



# Fuelling Growth

ANNUAL REPORT • 2020-21



## CORPORATE INFORMATION

<p><b>BOARD OF DIRECTORS:</b></p> <p><b>Mr. Maheswar Sahu</b> Chairman</p> <p><b>Dr. Rajiv I Modi</b> Non-executive Director</p> <p><b>Mr. Amitabha Banerjee</b> Non-executive Director</p> <p><b>Mr. Vinod Jain</b> Non-executive Director</p> <p><b>Mr. Badri Mahapatra</b> Non-executive Director</p> <p><b>Mr. C K Gopal</b> Non-executive Director</p> <p><b>Mr. Anandmohan Tiwari</b> Non-executive Director</p>	<p><b>BANKING PARTNERS</b></p> <p>Union Bank of India Punjab National Bank Bank of Baroda Kotak Mahindra Bank</p> <p><b>STATUTORY AUDITOR</b> <b>Mukesh M. Shah &amp; Co.,</b> Chartered Accountants, 7th Floor, Heritage Chambers, Behind Bikanerwala Sweets, Near Azad Society, Nehru Nagar, Ahmedabad - 380015</p> <p><b>COST AUDITOR</b> <b>Dalwadi &amp; Associates</b> Cost Accountants 403, Ashirwad Complex, B/h Sardar Patel Seva Samaj, Near Mithakhali Six Roads, Ahmedabad - 380006</p> <p><b>SECRETARIAL AUDITOR</b> <b>M. C. Gupta &amp; Co.,</b> Company Secretaries 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad - 380015</p> <p><b>INTERNAL AUDITOR</b> <b>PD Goinka &amp; Co.,</b> Chartered Accountants 203/204, 2<sup>nd</sup> floor, Austmangal Complex, Nr. Rajasthan Hospital, Shahibaug, Ahmedabad - 380004</p>
<p><b>KEY MANAGERIAL PERSONNEL</b></p> <p><b>Mr. Karan Kaushal</b> Chief Executive Officer</p> <p><b>Mr. Harshal Anjaria</b> Chief Financial Officer</p> <p><b>Ms. Shikha Jain</b> Company Secretary</p>	
<p><b>REGISTERED OFFICE:</b> 4th Floor, 8th Block, Magnet Corporate Park, Nr. Sola Bridge, S. G. Highway, Thaltej, Ahmedabad - 380054, Gujarat, India Phone: +91-079-49031500, Email: <a href="mailto:info@irmenergy.com">info@irmenergy.com</a></p>	



INDEPENDENT AUDITOR'S REPORT  
To the Members of IRM Energy Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **IRM Energy Private Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, 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 31<sup>st</sup> March, 2021, 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.

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.

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 prevention



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.
- 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.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 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 has contracts as mentioned in note 36 including derivative contracts for which there were no 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

**Harsh P. Kejriwal**  
Partner

Membership No.: 128670

Place: Ahmedabad

UDIN: 21128670AAAABA9193





**“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, 2021**

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 3 and 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, 2021, there are no undisputed dues payable for a period of more than six months from the date they became payable.



# MUKESH M. SHAH & CO.

CHARTERED ACCOUNTANTS

- (b) According to the information and explanations given to us, there are no such dues as at March 31, 2021 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 not 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

Harsh P. Kejriwal

Partner

Membership No.: 128670

Place: Ahmedabad

UDIN: 21128670AAAABA9193





**"Annexure B" to the Auditors' Report – March 31, 2021****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, 2021 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.



### 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, 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Harsh P. Kejriwal  
Partner  
Membership No.: 128670  
Place: Ahmedabad  
UDIN: 21128670AAAAABA9193





**IRM ENERGY PRIVATE LIMITED**  
SEPARATE BALANCE SHEET AS AT MARCH 31, 2021

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

Particulars	Note No.	as at March 31, 2021	as at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	3.1	2,30,79,87,650	1,89,01,80,733
b) Capital work-in-progress	3.2	19,70,16,636	28,95,96,325
c) Intangibles assets	3.3	2,64,84,723	2,41,14,004
d) Right to Use Assets	3.4	7,14,68,841	6,27,33,982
e) Intangibles under Development		19,32,930	23,57,729
f) Financial assets			
(i) Investments	4A	6,40,06,000	15,00,000
(ii) Loans		-	-
(iii) Other financial assets	5	63,81,623	1,24,95,659
g) Other non-current assets	6	22,60,23,466	13,49,32,689
h) Current Tax Asset (Net)		-	-
		<b>2,90,13,01,869</b>	<b>2,41,79,11,122</b>
<b>Current assets</b>			
a) Inventories	7	80,48,074	69,49,186
b) Financial assets			
(i) Investments	4B	1,37,61,000	-
(ii) Trade receivables	8	10,52,10,440	4,21,53,585
(iii) Cash and cash equivalents	9A	25,75,18,993	10,27,02,692
(iv) Bank balances other than (iii) above	9B	18,58,50,538	8,75,44,530
(v) Loans		-	-
(vi) Other financial assets	10	1,94,87,323	1,42,09,889
c) Other current assets	11	2,15,64,194	2,30,99,777
		<b>61,14,40,562</b>	<b>27,66,59,659</b>
		<b>3,51,27,42,431</b>	<b>2,69,45,70,781</b>
<b>Total Assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	12	28,99,94,710	27,12,50,000
b) Other equity	13	88,86,84,166	47,63,43,889
<b>Total equity</b>		<b>1,17,86,78,876</b>	<b>74,75,93,889</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	14A	1,58,18,18,590	1,44,92,48,597
(ii) Trade payables		-	-
(iii) Other financial liabilities	16	19,93,05,210	12,17,91,492
b) Provisions	17A	70,03,574	39,52,373
c) Deferred tax liabilities (Net)	19	9,35,76,951	7,38,52,112
		<b>1,88,17,04,325</b>	<b>1,64,88,44,574</b>
<b>Current liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	14B	5,16,94,002	-
(ii) Trade payables	15	-	-
- total outstanding dues of micro enterprises and small enterprises		1,12,14,026	2,42,03,603
- total outstanding dues of creditors other than micro enterprises and small enterprises		8,93,86,223	4,78,97,651
(iii) Other financial liabilities	16	14,12,31,646	16,86,76,587
b) Provisions	17B	1,09,646	41,957
c) Other current liabilities	18	2,97,23,686	1,64,12,520
d) Current tax liabilities (Net)		12,90,00,000	4,09,00,000
		<b>45,23,59,230</b>	<b>29,81,32,318</b>
		<b>3,51,27,42,431</b>	<b>2,69,45,70,781</b>
<b>Total Equity and Liabilities</b>			

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 : 22.06.2021



For and on behalf of the Board

M. Sahu  
Chairman

Karan Kaushal  
CEO

Vinod Jain  
Director

Harshal Anjaria  
CFO

Shikha Jain  
Company Secretary

Ahmedabad, Dated : 22nd June, 2021

# IRM ENERGY PRIVATE LIMITED

## SEPARATE PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED MARCH 31, 2021

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

Particulars	Note No.	For the year ending March 31, 2021	For the year ending March 31, 2020
<b>REVENUE :</b>			
Revenue from Operations	20	2,11,80,88,691	1,65,65,70,235
Other Non-operating Income	21	73,33,104	46,93,141
		<b>2,12,54,21,795</b>	<b>1,66,12,63,376</b>
<b>EXPENSES :</b>			
Cost of Natural Gas and other Operating Cost	22	1,03,93,95,643	86,28,23,913
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	(1,96,025)	(4,95,583)
Excise Duty on Sale of Compressed Natural Gas		22,24,39,413	18,09,92,323
Employee Benefits Expense	24	4,11,07,717	3,43,68,962
Finance Costs	25	15,85,51,758	9,66,58,586
Depreciation and Amortisation expense	26	12,00,01,055	9,18,05,715
Other Expenses	27	8,32,50,852	8,18,09,656
		<b>1,66,45,50,413</b>	<b>1,34,79,63,572</b>
<b>Profit before Tax</b>		46,08,71,382	31,32,99,804
Tax Expense			
- Corporate Tax	28	8,98,86,430	4,27,63,276
- Deferred Tax	28	1,97,24,839	5,96,17,521
<b>Profit for the year</b>		<b>35,12,60,113</b>	<b>21,09,19,006</b>
<b>Other Comprehensive Income</b>			
<b>i. Items that will not be reclassified to profit or loss</b>			
a. Remeasurements of the defined benefit asset		1,75,675	(5,57,497)
b. Income tax related to this items		-	1,59,444
		<b>1,75,675</b>	<b>(3,98,053)</b>
<b>Total comprehensive income</b>		<b>35,10,84,438</b>	<b>21,13,17,059</b>
<b>Earnings Per Share (Face Value of Rs. 10 each)</b>			
Basic	34	12.47	8.61
Diluted		12.47	8.61

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*

**Harsh Kejriwal**

Partner

Membership Number : 128670

Ahmedabad, Dated : 22.06.2021



For and on behalf of the Board

*M. Sahu*

**M. Sahu**

Chairman

*Karan Kaushal*

**Karan Kaushal**

CEO

*Vinod Jain*

**Vinod Jain**

Director

*Harshal Anjaria*

**Harshal Anjaria**

CFO

*Shikha Jain*

**Shikha Jain**

Company Secretary

Ahmedabad, Dated : 22nd June, 2021



**IRM ENERGY PVT LTD****CASH FLOW STATEMENT AS AT MARCH 31, 2021**

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

Particulars	For the period ending	
	Mar- 2021	Mar- 2020
<b>A. Cash flow from operating activities</b>		
Net profit before tax and extraordinary items	46,06,95,707	31,32,99,804
Adjustment for:	-	-
Interest Income	(70,26,230)	(46,93,141)
Interest and Finance Charges	15,85,51,758	9,66,58,586
Provision for Expenses	30,51,201	3,20,45,231
Provision for Income	(18,32,733)	(48,13,676)
Depreciation and Amortisation expense	12,00,01,055	9,18,05,715
Operating profit before working capital changes	<b>73,34,40,758</b>	<b>52,43,02,519</b>
(Increase)/Decrease in Other Assets	(10,61,59,396)	(7,04,66,162)
(Increase)/Decrease in Inventories	(10,98,888)	(42,84,850)
(Increase)/Decrease in Trade Receivable	(6,30,56,855)	(1,24,91,717)
Increase/(Decrease) in Trade Payables	2,84,98,995	2,49,38,989
Increase/(Decrease) in Financial Liabilities	6,32,78,564	2,80,82,789
Increase/(Decrease) in Other Liabilities	12,12,03,694	1,30,31,302
Cash generated from operation	<b>77,61,06,872</b>	<b>50,31,12,871</b>
Direct taxes paid (incl TDS)	(9,14,65,832)	(5,83,84,408)
Cash flow before extraordinary items	68,46,41,041	44,47,28,463
<b>Net cash from operating activities</b> (a)	<b>68,46,41,041</b>	<b>44,47,28,463</b>
<b>B. Cash flow from investing activities</b>		
Interest Income	64,62,311	49,74,873
Investment	(7,62,67,000)	(15,00,000)
Purchase of Fixed Assets (incl. capital work in progress)	(46,43,86,032)	(75,90,45,917)
<b>Net cash used in investing activities</b> (b)	<b>(53,41,90,721)</b>	<b>(75,55,71,044)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from equity shares issued	4,35,53,265	7,50,00,000
Proceeds from Banks Borrowings	17,21,04,222	31,73,76,220
Interest and Finance Cost	(13,66,72,299)	(9,00,33,429)
Lease cost	(93,29,724)	(84,17,156)
Stamp duty on issue of shares	(11,27,885)	(1,75,851)
Dividend (incl. Dividend Distribution tax)	-	(4,13,04,825)
Proceeds from preference shares issued	3,41,44,410	10,08,49,910
<b>Net cash from financing activities</b> (c)	<b>10,26,71,989</b>	<b>35,32,94,869</b>
Net increase / (decrease) in cash and cash equivalents (a+b+c)	25,31,22,308	4,24,52,288
Cash and cash equivalents — opening balance	19,02,47,222	14,77,94,934
Cash and cash equivalents — closing balance	44,33,69,530	19,02,47,222

As per our report of even date

For Mukesh M Shah &amp; Co.

Chartered Accountants

Firm Registration No: 106625W


**Harsh Kejriwal**

Partner

Membership Number : 128670

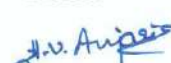
Ahmedabad, Dated : 22.06.2021



For and on behalf of the Board


**M. Sahu**  
Chairman

**Karan Kaushal**  
CEO

**Vinod Jain**  
Director

**Harshal Anjaria**  
CFO

**Shikha Jain**  
Company Secretary

Ahmedabad, Dated : 22nd June, 2021

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. 2,22,92,815 (31<sup>st</sup> March, 2020: Rs. 2,87,02,760)

(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.

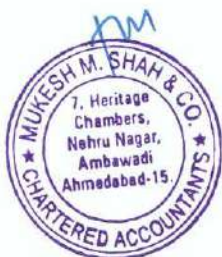
- (ii) Interest income is recognised on time proportionate method (on accrual basis).
- (iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

## 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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## 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





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 is 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.

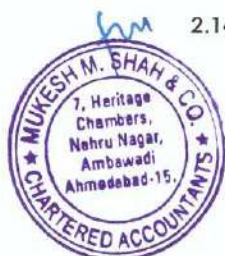
(iv) Refer note no. 31 below for disclosure.

**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, 2021.

**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





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 not declared any dividend during the year

#### **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).



**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 cashflows 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:

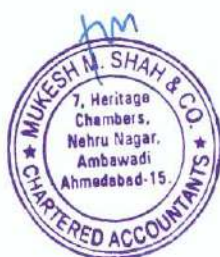
- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

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





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.



## 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.



As at 31 March 2021	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	F V O C I	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Investment	1,37,61,000	-	6,40,06,000	7,77,67,000	-	-	7,77,67,000	7,77,67,000
Trade receivables	-	-	10,52,10,440	10,52,10,440	-	-	10,52,10,440	10,52,10,440
Cash & cash equivalents	-	-	25,75,18,993	25,75,18,993	-	-	25,75,18,993	25,75,18,993
Other Bank Balances	-	-	18,58,50,538	18,58,50,538	-	-	18,58,30,007	18,58,50,538
Other financial assets	-	-	2,58,68,946	2,58,68,946	-	-	2,64,05,120	2,58,68,946
<b>Total financial assets</b>	<b>1,37,61,000</b>	<b>-</b>	<b>63,84,54,917</b>	<b>65,22,15,917</b>	<b>-</b>	<b>-</b>	<b>65,22,15,917</b>	<b>65,22,15,917</b>
<b>Financial liabilities</b>								
Borrowings	-	-	1,63,35,12,592	1,63,35,12,592	-	-	1,63,35,12,592	1,63,35,12,592
Trade payables	-	-	10,06,00,249	10,06,00,249	-	-	10,06,00,249	10,06,00,249
Other financial liabilities	-	-	34,05,36,856	34,05,36,856	-	-	34,05,36,856	34,05,36,856
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,07,46,49,697</b>	<b>2,07,46,49,697</b>	<b>-</b>	<b>-</b>	<b>2,07,46,49,697</b>	<b>2,07,46,49,697</b>

As at 31 March 2020	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	F V O C I	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
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
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>26,06,06,355</b>	<b>26,06,06,355</b>	<b>-</b>	<b>-</b>	<b>26,06,06,355</b>	<b>26,06,06,355</b>
<b>Financial liabilities</b>								
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
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,81,18,17,930</b>	<b>1,81,18,17,930</b>	<b>-</b>	<b>-</b>	<b>1,81,18,17,930</b>	<b>1,81,18,17,930</b>

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 at March 31, 2021**

Particulars	Gross Block			Depreciation and Amortization				Net Block as of 31.03.2021
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	
Freehold Land	1,75,79,822	-	-	1,75,79,822	-	-	-	1,75,79,822
Buildings	13,34,18,355	1,09,29,428	-	14,43,47,782	56,83,437	51,97,201	-	1,08,80,638
Plant and Machinery	1,83,10,31,793	49,17,86,976	-	2,32,28,18,769	10,76,98,966	9,57,99,570	-	20,34,98,536
Computers and laptops	56,33,564	16,82,343	-	73,15,907	26,99,862	16,87,011	-	43,86,873
Furnitures & Fixtures	81,30,231	77,71,591	-	1,59,01,822	11,38,573	10,58,252	-	21,96,825
Vehicles	58,800	26,61,163	-	27,19,963	30,792	96,534	-	1,27,326
Office Equipments	1,39,22,370	1,02,73,447	-	2,41,95,817	23,42,571	34,59,463	-	58,02,034
<b>Sub-Total (a)</b>	<b>2,00,97,74,935</b>	<b>52,51,04,947</b>	<b>-</b>	<b>2,53,48,79,882</b>	<b>11,95,94,201</b>	<b>10,72,98,031</b>	<b>-</b>	<b>22,68,92,232</b>

**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/ Transfer	Closing Balance as of 31.03.2020	Opening Balance as of 01.04.2019	Addition	Disposal/ Adjustments/ Transfer	
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
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
Computers and laptops	32,86,488	23,47,076	-	56,33,564	13,01,441	13,98,421	-	26,99,862
Furnitures & Fixtures	48,86,700	32,43,531	-	81,30,231	4,99,221	6,39,351	-	11,38,573
Vehicles	58,800	-	-	58,800	19,589	11,203	-	30,792
Office Equipments	29,02,697	1,10,19,673	-	1,39,22,370	5,32,627	18,09,944	-	23,42,571
<b>Sub-Total (a)</b>	<b>1,38,26,40,498</b>	<b>64,97,13,652</b>	<b>-</b>	<b>2,00,97,74,935</b>	<b>3,88,57,886</b>	<b>8,07,36,315</b>	<b>-</b>	<b>11,95,94,201</b>

**Note 3.2**

**Capital work in progress**

Particulars	Closing Balance as of 31.03.2021	Closing Balance as of 31.03.2020
Capital Work-in-Progress (project under construction)	19,70,16,636	16,01,11,844
<b>Grand Total</b>	<b>19,70,16,636</b>	<b>16,01,11,844</b>



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**Note 3.3**

**Intangible assets as at March 31, 2021**

Particulars	Gross Block			Depreciation and Amortization			Net Block as of 31.03.2021		
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition		Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021
Softwares	59,16,284	42,54,389	-	1,01,70,673	11,21,971	11,41,532	-	22,63,503	79,07,170
Right of Way charges	2,46,84,381	21,60,325	-	2,68,44,706	53,64,689	29,02,463	-	82,67,152	1,85,77,554
<b>Grand Total</b>	<b>3,06,00,665</b>	<b>64,14,714</b>	<b>-</b>	<b>3,70,15,379</b>	<b>64,86,661</b>	<b>40,43,995</b>	<b>-</b>	<b>1,05,30,656</b>	<b>2,64,84,723</b>

**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/ Transfer	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
<b>Grand Total</b>	<b>2,06,31,389</b>	<b>99,69,276</b>	<b>-</b>	<b>3,06,00,665</b>	<b>27,28,335</b>	<b>37,58,326</b>	<b>-</b>	<b>64,86,661</b>	<b>2,41,14,004</b>

**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**

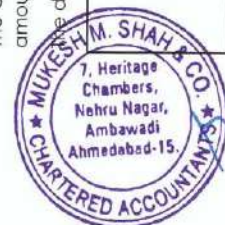
The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17.

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 31.03.2021		
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition		Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021
Right to Use									
- for Land	6,08,56,760	-	-	6,08,56,760	50,39,743	57,36,128	-	1,07,75,872	5,00,80,889
- for Building	98,39,865	1,73,93,887	-	2,72,33,752	29,22,900	29,22,900	-	58,45,800	2,13,87,952
<b>Grand Total</b>	<b>7,06,96,625</b>	<b>1,73,93,887</b>	<b>-</b>	<b>8,80,90,512</b>	<b>79,62,643</b>	<b>86,59,029</b>	<b>-</b>	<b>1,66,21,672</b>	<b>7,14,68,841</b>

Interest on lease liabilities is Rs. 45,96,909/- for the year ended March 31, 2021 (Previous year: Rs. 38,66,593/-).

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# IRM ENERGY PRIVATE LIMITED

Accompanying notes to the financial statements

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

Note No.	Particulars	as at March 31, 2021	as at March 31, 2020
<b>4</b>	<b>Investments</b>		
<b>4A</b>	<b>Non Current</b>		
	(i) Unquoted Investment in Equity Instruments of Joint Control Entity (measured at cost)		
	- 10,49,600 Equity Shares of Rs. 10 each fully paid of Farm Gas Private Limited (31st March, 2020: 1,00,000)	1,04,96,000	10,00,000
	- 10,50,800 Equity Shares of Rs. 10 each fully paid of Venuka Polymers Private limited (31st March, 2020: 50,000)	1,05,08,000	5,00,000
	(ii) Unquoted Investment in Preference Shares of Joint Control Entity (measured at Fair Value)		
	- 15,90,000, 10.50% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2020: Nil)	1,59,00,000	-
	- 27,10,200 10.50% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid of Venuka Polymers Private Limited (31st March, 2020: Nil)	2,71,02,000	-
		<b>6,40,06,000</b>	<b>15,00,000</b>
<b>4B</b>	<b>Current</b>		
	<u>Investment in Mutual Fund</u>		
	- Union Hybrid Equity Fund - Growth (865646.72 units of Rs. 10 each, Fair value as on 31.03.2021: Rs. 10.61 each)	91,84,511	-
	- Union Medium Duration Fund- Growth (448477.59 units of Rs. 10 each, Fair value as on 31.03.2021: Rs. 10.2045 each)	45,76,489	-
		<b>1,37,61,000</b>	<b>-</b>
<b>5</b>	<b>Other financial asset- Non-current</b>		
	Security Deposit		
	To Related Parties [Unsecured, considered good]	4,38,600	4,38,600
	To Others [Unsecured, considered good]	59,43,023	1,20,57,059
	Less: Allowance for bad and doubtful	-	-
		<b>63,81,623</b>	<b>1,24,95,659</b>
<b>6</b>	<b>Other non- current assets</b>		
	Capital advances [Unsecured, considered good]	35,77,500	-
	Unamortised expenses - Borrowing Cost under EIR	1,87,06,595	2,03,98,616
	Advance payment of income tax	16,08,44,468	6,98,04,766
	Prepaid Expenses	4,28,94,903	4,47,29,307
		<b>22,60,23,466</b>	<b>13,49,32,689</b>
<b>7</b>	<b>Inventories</b>		
	Natural Gas	20,64,640	18,68,615
	Spares and Consumables	59,05,089	49,76,111
	CNG Kits	78,345	1,04,460
	(For Valuation- Refer note 2.10)		
		<b>80,48,074</b>	<b>69,49,186</b>
<b>8</b>	<b>Current financial assets : Trade receivables</b>		
	Secured, considered good (secured against security deposits)	6,82,79,363	2,73,89,409
	Unsecured, considered good (Others)	3,69,31,077	1,47,64,176
	Less: Allowance for Bad and Doubtful	-	-
		<b>10,52,10,440</b>	<b>4,21,53,585</b>



# IRM ENERGY PRIVATE LIMITED

Accompanying notes to the financial statements

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

Note No.	Particulars	as at March 31, 2021	as at March 31, 2020
9	<b>Current financial assets</b>		
9A	<b>Cash and cash equivalents</b>		
	(a) Balance with banks		
	Balance in Current Accounts	25,72,72,288	10,25,65,925
	(b) Cash on hand	2,46,705	1,36,767
9B	<b>Bank balances other than above</b>		
	(a) Margin Money deposits under lien against Bank Guarantee and/or Stand By Letter of Credit (SBLC)*	18,58,50,538	8,75,44,530
	*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.		
		<b>44,33,69,531</b>	<b>19,02,47,222</b>
10	<b>Current financial assets : Others</b>		
	Unbilled Revenue	66,46,408	48,13,676
	Interest Receivable	33,689	47,256
	Deposit - Current	1,24,42,676	90,77,138
	Imprest amount with Employees	3,64,550	2,71,819
		<b>1,94,87,323</b>	<b>1,42,09,889</b>
11	<b>Other current assets</b>		
	Advance to Suppliers	1,04,08,080	38,29,317
	Prepaid Expense	1,11,56,114	1,92,70,460
		<b>2,15,64,194</b>	<b>2,30,99,777</b>
12	<b>Share capital</b>		
	<b>Authorised :</b>		
	5,00,00,000 Equity Shares of Rs.10/- Each	50,00,00,000	29,00,00,000
	4,00,00,000 Preference Shares of Rs.10/- Each	40,00,00,000	46,00,00,000
		90,00,00,000	75,00,00,000
	<b>Issued, Subscribed and Fully Paid-up Equity Shares :</b>		
	<b>Equity shares</b>		
	2,89,99,471 [as at March 31, 2019: 2,71,25,000], Equity Shares of Rs.10/- each	28,99,94,710	27,12,50,000
	<b>Preference shares</b>		
	10% Redeemable Preference Shares	-	-
	3,49,99,432 [as at March 31, 2019: 3,15,84,991] shares of Rs. 10/- each		
		28,99,94,710	27,12,50,000
A	<b>Details of Shareholders holding more than 5% of outstanding Shares as at March 31, 2021 is as under:</b>		
	<b>i) Equity Shares</b>		
	<b>Name</b>	<b>No. of shares</b>	<b>% of Holding</b>
	Cadila Pharmaceuticals Ltd	1,48,91,004	51.35%
	Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,47,628	19.13%
	Eneritech Distribution Management Pvt. Ltd.	85,60,839	29.52%
	<b>ii) 10% Non Cumulative Redeemable Preference Shares</b>		
	<b>Name</b>	<b>No. of shares</b>	<b>% of Holding</b>
	Cadila Pharmaceuticals Ltd	3,49,99,432	100%





# IRM ENERGY PRIVATE LIMITED

Accompanying notes to the financial statements

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

Note No.	Particulars	as at March 31, 2021	as at March 31, 2020
<b>B</b>	<b>Terms and conditions:</b>		
	<b>(i) Equity Shares:</b>		
	<b>a Voting rights:</b>		
	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>b Dividend:</b>		
	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.		
	<b>(ii) Redeemable Non- Cumulative Preference Shares (RPS):</b>		
	<b>a Redemption terms:</b>		
	The preference shares carries redemption period of 10 years from the date of issuance.		
	<b>b Dividend:</b>		
	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.		
<b>C</b>	<b>Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>		
	<b>Equity Shares of Rs. 10 each</b>		
	<b>Particulars</b>	<b>as at March 31, 2021</b>	<b>as at March 31, 2020</b>
	Shares outstanding at the beginning of the period	2,71,25,000	2,15,00,000
	Add: Shares issued during the period	18,74,471	56,25,000
	<b>Shares outstanding at the end of the period</b>	<b>2,89,99,471</b>	<b>2,71,25,000</b>
	<b>Non Cumulative Redeemable Preference Shares of Rs. 10 each</b>		
	<b>Particulars</b>	<b>as at March 31, 2021</b>	<b>as at March 31, 2020</b>
	Shares outstanding at the beginning of the period	3,15,84,991	2,15,00,000
	Add: Shares issued during the period	19,98,977	1,00,84,991
	<b>Shares outstanding at the end of the period</b>	<b>3,35,83,968</b>	<b>3,15,84,991</b>
<b>13</b>	<b>Reserves and surplus</b>		
	<b>A. Statement of profit and loss</b>		
	Opening balance	28,47,90,522	11,51,76,343
	Add: Transfer from statement of profit and loss	35,12,60,116	21,09,19,004
	Less: Items routed through SOCIE	-	4,13,04,825
	<b>Closing balance</b>	<b>63,60,50,638</b>	<b>28,47,90,522</b>



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# IRM ENERGY PRIVATE LIMITED

Accompanying notes to the financial statements

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

Note No.	Particulars	as at March 31, 2021	as at March 31, 2020
	<b>B. Equity Component of Preference Shares</b>		
	<b>i) OCCPS (Optionally Convertible Cumulative Preference Shares)</b>		
	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.		
	<b>Closing Balance</b>	<b>2,31,601</b>	<b>2,31,601</b>
	<b>ii) Non Cumulative Redeemable Preference Shares</b>		
	Opening	17,32,38,877	58,97,903
	Equity Component of non-cumulative redeemable preference shares	3,75,75,166	16,73,40,974
	<b>Closing Balance</b>	<b>21,08,14,043</b>	<b>17,32,38,877</b>
	<b>Closing balance (i+ii)</b>	<b>21,10,45,644</b>	<b>17,34,70,478</b>
	<b>C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect</b>		
	Opening	(4,91,260)	(93,207)
	Remeasurement of the net defined benefit liability/asset, net of tax effect*	(1,75,675)	(3,98,053)
	<b>Closing balance</b>	<b>(6,66,935)</b>	<b>(4,91,260)</b>
	*Remeasurement of defined benefit plans represents actuarial gain and losses and returns on plan assets (excluding interest income).		
	<b>D. Securities Premium</b>		
	Opening Balance	1,85,74,149	-
	Addition during the year	2,48,08,555	1,87,50,000
	Less: Stamp duty expense on shares	(11,27,885)	(1,75,851)
	<b>Closing Balance</b>	<b>4,22,54,819</b>	<b>1,85,74,149</b>
	<b>Total Reserves</b>	<b>88,86,84,166</b>	<b>47,63,43,889</b>
14	<b>Non-current financial liabilities : Borrowings</b>		
14A	<b>Non-Current</b>		
	<b>Secured (carried at amortized cost)\$</b>		
	Rupee Term loans from banks	1,41,47,49,699	1,29,43,39,479
	<b>Unsecured</b>		
	<b>Preference shares</b>		
	liability component 10% Non cumulative Redeemable Preference Shares of Rs. 10/- each	16,70,68,891	15,49,09,118
		<b>1,58,18,18,590</b>	<b>1,44,92,48,597</b>
14B	<b>Current</b>		
	<b>Secured (carried at amortized cost)\$</b>		
	Rupee Term loans from banks#		
	Current Maturities of Rupee Term Loan from Banks	5,16,94,002	-
		<b>5,16,94,002</b>	<b>-</b>



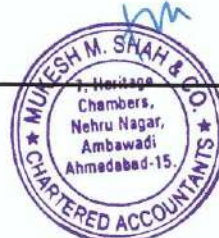


**IRM ENERGY PRIVATE LIMITED**

Accompanying notes to the separate financial statements

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

Note No.	Particulars	For the year ending March 31, 2021	For the year ending March 31, 2020
20	<b>Revenue from Operations</b>		
	Sale of Goods		
	CNG Sales (Gross of Taxes)	1,63,61,11,492	1,47,37,94,634
	PNG Sales	46,09,23,493	17,06,32,714
	Sale of Services		
	Connection Income	1,35,39,995	1,05,41,536
Other Operating Revenues	75,13,711	16,01,351	
		<b>2,11,80,88,691</b>	<b>1,65,65,70,235</b>
21	<b>Other Non-operating Income</b>		
	Gain on remeasurement of financial Assets	3,06,874	-
	Interest Income	70,26,230	46,93,141
		<b>73,33,104</b>	<b>46,93,141</b>
22	<b>Cost of Natural Gas and other Operating Cost</b>		
	Natural Gas	77,08,55,375	67,76,03,134
	HCV Transportation Cost	13,08,21,601	8,71,95,830
	CNG Station Electricity Cost	5,31,83,530	4,46,19,543
	CNG Station Rent	-	-
	CNG Kits	26,115	1,04,460
	O&M Spares and Consumables	65,79,608	12,56,010
	O&M Cost	7,79,29,414	5,20,44,936
		<b>1,03,93,95,643</b>	<b>86,28,23,913</b>
23	<b>Changes in Inventories of Natural Gas</b>		
	<b>Changes in inventories of finished goods, stock in trade and work in progress - Natural Gas</b>		
	Inventory at the beginning of the year	18,68,615	13,73,032
	Less: Inventory at the end of the year	20,64,640	18,68,615
	<b>(1,96,025)</b>	<b>(4,95,583)</b>	
24	<b>Employee Benefits Expense</b>		
	Salaries, wages and bonus	3,55,25,066	2,97,38,761
	Company's contribution to provident & other funds	18,92,218	13,53,996
	Leave Encashment and Gratuity (Refer note 31)	30,17,129	16,63,960
	Staff welfare expenses	6,73,304	16,12,245
	<b>4,11,07,717</b>	<b>3,43,68,962</b>	
25	<b>Finance Costs</b>		
	Bank Charges	1,62,153	2,91,709
	Other Finance Charges	2,76,16,973	1,46,31,471
	Interest Cost	10,70,58,769	6,38,04,749
	Unwinding of Interest Cost- Security Deposit	18,34,404	11,30,797
	Unwinding of Interest Cost- Lease	45,96,909	38,66,593
	Interest Cost- Preference Shares- IndAS Impact	1,55,90,529	1,18,46,252
	Amortisation of Transaction cost of borrowings	16,92,021	10,87,015
	<b>15,85,51,758</b>	<b>9,66,58,586</b>	
26	<b>Depreciation and Amortisation expense</b>		
	Depreciation of tangible assets (refer note 3.1)	10,72,98,031	8,07,36,315
	Amortisation of intangible assets (refer note 3.3)	1,27,03,024	1,10,69,400
	<b>12,00,01,055</b>	<b>9,18,05,715</b>	
27	<b>Other Expenses</b>		
	Advertisement and Marketing Expenses	43,29,707	44,12,597
	Statutory Audit Fees	12,68,500	8,85,000
	Business Promotion Expenses	21,42,434	24,94,378
	Corporate Social Responsibility Expense (refer note 42)	34,00,000	21,72,550
	Director's Sitting Fees	18,00,000	22,40,000
	Insurance Cost	49,78,072	30,44,334
	Legal and Professional Charges	92,86,712	2,38,40,452
	Managerial Remuneration	74,71,729	88,14,684
	Rent	17,93,103	11,07,758
	Stamp Duty Expense	94,09,900	42,15,105
	Security Expense	44,31,194	41,47,968
	Tender Fees	-	5,62,360
	Travelling, Lodging and Boarding	28,82,990	47,78,410
	Vehicle Hire Charges	91,49,034	75,20,514
Other Expenses	2,09,07,477	1,15,73,546	
	<b>8,32,50,852</b>	<b>8,18,09,656</b>	
28	<b>Tax Expense</b>		
	Corporate Tax- Current	8,81,00,000	4,26,03,832
	Corporate Tax- Previous year	17,86,430	-
	Deferred Tax (Refer note 35)	1,97,24,839	5,96,17,521
		<b>10,96,11,269</b>	<b>10,22,21,353</b>



## 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 coordination 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 & creditworthy 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 2021	10,52,10,440	-	-	10,52,10,440
As at 31 March 2020	4,21,53,585	-	-	4,21,53,585

### (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.





As at 31 <sup>st</sup> March, 2021	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)	-	1,72,31,334	3,44,62,668	6,89,25,336	39,73,88,872	94,84,35,492
Redeemable preference shares	-	-	-	-	-	16,70,68,891
Trade payables	-	10,06,00,249	-	-	-	-
Other Current Liabilities	-	2,97,23,686	-	-	-	-
Other financial liabilities	-	28,74,17,508	31,08,570	18,93,558	68,33,430	4,12,83,791
<b>TOTAL</b>	-	<b>43,49,72,777</b>	<b>3,75,71,237</b>	<b>7,08,18,894</b>	<b>40,42,22,302</b>	<b>1,15,67,88,174</b>
<b>GRAND TOTAL</b>	<b>2,10,43,73,383</b>					

As at 31 <sup>st</sup> 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
<b>TOTAL</b>	-	<b>24,71,90,361</b>	<b>1,48,07,681</b>	<b>9,13,54,010</b>	<b>33,31,84,390</b>	<b>1,14,16,94,008</b>
<b>GRAND TOTAL</b>	<b>1,82,82,30,450</b>					

(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:



Particulars		As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Variable rate instruments			
Financial Assets		2,58,68,946	2,67,05,548
Financial Liabilities		1,46,64,43,701	1,29,43,39,479
Fixed Rate instruments			
Financial Assets		-	-
Financial Liabilities		36,63,74,101	15,49,09,118
Interest rate variation		<b>Change</b>	<b>Impact</b>
Scenario-1	(+) 0.50%	72,02,874	63,38,170
Scenario-2	(-) 0.50%	(72,02,874)	(63,38,170)

### 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 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Total borrowings	1,46,64,43,701	1,29,43,39,479
Less: cash & cash equivalents & Balance with Banks	44,33,69,531	19,02,47,222
Net debt	1,02,30,74,170	1,10,40,92,257
Total equity	1,31,76,27,552	88,99,73,321
Net Debt to Equity Ratio	0.78	1.24

#### 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.

- Gross DSCR- 1.10
- Interest Coverage ratio- 1.25
- 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.





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 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Table Showing Change in the Present Value of Projected Benefit Obligation:</b>		
Present Value of Benefit Obligation at the Beginning of the Period	21,26,579	9,52,782
Interest Cost	1,46,096	74,126
Current Service Cost	9,08,310	5,42,174
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	(56,409)	3,27,002
Actuarial (Gains)/Losses on Obligations - Due to Experience	7,23,344	2,30,495
Present Value of Benefit Obligation at the End of the Period	38,47,920	21,26,579



Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Table Showing Change in the Fair Value of Plan Assets:</b>		
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	-	-
<b>Amount Recognized in the Balance Sheet:</b>		
(Present Value of Benefit Obligation at the end of the Period)	(38,47,920)	(21,26,579)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(38,47,920)	(21,26,579)
Net (Liability)/Asset Recognized in the Balance Sheet	(38,47,920)	(21,26,579)
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period:</b>		
Current Service Cost	9,08,310	5,42,174
Net Interest Cost	1,46,096	74,126
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	10,54,406	6,16,300
<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:</b>		
Actuarial (Gains)/Losses on Obligation For the Period	666,935	5,57,497
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	666,935	6,16,065
<b>Balance Sheet Reconciliation:</b>		
Opening Net Liability	21,26,579	9,52,782
Expenses Recognized in Statement of Profit or Loss	10,54,406	6,16,300
Expenses Recognized in OCI	666,935	557,497
Net Liability/(Asset) Transfer In	-	-

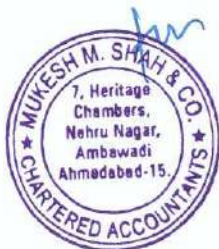




Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by The Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	3,847,920	21,26,579
<b>Assumptions:</b>		
No of Active Members	94	69
Per Month Salary For Active Members	23,13,900	16,20,661
Weighted Average Duration of the Projected Benefit Obligation	20	21
Average Expected Future Service	22	23
Projected Benefit Obligation (PBO)	38,47,920	21,26,579
Rate of Discounting	6.95%	6.87%
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)	-	-
<b>Maturity Analysis of the Benefit Payments: From the Employer:</b>		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	40,275	2,948
2nd Following Year	57,074	25,604
3rd Following Year	71,804	36,451
4th Following Year	92,094	45,948
5th Following Year	1,02,695	56,523
Sum of Years 6 To 10	606,107	333,071
Sum of Years 11 & above	1,59,39,378	89,98,750
<b>Sensitivity Analysis:</b>		
Projected Benefit Obligation on Current Assumptions	38,47,920	21,26,579
Delta Effect of +1% Change in Rate of Discounting	(6,24,523)	(3,55,778)
Delta Effect of -1% Change in Rate of Discounting	7,86,828	4,49,748
Delta Effect of +1% Change in Rate of Salary Increase	7,48,034	4,44,463
Delta Effect of -1% Change in Rate of Salary Increase	(6,29,505)	(3,58,375)
Delta Effect of +1% Change in Rate of Employee Turnover	(50,291)	(46,860)
Delta Effect of -1% Change in Rate of Employee Turnover	51,838	48,664

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.



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 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>Table Showing Change in the Present Value of Projected Benefit Obligation</b>		
Present Value of Benefit Obligation at the Beginning of the Period	18,67,750	9,53,830
Interest Cost	1,28,314	74,208
Current Service Cost	5,80,067	3,57,387
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)	(73,913)	(1,33,740)
(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	(46,221)	2,74,643
Actuarial (Gains)/Losses on Obligations - Due to Experience	8,09,303	3,41,422
Present Value of Benefit Obligation at the End of the Period	32,65,300	18,67,750
<b>Change in the fair value of plan assets:</b>		
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)	-	-

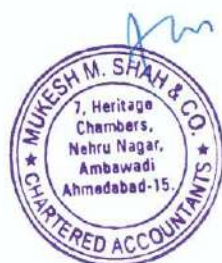




Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
<b>Amount Recognized in the Balance Sheet</b>		
(Present Value of Benefit Obligation at the end of the Period)	(32,65,300)	(18,67,750)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(32,65,300)	(18,67,750)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(32,65,300)	(18,67,750)
<b>Expenses / [Incomes] recognised in the Statement of Profit &amp; Loss:</b>		
Current Service Cost	5,80,067	3,57,387
Net Interest Cost	1,28,314	74,208
Actuarial (Gains)/Losses	7,63,082	6,16,065
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	14,71,463	10,47,660
<b>Balance Sheet Reconciliation:</b>		
Opening Net Liability	18,67,750	9,53,830
Expense Recognized in Statement of Profit or Loss	14,71,463	10,47,660
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	(73,913)	(1,33,740)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	32,65,300	18,67,750
<b>Principal actuarial assumptions as at Balance sheet date:</b>		
Expected Return on Plan Assets	-	-
Rate of Discounting #	6.95%	6.87%
Rate of Salary Increase \$	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
No of Active Members	94	69
Per Month Salary For Active Members	23,13,900	16,20,661
Projected Benefit Obligation (PBO)	32,65,300	18,67,750
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.



#

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	2020-21	2020-21
Country of Incorporation	India	India
% of ownership interest	50%	50%
Current Assets	5,66,91,738	4,83,06,296
Non Current Assets	6,02,58,815	8,53,32,341
Current Liabilities	34,27,548	2,62,68,037
Non Current Liabilities	-	-
Income	-	-
Profit/(Loss) for the year	(18,06,414)	(10,61,568)
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Contingent Liabilities	-	-
Capital Commitments	8,08,04,779	14,79,288

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	-



4



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) Mauklia Ventures LLP (vi) Shree Saraswati Education Sanshan (Indrashil University) (vii) N M Sadguru Water and Development Foundation
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 (CEO) (vii) Mr. Harshal Anjaria (CFO) (viii) Ms. Shikha Jain (CS)

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

Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2020-21	For the year 2019-20
i.	For Goods Procured/Services Availed	Cadila Pharmaceuticals Ltd	13,01,900	1,43,64,191
		IRM Trust	31,05,288	31,05,288
		Venuka Polymers Pvt Ltd	(43,200)	(14,400)
		Sanguine Management Services Pvt Ltd	-	23,60,000
		Enertech Fuel Solutions Pvt Ltd	4,27,56,890	1,87,61,328
		Casil Health Products Ltd	1,12,171	32,623
		IRM Enterprise Pvt Ltd	-	1,180
		IRM Pvt Ltd	1,47,588	4,83,066
ii.	Reimbursement of Expenses	Cadila Pharmaceuticals Ltd	(40,970)	-
		Maheswar Sahu	10,535	12,193
		Venuka Polymers Pvt Ltd	(36,28,412)	(11,80,031)
		Mauklia Ventures LLP	(1,915)	(42,270)
		Farm Gas Pvt Ltd	(17,11,828)	(10,05,463)
		IRM Trust	(2,65,800)	(5,89,747)



Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2020-21	For the year 2019-20
iii.	Subscription of Equity Shares (incl. securities premium)	Cadila Pharmaceuticals Ltd	2,46,37,728	3,82,50,000
		IRM Trust	91,78,763	1,42,50,000
		EnerTech Distribution Management Pvt Ltd	97,36,774	2,25,00,000
iv.	Subscription of Preference Shares	Cadila Pharmaceuticals Ltd	3,41,44,410	11,99,74,910
v.	Director Sitting Fees	Maheswar Sahu	6,80,000	11,60,000
		Badri Mahapatra	2,00,000	8,40,000
vi.	Managerial Commission	Maheswar Sahu	46,43,378	45,98,023
vii.	Managerial Remuneration	Key Management Personnel (Mr. Karan Kaushal, Mr. Harshal Anjaria and Ms. Shikha Jain)	28,28,351	42,16,661
viii.	Corporate Social Responsibility Expense	Shree Saraswati Education Sansthan (Indrashil University)	20,00,000	21,72,550
		N M Sadguru Water and Development Foundation	3,00,000	-
ix.	Outstanding Payables	IRM Pvt Ltd	17,472	37,904
		Casil Health Products Ltd	26,616	3,108
		IRM Trust	17,472	1,34,516
		EnerTech Fuel Solutions Pvt Ltd	-	12,33,044
		IRM Enterprise Pvt Ltd	-	1,180
		Cadila Pharmaceuticals Ltd	-	1,19,88,000
x.	Outstanding Receivables	IRM Trust	4,38,600	4,38,600
		Venuka Polymers Pvt Ltd	1,37,03,215	11,97,023
		Cadila Pharmaceuticals Ltd	49,970	-
		Mauktika Ventures LLP	44,185	42,270
		Farm Gas Pvt Ltd	17,11,828	10,05,463

34. Earnings Per Share:

Sr. No.	Particulars	UOM	For the year 2020-21	For the year 2019-20
	<b>Basic EPS</b>			
a	Profit after tax attributable to Equity Shareholders	Rs.	35,12,60,113	21,09,19,006
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	2,81,61,027	2,44,85,400
c	Value of equity share	Rs.	12.47	8.61
	<b>Diluted EPS</b>			
a	Profit after tax attributable to Equity Shareholders	Rs.	35,12,60,113	21,09,19,006
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	2,81,61,027	2,44,85,400
c	Value of equity share	Rs.	12.47	8.61





**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 01.04.2020	Change during the year	As at 31.03.2021
<b>Deferred Tax Liabilities</b>			
Depreciation	8,58,23,259	2,36,96,656	10,95,19,915
(a)	8,58,23,259	2,36,96,656	10,95,19,915
<b>Deferred Tax Assets</b>			
Provision for Retirement Benefits	10,05,373	7,85,024	17,90,397
Ind AS Adjustment	1,09,65,775	31,86,792	1,41,52,567
(b)	1,19,71,148	39,71,816	1,59,42,964
<b>Net Deferred Tax (Liabilities)/Assets (a-b)</b>	<b>7,38,52,111</b>	<b>1,97,24,839</b>	<b>9,35,76,950</b>

- (b) The Net Deferred Tax Liability of Rs. 1,97,24,839 [Previous Year: Rs. 5,96,17,521 (Deferred Tax Liabilities)] for the year has been provided in the Statement of Profit & Loss.

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

- (i) Commitments

Sr. No.	Particulars	For the year 2020-21	For the year 2019-20
I	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	49,91,87,141	49,22,52,256

- (ii) The Company has issued Corporate Guarantee for Loan taken by its Joint control Entities as per below information-
- Corporate Guarantee issued in favour of Banks towards Loan taken by Farm gas Private Limited amounting to Rs. 33,54,00,000.
  - Corporate Guarantee issued in favour of Bank towards Loan taken by Venuka Polymers Private Limited amounting to Rs. 17,16,00,000
- (iii) The Company has executed long term supply contracts for natural gas having take or pay (ToP) obligations. The volume committed under such contract which is liable to TOP is 3902 mmbtu/day. The Company is not foreseeing ToP liability under the long term contracts.
- (iv) 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.



37. Payments to auditor (included in Other expenses under note 27):

Particulars	During the year 2020-21	During the year 2019-20
For Statutory Audit (Incl GST)	12,68,500	8,85,000
For GST & Tax Audit (Incl GST)	3,05,620	2,46,620
For Certification & other reimbursements (incl. GST)	1,91,160	14,750

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

Sr. No	Particulars	As at 31.03.2021	As at 31.03.2020
1	Principal amount remaining unpaid to any supplier as at the end of the accounting year		
a	Trade Payables	31,58,276	10,71,962
b	Payables for purchase of property, plant & equipment	80,55,750	2,31,31,641
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	-	-
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.

39. The Company has taken working capital facilities from Banks which is secured as under:
- Second charge on entire movable & immovable assets (both present & future) of the Company.
  - First charge on current assets of the Company & TRA account (both present & future) on pari passu basis to be shared with Term Loan lenders.

40. The Company has taken limits of Rs. 25 crores (non fund based) for issuance of PBG in favour of PNGRB w.r.t CGD of Diu and Gir Somnath GA. The said limits is secured as under-

- 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.
- 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).





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 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. 30,89,241 (for March 31, 2020: Rs. 926,071) as per the requirements of section 135 of the Companies Act, 2013 & has spent for the year 34,00,000 (for March 31, 2020: Rs. 21,72,550).

Sr. No	Particulars	Amount Contributed	Amount yet to be contributed	Total Rs.
1	Construction/Acquisition of any Assets	20,00,000	-	20,00,000
2	On purposes other than a above	14,00,000	-	14,00,000
<b>TOTAL</b>		<b>34,00,000</b>	<b>-</b>	<b>34,00,000</b>

As per our report of even date


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

  
**Harsh Kejriwal**  
Partner

Membership Number: 128683  
Ahmedabad, Dated: 22.06.2021



For & on behalf of the Board

  
**M. Sahu**  
Chairman

  
**Karan Kaushal**  
CEO

  
**Vinod Jain**  
Director

  
**Harshal Anjaria**  
CFO

  
**Shikha Jain**  
CS

Ahmedabad, Dated: 22nd June, 2021