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(i) Defined Contribution Plan:

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes & deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Group does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plan:

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent Actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost in calculated by applying the discounting rate to the net balance of the defined benefit obligation & the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit & Loss. Re-measurements gains or losses arising from experience adjustments & changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" & are included in retained earnings in the statement of changes in equity & in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit & loss:

- Service costs comprising current service costs, past-service costs, gains & losses on curtailments & non-routine settlements;
- Net interest expense or income.

(iii) Long Term Employee Benefits:

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The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method.

Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

(iv) Refer note no. **30** below for disclosure.

2.14 Segment Reporting:

The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets & segment liabilities are reflected in the Consolidated Financial Statements themselves as at & for the financial year ended March 31, 2020.

2.15 Provisions, Contingent Liabilities & Contingent Assets:

Provision is recognised when the Company has a present obligation as a result of past events & it is probable that the outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statement.

Provisions & contingencies are reviewed at each balance sheet date & adjusted to reflect the correct management estimates.

2.16 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 accruals of past or future operating cash receipts or payments & item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing & financing activities of the Company are segregated.

2.17 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 & commitment affecting the financial position are disclosed in the Directors' Report.

2.18 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 & accordingly, disclosed in the notes accompanying to the Consolidated Financial Statements.

2.19 Dividends:

Final Dividend on shares is recorded as liability on the date of approval of the same by Shareholders & interim dividend are recorded as liability on the date on declaration by Company's board of Directors.

2.20 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split & reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders & the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.21 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 instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

a. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value (plus transaction costs attributable to the acquisition of the financial assets, in the case of financial assets are not recorded at fair value through profit or loss).

i. Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii. Business model assessment

The company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial Assets at amortised cost

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

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the 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 as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

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

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

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On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Consolidated Financial Statements.

Impairment of Investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- 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 (a) the company has transferred substantially all the risks and rewards of the asset, or (b) 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 recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes 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.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

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Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

b. Financial Liabilities

I. Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and in the case of amortised cost, net of directly attributable transaction costs.

II. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in the 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 the P&L. However, the Company may transfer the cumulative gain or loss within equity. All the other changes in fair value of such liability are recognised in the statement of profit or loss.

III. Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

c. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially

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different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income. The gain / loss is recognised in other equity in case of transaction with shareholders.

Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method. The company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

The Company has computed the Equity component of the Preference Shares considering the terms of the RPS to be non-cumulative and further modified the estimates of future cash flows.

2.22 Recent Indian Accounting Standards (Ind AS):

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.23 Fair Value Measurements:

These Consolidated Financial Statements are prepared under the historical cost convention, except certain financial assets & liabilities measured at fair value (refer accounting policy on financial instruments) as per relevant applicable Ind AS.

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 in the principal market for the asset or liability, or 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 to 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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest & best use or by selling it to another market participant that would use the asset in its highest & best use.

The Company uses valuation techniques that are appropriate in the circumstances & for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs & minimising the use of unobservable inputs. All assets & liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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For assets & liabilities that are recognised in the Consolidated 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.

As at 31 March 2020	Financial Instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	15,00,000	15,00,000	-	-	15,00,000	15,00,000
Trade receivables	-	-	4,21,53,585	4,21,53,585	-	-	4,21,53,585	4,21,53,585
Cash & cash equivalents	-	-	10,26,62,324	10,26,97,182	-	-	10,26,62,324	10,26,97,182
Other Bank Balances	-	-	8,75,44,530	8,75,44,530	-	-	8,75,44,530	8,75,44,530
Other financial assets	-	-	2,67,05,548	2,67,05,548	-	-	2,67,05,548	2,67,05,548
Total financial assets	-	-	**26,06,00,845**	**26,06,00,845**	-	-	**26,06,00,845**	**26,06,00,845**
Financial liabilities								
Borrowings	-	-	1,44,92,48,597	1,44,92,48,597	-	-	1,44,92,48,597	1,44,92,48,597
Trade payables	-	-	7,20,95,744	7,20,95,744	-	-	7,20,95,744	7,20,95,744
Other financial liabilities	-	-	29,04,68,079	29,04,68,079	-	-	29,04,68,079	29,04,68,079
Total financial liabilities	-	-	**1,79,98,97,151**	**1,81,18,12,420**	-	-	**1,81,18,12,420**	**1,81,18,12,420**

As at 31 March 2019	Financial Instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	-	-	-	-	-	-
Trade receivables	-	-	2,96,61,868	2,96,61,868	-	-	2,96,61,868	2,96,61,868
Cash & cash equivalents	-	-	7,33,26,905	7,33,26,905	-	-	7,33,26,905	7,33,26,905
Other Bank Balances	-	-	7,44,68,030	7,44,68,030	-	-	7,44,68,030	7,44,68,030
Other financial assets	-	-	2,05,78,921	2,05,78,921	-	-	2,05,78,921	2,05,78,921
Total financial assets	-	-	**19,80,35,725**	**19,80,35,725**	-	-	**19,80,35,725**	**19,80,35,725**
Financial liabilities								
Borrowings	-	-	1,18,65,17,189	1,18,65,17,189	-	-	1,18,65,17,189	1,18,65,17,189
Trade payables	-	-	4,71,62,265	4,71,62,265	-	-	4,71,62,265	4,71,62,265
Other financial liabilities	-	-	19,82,17,075	19,82,17,075	-	-	19,82,17,075	19,82,17,075
Total financial liabilities	-	-	**1,43,18,96,529**	**1,43,18,96,529**	-	-	**1,43,18,96,529**	**1,43,18,96,529**

2.24 The previous year numbers have been reclassified wherever necessary. Unless otherwise stated, all amounts are in Indian Rupees.

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Note 3.1

Property, Plant and Equipment (PPE) as at March 31, 2020

Particulars	Gross Block					Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Reclassified pursuant to adoption of Ind AS 116 (Refer note 3.4)	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2020	
Freehold Land	19,85,285	1,55,94,537	-	-	1,75,79,822	-	-	-	-	1,75,79,822
Leasehold land	2,25,79,216	-	-	2,25,79,216	-	-	-	-	-	-
Buildings	8,95,19,616	4,38,98,739	-	-	13,34,18,355	15,85,236	40,98,201	-	56,83,437	12,77,34,918
Plant and Machinery	1,25,74,21,696	57,36,10,096	-	-	1,83,10,31,793	3,49,19,772	7,27,79,194	-	10,76,98,966	1,72,33,32,826
Computers and laptops	32,86,488	23,47,076	-	-	56,33,564	13,01,441	13,98,421	-	26,99,862	29,33,702
Furnitures & Fixtures	48,86,700	32,43,531	-	-	81,30,231	4,99,221	6,39,351	-	11,38,573	69,91,659
Vehicles	58,800	-	-	-	58,800	19,589	11,203	-	30,792	28,008
Office Equipments	29,02,697	1,10,19,673	-	-	1,39,22,370	5,32,627	18,09,944	-	23,42,571	1,15,79,798
Grand Total	**1,38,26,40,498**	**64,97,13,652**	-	**2,25,79,216**	**2,00,97,74,935**	**3,88,57,886**	**8,07,36,315**	-	**11,95,94,201**	**1,89,01,80,733**

Property, Plant and Equipment (PPE) as at March 31, 2019

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2019
	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2019	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2019	
Freehold Land	-	19,85,285	-	19,85,285	-	-	-	-	19,85,285
Leasehold land	2,19,19,440	6,59,776	-	2,25,79,216	4,23,428	2,28,141	-	6,51,569	2,19,27,647
Buildings	2,72,66,970	6,22,52,646	-	8,95,19,616	68,603	15,16,632	-	15,85,236	8,79,34,380
Plant and Machinery	32,54,29,929	93,19,91,767	-	1,25,74,21,696	54,62,044	2,94,57,728	-	3,49,19,772	1,22,25,01,924
Computers and laptops	23,60,691	9,25,797	-	32,86,488	4,27,716	8,73,725	-	13,01,441	19,85,047
Furnitures & Fixtures	42,04,398	6,82,302	-	48,86,700	48,940	4,50,282	-	4,99,221	43,87,479
Vehicles	58,800	-	-	58,800	8,417	11,172	-	19,589	39,211
Office Equipments	12,49,176	16,53,521	-	29,02,697	1,43,366	3,89,261	-	5,32,627	23,70,069
Sub-Total (a)	**38,24,89,404**	**1,00,01,51,094**	-	**1,38,26,40,498**	**65,82,513**	**3,29,26,941**	-	**3,95,09,455**	**1,34,31,31,044**

Note 3.2

Capital work in progress

Particulars	Closing Balance as of 31.03.2020	Closing Balance as of 31.03.2019
Capital Work-In-Progress (project under construction)	28,95,96,325	16,01,11,844
Grand Total	**28,95,96,325**	**16,01,11,844**

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Note 3.3

Intangible assets as at March 31, 2020

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2020	
Softwares	24,85,508	34,30,776	-	59,16,284	4,89,252	6,32,720	-	11,21,971	47,94,313
Right of Way charges	1,81,45,881	65,38,500	-	2,46,84,381	22,39,083	31,25,606	-	53,64,689	1,93,19,692
Grand Total	**2,06,31,389**	**99,69,276**	-	**3,06,00,665**	**27,28,335**	**37,58,326**	-	**64,86,661**	**2,41,14,004**

Intangible assets as at March 31, 2019

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2019
	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2019	Opening Balance as of 01.04.2018	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2019	
Softwares	19,57,458	5,28,050	-	24,85,508	54,955	4,34,297	-	4,89,252	19,96,256
Right of Way charges	46,02,855	1,35,43,026	-	1,81,45,881	3,81,851	18,57,232	-	22,39,083	1,59,06,798
Grand Total	**65,60,313**	**1,40,71,076**	-	**2,06,31,389**	**4,36,806**	**22,91,529**	-	**27,28,335**	**1,79,03,054**

Note 3.4 Leases

Company as a lessee

Operating Lease

On transition, the lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. Right to use assets are initially recognized that is equal to lease liabilities on the initial application date. Accordingly, a right-of-use asset of Rs. 3,79,70,587/- and a corresponding lease liability of Rs. 3,79,70,587/- has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

Finance Lease

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Accordingly, an amount of Rs. 2,25,79,216/- has been reclassified from property, plant and equipment to right-of-use assets

The details of the right-of-use asset held by the Company is as follows:

Particulars	Gross Block					Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments/ Transfer	Reclassified pursuant to adoption of IndAS 116	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments	Closing Balance as of 31.03.2020	
Right to Use										
- for Land	3,01,23,850	81,53,694	-	2,25,79,216	6,08,56,760	6,51,569	43,88,174	-	50,39,743	5,58,17,017
- for Building	78,46,737	19,93,128	-	-	98,39,865		29,22,900		29,22,900	69,16,965
Grand Total	**3,79,70,587**	**1,01,46,822**	-	**2,25,79,216**	**7,06,96,625**	**6,51,569**	**73,11,074**	-	**79,62,643**	**6,27,33,982**

Interest on lease liabilities is Rs. 38,66,593/- for the year ended March 31, 2020.

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Accompanying notes to the financial statements

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Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
4	**Non Current Investments**		
	Unquoted Investment (at fully paid up)		
	Investment in Equity Instruments of Joint Control Entity (measured at cost)		
	- 1,00,000 Equity Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2019: Nil)	8,73,656	-
	- 50,000 Equity Shares of Rs. 10 each fully paid of Venuka Polymers Private limited (31st March, 2019: Nil)	3,67,242	-
	(Refer note 2.3 and 36)		
		12,40,897	**-**
5	**Other financial asset- Non-current**		
	Security Deposit		
	To Related Parties [Unsecured, considered good]	4,38,600	4,38,600
	To Others [Unsecured, considered good]	1,20,57,059	35,27,440
	Less: Allowance for bad and doubtful	-	-
		1,24,95,659	**39,66,040**
6	**Other non- current assets**		
	Capital advances [Unsecured, considered good]	-	3,22,60,497
	Unamortised expenses - Borrowing Cost under EIR	2,03,98,616	2,43,53,115
	Advance payment of income tax	6,98,04,766	1,31,74,831
	Prepaid Expenses	4,47,29,307	41,63,287
		13,49,32,689	**7,39,51,729**
7	**Current tax assets (net)**		
	Current tax assets	-	**2,44,35,976**
	MAT Credit Entitlement	-	2,44,35,976
	Current Tax Liabilities	**7,38,52,112**	**1,42,34,591**
	Deferred tax liabilities (Net)	7,38,52,112	1,42,34,591
	(Refer note 35)		
		7,38,52,112	**1,02,01,385**
8	**Inventories**		
	Natural Gas	18,68,615	13,73,032
	Spares and Consumables	49,76,111	12,91,305
	CNG Kits	1,04,460	-
	(For Valuation- Refer note 2.10)		
		69,49,186	**26,64,336**
9	**Current financial assets : Trade receivables**		
	Secured, considered good (secured against security deposits))	2,73,89,409	1,12,96,406
	Unsecured, considered good (Others)	1,47,64,176	1,83,65,462
	Less: Allowance for Bad and Doubtful	-	-
		4,21,53,585	**2,96,61,868**
10	**Current financial assets**		
10A	**Cash and cash equivalents**		
	(a) Balance with banks		
	Balance in Current Accounts	10,25,65,925	7,25,64,345
	(b) Cash on hand	1,36,767	7,62,560
10B	**Bank balances other than above**		
	(a) Margin Money deposits under lien against Bank Guarantee and/or Stand By Letter of Credit (SBLC)*	8,75,44,530	7,44,68,030
	*The Company has issued Bank Guarantees and Stand-By Letter of Credit(SBLC) to various Govt. Agencies and other Suppliers during normal course of business. Such Bank Guarantees and SBLC have been issued against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of between 6 months to 12 months.		
		19,02,47,222	**14,77,94,935**

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Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
11	**Current financial assets : Others**		
	Unbilled Revenue	48,13,676	22,22,833
	Interest Receivable	47,256	1,06,420
	Deposit - Current	90,77,138	1,20,93,862
	Imprest amount with Employees	2,71,819	1,36,484
		1,42,09,889	**1,45,59,600**
12	**Other current assets**		
	Advance to Suppliers	38,29,317	14,38,113
	Prepaid Expenses	1,92,70,460	6,15,168
		2,30,99,777	**20,53,281**
13	**Share capital**		
	Authorised :		
	2,90,00,000 Equity Shares of Rs.10/- Each	29,00,00,000	29,00,00,000
	4,60,00,000 Preference Shares of Rs.10/- Each	46,00,00,000	46,00,00,000
		75,00,00,000	75,00,00,000
	Issued, Subscribed and Fully Paid-up Equity Shares :		
	Equity shares 2,71,25,000 [as at March 31, 2019: 2,15,00,000], Equity Shares of Rs.10/- each	27,12,50,000	21,50,00,000
	Preference shares 10% Redeemable Preference Shares 3,15,84,991 [as at March 31, 2019: 2,15,00,000] shares of Rs. 10/- each	-	-
		27,12,50,000	21,50,00,000

A **Details of Shareholders holding more than 5% of outstanding Shares as at March 31, 2020 is as under:**

I) **Equity Shares**

Name	No. of shares	% of Holding
Cadila Pharmaceuticals Ltd	1,38,33,750	51.00%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	51,53,749	19.00%
Enertech Distribution Management Pvt. Ltd.	81,37,501	30.00%

II) **10% Non Cumulative Reedemable Preference Shares**

Name	No. of shares	% of Holding
Cadila Pharmaceuticals Ltd	3,15,84,991	100%

B **Terms and conditions:**

(i) Equity Shares:

a **Voting rights:**
The company has only one class of equity shares having par value of Rs. 10 per share. Equity shareholders are entitled to one vote per share held.

b **Dividend:**
The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

(ii) Redeemable Non- Cumulative Preference Shares (RPS):

a **Redemption terms:**
The preference shares carries redemption period between 5 years to 10 years from the date of issuance.

b **Dividend:**
The Company has declared coupon dividend of Rs. 2,45,87,500 on 20th November, 2019 and Rs. 69,97,491 on 20th March, 2020 on the outstanding preference shares.

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

Equity Shares of Rs. 10 each

Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
Shares outstanding at the beginning of the period	2,15,00,000	1,63,18,573
Add: Shares issued during the period	56,25,000	51,81,427
Shares outstanding at the end of the period	2,71,25,000	**2,15,00,000**

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IRM ENERGY PRIVATE LIMITED

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Accompanying notes to the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Non Cumulative Reedemable Preference Shares of Rs. 10 each		
	Particulars	**As at 31st March, 2020 (Audited)**	**As at 31st March, 2019 (Audited)**
	Shares outstanding at the beginning of the period	2,15,00,000	50,00,000
	Add: Shares issued during the period	1,00,84,991	1,65,00,000
	Shares outstanding at the end of the period	**3,15,84,991**	**2,15,00,000**
14	**Reserves and surplus**		
	A. Statement of profit and loss		
	Opening balance	11,51,76,343	21,67,000
	Add: Transfer from statement of profit and loss	21,06,59,902	11,32,87,729
	Less: Items routed through SOCIE	4,13,04,825	2,78,387
	Closing balance	**28,45,31,420**	**11,51,76,343**
	B. Equity Component of Preference Shares		
	i) OCCPS (Optionally Convertible Cumulative Preference Shares)		
	Opening	2,31,601	2,31,601
	Amount reclassified as Equity on conversion of OCCPS to Equity Shares	-	-
	Equity Component- 9% Optionally Convertible Cumulative Preference Shares of Rs. 10/- Each*	-	-
	* The difference between the fair value of OCCPS shares on the date of issue / modification and the transaction price is recognised as a deemed equity component by the promoters. Estimation of fair value - For computation of the fair value benefit, the company has estimated the fair value of the financial liability on the date of issue / modification by considering comparable market interest rates adjusted to the facts and circumstances relevant to the company.		
	Closing Balance	**2,31,601**	**2,31,601**
	ii) Non Cumulative Reedemable Preference Shares		
	Opening	58,97,903	9,35,715
	Equity Component of non-cumulative redeemable preference shares (refer note 2.2(c))	16,73,40,974	49,62,188
	Closing Balance	**17,32,38,877**	**58,97,903**
	Closing balance (i+ii)	**17,34,70,478**	**61,29,504**
	C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect		
	Opening	(93,207)	(9,91,900)
	Remeasurement of the net defined benefit liability/asset, net of tax effect*	(3,98,053)	8,98,693
	Closing balance	**(4,91,260)**	**(93,207)**
	*Remeasurement of defined benefit plans represents acturial gain and losses and returns on plan assets (excluding intetest income).		
	D. Securities Premium		
	Opening Balance	-	-
	Addition during the year	1,87,50,000	-
	Less: Stamp duty expense on shares	(1,75,851)	-
	Closing Balance	**1,85,74,149**	-
	Total Reserves	**47,60,84,787**	**12,12,12,640**
15	**Non- current financial liabilities : Borrowings**		
	Secured (carried at amortized cost)$		
	Rupee Term loans from banks#	1,29,43,39,479	97,69,63,259
	Unsecured		
	Preference shares		
	liability component 10% Non cumulative Redeemable Preference Shares of Rs. 10/- each	15,49,09,118	20,95,53,930
		1,44,92,48,597	**1,18,65,17,189**

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Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
#	Details of Secured loans		
	From Banks		
	Particulars		
	Rupee Term loan: For project of City Gas Distribution of Banaskantha and Fatehgarh Sahib District (consortium of banks: Corporation Bank, Oriental Bank of Commerce, United Bank of India and Vijaya Bank)		
	Rupee Term loan: For project of City Gas Distribution of Diu and Gir Somnath District (consortium of banks: Bank of Baroda, Oriental Bank of Commerce, United Bank of India and Corporation Bank)		
$	The details of security given for all loans are as under :		
	The Rupee Term Loan is secured by First pari - passu charge on (a) the fixed assets (moveable, immovable and intangible assets) of the Borrower, both present and future, with respect to the relevant project (b) the Trust and Retention Account except DSRA (c) the DSRA created to meet the debt service requirements for the ensuing three months principal and interest payment due to the Lenders, on exclusive basis and (d) the current assets of the Borrower, both present and future.		
	There are no defaults in repayment of loan and interest thereon as on March 31, 2020 for all the loans under this head.		
	For security details on bank financing (working capital and PBG), refer note 35 and 36.		
16	**Current financial liabilities : Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises:-		
	Trade payables - Others (Refer note 37)	2,42,03,603	1,40,79,724
	Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
	Trade payables - Gas Purchase / Transmission	2,14,08,681	2,26,42,384
	Trade payables - Related parties	1,21,63,529	6,24,530
	Trade payables - Others	1,43,25,440	98,15,626
		7,21,01,253	**4,71,62,265**
17	**Other financial liabilities**		
	Non-Current		
	Customer Security Deposit	7,82,24,646	5,01,41,857
	Lease Liabilities	4,35,66,846	-
		12,17,91,492	**5,01,41,857**
	Current		
	Creditors for Capital Goods	13,67,78,787	12,30,33,408
	Dividend Liability- Current	-	1,73,97,260
	Others payable	3,18,97,800	76,44,550
		16,86,76,587	**14,80,75,218**
18	**Provisions**		
	Non-Current		
	Provision for Employee Benefits	39,52,373	18,81,704
		39,52,373	**18,81,704**
	Current		
	Provision for Employee Benefits	41,957	24,908
		41,957	**24,908**
19	**Current liabilities : Others**		
	Statutory dues payable	1,64,12,520	1,42,39,144
		1,64,12,520	**1,42,39,144**

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Accompanying notes to the Consolidated Financial Statements

(Unless otherwise stated, all amounts are in Indian Rupees)

Note No.	Particulars	For the year ending March 31, 2020	For the year ending March 31, 2019
20	**Revenue from Operations**		
	Sale of Goods		
	CNG Sales (Gross of Taxes)	1,47,37,94,634	78,17,27,593
	PNG Sales	17,06,32,714	4,90,58,777
	Sale of Services		
	Connection Income	1,05,41,536	46,58,555
	Other Operating Revenues	16,01,351	30,60,357
		1,65,65,70,235	83,85,05,282
21	**Other Non-operating Income**		
	Interest Income	46,93,141	35,89,913
		46,93,141	35,89,913
22	**Cost of Natural Gas and other Operating Cost**		
	Natural Gas	67,76,03,134	35,05,45,068
	HCV Transportation Cost	8,71,95,830	5,16,22,584
	CNG Station Electricity Cost	4,46,19,543	2,51,35,036
	CNG Station Rent	-	16,25,914
	CNG Kits	1,04,460	-
	O&M Spares and Consumables	12,56,010	37,10,292
	O&M Cost	5,20,44,936	2,25,44,911
		86,28,23,913	45,51,83,804
23	**Changes in Inventories of Natural Gas**		
	Changes in Inventories of finished goods, stock in trade and work in progress - Natural Gas		
	Inventory at the beginning of the year	13,73,032	1,52,040
	Less: Inventory at the end of the year	18,68,615	13,73,032
		(4,95,583)	(12,20,992)
24	**Employee Benefits Expense**		
	Salaries, wages and bonus	3,39,55,422	1,50,58,386
	Company's contribution to provident & other funds	13,53,996	8,04,314
	Leave Encashment and Gratuity (Refer note 30)	16,63,960	19,31,555
	Staff welfare expenses	16,12,245	3,99,665
		3,85,85,623	1,81,93,920
25	**Other Expenses**		
	Advertisement and Marketing Expenses	44,12,597	51,22,628
	Statutory Audit Fees	8,85,000	8,26,000
	Business Promotion Expenses	24,94,378	16,66,253
	Corporate Social Responsibility Expense (refer note 39)	21,72,550	-
	Director's Sitting Fees	22,40,000	25,20,000
	Foreign Exchange Fluctuation	-	420
	Insurance Cost	30,44,334	15,80,859
	Legal and Professional Charges	2,38,40,452	66,63,656
	Managerial Remuneration	45,98,023	-
	Rent	11,07,758	47,50,388
	Stamp Duty Expense	42,15,105	48,65,404
	Security Expense	41,47,969	32,18,516
	Tender Fees	5,62,360	1,41,02,534
	Other Expenses	2,38,72,470	1,05,86,014
		7,75,92,996	5,59,02,671
26	**Finance Costs**		
	Bank Charges	2,91,709	3,30,472
	Other Finance Charges	1,46,31,471	49,05,307
	Interest Cost	7,56,51,001	5,02,63,407
	Unwinding of Interest Cost- Security Deposit	11,30,797	-
	Unwinding of Interest Cost- Lease	38,66,593	-
	Amortisation of Transaction cost of borrowings	10,87,015	18,36,547
		9,66,58,586	5,73,35,732
27	**Depreciation and Amortisation expense**		
	Depreciation of tangible assets (refer note 3.1)	8,07,36,315	3,29,26,941
	Amortisation of intangible assets (refer note 3.3)	1,10,69,400	22,91,529
		9,18,05,715	3,52,18,470
28	**Tax Expense**		
	Current Tax	4,26,03,832	2,44,35,976
	Less: MAT Credit Entitlement	-	(2,44,35,976)
	Deferred Tax	5,96,17,521	1,21,91,939
		10,22,21,353	1,21,91,939

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29. Financial risk management:

The Companies activities expose it to credit risk, liquidity risk & market risk. This note explains the sources of risk which the entity is exposed to & how the entity manages the risk & the related impact in the Consolidated Financial Statements. The Companies risk management is done in close co-ordination with the board of directors & focuses on actively securing the Companies short, medium & long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

(i) Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits & other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, & analysis of historical bad debts & ageing of accounts receivable. Individual limits are set accordingly.

The Company trades with recognized & credit worthy third parties. It is the Companies policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Companies exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups & assessed for impairment collectively. The calculation is based on exchange losses historical data. Also, the Company does not enter into sales transaction with customers having credit loss history.

There are no significant credit risks with related parties of the Company. Adequate expected credit losses are recognized as per the assessments.

The history of trade receivables shows no allowance for bad & doubtful debts.

Ageing of Trade Receivables	Days			TOTAL
	0-180	180-365	Above 365	
As at 31 March 2020	4,21,53,585	-	-	**4,21,53,585**
As at 31 March 2019	2,96,61,868	-	-	**2,96,61,868**

(ii) Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables & other financial liabilities.

The Company's principle sources of liquidity are cash & cash equivalents & the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position & maintains adequate source of funding.

(iii) Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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As at 31st March, 2020	On demand	6 mths or less	6 – 12 mths	1-2 yrs	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	-	-	-	5,02,45,619	32,79,19,010	91,61,74,850
Redeemable preference shares	-	-	-	3,73,32,820	-	11,75,76,298
Trade payables	-	7,20,95,744	-	-	-	-
Other Current Liabilities	-	1,64,12,520	-	-	-	-
Other financial liabilities	-	15,86,76,587	1,48,07,681	37,75,571	52,65,380	10,79,42,860
TOTAL	-	**24,71,84,851**	**1,48,07,681**	**9,13,54,010**	**33,31,84,390**	**1,14,16,94,008**
GRAND TOTAL	**1,82,82,24,940**					

As at 31st March, 2019	On demand	6 mths or less	6 – 12 mths	1-2 yrs	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	-	-	-	-	18,07,33,845	79,62,29,414
Redeemable preference shares	-	-	-	-	4,90,64,285	16,04,89,645
Trade payables	-	4,71,62,265	-	-	-	-
Other Current Liabilities	-	1,42,39,144	-	-	-	-
Other financial liabilities	-	13,06,77,958	-	-	1,73,97,260	5,01,41,857
TOTAL	-	**19,20,79,367**	-	-	**24,71,95,390**	**1,00,68,60,916**
GRAND TOTAL	**1,44,61,35,673**					

(iv) Market risk:

Market risk is the risk that changes in market prices— such as foreign exchange rates, interest rates & equity prices — will affect the Companies income or the value of its holdings of financial instruments.

(v) Foreign exchange risk:

The Company is not directly exposed to foreign exchange risk as no direct foreign currency transactions are entered into.

(vi) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Companies exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates.

The Companies investments in fixed deposits are at fixed interest rates.

The exposure of the Companies borrowing to interest rate changes at the end of the reporting period are as follows:

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Particulars		As at 31st March, 2020	As at 31st March, 2019
Variable rate instruments			
Financial Assets		2,67,05,548	1,85,25,640
Financial Liabilities		1,29,43,39,479	99,43,60,518
Fixed Rate instruments			
Financial Assets		-	-
Financial Liabilities		14,30,32,997	20,95,53,930
Interest rate variation	Change	Impact	Impact
Scenario-1	(+) 0.50%	63,38,170	47,92,188
Scenario-2	(-) 0.50%	(63,38,170)	(47,92,188)

30. Employee Benefits:

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, incentives & allowances, short terms compensated absences, etc., & the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

(ii) Long term employee benefits

(a) Gratuity (Unfunded):

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Table Showing Change in the Present Value of Projected Benefit Obligation:		
Present Value of Benefit Obligation at the Beginning of the Period	9,52,782	4,24,086
Interest Cost	74,126	33,333
Current Service Cost	542,174	3,69,408
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-

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Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	327,002	13,793
Actuarial (Gains)/Losses on Obligations - Due to Experience	230,495	1,12,162
Present Value of Benefit Obligation at the End of the Period	21,26,579	9,52,782
Table Showing Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet:		
(Present Value of Benefit Obligation at the end of the Period)	(21,26,579)	(9,52,782)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(21,26,579)	(9,52,782)
Net (Liability)/Asset Recognized in the Balance Sheet	(21,26,579)	(9,52,782)
Expenses Recognized in the Statement of Profit or Loss for Current Period:		
Current Service Cost	5,42,174	3,69,408
Net Interest Cost	74,126	33,333
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	6,16,300	4,02,741
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:		
Actuarial (Gains)/Losses on Obligation For the Period	5,57,497	1,25,955
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	5,57,497	1,25,955
Balance Sheet Reconciliation:		
Opening Net Liability	9,52,782	4,24,086
Expenses Recognized in Statement of Profit or Loss	6,16,300	4,02,741
Expenses Recognized in OCI	5,57,497	1,25,955
Net Liability/(Asset) Transfer In	-	-

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Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	21,26,579	9,52,782
Assumptions:		
No of Active Members	69	48
Per Month Salary For Active Members	16,20,661	11,75,737
Weighted Average Duration of the Projected Benefit Obligation	21	21
Average Expected Future Service	23	22
Projected Benefit Obligation (PBO)	21,26,579	9,52,782
Rate of Discounting	6.87%	7.78%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Prescribed Contribution For Next Year (12 Months)	-	-
Maturity Analysis of the Benefit Payments: From the Employer:		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	2,948	1,545
2nd Following Year	25,604	1,713
3rd Following Year	36,451	16,325
4th Following Year	45,948	24,604
5th Following Year	56,523	30,304
Sum of Years 6 To 10	333,071	178,398
Sum of Years 11 & above	89,98,750	48,09,363
Sensitivity Analysis:		
Projected Benefit Obligation on Current Assumptions	21,26,579	9,52,782
Delta Effect of +1% Change in Rate of Discounting	(3,55,778)	(1,55,780)
Delta Effect of -1% Change in Rate of Discounting	4,49,748	1,95,582
Delta Effect of +1% Change in Rate of Salary Increase	4,44,463	1,95,136
Delta Effect of -1% Change in Rate of Salary Increase	(3,58,375)	(1,58,111)
Delta Effect of +1% Change in Rate of Employee Turnover	(46,860)	(11,704)
Delta Effect of -1% Change in Rate of Employee Turnover	48,664	9,203

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

(b) Leave Encashment (unfunded):

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Table Showing Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the Period	9,53,830	4,36,820
Interest Cost	74,208	34,334
Current Service Cost	3,57,387	2,47,907
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(1,33,740)	(25,090)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	2,74,643	13,233
Actuarial (Gains)/Losses on Obligations - Due to Experience	3,41,422	2,46,626
Present Value of Benefit Obligation at the End of the Period	18,67,750	9,53,830
Change in the fair value of plan assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-

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Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(18,67,750)	(9,53,830)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(18,67,750)	(9,53,830)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(18,67,750)	(9,53,830)
Expenses / [Incomes] recognised in the Statement of Profit & Loss:		
Current Service Cost	3,57,387	2,47,907
Net Interest Cost	74,208	34,334
Actuarial (Gains)/Losses	6,16,065	2,59,859
Past Service Cost - Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost - Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	10,47,660	542,100
Balance Sheet Reconciliation:		
Opening Net Liability	9,53,830	4,36,820
Expense Recognized in Statement of Profit or Loss	10,47,660	5,42,100
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	(1,33,740)	(25,090)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	18,67,750	9,53,830
Principal actuarial assumptions as at Balance sheet date:		
Expected Return on Plan Assets	-	-
Rate of Discounting #	6.87%	7.78%
Rate of Salary Increase $	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
No of Active Members	69	49
Per Month Salary For Active Members	16,20,661	11,85,237
Projected Benefit Obligation (PBO)	18,67,750	9,53,830
Prescribed Contribution For Next Year (12 Months)	-	-

#The rate of discount is considered based on market yield on Government Bonds having currency & terms in consistence with the currency & terms of the post-employment benefit obligations.

$ The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.

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31. Capital Management:

The company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders & benefits for other stakeholders, & maintain an optimal structure to reduce the cost of capital.

Net Debt = Total term loan borrowings less cash & cash equivalents including current investments

Total 'equity' means share capital issued (Equity Shares & Preference Shares) & accumulated reserves.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total borrowings	1,29,43,39,479	97,69,63,259
Less: cash & cash equivalents & Balance with Banks	19,02,06,854	14,77,94,935
Net debt	1,10,41,32,625	82,91,68,324
Total equity	89,58,60,633	54,50,83,136
Net Debt to Equity Ratio	1.23	1.52

Loan Covenants:

Under the terms of the major borrowing facilities, the Company is required to comply any 2 of the following financial covenants failing which penal interest as prescribed in the facility agreement shall apply. The Financial Covenants shall be tested at the end of each Fiscal Year based on the certification of the Auditor.

a) Gross DSCR- 1.10
b) Interest Coverage ratio- 1.25
c) FACR = (Net Property, Plant and Equipment/ Loan Outstanding)- 1.25

The first testing of financial covenants will be done for the first full operational year post the commencement of commercial operations of the Project, i.e. based on audited financials for Fiscal Year ending March 31, 2023.

Impact of COVID-19 (Global pandemic)

The Company basis their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic. The Company continues to believe that there is no impact on effectiveness of its hedges.

32. Summarised financial information for joint ventures

The following table summarises the financial information of Farm Gas Private Limited and Venuka Polymers Private Limited as included in its own separate financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies, if any. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in both the entities.

Particulars	Farm Gas Private Limited	Venuka Polymers Pvt Ltd
Year	#2019-20	$2019-20
Country of Incorporation	India	India
% of ownership interest	50%	50%
Current Assets	19,47,563	10,42,851
Non Current Assets	33,68,805	11,51,503
Current Liabilities	(35,69,057)	(14,59,871)
Non Current Liabilities	-	-

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Net assets (100%)	17,47,311	7,34,483
Company's share of net assets	8,73,655.50	3,67,241.50
Carrying amount of interest in joint venture	**8,73,655.50**	**3,67,241.50**
Revenue	-	-
Depreciation and Amortization	-	-
Interest Income	-	-
Interest Expense	-	-
Income Tax Expense	-	-
Profit/(loss) from continuing operations	**(2,00,569)**	**(2,14,397)**
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Company's share of profit/ (loss) from continuing	**1,00,284.50**	**107,198.50**
Company's share of other comprehensive income	-	-
Company's share of total comprehensive income	-	-
Dividends received by the Company	-	-

The Company has consolidated the financial results of Farm Gas Private Limited for the year ended 31st March, 2020 on proportionate basis from the date of incorporation i.e. 9th December 2019 till 31 March 2020.

$ The Company has consolidated the financial results of Venuka Polymers Private Limited for the year ended 31st March, 2020 on proportionate basis from the date of incorporation i.e. 19th December 2019 till 31 March 2020.

33. Related Party Disclosures:

(a) Name of the Related party & Nature of the Related Party Relationship:

Sr. No.	Nature	Name of the Person/Entity
i.	Holding Company	(i) Cadila Pharmaceuticals Ltd
ii.	Joint Control entities	(i) Farm Gas Private Limited (ii) Venuka Polymers Private Limited
iii.	Associate Enterprise	(i) Enertech Distribution Management Pvt Ltd (ii) Enertech Fuel Solutions Pvt Ltd
iv.	Fellow Subsidiary Company	(i) Casil Health Products Limited
v.	Enterprises Significantly Influenced by Directors or their relatives or Key Management Personnel	(i) IRM Pvt Ltd (ii) Sanguine Management Services Pvt Ltd (iii) IRM Trust (iv) Mauktika Ventures LLP (v) Shree Saraswati Education Sansthan (Indrashil University)
vi.	Key Management Personnel	(i) Mr. Maheswar Sahu (Chairman) (ii) Dr. Rajiv I. Modi (Director) (iii) Mr. Amitabha Banerjee (Director) (iv) Mr. Vinod Jain (Director) (v) Mr. Badri Mahapatra (Director) (vi) Mr. Karan Kaushal (Manager) (vii) Mr. Harshal Anjaria (CFO) (viii) Ms. Shikha Jain (CS)

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(b) Transactions with related parties (Amt. in Rs.):

Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2019-20	For the year 2018-19
i.	For Goods Procured/Services Availed	Cadila Pharmaceuticals Ltd	1,43,64,191	5,72,018
		IRM Trust	31,05,288	31,05,288
		Venuka Polymers Pvt Ltd	(14,400)	-
		Sanguine Management Services Pvt Ltd	23,60,000	23,60,000
		Enertech Fuel Solutions Pvt Ltd	1,87,61,328	87,52,948
		Casil Health Products Ltd	32,623	3,410
		IRM Pvt Ltd	4,55,178	5,22,751
ii.	Reimbursement of Expenses	Cadila Pharmaceuticals Ltd	-	18,75,000
		Maheswar Sahu	12,193	-
		Venuka Polymers Pvt Ltd	(11,80,031)	-
		Mauktia Ventures LLP	(42,270)	-
		Farm Gas Pvt Ltd	(15,05,463)	-
		IRM Trust	(5,89,747)	(3,54,640)
iii.	Subscription of Equity Shares (incl. Securities Premium)	Cadila Pharmaceuticals Ltd	3,82,50,000	2,64,25,280
		IRM Trust	1,42,50,000	98,44,710
		Enertech Distribution Management Pvt Ltd	2,25,00,000	1,55,44,280
iv.	Subscription of Preference Shares	Cadila Pharmaceuticals Ltd	11,99,74,910	16,50,00,000
v.	Director Sitting Fees	Maheswar Sahu	11,60,000	12,00,000
		Badri Mahapatra	8,40,000	12,00,000
vi.	Managerial Remuneration	Key Management Personnel	45,98,023	-
vii.	Corporate Social Responsibility Expense	Shree Saraswati Education Sansthan (Indrashil University)	21,72,550	-
viii.	Outstanding Payables	IRM Limited	-	27,686
		Casil Health Products Ltd	3,108	3,410
		IRM Trust	1,34,516	2,36,844
		Sanguine Management Services Pvt Ltd	-	3,60,000
		Enertech Fuel Solutions Pvt Ltd	12,33,044	-
		Cadila Pharmaceuticals Ltd	1,19,88,000	-
ix.	Outstanding Receivables	IRM Trust	4,38,600	4,38,600
		Venuka Polymers Pvt Ltd	11,97,023	-
		Mauktika Ventures LLP	42,270	-
		Farm Gas Pvt Ltd	15,05,463	-

34. Earnings Per Share:

Sr. No.	Particulars	UOM	For the year 2019-20	For the year 2018-19
	Basic EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	21,09,19,006	10,08,90,469
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	2,44,85,400	2,03,50,149
c	Value of equity share	Rs.	8.61	4.96
	Diluted EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	21,09,19,006	10,08,90,469
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	2,44,85,400	2,03,50,149
c	Value of equity share	Rs.	8.61	4.96

35. Contingent Liabilities & Contingent Assets (to the extent not provided for):

(i) Commitments

Sr. No.	Particulars	For the year 2019-20	For the year 2018-19
I	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	49,22,52,256	49,25,30,043

36. Deferred Tax Assets/(liabilities):

(a) Break up of Deferred Tax Liabilities & Assets into major components of the respective balances are as under:

Particulars	As at	Change during	As at
Deferred Tax Liabilities			
Depreciation	3,59,56,785	4,98,66,474	8,58,23,259
(a)	**3,59,56,785**	**4,98,66,474**	**8,58,23,259**
Deferred Tax Assets			
Losses as per IT Act carried forward	2,47,788	5,09,654	10,05,373
Provision for Retirement Benefits	4,95,718	(2,47,788)	-
Ind AS Adjustments	-	1,09,65,775	1,09,65,775
MAT Credit Entitlements	2,09,78,688	(2,09,78,688)	-
(b)	**2,17,22,194**	**(97,51,047)**	**1,19,71,148**
Net Deferred Tax (Liabilities)/Assets (a-b)	**(1,42,34,591)**	**5,96,17,521**	**7,38,52,111**

(b) The Net Deferred Tax Liability of Rs. 5,96,17,521 [Previous Year: Rs. 1,21,91,939 (Deferred Tax liabilities)] for the year has been provided in the Statement of Profit & Loss.

37. Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Diu (UT of Diu & Daman) & Gir Somnath District (Gujarat), the Company has submitted Performance Bank Guarantee of Rs. 25 crores to PNGRB.

The said limits were taken from banks (through credit facilities) which is secured as under-

a. First charge (pari passu basis) on current assets, cash flow (incl TRA account), receivables (both present & future) arising out of the project of Diu & Gir Somnath.

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b. First charge on entire movable & immovable assets (incl intangible assets, goodwill, uncalled capital, intellectual property) of the project of Diu & Gir Somnath (both present & future).

38. The Company has taken working capital facilities from Banks which is secured as under:

a. Second charge on entire movable & immovable assets (both present & future) of the Company.
b. First charge on current assets of the Company & TRA account (both present & future) on pari passu basis to be shared with Term Loan lenders.

39. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally been carried out by making payment contribution to eligible Trusts. The Trusts carry out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company. During the year, Company was required to spend CSR expense of Rs. 926,071 (for March 31, 2019: Rs. Nil) as per the requirements of section 135 of the Companies Act, 2013 & has spent 21,72,550 for the year (for March 31, 2019: Rs. Nil)

Sr. No	Particulars	Amount Contributed	Amount yet to be contributed	Total Rs.
1	Construction/Acquisition of any Assets	21,72,550	-	21,72,550
2	On purposes other than a above	-	-	-
	TOTAL	**21,72,550**	**-**	**21,72,550**

40. Payments to auditor (Included in Other expenses under note 25):

Particulars	During the year 2019-20	During the year 2018-19
For Statutory Audit (Incl GST)	8,85,000	8,26,000
For GST & Tax Audit (Incl GST)	2,46,620	2,41,310
For Certification & other reimbursements (incl. GST)	14,750	27,364

41. Disclosure required under micro, small & medium enterprises development act, 2006 (the act) are as follows:

Sr. No	Particulars	As at 31.03.2020	As at 31.03.2019
1	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
a	Trade Payables	10,71,962	7,20,302
b	Payables for purchase of property, plant & equipment	2,31,31,641	1,33,59,422
2	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
3	The amount of interest paid by the company in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
4	The amount of interest due & 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 & Medium Enterprises Development Act, 2006	-	-
5	The amount of interest accrued & remaining unpaid at the end of the accounting year	-	-

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6	The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006	-	-

The above information regarding Micro enterprises & Small enterprises has been determined based on information available with the company. This has been relied upon by the auditors.

As per our report of even date

For Mukesh M. Shah & Associates
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number: 128670
Ahmedabad, Dated: 9th July, 2020

For & on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
Manager

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated: 9th July, 2020