DIRECTORS' REPORT

To,
The Members
GSPL India Gasnet Limited

Your Directors have pleasure in presenting the 10th Annual Report together with the Audited Financial Statements, Reports of the Statutory Auditors and Comptroller & Auditor General of India for the year ended on 31st March, 2021.

FINANCIALS

Rs. in Lacs

Particulars	2020-21	2019-20
Total Income	18039.90	11622.68
Total Expenses	15826.65	16312.29
Profit /(Loss) Before Tax	2213.25	(4689.61)
Tax including Deferred Tax	592.64	(1087.45)
Profit /(Loss) After Tax	1620.61	(3602.16)
Other Comprehensive Income	22.08	(12.73)
Transfer to Reserves	1642.69	(3614.89)

Financials as per Ind-AS

SHARE CAPITAL

During the year under review, the Company has allotted 65,00,00,000 equity shares of Rs. 10 each aggregating to Rs. 650 Crores on rights basis to meet fund requirements for implementing the Projects. The shareholding of the Company as on 31st March, 2021 is as follows:

Sr. No.	Name of the Shareholder	No. of shares	% holding
1	Gujarat State Petronet Limited	8,27,85,00,600	52
2	Indian Oil Corporation Limited	4,13,92,50,300	26
3	Bharat Petroleum Corporation Limited	175,12,21,280	11
4	Hindustan Petroleum Corporation Limited	175,12,21,280	11
	Total	**1592,01,93,460**	**100**

During the year under review, the authorised share capital of the Company was increased from Rs. 2000 Crores divided into 200,00,00,000 equity share of Rs. 10 each to Rs. 2500 Crores divided into 250,00,00,000 equity shares of Rs. 10 each and consequential amendment was carried out in the Memorandum of Association of the Company. Necessary resolutions in this regard were passed by the members at the Extra-Ordinary General Meeting held on 26th March. 2021.

FIXED DEPOSITS

The Company has not accepted/ invited any Fixed Deposits during the year.

DIVIDEND

During the year under review, no distributable profit is available and hence the Board of Directors does not recommend any dividend for the Financial Year 2020-21.

OPERATIONS

Your Company is a Special Purpose Vehicle incorporated for implementing the following Natural Gas Pipeline Projects.

Sr. No.	Project	Kms. (approx.)
1	Mehsana-Bhatinda Pipeline Project (MBPL)	1834
2	Bhatinda- Jammu-Srinagar Project (BJSPL)	740

As the members are aware that the Company has commissioned initial sections of MBPL and BJSPL Projects aggregating to approx. 442 Kms during FY 2018-19. The company has transported gas during the year at an average rate of approx. 2.7274 MMSCMD. The total transmission volume for FY 2020-21 is 4,17,30,630.59 MMBTU and company has earned total revenue of Rs. 172.41 Crores through transportation of gas till 31st March 2021.

PROJECT STATUS

The Company has started implementation of various sections of MBPL Project planned under Phase II and has awarded EPC contracts for the following Sections gradually by May 2019:

Section	Kms
30"Pipeline from IP-01 (Shiv talav, Pali) to Bhatinda RT of MBPL	683
18"Pipeline from IP-05 (Ajitpura, Hanumangarh) to Panipat RT	226
12"Pipeline from Bhatinda RT to NFL Bhatinda	30
Total	939

The Sections being implemented under Phase-II covering MBPL 30"pipeline section from IP-01, Pali to RT- Bathinda and 18"Pipeline from IP-05 to RT Panipat, along with various spurlines will traverse through the state of Rajasthan, Haryana and

Punjab and will cater the gas demands of various industrial customers and city gas networks en-route the Pipeline.

Project implementation activities like laying of pipeline, civil construction works etc. for the above sections were in full swing during the year under review. All the EPC Contractors have placed orders for all long lead items and the line pipes for entire Project have been received. Required manpower and equipments were fully mobilized and laying and back-filling of approx. 860 Kms has been completed. Further, hydrotesting of approx. 740 Kms has also been completed. Despite several challenges faced in implementing the Project, the Company has achieved an overall progress of more than 95% in Phase II of MBPL Project.

As the members are aware that there has been global pandemic due to outbreak of Covid-19 during March 2020 & second wave in April 2021 and the Government of India has taken various steps including lock down to contain the spread of Covid-19. This has affected almost each and every business leading to economic distress. As far as the Company is concerned, the Board would like to bring to your notice that due to Covid-19 outbreak, all the Project activities were on hold since last week of March 2020 and production of line pipes & long lead items, import of critical items etc. have been affected due to global impact of Covid-19 pandemic. Further, due to on-going protests against farm bills in Punjab and Haryana project activities have been severely affected. However, the Company is making all efforts to regain the time lost and and commission the Project during the current financial year.

The Board takes this opportunity to inform you that during the year under review, the Company has approved implementation of following sections of MBPL and BJPL Projects:

1) MBPL Project: HRRL Spurline of approx. 90 Kms from SV 01 on Barmer Pali Pipeline to HPCL Rajasthan Refinery Limited (HRRL Refinery), Pachpadra, Barmer
2) BJPL Project: Bhatinda – Jallandhar Pipeline of BJPL of approx. 130 Kms

The Company has floated tender for appointment of EPMC Consultant and the same is under process.

The Board takes this opportunity to inform you that PNGRB has vide letter dated 25th November 2020 extended the construction period for MBPL Project till June 2021 and till December 2022 for spurlines on account of Covid-19 and other reasons like delay in receipt of statutory permissions & approvals. Further, during the year under review, the Board has approved foreclosure of BJSPL at Gurdaspur and surrendered Bhilwara-Chittorgarh-Udaipur Spurline and necessary applications have been made to PNGRB for its approval. The map depicting the revised pipeline route of MBPL and BJPL aggregating to approx. 1929 kms is enclosed herewith as **Annexure – I**.

PROJECT REFINANCING

As the members are aware that MBPL and BJPL Projects are being implemented in phases considering progress achieved in obtaining statutory clearances, economic scenario & gas demand en-route the pipeline, evacuation of gas from sources etc. Presently, the initial sections of MBPL and BJPL Projects aggregating to 442 Kms awarded in March 2017 has been commissioned in November, 2018 and the sections awarded in March 2019 under Phase II of MBPL aggregating to 939 kms are in the advance stage of completion. The Board of Directors would like to inform you that with passage of time, the estimated project cost has increased on account of increase in steel prices, change in tax regime (GST), non-availability of CENVAT Credit under GST, increase in ROU and Crop compensation on account of new Land Acquisition Act etc and the revised estimated Project Cost now stand at Rs. 7392 Crores. The Board takes this opportunity to inform you that the Consortium of Bank have approved said increase in Project Cost, change in scheduled commercial operation date as 30th September, 2022 and repayment start date as 30th December 2022 for both the Projects viz. MBPL and BJPL. Necessary agreements for debt component of increased Project Cost have been executed on 31st March, 2021 and required undertaking from Promoters for equity component and other support are under finalization.

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Company has appointed Shri Debasish Nanda and Shri Kani Amudhan N as an Additional Directors w.e.f. 7th January, 2021 and 29th July, 2021 respectively on the Board of the Company since the last Report. They will hold office upto the date of ensuing Annual General Meeting as per provisions of Section 161 of Companies Act 2013 and the Articles of Association of the Company. It is proposed to regularize their appointment at the ensuing Annual General Meeting.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Shri J S Prasad and Shri Ravindra Agrawal will retire by rotation and being eligible, have offered themselves for re-appointment.

For your perusal, a brief resume of the Directors being appointed / re-appointed and other relevant details are given in the Notice convening the Annual General Meeting. The Board of Directors recommends their appointment / re-appointment for approval of the shareholders of the Company.

Shri P K Yadav and Shri Mahesh Narain have resigned w.e.f. 30^{th} November, 2020 and 30^{th} June, 2021 pursuant to change in nomination by concerned Promoter Company. The Board places on record its appreciation for the services rendered by them during their tenure as Directors on the Board of Company.

Shri Ravindra Agrawal, Director holds the charge of Chief Executive Officer of the Company. Shri Neeraj Kumar Singh and Ms. Meera Parikh have been appointed as Chief Financial Officer and Company Secretary respectively.

INDEPENDENT DIRECTORS

Dr. Sudhir Kumar Jain has been appointed as an Independent Director on the Board of the Company w.e.f. 13th November, 2019 for a term of 3 years i.e. upto 12th November, 2022 as per the provisions of Section 149 and 152 of the Companies Act, 2013. Dr. Jain has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Smt. Shridevi Shukla has been appointed as Woman Independent Director on the Board of the Company w.e.f. 8^{th} June, 2020 for a term of 3 years i.e. upto 7^{th} June 2023 as per the provisions of Section 149 and 152 of the Companies Act, 2013. Smt. Shridevi Shukla has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Based on the disclosures and declarations received from Independent Directors, the Board is of the opinion that they possess requisite experience & expertise.

BOARD MEETINGS

During the financial year, the Board met four (4) times. The details of the Meetings are as follows:

Sr. No.	Particulars	Date of Meeting
1	43rd Board Meeting	22^{nd} May, 2020
2	44^{th} Board Meeting	29^{th} September, 2020
3	45^{th} Board Meeting	7^{th} January 2021
4	46^{th} Board Meeting	26^{th} March, 2021

The attendance of each Director at the Board Meetings held during the FY 2020-21:

Name	Number of Meetings held during the tenure	Number of Meetings attended
Shri Anil Mukim, IAS	4	4
Shri Sanjeev Kumar, IAS	4	4
Shri P K Yadav (Upto 30th November, 2020)	2	2
Shri Mahesh Narain	4	4
Shri J S Prasad	4	3
Shri Ravindra Agarwal	4	4
Shri S K Sur Chowdhury (Upto 27th July, 2020)	1	1
Shri Debasish Nanda (from 7th January, 2021)	2	2
Shri M K Sharma (from 4th August, 2020)	3	3
Dr. Sudhir Kumar Jain	4	4
Smt. Shridevi Shukla (from 8th June 2020)	3	3

STATUTORY & CAG AUDIT

Your Company being a Government Company, the Statutory Auditor is appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, C&AG has appointed M/s. Ramanlal G Shah & Co., Chartered Accountants as Statutory Auditors of the Company for the Financial Year 2020-21.

The Statutory Auditors have carried the Statutory Audit and have issued the Audit Report for FY 2020-21. The said report does not contain any qualification or adverse remark.

C&AG has given NIL Comment Report for the year ended on 31st March, 2021. The NIL Comment Report is enclosed herewith as **Annexure – II**.

COST AUDITOR

The Board of Directors has appointed M/s. N D Birla & Co., Cost Accountants (FRN 000028) as the Cost Auditor of the Company for the Financial Year 2020-21. This being the first year of Audit, the Cost Audit Report for the year 2020-21 will be filed within the statutory time limit. The Company has made and maintained cost records as specified under Section 148 of the Companies Act, 2013.

INTERNAL AUDIT & FINANCIAL CONTROLS

The Company has appointed M/s. KPMG. Chartered Accountants as Internal Auditors for the Financial Year 2020-21. The observations and recommendations of the Internal Auditors are reported to the management for appropriate action on the same.

The Company has adequate internal financial controls commensurate with its size, scale and operations of the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 read with Rules made there under, the Company has appointed M/s. R V Gandhi & Co., Practicing Company Secretary as Secretarial Auditor for the Financial Year 2020-21. The Report on Secretarial Audit carried out is annexed herewith as **Annexure III**. The said Report does not contain any observation or adverse remarks.

AUDIT COMMITTEE

As mentioned above, the Company being a joint venture is exempted from the requirement of constituting Audit Committee. However, the Company has voluntarily constituted the Audit Committee and present constitution of the Committee is as follows:

Shri Anil Mukim, IAS	Chairman
Shri Debasish Nanda	Member
Shri Ravindra Agrawal	Member
Dr. Sudhir Kumar Jain	Member
Smt Shridevi Shukla	Member

During the financial year, the Audit Committee met three (3) times. The details of these Meetings are as follows:

Sr. No.	Particulars	Date of Meeting
1	21st Audit Committee	22nd May, 2020
2	22nd Audit Committee	29th September, 2020
3	23rd Audit Committee	7th January, 2021

The attendance of each Director at the Audit Committee Meetings held during the FY 2020-21:

Name	**Number of Meetings held during the tenure**	**Number of Meetings attended**
Shri Anil Mukim , IAS	3	3
Shri P K Yadav (upto 30th November, 2020)	2	2
Shri Ravindra Agrawal	3	3
Dr. Sudhir Kumar Jain	3	3
Smt. Shridevi Shukla (from 8th June 2020)	2	2

The Audit Committee of Directors of the Company at its Meeting held on 2nd June, 2021 approved the Annual Accounts for the year ended on 31st March, 2021 and recommended the same for approval of the Board.

NOMINATION AND REMUNERATION COMMITTEE

As mentioned above, the Company being a joint venture is exempted from the requirement of constituting Nomination and Remuneration Committee. However, the Company has voluntarily constituted the Nomination & Remuneration Committee and present constitution of the Committee is as follows:

Shri Ravindra Agrawal	Chairman
Dr. Sudhir Kumar Jain	Member
Smt Shridevi Shukla	Member

Ministry of Corporate Affairs has vide notification dated 5th June, 2015 exempted government companies from disclosing company's policy on appointment & remuneration of Directors and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013. Your Company being a Government Company is exempted from disclosing the said particulars in Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the Company has constituted CSR Committee and approved the CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 which is available on the website of the Company at http://gspcgroup.com/GIGL/policies

Average net profit of the last three years as per section 135(5) is not available and accordingly the provisions regarding CSR expenditure is not applicable to the Company. However, the contents of CSR Policy, Report for the financial year ended 31st March, 2021 & other details in the format prescribed under the Companies

(Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure – IV**.

VIGIL MECHANISM

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who use such mechanism, and allows direct access to the chairperson of the Audit Committee in exceptional cases. The same is available on the website www.gspcgroup.com/GIGL.

BOARD EVALUATION

The Company being a joint venture company promoted by government companies viz. GSPL, IOCL, BPCL and HPCL, Directors on the Board are nominated by Promoters in terms of Articles of Association and Joint Venture Agreement.

The Board has carried out the performance evaluation of the individual Directors, the Board as a whole and the statutory Committee(s) of Directors based on the criteria for the evaluation of the performance stipulated in the Policy. The Directors were satisfied with the evaluation result.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

Your Company firmly believes in demonstrating excellence in Quality, Health, Safety and Environment and ensuring safety of all personnel working under our control and promotes harmony with Environment. As a responsible corporate, Your Company endeavors to keep its employees fully aware of HSE aspects through extensive awareness and training.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that,

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2021 and of the profit of the company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

Risks associated with the business of the Company, if any, are brought to the notice of Board from time to time and deliberations are held to avoid / mitigate such risks. The Board will develop a Risk Management Policy of the Company in future considering the Project requirements.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Audit Committee has granted omnibus approval for related party transactions and the details of all the transactions entered into with related parties are placed before the Audit Committee for its review. The particulars of contracts/ arrangements/ transactions requiring disclosure in Form AOC – 2 of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure V** to this Report. For other related party transactions, your attention is drawn to the Note No. 34 of the Financial Statements regarding the disclosure of the Related Party Transactions.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the year, your Company has not provided any loans, guarantees or investments to any person or body corporate.

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

Internal Complaints Committee has been constituted at GSPC group level for investigating complaints regarding sexual harassment. During the year 2020-21, no complaint of sexual harassment was received by the Company.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

ANNUAL RETURN

Pursuant to the provisions of the Companies Act, 2013, the Annual Return of the Company in Form MGT -7 is placed on the website of the company at http://gspcgroup.com/GIGL/annual-reports

DEMATERIALIZATION OF EQUITY SHARES

Equity shares of the Company can be dealt in dematerialised form by all shareholders. For this purpose, the Company has established connectivity with National Securities Depository Limited (NSDL) for dematerialization of equity shares. Demat security (ISIN) code for the equity shares is **INE02HC01016**.

Registrar & Share Transfer Agent (RTA)

The Company has appointed Registrar & Transfer Agent to facilitate the connectivity between the Company and Depository. Contact details of RTA are as follows:

NSDL Database Management Limited
4th Floor, Trade World A Wing, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013
Phone: 022 4914 2700 / 022-2499 4200
Email: info_ndml@nsdl.co.in

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant or material order has been passed by any Regulator/ Court or Tribunal impacting the going concern status and Company's operations in future.

PARTICULARS OF EMPLOYEES

The Company being a government company is exempted from disclosing the remuneration and other particulars of employees prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Rules made there under.

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

CONSERVATION OF ENERGY: NIL
TECHNOLOGY ABSORPTION: NIL

FOREIGN EXCHANGE EARNINGS & OUTGO FOR THE YEAR:

Foreign Exchange earnings - Nil
Foreign Exchange Outgo – Nil

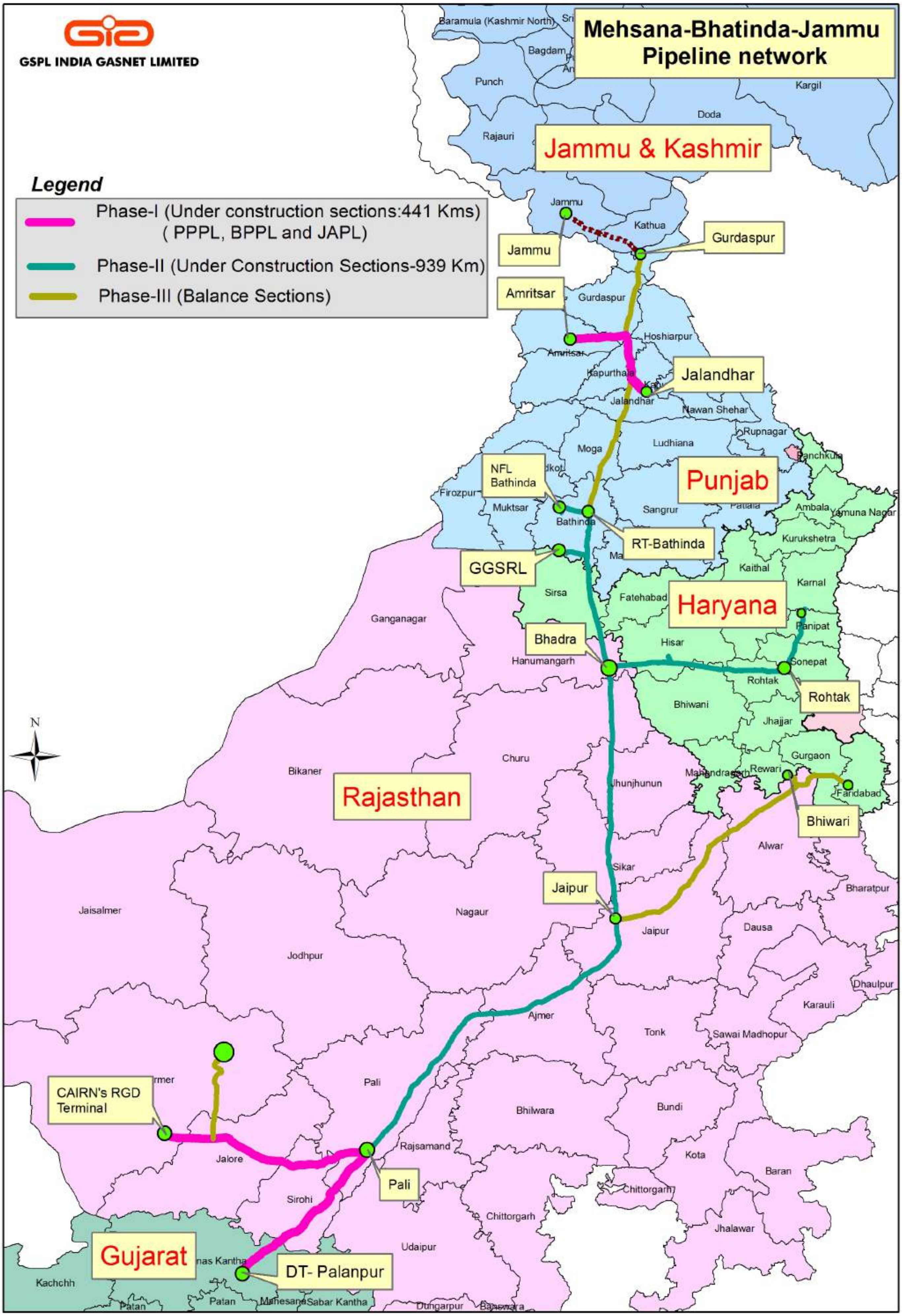
ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their appreciation for the continued guidance and support received from the Promoters viz. Gujarat State Petronet Limited, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, and Hindustan Petroleum Corporation Limited, Petroleum & Natural Gas Regulatory Board, Government of India & State Governments, Banks and Customers.

Your Company also place on record sincere appreciation for hard work, dedicated and unstinted efforts of employees at all levels in implementing the Project.

For and on behalf of Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064
Date: 27th AUG 2021
Place: Gandhinagar



GSPL INDIA GASNET LIMITED
Mehsana-Bhatinda-Jammu Pipeline network
Legend
Phase-I (Under construction sections:441 Kms) (PPPL, BPPL and JAPL)
Phase-II (Under Construction Sections-939 Km)
Phase-III (Balance Sections)
Jammu & Kashmir
Punjab
Haryana
Rajasthan
Gujarat
Jammu
Gurdaspur
Amritsar
Jalandhar
NFL Bathinda
RT-Bathinda
GGSRL
Bhadra
Rohtak
Bhiwari
Jaipur
CAIRN's RGD Terminal
Pali
DT- Palanpur

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सत्यमेव जयते

भारतीय लेखापरीक्षा एवं लेखा विभाग
कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-II) गुजरात
INDIAN AUDIT & ACCOUNTS DEPARTMENT
Office of the Principal Accountant General (Audit-II), Gujarat

No. ES-I, HQ-I/A/cs/ GIGL/2020-21/013362
07.06.2021

सेवा में,

प्रबंधक निदेशक

जी.एस.पी.एल. इंडिया गैसनेट लिमिटेड

जी.एस.पी.एल. भवन, प्लाट न.E-18,

सेक्टर-26, गांधीनगर-382028.

Sub:- Comment of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements **GSPL India Gasnet Limited** for the year ended 31 March 2021.

Sir,

Please find enclosed nil comment certificate of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements **GSPL India Gasnet Limited** for the year ended 31 March 2021 for being placed before the Annual General Meeting of the Company.

Under Section 143(6) of the Companies Act, 2013 the comments of the Comptroller and Auditor General of India are required to be sent by the Company to every person entitled to copies of audited financial statements under Section 136(1) of the Company Act, 2013 and also to be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Statutory Auditors' Report of the Company. The date of placing the Report of the Comptroller and Auditor General of India before the Annual General Meeting may please be intimated to this office.

Six copies of the printed accounts may please be sent to this office for our use and record.

Receipt of this letter with its enclosures may please be acknowledged.

भवदीय,

उप महालेखाकार (ए.एम.जी.-3)

Encl: As above

लेखापरीक्षा भवन, नवरंगपुरा, अहमदाबाद - 380 009. Audit Bhavan, Navrangpura, Ahmedabad-380009.
फोन / Phone : 079-26403713, 26561327, 26405874, 26561282, 26560892, 26473888
फेक्स / Fax : 079-26561853 E-mail : pagau2gujarat@cag.gov.in

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

The preparation of financial statements of **GSPL India Gasnet Limited** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 02 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **GSPL India Gasnet Limited** for the year ended 31 March 2021 under Section 143 (6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

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

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

6/7/21
(H. K. Dharmadarshi)
Principal Accountant General (Audit-II), Gujarat

Place: Ahmedabad
Date:

R. V. GANDHI & Co.,
Practicing Company Secretary
C/3, 204, Anushruti Tower, Nr. Muktidham Jain Derasar,
Thaltej Cross Road, S. G. Highway, Ahmedabad – 380 054.
Mobile : 99792 60360. Phone (O) : 079-2688 2215.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

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

To,
The Members,
GSPL India Gasnet Limited
GSPC Bhavan, B/h Udyog Bhavan
Sector-11, Gandhinagar-382 010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GSPL India Gasnet Limited.** The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under complied with by the Company voluntarily during the period under review.

R. V. GANDHI & CO. FCS-6807 C.P. No. 7120 AHMEDABAD COMPANY SECRETARIES

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') *are not applicable* to the Company during the period under review.

(i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

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

(vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

(viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

(i) Petroleum and Natural Gas Regulatory Board Act, 2006 and rules and regulations made there under.

(ii) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962

R. V. GANDHI & CO. FCS-6807 C.P No. 7120 AHMEDABAD COMPANY SECRETARIES

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Company being unlisted is not required to comply with the Listing Agreements of Stock Exchange(s)/ SEBI (LODR) Regulations, 2015.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors as on 31.03.2021. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance & in case of shorter notice required compliance as per Companies Act, 2013 has been ensured.

Generally, all decisions at the Board and Committee meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors and Committee of the Board as the case may be.

We further report that

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

We further report that

1. During the year under review the Company has increased its authorized capital from Rs. 2,000 Crores to Rs.2,500 Crores by passing the Ordinary resolution in the annual general meeting of the members held on 26.03.2021.

P. V. GANDHI & CO. FCS-6807 C.P No. 7120 AHMEDABAD COMPANY SECRETARIES

2. During the audit period the Company has :-

(i) allotted 35,00,00,000 Equity Shares of Rs. 10 each aggregating to Rs. 350 Crores by passing the Board Resolution dated 31.08.2020 to the existing shareholders on right basis.

(ii) allotted 30,00,00,000 Equity Shares of Rs. 10 each aggregating to Rs. 300 Crores by passing the Board Resolution dated 31.01.2021 to the existing shareholders on right basis.

R. V. GANDHI & CO. * FCS-6807 C.P. No. 7120 AHMEDABAD * COMPANY SECRETARIES

For R. V. Gandhi & Co.

(Rashmikant V. Gandhi)
Company Secretaries
FCS No.6807COP No.7120
UDIN:F006807C000411926

Date: 02/06/2021.
Place: Ahmedabad

*(This report is to be read with our letter of even date which is annexed as **Annexure A(Page5) and** forms an integral part of this report.)*

R. V. GANDHI & Co.,

Practicing Company Secretary
C/3, 204, Anushruti Tower, Nr. Muktidham Jain Derasar,
Thaltej Cross Road, S. G. Highway, Ahmedabad – 380 054.
Mobile : 99792 60360. Phone (O) : 079-2688 2215.

'Annexure A'

To,
The Members,
GSPL India Gasnet Limited
GSPC Bhavan, B/h Udyog Bhavan
Sector-11, Gandhinagar-382 010

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

1. *Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.*
2. *We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.*
3. *We have not verified the correctness and appropriateness of financial Statements of the company.*
4. *The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.*
5. *The Secretarial Audit report is not an assurance as to the future viability of the Company.*
6. *Due to Covid-19 pandemic, the secretarial audit is carried out with limited review as physical verification of records was not possible.*

For R.V. Gandhi & Co.

R. V. GANDHI & CO. FCS-6807 C.P. No. 7120 AHMEDABAD COMPANY SECRETARIES

(Rashmikant V. Gandhi)
Company Secretaries
FCS No. 6807, COP No.7120

Date: 02/06/2021.
Place: Ahmedabad

Annexure - IV

ANNUAL REPORT ON CSR ACTIVITIES

1) Brief outline on CSR Policy of the Company:

   In accordance with the requirements of Section 135 of the Companies Act 2013 read with Rules made thereunder, the CSR Committee has framed CSR Policy and the same has been approved by the Board. Salient features of the CSR Policy are as under:

   i) The Company will endeavour to spend at least 2% of the average net profit of immediately 3 preceding financial years for CSR Programmes.
   ii) CSR Programmes will be identified in consonance with the Schedule - VII of the Companies Act, 2013
   iii) CSR Programmes will be identified either internally or based on proposal/request received from various central/state govt agencies, NGOs, Trusts, etc functioning in the local areas or by any other means or source as the company may be deem fit.
   iv) CSR Programmes will be undertaken by the Company directly or indirectly.

2) Composition of CSR Committee:

Sl. No.	Name of Director	Designation	Number of meetings heldduring the year	Number of meetings attended during the year
1	Shri Sanjeev Kumar IAS	Chairman	1	1
2	Dr. Sudhir Kumar Jain	Member	1	1
3	Shri Debasish Nanda	Member	NA	NA

3) Provide the web-link where Composition of CSRcommittee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company
   The CSR Policy of the Company is available on the website at: http://gspcgroup.com/GIGL/policies

4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable

5) Details of the amount available for set off in pursuanceof sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1			
2			
3			
	TOTAL		

6) Average net profit of the company as per section 135(5): Negative

7) (a) Two percent of average net profit of the company asper section 135(5): Nil
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
   (c) Amount required to be set off for the financial year, if any: Nil
   (d) Total CSR obligation for the financial year (7a+7b-7c): Nil

8) (a) CSR amount spent or unspent for the financial year: Not Applicable

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

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Loca larea (Yes / No).	Location of the project.		Amount spent forthe project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation – Through implementation agency.	
				State.	District.			Name.	CSR registrationnumber.
1.									
2.									
3.									
	TOTAL								

(d) Amount spent in Administrative Overheads: Not Applicable
(e) Amount spent on Impact Assessment, if applicable: Not Applicable
(f) Total amount spent for the Financial Year: Not Applicable
(8b+8c+8d+8e)
(g) Excess amount for set off, if any: Not Applicable

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

9) (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)(in Rs.)	Amount spent in the Reporting Financial Year(in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1.							
2.							
3.							
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

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

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable
   (a) Date of creation or acquisition of the capital asset(s)
   (b) Amount of CSR spent for creation or acquisition of capital asset
   (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
   (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Ravindra Agrawal
Chief Executive Officer
DIN: 00157236

Sanjeev Kumar, IAS
Chairman CSR Committee
DIN: 03600655

ANNEXURE - V
AOC - 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013 including certain arms length Transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Duration of the contracts/arrangements/transactions: Ongoing/Recurring

(b) Date of approval by the Board:NA

Nature of contract /Transaction & Name of the related party	Nature of relation	Salient terms of the contracts or arrangements or transactions including the value of the transaction in FY 2020-21 (₹ in Lacs), if any *	Amount paid as advances, if any
Reimbursement made/received like for Employee salary/benefits, RoU, electricity expenses etc			
Gujarat State Petronet Limited	Holding Company	364.07	Nil
Purchase/sale of goods, Availing/Rendering Services			
Gujarat State Petronet Limited	Holding Company	97.98	Nil
Gas Transportation Income			
Gujarat State Petronet Limited	Holding Company	19,303.26	Nil

*All the transactions are in the ordinary course of business and have been entered on Arm's length principle.

For and on behalf of the Board of Directors

Anil Mukim, IAS
Chairman
DIN: 02842064

Date: 27th August, 2021
Place: Gandhinagar

GSPL INDIA GASNET LIMITED

Standalone Ind AS Financial Statements
2020-2021

RAMANLAL G. SHAH & CO.
CHARTERED ACCOUNTANTS
TELEPHONE : 079-26578819, 26575530
079-26578861, 26575401
E-MAIL : ramanlalgshahandco@gmail.com

SHREEJI HOUSE
BEHIND M J LIBRARY
ELLIS BRIDGE
AHMEDABAD 380 006

INDEPENDENT AUDITOR'S REPORT

To the Members of GSPL India Gasnet Limited
Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of GSPL India Gasnet Limited ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAS) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 scepticism throughout the audit. We also:

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

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(5) of the Act and in accordance with the directions and sub directions issued by the Comptroller & Auditor General of India, under section 143(5) of the Act, we have complied with all the directions issued and our comments thereon is as per **Annexure "C" to "E"** to this report.
3. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

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:

1) The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 27 to the financial statements.

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

3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, RAMANLAL G. SHAH & CO.
Chartered Accountants
Firm Reg. No. 108517W

Date: 2 June 2021
Place: Ahmedabad

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Vivek S. Shah

(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 2112269AAAABO4530

ANNEXURE A TO AUDITORS' REPORT

(Referred to in paragraph under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

(b) The fixed assets were physically verified during the year by the management as per the cycle of physical verification fixed there for. The discrepancies noticed on such verification, which were not significant, have been properly dealt with in the books of account.

(c) The title deeds of immovable properties are held in the name of the Company.

(ii) The Company does not hold any physical inventories for sale in the ordinary course of business. The Company, under contractual agreement, is required to hold Line Pack Gas in order to ensure smooth and uninterrupted gas supply from supply points to consumption points. Such inventory of gas is valued on weighted moving average cost.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, limited liability partnerships, and firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) According to the information and explanations given to us, the Company has not taken loans, made investments, given guarantees or security in terms of sections 185 and 186 of the Companies Act, 2013.

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

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Act in respect of its operations. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Good & Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are

RAMANLAL G. SHAH & CO. + CHARTERED ACCOUNTANTS + AHMEDABAD no such arrears as at 31st March, 2021 for a period more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no dues of income tax or Good & Service Tax or duty of customs or duty of excise or value added tax that have not been deposited as on 31 March, 2021 on account of any dispute.

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any banks, financial institutions or government or debenture holders as at the balance sheet date. Accordingly, clause (viii) of the paragraph 3 of "the Order" is not applicable to the Company.

(ix) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by any of its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company by virtue of the provisions of notification no. GSR. 463 (E) dated 5 June, 2015 of the Ministry of Corporate Affairs, Government of India, is exempt from the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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

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

(xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, RAMANLAL G. SHAH & CO.
Chartered Accountants
Firm Reg. No. 108517W

Date: 2 June 2021

Place: Ahmedabad

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Vivek S. Shah

(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 2112269AAAABO4530

ANNEXURE B TO AUDITORS' REPORT

Report on internal Financial Controls under Clause (i) of sub section 3 of section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of GSPL India Gasnet Limited ('the Company') as at 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on principles as codified under the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

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 effect 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 of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, RAMANLAL G. SHAH & CO.
Chartered Accountants
Firm Reg. No. 108517W

Date: 2 June 2021

Place: Ahmedabad

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Vivek S. Shah)
Partner
Membership No.112269

UDIN: 2112269AAAABO4530

ANNEXURE C -AUDITORS' REPORT

REPORT OF THE STATUTORY AUDITORS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2020-21

NAME & ADDRESS OF THE COMPANY - GSPL INDIA GASNET LTD., GSPL Bhavan, Plot No. E 18, GIDC Electronics Estate, Nr. K-7 Circle, Sector 26, Gandhinagar 382028

SR. No.	QUESTIONNAIRE	RESPONSE / REMEDIAL MEASURES
1	Whether the Company has system in place to process all the accounting transactions through IT system? If no, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, The company is using "SAP ECC 6.0" for accounting of all accounting transactions through IT systems.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debt/ loan/ interest, etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.	There are no cases of restructuring of loans or waiver of debts / loan / interest etc. during the year.
3	Whether funds (grants/ subsidy) received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	During the year, the Company has not received/ does not have any funds receivable from specific schemes from Central/ State agencies.

For, RAMANLAL G. SHAH & CO.
Chartered Accountants
Firm Reg. No. 108517W

Date: 2 June 2021

Place: Ahmedabad

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Vivek S. Shah

(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 2112269AAAABO4530

ANNEXURE D TO AUDITORS' REPORT

SECTOR SPECIFIC SUB DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2020-21

NAME & ADDRESS OF THE COMPANY - GSPL INDIA GASNET LTD., GSPL Bhavan, Plot No. E 18, GIDC Electronics Estate, Nr. K-7 Circle, Sector 26, Gandhinagar 382028

Services Sector

1	Whether the company's pricing policy absorbs all fixed and variable cost of production and the overheads allocated at the time of fixation of price?	The company's pricing is determined based on tariff approved by Petroleum and Natural Gas Regulatory Board.
2	Whether the company recovers commission for work executed on behalf of government / Other organisations that is properly recorded in the books of accounts? Whether the company has an efficient system for billing and collection of revenue?	The Company does not execute work on behalf of Government/other organisations. The Company has efficient system for billing and collection of revenue.
3	Whether the company regularly monitors timely receipt of subsidy from government and it is properly recording them in its books?	The company has not received any subsidy from the government.
4	Whether interest earned on parking of funds received for specific projects from Government was properly accounted for?	The Company has not received any fund for specific projects from Government.
5	Whether the company has entered into memorandum of understanding with its administrative ministry, if so, whether the impact thereof has been properly dealt with in the financial statements?	No the company has not entered into any MOU with administrative ministry.

For, RAMANLAL G. SHAH & CO.
Chartered Accountants
Firm Reg. No. 108517W

Date: 2 June 2021

Place: Ahmedabad

Vivek S. Shah

(Vivek S. Shah)
Partner
Membership No.112269

UDIN: 2112269AAAABO4530

ANNEXURE E TO AUDITORS' REPORT

SECTOR SPECIFIC SUB DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2020-21

NAME & ADDRESS OF THE COMPANY - GSPL INDIA GASNET LTD., GSPL Bhavan, Plot No. E 18, GIDC Electronics Estate, Nr. K-7 Circle, Sector 26, Gandhinagar 382028

Infrastructure Sector

1	Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the Company is encroached, under litigation, not put to use or declared surplus? Details may be provided.	The company has taken adequate measures to prevent encroachment and there is no encroachment to the land owned by the company.
2	Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines/ policies of the Government? Comment on deviation if any.	The company does not have any project to be taken up under Public Private Partnership.
3	Whether system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc., have been properly accounted for in the books.	System for monitoring the execution of works vis-a-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/ losses from contracts, etc., have been properly accounted for in the books.
4	Whether funds received/receivable for specific schemes from central/State agencies were properly accounted for/utilized? List the cases of deviations.	The Company has not received any fund for specific schemes from central/ State agencies.
5	Whether the bank guarantees have been revalidated in time?	Bank guarantees have been revalidated in a timely manner.

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

6	Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	The Confirmation of Balances has been obtained in majority of the cases.
7	The cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.	During the year 2020-21, the company has not abandoned any project.

For, RAMANLAL G. SHAH & CO.
Chartered Accountants
Firm Reg. No. 108517W

Date: 2 June 2021

Place: Ahmedabad

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Vivek S. Shah

(Vivek S. Shah)
Partner
Membership No.112269

UDIN: 2112269AAAABO4530

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Lacs)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	1,21,887.17	1,27,266.23
Capital Work-In-Progress	3	3,14,783.50	1,35,235.02
Other Intangible Assets	4	19,411.50	9,608.20
Financial Assets			
Loans	5	648.37	671.25
Other Financial Assets	6	314.75	73.81
Deferred Tax Assets (Net)	18	1,577.52	2,177.58
Other Non-Current Assets	7	4,675.60	8,797.44
Total Non-Current Assets		**4,63,298.41**	**2,83,829.53**
Current Assets			
Inventories	8	2,390.48	2,390.48
Financial Assets			
Trade Receivables	9	1,051.59	640.75
Cash and Cash Equivalents	10	53,355.46	12,943.26
Other Bank Balances	10	82.59	303.58
Loans	5	20.66	22.16
Other Financial Assets	6	17.07	24.04
Other Current Assets	7	1,052.46	1,149.05
Total Current Assets		**57,970.31**	**17,473.32**
Total Assets		**5,21,268.72**	**3,01,302.85**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	1,59,201.93	94,201.93
Other Equity	12	(4,100.38)	(5,743.07)
Total Equity		**1,55,101.55**	**88,458.86**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	13	3,32,079.09	1,84,725.07
Other Financial Liabilities	15	552.91	422.40
Provisions	16	856.12	713.29
Other Non-Current Liabilities	17	4,119.48	2,480.96
Total Non-Current Liabilities		**3,37,607.60**	**1,88,341.72**
Current Liabilities			
Financial Liabilities			
Trade Payables	14		
Total outstanding dues of micro enterprises and small enterprises		31.00	29.76
Total outstanding dues of creditors other than micro enterprises and small enterprises		429.57	175.87
Other Financial Liabilities	15	26,851.33	22,692.32
Other Current Liabilities	17	1,207.49	1,568.78
Provisions	16	40.18	35.54
Total Current Liabilities		**28,559.57**	**24,502.27**
Total Liabilities		**3,66,167.17**	**2,12,843.99**
Total Equity and Liabilities		**5,21,268.72**	**3,01,302.85**
Significant Accounting Policies	2		

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For Ramanlal G Shah & Co.
Chartered Accountants
Firm Registration No. 108517W

Vivek S. Shah

CA. Vivek S. Shah
Partner
Membership No. 112269
Place: AHMEDABAD
Date: 2 JUN 2021

RAMANLAL G SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064

Ravindra Agrawal
CEO & Director
DIN: 00157236

N. K. Singh
CFO

Meera Parikh
Company Secretary

GSPL INDIA GASNET LIMITED GANDHINAGAR

Place: Gandhinagar
Date: 2nd June, 2021

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31ST MARCH, 2021

(₹ in Lacs)

Particulars	Notes	2020-21	2019-20
INCOME			
Revenue From Operations	19	17,267.79	10,914.13
Other Income	20	772.11	708.55
Total Income (A)		**18,039.90**	**11,622.68**
EXPENSES			
Employee Benefit Expenses	21	936.78	888.81
Finance Costs	22	8,040.26	8,702.76
Depreciation and Amortisation Expenses	23	5,541.38	5,846.53
Other Expenses	24	1,308.23	874.19
Total Expenses (B)		**15,826.65**	**16,312.29**
Profit Before Tax (A-B)		**2,213.25**	**(4,689.61)**
Tax Expenses			
Current Tax	18	-	-
Deferred Tax	18	592.64	(1,087.45)
Profit After Tax for the Period		**1,620.61**	**(3,602.16)**
Other Comprehensive Income			
Remeasurements of post-employment benefit obligations		29.51	(17.01)
Income tax relating to these items		(7.43)	4.28
Other Comprehensive Income for the Period, net of tax		**22.08**	**(12.73)**
Total Comprehensive Income for the Period		**1,642.69**	**(3,614.89)**
Earning/(Loss) per Equity Share (EPS) for Profit for the Period			
(Face Value of ₹ 10)	25		
Basic (₹)		0.14	(0.58)
Diluted (₹)		0.14	(0.58)
Significant Accounting Policies	2		
The accompanying notes are integral part of the Financial Statements.			
As per our report of even date attached			

For Ramanlal G Shah & Co.
Chartered Accountants
Firm Registration No. 108517W

CA. Vivek S. Shah
Partner
Membership No. 112269
Place: AHMEDABAD
Date: 2 JUN 2021

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064

Ravindra Agrawal
CEO & Director
DIN: 00157236

GSPL INDIA GASNET LIMITED GANDHINAGAR

N. K. Singh
CFO

Meera Parikh
Company Secretary

Place: Gandhinagar
Date: 2nd June, 2021

GSPL INDIA GASNET LIMITED

CIN: U40200GJ2011SGC067449

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE PERIOD ENDED ON 31ST MARCH 2021

A. Equity Share Capital

Particulars	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 10/- each fully paid up		
As at 1 April 2019	**46,20,19,346**	**46,201.93**
Add: New shares allotted during the year	48,00,00,000	48,000.00
As at 31 March 2020	**94,20,19,346**	**94,201.93**
Add: New shares allotted during the year	65,00,00,000	65,000.00
As at 31 March 2021	**1,59,20,19,346**	**1,59,201.93**

B. Other Equity

(₹ in Lacs)

Particulars	Reserves & Surplus	Total Other Equity
	Retained earnings	
Balance at April 1, 2019	**(2,128.18)**	**(2,128.18)**
Profit for the year	(3,602.16)	(3,602.16)
Items of OCI recognised directly in retained earnings		
Remeasurement of post employment benefit obligation, net of tax	(12.73)	(12.73)
Total comprehensive income for the year	**(3,614.89)**	**(3,614.89)**
Balance at March 31, 2020	**(5,743.07)**	**(5,743.07)**
Profit for the year	1,620.61	1,620.61
Items of OCI recognised directly in retained earnings		
Remeasurement of post employment benefit obligation, net of tax	22.08	22.08
Total comprehensive income for the year	**1,642.69**	**1,642.69**
Balance at 31 March, 2021	**(4,100.38)**	**(4,100.38)**

Purpose of reserve:

Retained earnings: The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in full.

As per our report of even date attached

For Ramanlal G Shah & Co.
Chartered Accountants
Firm Registration No. 108517W

Vivek S. Shah

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

CA. Vivek S. Shah
Partner
Membership No. 112269
Place: A'bad 2 JUN 2021
Date:

For and on behalf of the Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064

Ravindra Agrawal
CEO & Director
DIN: 00157236

N. K. Singh
CFO

Meera

Meera Parikh
Company Secretary

GSPL INDIA GASNET LIMITED GANDHINAGAR

Place: Gandhinagar
Date: 2nd June, 2021

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED ON 31st MARCH, 2021

(₹ in Lacs)

Particulars	2020-21	2019-20
Cash Flow from Operating Activities		
Profit before Taxes	2,213.25	(4,689.61)
Adjustments for:		
Interest Income	(548.36)	(572.88)
Depreciation and amortisation	5,541.38	5,846.53
Employee benefit expenses	61.46	64.57
Other Non-cash items	(223.75)	(136.46)
Finance Cost	8,021.35	8,671.04
Operating Profit before Working capital changes	**15,065.33**	**9,183.19**
Change in Working capital		
(Increase)/Decrease in Financial Assets	(382.78)	(258.00)
(Increase)/Decrease in Other Assets	4,533.15	(8,289.89)
Increase/(Decrease) in liabilities	1,903.35	2,693.38
Less: Taxes Paid	(241.49)	(310.30)
Net Cash Flow from Operating Activities (A)	**20,877.56**	**3,018.38**
Cash Flow from Investing Activities		
Interest Received	520.21	569.01
(Investment in)/proceeds from Fixed Deposits (net)	8.35	(18.41)
Acquisition of Propery, plant & Equipments and Change in CWIP	(1,73,245.87)	(1,22,939.58)
Net Cash Flow from Investing Activities (B)	**(1,72,717.31)**	**(1,22,388.98)**
Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital	65,000.00	48,000.00
Proceeds from Long Term Borrowings	1,47,280.20	92,234.42
Interest and Other Finance Charges paid	(19,974.05)	(10,404.55)
Payment of interest portion of lease liabilities	(7.63)	(11.61)
Payment of principal portion of lease liabilities	(46.58)	(40.83)
Net Cash Flow from Financing Activities (C)	**1,92,251.94**	**1,29,777.43**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	**40,412.19**	**10,406.83**
Cash and Cash Equivalents at the beginning of the period	**12,943.26**	**2,536.43**
Cash and Cash Equivalents at the end of the period	**53,355.45**	**12,943.26**
Notes to Statement of Cash Flows		
Cash and cash equivalent includes-		
Cash and Cheques on Hand	0.41	0.50
Balances with Scheduled Banks		
in Current Accounts	34,978.43	11,370.45
in Fixed Deposit Accounts	18,376.61	1,572.31
	53,355.45	**12,943.26**

Previous period's figures have been rearranged/regrouped wherever necessary, to confirm to this year's classification.

As per our report of even date attached

For Ramanlal G Shah & Co.
Chartered Accountants
Firm Registration No. 108517W

Vivek S. Shah

CA. Vivek S. Shah
Partner
Membership No. 112269
Place: AHMEDABAD
Date: 2 JUN 2021

RAMANLAL G. SHAH & CO. CHARTERED ACCOUNTANTS AHMEDABAD

For and on behalf of the Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064

Ravindra Agrawal
CEO & Director
DIN: 00157236

N.K. Singh
CFO

Meera

Meera Parikh
Company Secretary

GSPL INDIA GASNET LIMITED GANDHINAGAR

Place: Gandhinagar
Date: 2nd June, 2021

1. Corporate information

GSPL India Gasnet Limited (GIGL, or 'the Company') was incorporated on 13th October 2011 under the Companies Act, 1956 as a subsidiary of Gujarat State Petronet Limited (GSPL). GSPL India Gasnet Limited is a Government Company u/s 2(45) of Companies Act, 2013. On 30th April, 2012, a joint venture agreement was executed between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL (52%), IOCL (26%), BPCL (11%) and HPCL (11%). The Registered Office of the Company is situated at GSPC Bhavan, B/H Udyog Bhavan, Sector 11, Gandhinagar, Gujarat - 382011. The Company is primarily engaged in transmission of natural gas through pipeline from supply points to demand centres. The Company is developing a natural gas pipeline for transmission of natural gas from Gujarat to Jammu & Kashmir.

Authorization of financial statements

The Standalone Financial Statements were approved and authorized for issue in accordance with a resolution passed in meeting of Board of the Directors held on 2nd June 2021.

2. Significant Accounting Policies

(a) Basis of preparation

The Standalone Financial Statements are prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder (as amended from time to time).

The financial statements are prepared on accrual basis of accounting under historical cost convention except for certain financial assets and liabilities measured at fair value.

The preparation and presentation of the financial statements requires the management to make estimates, judgments and assumptions that affect the amount reported in the financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that may have significant effect on the amounts recognized in the financial statements are as below:

- Useful lives of property, plant and equipment and intangible assets (including right-of-use asset)
- Measurement of Defined Benefit Obligations and actuarial assumptions
- Provisions and contingencies
- Provision for expected credit losses
- Current tax and Deferred tax asset / liabilities recognition (including uncertain tax treatment)
- Identification of performance obligations under contract with customers

- Timing of revenue recognition based on when the performance obligations are satisfied under contracts with customers
- Identification of investment properties
- Determination of lease term
- Definition of lease
- Discount rate to determine the lease liability
- Impact of COID-19 (Pandemic)

All values are rounded to the nearest rupees in Lacs, except where otherwise indicated.

(b) Property, plant and equipment

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

The cost of Property, Plant and Equipment comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the Statement of Profit and Loss when the asset is derecognised.

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

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

(c) Intangible assets

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

Intangible assets like software, licenses, Right-of-Use of land (ROU) and Right of Way (ROW) permissions which

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

GSPL INDIA GASNET LIMITED GANDHINAGAR

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

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

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

(d) Investment properties

Investment properties comprise land or buildings or part thereof (owned or taken on lease i.e. right of use asset) that are held for rental or for capital appreciation or both. An Investment property generates cash flow largely independently of the other assets held by an entity.

Property used in production or supply of goods or services and also held to earn rentals / capital appreciation is accounted separately as investment property only if portion of property held to earn rental / capital appreciation can be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Further property with provision of ancillary services to the occupants is treated as investment property if the services are insignificant to the arrangement as a whole. Investment property shall be recognised as an asset when and only when: (a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and (b) the cost of the investment property can be measured reliably.

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

(e) Depreciation and Amortisation

Depreciation on gas transmission pipeline(s) is provided using straight line method (SLM) and on other items of property, plant and equipment using written down value method (WDV) based on the useful life prescribed in Schedule II to the Companies Act 2013.

The residual values are not more than 5% of the original cost of the item of property, plant and equipment. Further, in case of the Pipeline Network assets, the residual value is considered to be NIL as the said assets are technically and commercially not feasible to extract from underground.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the

RAMANLAL G. SHAH & CO. CHARTERED ACCOUNTANTS AHMEDABAD

GSPL INDIA GASNET LIMITED GANDHINAGAR

date of addition / disposal. An item of property, plant and equipment costing up to ₹ 5000/- are depreciated fully in the year of purchase / capitalisation.

The right-of-use asset (recognised under Ind AS 116 Leases) is depreciated using the straight-line method from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

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

Right of Use (RoU) is indefinite in nature hence it is not amortised. However, the same is tested for impairment annually. Moreover, Right of Way (ROW) is amortised over 30 years on straight line method starting from the date of commissioning of the respective pipeline as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

(f) Leases

The Company assess whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangement includes the options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities includes these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' (under the respective class of the assets) and lease liabilities in 'other financial liabilities' in the Balance Sheet. Lease payments have been classified as financing activities.

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

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

As a lessor

Finance lease

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

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

The Company has a scheme of providing certain assets viz. mobiles, laptops, vehicles to their employees. Under the said scheme, the Company initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Company has derecognised the items of PPE given to employees & reclassified it as finance lease. The difference between the

RAMANLAL G SHAH & CO AHMEDABAD CHARTERED ACCOUNTANTS cost of the asset and present value (or absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

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

(g) Borrowing costs

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

(h) Financial instruments

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

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

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

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

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

Financial assets measured at amortised cost:

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

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

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value through other comprehensive income (FVTOCI):
A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:
(i) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
(ii) The asset's contractual cash flows represent SPPI.

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

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
A. The contractual rights to the cash flows from the financial asset have expired, or
B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
   (i) The Company has transferred substantially all the risks and rewards of the asset, or
   (ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
(i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
(ii) Trade receivables or other financial assets that result from transactions that are within the scope of Ind

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AS 115.

(iii) Lease receivable

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss (such as derivative items) and financial liabilities measured at amortised cost (such as loans and borrowings) as appropriate.

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

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

Subsequent measurement

A. Financial liabilities measured at amortised cost
B. Financial liabilities subsequently measured at fair value through profit or loss (FVTPL)

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

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

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and derecognition are

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recognised in profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent it is probable that some or all of the loan facility will be drawn down. The facility fee and related payments are accounted for as a transaction cost under Ind AS 109. The said facility fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

This category generally applies to interest-bearing loans and borrowings.

Trade and other payables

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

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Derecognition

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

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

(i) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or

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groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset or CGU is identified as impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(j) Fair value measurement

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:

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

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 best economic interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as 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.

(k) Inventory

Inventories including stock of stores, spares, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost.

(l) Revenue Recognition

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is then allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent.

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

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

Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis. Connectivity charges collected from the customers is deferred over the period of contract for respective customers.

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

All other revenues are recognised when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognised using effective interest rate (EIR) method.

(m) Employee benefits

Short term employee benefits

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which related services are rendered.

Post-employment benefits and other long term employee benefits:

The liability in respect of gratuity benefits being defined benefit schemes, payable in future, are determined by actuarial valuation carried out using projected unit credit method as on the balance sheet date and actuarial gains/(losses) for the year after adjustment of planned assets, if any, are charged to the Other Comprehensive Income. The Company is in the process of creating fund for Gratuity for employees. Moreover, the liability in respect of leave encashment being other long term employee benefits, payable in future, are also determined by actuarial valuation carried out using projected unit credit method as on the balance sheet date and actuarial gains/(losses) are charged as employee benefit expenses in the Statement of Profit and Loss for the year.

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Retirement benefits in the form of provident fund and super-annuation which are defined contribution scheme are accrued in accordance with statutes and deposited with respective authority/agency and charged to the Statement of Profit and Loss account for the year, in which the contributions to the respective funds accrue.

(n) Taxation

Current Tax

The current income tax charge is calculated on the basis of the Income Tax Laws enacted or substantively enacted at the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements, deferred tax amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred tax assets is reviewed at each reporting date. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(o) Earnings Per Share

Basic EPS is computed by dividing net profit after taxes for the year by weighted average number of equity shares outstanding during the financial year, adjusted for bonus share elements in equity shares issued during the year and excluding treasury shares, if any.

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

(p) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liability is disclosed by way of notes to accounts in the case of:

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

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

Contingent liabilities are not recognized in the financial statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognized in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(q) Foreign currency transactions

The Company's presentation and functional currency is INR. Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the time of transaction. Monetary assets and liabilities denominated in foreign currencies at year-end are reported at exchange rate prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing at the time of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

(r) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BoD) of the Company assesses the financial performance and position of the Company and makes strategic decisions; hence the Board of Directors are CODM. Refer note 35 for segment information.

(s) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments such as short-term fixed deposits with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(t) Statement of Cash Flows

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

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(u) 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 indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in Director's Report.

(v) Recent accounting pronouncement

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

Balance Sheet:

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

Statement of profit and loss:

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

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

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3 Property, plant & equipment as at 31st March, 2021

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-20	Additions/ Adjustments during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	Balance As on 1-Apr-20	Additions during the year**	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
Land- Free Hold	7,912.70	2.38	-	7,915.08	-	-	-	-	7,915.08	7,912.70
Land- Lease Hold	1,525.25	-	-	1,525.25	68.41	15.46		83.87	1,441.38	1,456.84
Building	8,956.78	115.52	-	9,072.30	1,294.82	771.64	-	2,066.46	7,005.84	7,661.96
Plant & Machinery	1,11,672.87	21.85	-	1,11,694.72	5,442.22	3,863.77	-	9,305.99	1,02,388.73	1,06,230.65
Computers	76.46	3.74	0.39	79.81	41.49	18.03	0.27	59.25	20.56	34.97
Communication Equipment	2,905.92	-	-	2,905.92	661.89	406.98	-	1,068.87	1,837.05	2,244.03
Electrical Installation & Equipment	2,596.77	-	-	2,596.77	879.93	445.73	-	1,325.66	1,271.11	1,716.84
Furniture & Fittings	14.70	1.67	-	16.37	9.43	1.46	-	10.89	5.48	5.27
Office Equipments	4.82	-	-	4.82	3.73	0.47	-	4.20	0.62	1.09
Vehicles	8.98	-	-	8.98	7.10	0.56	-	7.66	1.32	1.88
Total Property, Plant and Equipment	**1,35,675.25**	**145.16**	**0.39**	**1,35,820.02**	**8,409.02**	**5,524.10**	**0.27**	**13,932.85**	**1,21,887.17**	**1,27,266.23**
Previous Year	**1,34,112.46**	**1,562.79**	**-**	**1,35,675.25**	**2,584.23**	**5,824.79**	**-**	**8,409.02**	**1,27,266.23**	**1,31,528.23**
Capital Work In Progress									**3,14,783.50**	**1,35,235.02**

(i) The Company has given certain portion of land on operating lease with the lease tenure ranging from 5 to 25 years. The lease rentals are subject to escalations at every three years.

(ii) Contractual Obligations: Refer Note 28 for disclosure of contractual commitments for the acquisition /construction of property, plant and equipment.

(iii) The above includes the right of use asset recognised udner Ind AS 116 Leases as under:

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-20	Additions/ Adjustments during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	Balance As on 1-Apr-20	Additions during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
Land- Lease Hold	1,525.25	-	-	1,525.25	68.41	15.46	-	83.87	1,441.38	1,456.84
Building	151.77	-	-	151.77	46.71	46.71	-	93.42	58.35	105.06
Total Right-of-use asset	**1,677.02**	**-**	**-**	**1,677.02**	**115.12**	**62.17**	**-**	**177.29**	**1,499.73**	**1,561.90**
Previous Year	**1,522.75**	**154.27**	**-**	**1,677.02**	**52.96**	**62.16**	**-**	**115.12**	**1,561.90**	**1,469.79**

Refer Note 26 for transition to Ind AS 116 Leases.

4 Other Intangible Assets

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-20	Additions/ Adjustments during period	Deduction/ Adjustments during period	Balance As on 31-Mar-21	Balance As on 1-Apr-20	Additions during the period**	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
Others										
Computer Software	75.71	-	-	75.71	57.75	7.19	-	64.94	10.77	17.96
Right of Use / Right of Way*	9,604.48	9,820.58	-	19,425.06	14.24	10.09	-	24.33	19,400.73	9,590.24
Total Other Intangible Assets	**9,680.19**	**9,820.58**	**-**	**19,500.77**	**71.99**	**17.28**	**-**	**89.27**	**19,411.50**	**9,608.20**
Previous Year	**5,642.69**	**4,037.50**	**-**	**9,680.19**	**50.25**	**21.74**	**-**	**71.99**	**9,608.20**	**5,592.44**

(i) Right of Use / Right of Way:

Right of Use (RoU) in land is a right acquired under the law and the Company has unrestricted right of entry for laying, operation and maintenance of the pipeline for indefinite period. Hence, Right of Use has an indefinite life and hence it is not amortised; however, the same is tested for impairment annually. Moreover, Right of Way (RoW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

* Includes RoU of ₹ 17,354.45 Lacs (31st March 2020: ₹ 7,627.41 Lacs).

** Depreciation/Amortisation amounting to ₹ Nil Lacs (FY 2019-20 : Nil) has been transferred to Capital Work in Progress.

5 LOANS*

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Security deposit given (Unsecured - considered good)	549.55	562.95
Loans Receivables		
Housing building advance to employees		
Secured, considered good	43.75	43.85
Unsecured, considered good	48.68	56.84
Other loans and advances to employees		
Unsecured, considered good	6.39	7.61
Total Non-Current Loans	**648.37**	**671.25**
Current		
Security deposit given (Unsecured - considered good)	-	0.70
Loans Receivables		
Housing building advance to employees		
Secured, considered good	2.86	2.86
Unsecured, considered good	4.80	6.59
Other loans and advances to employees		
Unsecured, considered good	13.00	12.01
Total Current Loans	**20.66**	**22.16**

* No loans are credit impaired and there is no significant increase in credit risk of loans.

6 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Margin money deposit - Bank Guarantees	264.00	51.36
Receivable from employees (Unsecured - considered good)	21.18	17.89
Lease equalisation reserve	29.57	4.56
Total Non-Current Other Financial Assets	**314.75**	**73.81**
Current		
Receivable from employees (Unsecured - considered good)	9.20	6.93
Others (Unsecured - considered good)	7.87	17.11
Total Current Other Financial Assets	**17.07**	**24.04**

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7 OTHER ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Capital advances	3,971.82	8,311.16
Advance income tax and TDS (net of provision)	663.03	421.54
Prepaid expenses	5.90	-
Deferred employee cost	34.85	64.74
Total Non-Current Other Assets	**4,675.60**	**8,797.44**
Current		
Balances with Government Authorities	-	74.76
Payment under protest	880.00	880.00
Prepaid expenses	132.11	137.50
Advances to suppliers	1.23	1.00
Deferred employee cost	38.38	55.48
Other	0.74	0.31
Total Current Other Assets	**1,052.46**	**1,149.05**

8 INVENTORIES*

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Line Pack Gas	2,390.48	2,390.48
Total Inventories	**2,390.48**	**2,390.48**

*For mode of valuation, refer Note 2 Significant Accounting Policies.

9 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good	1,051.59	640.75
Total Trade Receivables	**1,051.59**	**640.75**

Trade receivables from related parties:

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables from related parties (Refer Note 34)	1,051.59	640.75

10 CASH AND OTHER BANK BALANCES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalents		
Balances with banks		
In current accounts	34,978.43	11,370.45
Fixed deposit with original maturity of less than 3 months	18,376.62	1,572.31
Cash on hand	0.41	0.50
Total Cash and Cash Equivalents	**53,355.46**	**12,943.26**
Other Bank Balances		
Margin money deposit - bank guarantees	82.59	285.05
With original maturity of more than 3 months but less than 12 months	-	18.53
Total Other Bank Balance	**82.59**	**303.58**

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11 EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount ₹ in Lacs
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1 April 2019	**2,00,00,00,000**	**2,00,000.00**
Increase/(decrease) during the year	-	-
As at 31 March 2020	**2,00,00,00,000**	**2,00,000.00**
Increase/(decrease) during the year	50,00,00,000	50,000.00
As at 31 March 2021	**2,50,00,00,000**	**2,50,000.00**

Reconciliation of the number of shares outstanding

Particulars	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 10/- each fully paid up		
As at 1 April 2019	**46,20,19,346**	**46,201.93**
Add: New shares allotted during the year	48,00,00,000	48,000.00
As at 31 March 2020	**94,20,19,346**	**94,201.93**
Add: New shares allotted during the year	65,00,00,000	65,000.00
As at 31 March 2021	**1,59,20,19,346**	**1,59,201.93**

Rights, Preferences, and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the events of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholder(s) holding more than 5% equity shares in the Company

Particulars	As at 31st March, 2021	As at 31st March, 2020
Number of Equity Shares		
Gujarat State Petronet Limited (including Nominee Shareholders)	82,78,50,060	48,98,50,060
Indian Oil Corporation Limited	41,39,25,030	24,49,25,030
Bharat Petroleum Corporation Limited	17,51,22,128	10,36,22,128
Hindustan Petroleum Corporation Limited	17,51,22,128	10,36,22,128
% Holding in Equity Shares		
Gujarat State Petronet Limited (including Nominee Shareholders)	52.00%	52.00%
Indian Oil Corporation Limited	26.00%	26.00%
Bharat Petroleum Corporation Limited	11.00%	11.00%
Hindustan Petroleum Corporation Limited	11.00%	11.00%

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12 OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained Earnings	(4,100.38)	(5,743.07)
Total Other Equity	**(4,100.38)**	**(5,743.07)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained Earnings		
Opening balance	(5,743.07)	(2,128.18)
Add:		
Profit during the period	1,620.61	(3,602.16)
Remeasurement of post employment benefit obligation, net of tax	22.08	(12.73)
Closing balance	**(4,100.38)**	**(5,743.07)**

13 BORROWINGS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
Term loan from banks	3,32,079.09	1,84,725.07
Non-Current Borrowings	**3,32,079.09**	**1,84,725.07**

Term loan from banks and financial institutions are secured by first pari-passu charge on all immovable and movable properties other than current assets and property, plant and equipment as well as by second pari passu charge on current assets of the Company.

Terms of Repayment of Term Loans#

(₹ in Lacs)

2020-21

Rate of Interest	No. of Quarterly Installments	Outstanding at 31st March 2021	2022-2031	2032-2040
SBI 1 Year MCLR + 0.75%	68	3,32,079.09	1,31,092.00	3,77,017.00

2019-20

Rate of Interest	No. of Quarterly Installments	Outstanding at 31st March 2020	2021-2030	2031-2038
SBI 1 Year MCLR + 0.75%	68	1,84,725.07	1,36,873.80	3,10,526.20

Repayment schedule includes amount of loan sanctioned and yet to be drawn.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

(₹ in Lacs)

Particulars	2020-21	2019-20
Opening Balnce on Balance Sheet Date	1,84,725.07	92,460.93
Changes from financing cash flows		
Proceeds from Borrowings	1,47,280.20	92,234.42
Interest and Finance Charges Paid	(19,974.05)	(10,404.55)
Total Cash Flow from Financing Activities	**1,27,306.15**	**81,829.87**
Liability related other changes	20,047.87	10,434.27
Closing Balnce on Balance Sheet Date	**3,32,079.09**	**1,84,725.07**

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14 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises	31.00	29.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	429.57	175.87
Total Trade Payables	**460.57**	**205.63**

Information in respect Micro, Small and Medium Enterprises Development Act, 2006; the Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Principal amount remaining unpaid at the end of the period	152.09	300.06
Interest due thereon remaining unpaid at the end of the period	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the period	-	-
Further interest remaining due and 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 and Medium Enterprises Development Act, 2006	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management.

15 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Security deposit from customers	540.59	363.50
Lease liabilities	12.32	58.90
Total Non-Current Other Financial Liabilities	**552.91**	**422.40**
Current		
Other payables (including for capital goods and services)		
Total outstanding dues of micro enterprises and small enterprises	121.09	270.30
Total outstanding dues of creditors other than micro enterprises and small enterprises	26,642.65	22,290.68
Earnest money deposits	35.55	3.30
Security deposit from customers	-	76.00
Lease liabilities	52.04	52.04
Total Current Other Financial Liabilities	**26,851.33**	**22,692.32**

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16 PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Provision for Employee Benefits		
Provision for gratuity	499.30	411.83
Provision for leave salary	356.82	301.46
Total Non-Current Provisions	**856.12**	**713.29**
Current		
Provision for Employee Benefits		
Provision for gratuity	12.65	10.68
Provision for leave travel allowance	15.72	14.79
Provision for leave salary	11.81	10.07
Total Current Provisions	**40.18**	**35.54**

17 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Revenue Received in Advance	4,119.48	2,480.96
Total Non-Current Liabilities	**4,119.48**	**2,480.96**
Current		
Revenue Received in Advance	190.23	106.21
Other Statutory Liability	1,017.26	1,462.57
Total Current Liabilities	**1,207.49**	**1,568.78**

18 INCOME TAX EXPENSES

Income tax expense in the statement of profit and loss comprises:

(₹ in Lacs)

Particulars	2020-21	2019-20
Total Current Tax Expenses	-	-
Deferred Tax Expenses		
Decrease/(Increase) in deferred tax assets	(1,884.41)	(4,176.04)
(Decrease)/Increase in deferred tax liabilities	2,477.04	3,088.59
Total Deferred Tax Expenses	**592.63**	**(1,087.45)**
Total Income Tax Expenses	**592.63**	**(1,087.45)**

Tax Items of Other Comprehensive Income

(₹ in Lacs)

Particulars	2020-21	2019-20
Deferred tax related to items recognised in OCI during the year:		
Net (loss)/gain on remeasurements of defined benefit plans	7.43	(4.28)
Income tax charged to OCI	**7.43**	**(4.28)**

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Deferred tax assets (net) relates to the following:

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities		
Property, plant and equipment, right of use assets and Intangible Assets	6,968.17	4,638.25
Financial liabilities measured at amortised cost	859.78	705.23
Total Deferred Tax Liabilities (A)	**7,827.95**	**5,343.48**
Deferred Tax Assets		
Provisions for employee benefits	221.63	184.74
Financial liabilities measured at amortised cost	811.43	679.06
Unabsorbed depreciation and losses	8,372.05	6,656.72
Preliminary expenditure u/s 35AD	0.36	0.54
Total Deferred Tax Assets (B)	**9,405.47**	**7,521.06**
Net Deferred Tax Assets (B-A)	**1,577.52**	**2,177.58**

(i) Movements in Deferred Tax Assets (net)

(₹ in Lacs)

Particulars	Property, plant and equipment	Financial liabilities measured at amortised cost	Provisions for employee benefits	Unabsorbed depreciation and losses	Preliminary expenditure u/s 35AD	Total
At 1 April 2019	**(1,632.15)**	**(383.29)**	**120.05**	**2,979.89**	**1.35**	1,085.85
Charged/(credited)						
- to profit or loss	(3,006.10)	357.12	60.41	3,676.83	(0.81)	1,087.45
- to other comprehensive income	-	-	4.28	-	-	**4.28**
At 31 March 2020	**(4,638.25)**	**(26.17)**	**184.74**	**6,656.72**	**0.54**	2,177.58
Charged/(credited)						
- to profit or loss	(2,329.92)	(22.18)	44.32	1,715.33	(0.18)	**(592.64)**
- to other comprehensive income	-	-	(7.43)	-	-	**(7.43)**
At 31 March 2021	**(6,968.17)**	**(48.35)**	**221.63**	**8,372.05**	**0.36**	1,577.51

(ii) On 20th September, 2019, vide the Taxation Law (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies non-reversible option to pay corporate income tax at reduced rates effective 1st April 2019, subject to certain conditions. The Company has decided to opt for the reduced corporate income tax rates and the full impact of this change is recognised in tax expenses during the year ended 31 March, 2020. Accordingly, the Company has remeasured its deferred taxes as per the provisions of the Ordinance.

(iii) Based on the prinicples of Ind AS 12 Income Taxes, the Company has recognized deferred tax assets on carried forward and current year business losses and unabsorbed depreciation calculated as per the provisions of the Income Tax Act, 1961. The management believes that the deferred tax assets will be recoverable, on the basis of estimated future taxable income based on budgets and business plan. Further, as per the Income tax Act, 1961, unabsorbed depreciation can be carried for indefinite period whereas business losses can be carried forward for next 8 succeeding assessment years from the assessment year in which the loss was incurred.

(iv) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

(₹ in Lacs)

Particulars	2020-21	2019-20
Accounting Profit before income tax expenses	**2,213.25**	**(4,689.61)**
Tax at the Indian tax rate of 25.168% (2019-20 - 25.168%)	**557.03**	**(1,180.28)**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Impact of change in Tax Rate	-	103.51
Others	35.61	(10.68)
Income Tax Expenses at the effective income tax rate of 26.777% (2019-20: 23.188 %)	**592.64**	**(1,087.45)**

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19 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	2020-21	2019-20
Revenue from contracts with customers		
Revenue from Transportation of Gas (net)	17,240.57	10,896.10
Other Operating Revenues	27.22	18.03
Total Revenue from Operations	**17,267.79**	**10,914.13**

Revenue from transportation of gas is recognised at an amount invoiced to the customers in the period in which the services are rendered. Normally, the Company receives payment within 30 days.

20 OTHER INCOME

(₹ in Lacs)

Particulars	2020-21	2019-20
Interest income		
Interest on Fixed deposits with banks	26.31	170.40
Interest on Fixed deposits with financial institution	507.35	394.84
Other Interest Income	14.70	7.64
Other Non-Operating Income	223.75	135.67
Total Other Income	**772.11**	**708.55**

21 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	2020-21	2019-20
Salaries and wages		
Salaries and allowances	783.99	707.24
Leave salary	(9.12)	28.44
Contribution to provident and other funds	104.46	100.01
Staff welfare expenses	57.45	53.12
Total Employee Benefit Expenses	**936.78**	**888.81**

22 FINANCE COSTS

(₹ in Lacs)

Particulars	2020-21	2019-20
Interest on:		
- Borrowings	7,899.52	8,559.27
- Security Deposits	40.38	23.42
- Others	-	0.01
Unwinding of transaction cost incurred on borrowing	73.82	76.74
Interest on lease liabilities	7.63	11.61
Other borrowing costs (includes bank charges, etc.)	18.91	31.71
Total Finance Costs	**8,040.26**	**8,702.76**

23 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lacs)

Particulars	2020-21	2019-20
Depreciation for property, plant and equipment	5,461.93	5,762.63
Amortisation of right-of-use asset	62.17	62.16
Amortisation for intangible assets	17.28	21.74
Total Depreciation and Amortisation Expenses	**5,541.38**	**5,846.53**

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24 OTHER EXPENSES (₹ in Lacs)

Particulars		2020-21	2019-20
(A) Operation & Maintenance Expenses			
Maintenance Contracts		225.11	56.25
Payment to Outsourced Persons		87.49	58.27
Consumption of stores & spare parts		65.17	8.49
Security Service Charges		142.12	141.26
Power & Fuel		102.80	119.90
Repairs & Maintenance - Machinery		6.37	5.07
Vehicle Hiring, Operating & Maintenance Expenditure		123.11	143.30
Other O&M expenses		24.83	3.55
	(A)	**777.00**	**536.09**
(B) Other Office & Administrative Expenses			
Advertisement & publicity expenses		-	4.91
Bandwidth and Website Maintenance		7.65	5.85
HSE Expenses		6.61	6.65
Insurance Expenses		139.13	78.26
Legal & Professional Expenses		229.72	97.82
Postage, Telephone & Courier Expenses		4.53	4.73
Rates & Taxes		6.35	10.53
Recruitment & Training		0.30	7.27
Seminar & conference		-	0.46
Stationery and Printing		2.83	4.05
Statutory Audit Fees		1.51	1.51
Travelling Expense - Other		4.20	28.64
Travelling Expenses - Directors		0.68	4.32
Utility Charges		56.96	41.16
Other administrative exp.		70.76	41.94
	(B)	**531.23**	**338.10**
Total Other Expenses (A+B)		**1,308.23**	**874.19**

(i) As per the relevant provisions of the Companies Act, 2013, the Company is not obliged to spend for the Corporate Social Responsibility related expenses.

25 EARNING PER SHARE

Particulars	2020-21	2019-20
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	1,620.61	(3,602.16)
Adjusted for the effect of dilution	1,620.61	(3,602.16)
Weighted average number of Equity Shares for:		
Basic EPS	1,18,59,91,949	62,44,30,305
Adjusted for the effect of dilution	1,18,59,91,949	62,44,30,305
Earnings Per Share (₹):		
Basic	0.14	(0.58)
Diluted	0.14	(0.58)

26 Leases

Transition to Ind AS 116 Leases

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

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

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 using the modified retrospective approach, under which the right of use asset is measured at an amount equal to lease liability adjusted for prepaid or accrued rentals. Accordingly, there is no impact on retained earnings as on 1 April 2019.

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

The Company as a lessee

As a lessee, the Company leases land, building and guest houses. The Company previously classified leases as operating or finance leases (under Ind AS 17) based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases.

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

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

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

The weighted average incremental borrowing rate of 9.30% has been applied to lease liabilities recognised in the balance sheet at the date of initial application i.e. 1 April 2019.

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

The Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub - lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

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Disclosures under Ind AS 116 Leases:

A. The Company as lessee:

Nature of the lease transaction:

The Company has taken office building and various guest houses on lease with the lease term of 36 months and 11 months respectively. Further, the Company has taken various parcels of land on lease with lease term of 99 years (which were accounted as finance lease under Ind AS 17). Some lease contract can be renewed with mutual consent and some lease contract also contains the termination options. In certain contacts, the Company is restricted from assigning and subletting the leased assets. For leases of guest hosues, the Company has elected to apply exemption for short term leases and accordingly, right of use assets and lease liabilites for these contracts are not recognised.

Refer Note 3 Property, Plant and Equipment for the carrying amounts and amortisation expenses of the Company's Right of Use assets.

Movements in Lease Liabilities: (₹ in Lacs)

Particulars	2020-21	2019-20
Opening balance	110.94	-
Addition during the year	-	151.77
Add: Interest Expenses	7.63	11.61
Less: Payments	(54.21)	(52.44)
Closing balance	**64.36**	**110.94**
Non-Current	**12.32**	**58.90**
Current	**52.04**	**52.04**

Amounts recognised in statement of cash flows: (₹ in Lacs)

Particulars	2020-21	2019-20
Short Term Leases (*)	72.96	48.95
Repayment - Principal of lease liabilities	46.58	40.83
Payment of interest on lease liabilities	7.63	11.61

* These are capitalised with respective class of property plant equipment / capital work in progress.

Maturity Analysis of lease liabilities: (₹ in Lacs)

Particulars	2020-21	2019-20
Less than one year	54.21	54.21
More than one year	13.55	67.76
Total	**67.76**	**121.97**

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B. The Company as lessor:

The Company has given certain portion of land on lease with the lease term ranging from 5 to 25 years. The lease rentals are subject to escalations at every three years. The same is accounted as operating lease under Ind AS 116 Leases.

Amounts recognised in profit or loss (₹ in Lacs)

Particulars	2020-21	2019-20
Rental income	81.31	16.04

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

(₹ in Lacs)

Particulars	2020-21	2019-20
Less than one year	56.72	55.07
One to two years	62.08	55.22
Two to three years	60.54	60.58
Three to four years	60.54	58.89
Four to five years	66.43	58.89
More than five years	1,594.62	1,614.17

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27 CONTINGENT LIABILITIES

(₹ in Lacs)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
A	**Claims against company not acknowledged as debts**	5,518.89	1,885.48
	Claims against company not acknowledged as debts include ₹ 880.00 Lacs (Previous Year: ₹ 880.00 Lacs) paid to PNGRB under protest.		
	PNGRB has encashed the Performance Bank Guarantee amounting to ₹ 880 Lacs. The Company has challenged the same in Delhi High Court. As the matter is sub-judice at Appellate Tribunal For Electricity (APTEL), payment of ₹ 880 Lacs has been disclosed as "Payment Under Protest".		
B	**Guarantees excluding financial guarantees**		
	Outstanding Bank Guarantees	3,214.05	3,252.57

28 COMMITMENTS

(₹ in Lacs)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
A	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	77,253.65	2,10,561.00
B	**Other Commitments**	-	-

29 PAYMENT TO AUDITORS*

Particulars	2020-21	2019-20
For statutory audit	1.51	1.51
For other services	-	-
For reimbursement of expenses	-	0.15
Total	**1.51**	**1.66**

*** Excluding applicable taxes**

30 In the opinion of management, any of the assets other than items of Property, Plant and Equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
31 The balances confirmations are obtained in majority of the cases for trade receivables, trade payables, loans & advances and deposits. Provision for all liabilities is adequate in opinion of the Company.

32 Disclosures under Ind AS 115 Revenue from Contracts with Customers

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unbilled revenue - Other Financial Assets (Contract Assets)	-	-
Trade receivables	1,051.59	640.75
Revenue received in advance - Other Non-Financial Liability (Includes Connectivity Charges of Rs. 1150.00 Lacs (PY: Rs. Nil) ; Income recognised during the year out of opening balance ₹ 130.75 Lacs (PY: ₹ 79.46 Lacs))	4,309.71	2,587.17

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. Performance Obligation for Gas Transmission is to transmit Natural Gas as per the contractual arrangment with the customer. Connectivity charges from customers are deferred over the period when the performance obligation is satisfied.

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33 DISCLOSURES FOR EMPLOYEE BENEFITS AS PER INDIAN ACCOUNTING STANDARD -19

Defined Contribution Plan:

Provident fund and superannuation fund benefits charged to Statement of Profit and Loss during the period are ₹ 47.05 Lacs and ₹ 17.84 Lacs respectively (PY: ₹ 41.03 Lacs and ₹ 37.34 Lacs respectively).

Defined Benefit Plans:

The liability in respect of gratuity benefits & leave salary being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date. In arriving at the valuation for gratuity, medical benefits & leave salaries following assumptions were used:

Particulars	2020-21		2019-20	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Type	Unfunded	Unfunded	Unfunded	Unfunded
Mortality	Indian Assured Lives Mortality (2012-14) Table		Indian Assured Lives Mortality (2012-14) Table	
Withdrawal rate	5% at younger age reducing to 1% at old age		5% at younger age reducing to 1% at old age	
Retirement Age	60 Years		60 Years	
Discount Rate Current Period	6.80%	6.80%	6.85%	6.85%
Rate of Return on Plan Assets Current Period	NA	NA	NA	NA
Salary escalation Current Period	7.00%	7.00%	7.00%	7.00%

The following table sets out status of gratuity plan and leave salary as required under Indian Accounting Standard 19 on "Employee Benefit".

Particulars	2020-21		2019-20	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Table showing change in benefit obligation				
Opening defined benefit obligation	422.51	311.53	246.99	184.54
Interest Cost	7.01	21.10	7.90	13.76
Transfer of Obligations	(0.20)	5.58	66.80	63.64
Current Service Cost	75.16	46.72	45.95	36.35
Benefit Paid	-	-	(20.63)	(24.63)
Actuarial Loss / (gain) on Obligations	7.47	(16.30)	75.50	37.87
Liability at the end of the period	**511.95**	**368.63**	**422.51**	**311.53**
Change in Fair Value of Plan Assets	-	-	-	-
Actual Gain / loss recognized				
Actuarial (gain) / loss on obligations				
Due to change in financial assumptions	3.52	2.58	41.63	31.06
Due to change in demographic assumptions	-	-	-	(0.09)
Due to change in experience adjustment	3.95	(18.88)	33.87	6.90
Net Actuarial (gain) / loss recognized during year	**7.47**	**(16.30)**	**75.50**	**37.87**
Amount recognized in Balance Sheet				
Liability at the end of the period	511.95	368.63	422.51	311.53
Fair Value of Plan Asset at the end of the period	-	-	-	-
Net Amount recognized in Balance Sheet	**511.95**	**368.63**	**422.51**	**311.53**
Expense recognized				
Current Service cost	75.16	46.72	45.95	36.35
Interest cost	7.01	21.10	7.90	13.76
Net Actuarial Loss / (gain) recognized	7.47	(16.30)	75.50	37.87
Net Expense recognized during the year	**89.64**	**51.52**	**129.35**	**87.98**
Current liability	12.65	11.81	10.68	10.07
Non-current liability	499.30	356.82	411.83	301.46
Total Liability	**511.95**	**368.63**	**422.51**	**311.53**

Sensitivity Analysis

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

Expected cashflows based on past service liability

The expected cashflows during the next financial year based on past service liability are as under:

1. For gratuity - ₹ 12.65 lacs (P.Y. ₹ 10.68 lacs)
2. For leave salary - ₹ 11.81 lacs (P.Y. ₹ 10.06 lacs)

The Average Outstanding Term of the Gratuity Obligations (Years) as at valuation date is 14.02 years (P.Y.: 14.32 Years).

Sensitivity analysis - Gratuity	2020-21		2019-20	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	478.20	549.05	394.10	453.77
Salary growth rate (0.5% movement)	548.79	478.11	453.57	394.02
Withdrawl rate (10% movement)	510.58	513.34	421.35	423.68

Sensitivity analysis - Leave Salary	2020-21		2019-20	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	343.91	395.89	290.31	334.93
Salary growth rate (0.5% movement)	395.71	343.85	334.78	290.25
Withdrawl rate (10% movement)	368.35	368.91	311.34	311.71

A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

34 RELATED PARTY DISCLOSURES

GSPL India Gasnet Limited is a joint venture between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL(52%), IOCL(26%), BPCL(11%) and HPCL (11%).

Transactions* with related parties during the year as per Indian Accounting Standard - 24 on "Related Party Disclosures" are as follows:

(₹ in Lacs)

Name of Related Party, relationship & nature of transactions	2020-21	2019-20
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Expenditure Reimbursement Paid	318.43	236.03
Expenditure Reimbursement Received	45.64	60.80
Acquisition of Right of Use Asset (Building)	-	151.77
Operating charges	32.12	21.14
Purchase of Material	-	4.06
Payment of lease liabilities	63.96	61.88
Interest expenses on lease liabilities	7.63	11.61
Rent Income	1.85	1.81
Purchase of Assets	0.03	14.47
Sale of Assets	0.02	-
Crossing charges received	-	41.38
Gas transmission charges received	19,303.26	12,203.75
Interest expenses on Security Deposits	12.35	11.36
Refundable deposit received	-	2.00
Investment in Equity Shares by GSPL	33,800.00	24,960.00
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Engineering Consultancy Expenses	-	77.91
Expenditure Reimbursement Paid	68.62	72.07
Pipeline Crossing Charges Paid	0.12	1.89
Security Deposit Paid	-	1.00
Sitting Fees#	0.89	0.80
Investment in Equity Shares by IOCL	16,900.00	12,480.00
Bharat Petroleum Corporation Ltd. (entity with joint control of the Company)		
Sitting Fees#	0.35	0.27
Investment in Equity Shares by BPCL	7,150.00	5,280.00
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Pipeline Crossing Charges Paid	-	3.56
Investment in equity shares by HPCL	7,150.00	5,280.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Expenditure Reimbursement Paid	18.73	38.38
Purchase of Property, Plant and Equipment	-	1.69
Guj Info Petro Ltd. (Other related parties)		
Expenditure Reimbursement Paid	5.30	6.61
GSPC Pipavav Power Co Ltd (Other related parties)		
Expenditure Reimbursement Paid	27.66	13.05
GSPL India Transco Limited (Other related parties)		
Expenditure Reimbursement Paid	184.87	70.35
Expenditure Reimbursement Received	0.09	-
Gujarat Gas Limited (Other related parties)		
Gas transmission charges received	6.35	-
Crossing charges received	-	5.90
Security Deposit received	800.00	2,000.00
Interest expenses on Security Deposits	28.03	12.06
Rent Income Received	64.58	11.74
Key Managerial Personnels		
Chief Financial Officer		
Short Term Employee Benefit @	55.30	50.28
Post retirement benefit	9.81	9.12
Other long term employee benefit	3.52	12.66
Company Secretary		
Short Term Employee Benefit	18.99	14.63
Post retirement benefit	2.58	3.14
Other long term employee benefit	1.05	1.78
Directors		
Sitting Fees and Out of pocket exps.#	3.59	2.13

* The above related party transactions are inclusive of all taxes, wherever applicable, and are made on terms equivalent to those that prevail in arm's length transactions. All outstanding balances are unsecured.

@ M/s. IOCL has nominated Shri Neeraj Kumar Singh - CFO as per Articles of Association. The Compnay has reimbursed salary and perquisites including GST thereon to IOCL.

Sitting Fees includes GST paid under reverse charge mechanism, wherever applicable.

Details of Outstanding Balance with Related Parties: (₹ in Lacs)

Name of Related Party	31-Mar-21	31-Mar-20
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Account Receivable	1,058.72	644.76
Account Payable	43.97	56.47
Lease liabilities	64.36	110.94
Security Deposit payable	158.31	145.96
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Account Receivable	71.63	71.75
Account Payable	8.28	16.24
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Account Receivable	1.00	1.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Account Payable	3.34	20.19
Guj Info Petro Ltd. (Other related parties)		
Account Payable	1.13	0.96
GSPC Pipavav Power Co Ltd (Other related parties)		
Account Payable	0.85	11.95
GSPL India Transco Ltd. (Other related parties)		
Account Payable	14.00	23.68
Gujarat Gas Limited (Other related parties)		
Account Receivable	0.74	10.74
Security Deposit payable	356.28	231.54

35 SEGMENT INFORMATION

The Company primarily operates in the single segment of natural gas transportation business, which involves transportation of natural gas from sources of supply to end customers. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Cheif Operating Decision Maker (CODM). The CODM monitors the results of the business as a one, hence no separate segment needs to be disclosed. All the customers are located within India. Hence, the management believes that geographical distribution of revenue will not be applicable.

Revenues of ₹ 17,234.94 Lacs (P.Y.: ₹ 10,896.10 lacs) are derived from single major customer (accounting for 10% or more of the Company's revenue individually).

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36 FINANCIAL INSTRUMENTS, FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

As at 31 March 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan								
- Non-current	-	-	648.37	648.37	-	-	-	-
- Current	-	-	20.66	20.66	-	-	-	-
Cash and Cash Equivalents	-	-	53,355.46	53,355.46	-	-	-	-
Other Bank Balances	-	-	82.59	82.59	-	-	-	-
Trade receivables	-	-	1,051.59	1,051.59	-	-	-	-
Other financial assets								
- Non-current	-	-	314.75	314.75	-	-	-	-
- Current	-	-	17.07	17.07	-	-	-	-
Total financial assets	-	-	**55,490.49**	**55,490.49**	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	3,32,079.09	3,32,079.09	-	-	-	-
Trade payables	-	-	460.57	460.57	-	-	-	-
Other financial liabilities								
- Non-current	-	-	552.91	552.91	-	-	-	-
- Current	-	-	26,851.33	26,851.33	-	-	-	-
Total financial liabilities	-	-	**3,59,943.90**	**3,59,943.90**	-	-	-	-

(₹ in Lacs)

As at 31 March 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan								
- Non-current	-	-	671.25	671.25	-	-	-	-
- Current	-	-	22.16	22.16	-	-	-	-
Cash and Cash Equivalents	-	-	12,943.26	12,943.26	-	-	-	-
Other Bank Balances	-	-	303.58	303.58	-	-	-	-
Trade receivables	-	-	640.75	640.75	-	-	-	-
Other financial assets								
- Non-current	-	-	73.81	73.81	-	-	-	-
- Current	-	-	24.04	24.04	-	-	-	-
Total financial assets	-	-	**14,678.85**	**14,678.85**	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	1,84,725.07	1,84,725.07	-	-	-	-
Trade payables	-	-	205.63	205.63	-	-	-	-
Other financial liabilities								
- Non-current	-	-	422.40	422.40	-	-	-	-
- Current	-	-	22,692.32	22,692.32	-	-	-	-
Total financial liabilities	-	-	**2,08,045.42**	**2,08,045.42**	-	-	-	-

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Fair value hierarchy

Level I - Quoted prices in active markets for identical assets or liabilities such as quoted price for an equity security on Security Exchanges.
Level II - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level III - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

B. Financial risk management

The Company's activities expose it to variety of financial risks such as credit risk, liquidity risk, and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

Trade receivables

The Company's exposure to credit Risk is the exposure that Company has on account of services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's customer base are Industrial and Commercial. The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

Age of Receivables (₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Not Due	1,051.59	640.75
0-3 Months	-	-
3-6 Months	-	-
6-12 Months	-	-
More than 1 Year	-	-

All of the above receivables are from related parties and hence, the Company does not forsee any credit risk.

Other financial assets

Other financial assets includes loan to employees, security deposits, cash and cash equivalents, other bank balance, advances to employees etc.

• Cash and cash equivalents and Bank deposits/Financial Institutions are placed with banks having good reputation and past track record with adequate credit rating.
• The Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Government of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Company does not have exposure to any credit risk.

• Loan and advances to employees (for housing advances) are majorly secured in nature and hence the Company does not have exposure to any credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents. The Company has signed Rupee Loan Facility Agreement for Term Loan of ₹ 5,081 Crore (Previous year ₹ 4,474 Crore) . However, the Company had access to the undrawn variable rate borrowing facility amounting to ₹ 1,748.02 Crores as on 31st March, 2021 (31st March, 2020: ₹ 2,613.82 Crores).

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Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

(₹ in Lacs)

31-Mar-21	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 Months
Non-derivative financial liabilities				
Borrowings				
- Non-current	3,32,079.09	3,33,298.02	-	3,33,298.02
Trade payables	460.57	460.57	460.57	-
Other financial liabilities				
- Non-current	552.91	3,868.51	-	3,868.51
- Current	26,851.33	26,853.50	26,853.50	-
Total	**3,59,943.90**	**3,64,480.59**	**27,314.07**	**3,37,166.53**

(₹ in Lacs)

31-Mar-20	Contractual cash flows			
	Carrying amount	Total	Less than 12 months	More than 12 Months
Non-derivative financial liabilities				
Borrowings				
- Non-current	1,84,725.07	1,86,017.82	-	1,86,017.82
Trade payables	205.63	205.63	205.63	-
Other financial liabilities				
- Non-current	422.40	3,082.72	-	3,082.72
- Current	22,692.32	22,694.49	22,694.49	-
Total	**2,08,045.42**	**2,12,000.66**	**22,900.12**	**1,89,100.54**

(iii) Market risk

Market risk is the risk that changes the market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company does not have any foreign exchange risk as at 31st March, 2021.

Interest rate risk includes risk that the future cash flows of floating interest bearing borrowings fluctuate because of fluctuation in the interest rates. The cash flows of the Company is sensitive to higher/lower interest expense from borrowing as a result of change on interest rates. A reasonable possible change of 50 basis points (bp) in interest rates at the reporting date would have impact (before tax) by the amount shown in sensitivity analysis as below:

Particulars	50 bp Increase	50 bp decrease
31st March 2021		
Non current - Borrowings	(1,660.40)	1,660.40
Total	**(1,660.40)**	**1,660.40**
31st March 2020		
Non current - Borrowings	(923.63)	923.63
Total	**(923.63)**	**923.63**

The functional currency of the Company is Indian Rupees. The Company do not have derivative financial instruments.

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37 CAPITAL MANAGEMENT

The Company's 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 and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company defines capital as total equity including issued equity capital and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under leases, less cash and bank balances. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows.

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
Total liabilities	3,32,143.45	1,84,836.01
Less : Cash and bank balances	53,438.05	13,246.84
Adjusted net debt	**2,78,705.40**	**1,71,589.17**
Borrowings	3,32,079.09	1,84,725.07
Total equity	**1,55,101.55**	**88,458.86**
Adjusted net debt to equity ratio	**1.80**	**1.94**
Debt equity considering only borrowings as debt	**2.14**	**2.09**

38 As per Indian Accounting Standard 23 - Borrowing Costs, the Company has capitalised Borrowing Costs to the tune of ₹ 12,074.53 Lacs (Previous Year: ₹ 1,845.28 Lacs). The borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project(s).

39 Due to outbreak of COVID 19 virus globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID 19. Considering that the Company is in the business of gas transmission which is considered to be essential services, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant as at the date of approval of these financial statements. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

40 As at the balance sheet date, the Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

41 Previous year figures have been reclassified or regrouped wherever necessary.

42 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

As per our report of even date attached

For Ramanlal G Shah & Co.
Chartered Accountants
Firm Registration No. 108517W

Vivek S. Shah

CA. Vivek S. Shah
Partner
Membership No. 112269
Place: AHMEDABAD
Date: 2 JUN 2021

RAMANLAL G. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064

Ravindra Agrawal
CEO & Director
DIN: 00157236

N. K. Singh
CFO

Meera Parikh
Company Secretary

GSPL INDIA GASNET LIMITED GANDHINAGAR

Place: Gandhinagar
Date: 2nd June, 2021