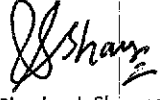



BALANCE SHEET AS AT 31ST MARCH, 2019


	Particulars	Note No	Rs in Thousands	Rs in Thousands
			As at 31st March, 2019	As at 31st March, 2018
I	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2	1,253.81	1,317.28
	(b) Capital Work in Progress	3	6,83,596.66	3,60,722.88
	(c) Financial Assets			
	(i) Loans	4	343.91	159.30
	(d) Deferred Tax Assets (net)	5	2,990.27	2,349.99
	(e) Other non current assets	6	38,095.62	6,995.76
2	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Cash & Cash Equivalents	7	16,480.67	3,354.12
	(ii) Other financial assets	8	91.82	20.56
	(b) Inventories	9	302.27	-
	(c) Current tax assets (net)	10	78.96	83.70
	<b>TOTAL ASSETS</b>		<b>7,43,233.99</b>	<b>3,75,003.58</b>
II	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share Capital	11	1,90,000.00	1,50,000.00
	(b) Other Equity	12	21,508.62	(6,762.82)
2	<b>Liabilities</b>			
	<b>Non current Liabilities</b>			
	<b>(a) Financial Liabilities</b>			
	(i) Long Term Borrowings	13	4,35,057.56	55,071.46
	<b>Current Liabilities</b>			
	<b>(a) Financial Liabilities</b>			
	(i) Trade payables	14	63,165.81	1,63,279.70
	(ii) Other financial liabilities	15	33,502.00	13,415.24
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,43,233.99</b>	<b>3,75,003.58</b>

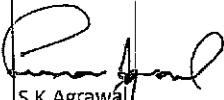
Significant Accounting Policies 1  
Notes forming part of financial statements 19  
The accompanying notes 1 to 19 are integral part of these Financial Statements

For and on behalf of Board of Directors

  
Shashank Sharma  
CS  
PAN-DYBPS0565L

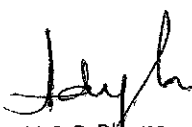
  
Videsh Sangodkar  
CFO  
PAN-BEZPS2870E

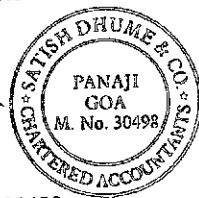
  
K K Sachdeva  
CEO  
PAN:AICPS0615B

  
S K Agrawal  
DIRECTOR  
DIN-06908669

  
Rajeev Garg  
DIRECTOR  
DIN-07674683

As per our attached report on even date  
For Satish Dhume & Co.  
Chartered Accountants  
Firm Registration No 109314W

  
CA S. R. Dhume  
Proprietor  
Membership No 030498



Date: 29/04/2019  
Place: Noida

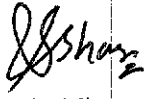
Date: 29/04/2019  
Place: Goa


STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 1st APRIL, 2018 TO 31ST MARCH, 2019

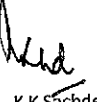
Sr. No.	Particulars	Note No.	Rs in Thousands	Rs in Thousands
			For the period from 1st April, 2018 to 31st March, 2019	For the period from 13th January, 2017 to 31st March, 2018
1	Revenue from Operations		-	-
2	Other Income	16	589.05	1,051.00
	<b>Total</b>		<b>589.05</b>	<b>1,051.00</b>
3	<b>Expenses</b>			
	Cost of Material Consumed		-	-
	Finance cost	17	-	-
	Depreciation & Amortization	2	164.15	33.29
	Other Expenses	18	2,793.74	10,113.51
	<b>Total Expenses</b>		<b>2,957.89</b>	<b>10,146.81</b>
	Profit / (Loss) before exceptional Items & Tax		(2,368.84)	(9,095.81)
	Exceptional Items		-	-
	Profit / (Loss) before Tax		(2,368.84)	(9,095.81)
	Tax Expense			
	Current Tax		-	17.00
	Deferred Tax	5	(640.28)	(2,349.99)
			(640.28)	(2,332.99)
	Profit / (Loss) from continuing operations after tax		(1,728.56)	(6,762.82)
	Profit / (Loss) from discontinued operations		-	-
	Tax Expense of discontinued operations		-	-
	Profit / (Loss) from discontinued operations after tax		-	-
	Profit / (Loss) for the period		(1,728.56)	(6,762.82)
	Other Comprehensive Income		-	-
	Total Comprehensive Income for the period		(1,728.56)	(6,762.82)
	Earnings per Equity Share (EPS) for Continuing Operations			
	Basic	Rs	(0.00011)	(0.00052)
	Diluted	Rs	(0.00011)	(0.00052)
	Earnings per Equity Share (EPS) for Discontinued Operations			
	Basic	Rs	(0.00011)	(0.00052)
	Diluted	Rs	(0.00011)	(0.00052)
	Earnings per Equity Share (EPS) for Continuing & Discontinued Operations			
	Basic	Rs	(0.00011)	(0.00052)
	Diluted	Rs	(0.00011)	(0.00052)
	Significant Accounting Policies	1		
	Notes forming part of financial statements	19		

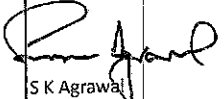
The accompanying notes 1 to 19 are integral part of these Financial Statements


For and on behalf of Board of Directors

  
Shashank Sharma  
CS  
PAN-DYBPS0565L

  
Videsh Sangodkar  
CFO  
PAN-BEZPS2870E

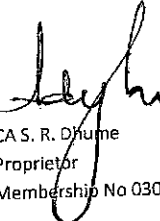
  
K K Sachdeva  
CEO  
PAN:AICPS0615B

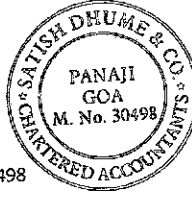
  
S K Agrawal  
DIRECTOR  
DIN-06908669

  
Rajeev Garg  
DIRECTOR  
DIN-07674683

Date: 24/04/2019  
Place: Noida

As per our attached report on even date  
For Satish Dhume & Co.  
Chartered Accountants  
Firm Registration No 109314W

  
CA S. R. Dhume  
Proprietor  
Membership No 030498



Date: 29/04/2019  
Place: Goa

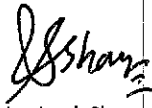
CASH FLOW STATEMENT FOR THE PERIOD FROM 1ST APRIL, 2018 TO 31ST MARCH, 2019


Sr. No.		Rs in Thousands	
		April, 2018 to 31st March, 2019	January, 2017 to 31st March, 2018
(A)	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	Net Profit/Loss before tax	(2,368.84)	(9,095.81)
	Adjustments For:-		
	Finance Cost	(0.07)	(1,006.95)
	Interest Income	164.15	33.29
	Depreciation & Amortisation Expenses	(2,204.76)	(10,069.46)
	Operating Profit/Loss before Working Capital Changes		
	Adjustments for changes in Working Capital:		
	Other Current liabilities	(80,027.13)	1,76,694.94
	Other Current Assets	(373.53)	(7,175.62)
	Cash Flow Operations	(82,605.43)	1,59,449.86
	Direct Taxes Paid(Net Of Refunds)	4.74	(100.70)
	Net Cash Generated/(Used In) from Operating activities	(82,600.69)	1,59,349.16
(B)	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase Of Fixed Assets	(100.68)	(1,350.57)
	Additions to Capital Work in Progress	(3,22,873.78)	(3,60,722.88)
	Financial Assets-Loans (NC)	(31,284.47)	-
	Interest Received	0.07	1,006.95
	Net Cash Generated/(Used In) From Investing Activities	(3,54,258.86)	(3,61,066.50)
(C)	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Proceeds From Capital	40,000.00	1,50,000.00
	Proceeds from Long term borrowings	3,79,986.10	55,071.46
	Share Application Money pending Allotment	30,000.00	-
	Finance Cost	-	-
	Net Cash Generated/(Used In) From Financing Activities	4,49,986.10	2,05,071.46
(A+B+C)	Net Increase/Decrease In Cash & Cash Equivalents	13,126.55	3,354.12
	Cash & Cash Equivalents at The Beginning Of The Year	3,354.12	-
	Cash & Cash Equivalents at The End Of The Year	16,480.67	3,354.12
	Cash & Bank Balances As Per Balance Sheet	16,480.67	3,354.12

Significant Accounting Policies  
Notes forming part of financial statements  
The accompanying notes 1 to 19 are integral part of these Financial Statements

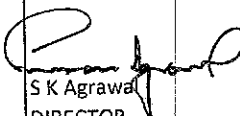
1  
19

For and on behalf of Board of Directors

  
Shashank Sharma  
CS  
PAN-DYBPS0565L

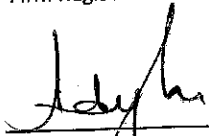
  
Videsh Sangodkar  
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Bajeev Garg  
DIRECTOR  
DIN-07674683

As per our attached report on even date  
For Satish Dhume & Co  
Chartered Accountants  
Firm Registration No 109314W

  
S.R Dhume  
Proprietor  
Membership No 030498



Date: 29/04/2019  
Place: Noida


Date: 29/04/2019  
Place: Goa


GOA NATURAL GAS PRIVATE LIMITED  
 A JOINT VENTURE OF GAIL GAS LTD AND BHARAT PETROLEUM CORPORATION LIMITED  
 PORVORIM, GOA-403521  
 CIN : U40300GA2017PTC013095


STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019


	Rs in Thousands		Rs in Thousands		Rs in Thousands	
	As at 31/03/2019		As at 31/03/2018		As at 31/03/2018	
	No of shares	Amount	No of shares	Amount	Reserves and Surplus Retained Earnings	Share Application Money Pending Allotment
(a) Equity Share Capital						
Balance at the beginning of the reporting period	15,000,000	150,000	-	-	-	-
Add: Issue of equity capital during the year	4,000,000	40,000	15,000,000	150,000	-	-
Balance at the end of the reporting period	19,000,000	190,000	15,000,000	150,000	-	-
(b) Other Equity						
Balance at the 1st April 18					(6,762.82)	-
Profit/(Loss) for the period					(1,728.56)	-
Balance as at 31st March 2019					(8,491.38)	30,000.00
					(6,762.82)	30,000.00
					28,271.44	-
					21,508.62	-
					(6,762.82)	-
					(6,762.82)	-
					(6,762.82)	-


For and on behalf of Board of Directors

  
 Shashank Sharma  
 CS  
 PAN-DYBPS0565L

  
 Videsh Sanjodkar  
 CFO  
 PAN-BEZPS2870E


  
 K K Sachdeva  
 CEO  
 PAN:AICPS0615B

  
 S K Agrawal  
 DIRECTOR  
 DIN-06908669

  
 Rajeev Garg  
 DIRECTOR  
 DIN-07674683

As per our attached report on even date  
 FOR SATISH DHUME & CO  
 CHARTERED ACCOUNTANTS  
 Firm Registration No 109314W



  
 S.R. Dhume  
 Proprietor  
 Membership No 030498

Date: 29/04/2019  
 Place: Noida

Date: 29/04/2019  
 Place: Goa

**GOA NATURAL GAS PRIVATE LIMITED**  
**Note 2: Property, Plant and Equipment**

Particulars	Rs in Thousands											
	Gross Block					Depreciation					Net Block	
	As at 01.04.2018	Addition/ Adjustments during the Year	Deduction /Adjustments During the Year	As at 31.03.2019	As at 01.04.2018	For the Year 2018- 19	Deduction /Adjustments During the Year	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018	As at 31.03.2018	
<b>Tangible Assets</b>												
Furniture & Fixtures	867.34	100.68	-	968.02	5.65	84.14	-	89.79	878.23	861.69		
Office Equipment	7.75	-	-	7.75	0.76	1.47	-	2.23	5.52	6.99		
Computer	475.48	-	-	475.48	26.88	78.54	-	105.42	370.06	448.60		
<b>Total</b>	<b>1,350.57</b>	<b>100.68</b>	<b>-</b>	<b>1,451.25</b>	<b>33.29</b>	<b>164.15</b>	<b>-</b>	<b>197.44</b>	<b>1,253.81</b>	<b>1,317.28</b>		
<b>Previous Year</b>	<b>-</b>	<b>1,350.57</b>	<b>-</b>	<b>1,350.57</b>	<b>-</b>	<b>33.29</b>	<b>-</b>	<b>33.29</b>	<b>-</b>	<b>1,317.28</b>		

**GOA NATURAL GAS PRIVATE LIMITED**  
**A JOINT VENTURE OF GAIL GAS LTD AND BHARAT PETROLEUM CORPORATION LIMITED**  
**PORVORIM, GOA-403521**  
**CIN : U40300GA2017PTC013095**

Note No		(Rs in Thousands)	(Rs in Thousands)
		As at March 31, 2019	As at March 31, 2018
3	Capital Work in Progress:		
	Property, Plant and Equipment under erection/ construction	681,096.66	358,222.88
	Capital Advances	2,500.00	2,500.00
		683,596.66	360,722.88
4	Loans: (Unsecured considered good unless otherwise stated)		
	Security Deposits	343.91	159.30
		343.91	159.30
5	Deferred tax Assets:		
	Deferred Income tax Assets		
	Losses carried forward	3,041.82	2,409.05
	Deferred Income tax liabilities		
	Property plant and equipment	51.55	59.06
	Net Deferred tax assets	2,990.27	2,349.99
6	Other Non current assets:		
	Prepaid Expenses	38,095.62	6,995.76
		38,095.62	6,995.76
7	Cash and Cash equivalents:		
	Balances with Banks		
	Current Accounts	16,480.67	3,354.12
		16,480.67	3,354.12
8	Other Financial assets:		
	Advances to suppliers	-	17.80
	Advances to Employees	8.62	2.76
	Other Receivables	83.20	-
		91.82	20.56
9	Inventories	302.27	-
		302.27	-
10	Current Tax Assets (Net):		
	Tax Deducted at source (Net of provision)	78.96	83.70
		78.96	83.70

**GOA NATURAL GAS PRIVATE LIMITED**  
**A JOINT VENTURE OF GAIL GAS LTD AND BHARAT PETROLEUM CORPORATION LIMITED**  
**PORVORIM, GOA-403521**  
**CIN : U40300GA2017PTC013095**

Note No.	Rs in Thousands		Rs in Thousands	
	As at March 31, 2019		As at March 31, 2018	
<b>11 Equity Share Capital</b>				
(i) Authorised 50,000,000 Equity shares of Rs 10 each	500,000		500,000	
	500,000		500,000	
Issued, Subscribed and Paid Up 19,000,000 (Previous Year 15,000,000) Equity shares of Rs 10 each fully paid up	190,000		150,000	
	190,000		150,000	
(iii) The Company has only one class of shares namely equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per equity share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.				
(iv) Reconciliation of no. of equity shares:				
A Opening Balance	15,000,000		-	
B Shares issued	4,000,000		15,000,000	
C Shares bought back	-		-	
D Closing balance	19,000,000		15,000,000	
(v) Details of Shares held By The Shareholders Holding More Than 5% Shares At The End				
	As at March 31, 2019		As at March 31, 2018	
Equity Shares	No of shares	% holding	No of shares	% holding
Gail Gas Limited	9,500,000	50%	7,500,000	50%
Bharat Petroleum Corporation Limited.	9,500,000	50%	7,500,000	50%
<b>12 Other Equity</b>				
<b>A. Share Application Money Pending Allotment</b>				
Opening Balance	-		-	
Additions during the current year	30,000		-	
Closing Balance	30,000		-	
<b>B. Retained Earnings</b>				
Opening Balance	(6,762.82)		-	
Add\ (Less): Profit\ (Loss) for the current year	(1,728.56)		(6,762.82)	
Closing Balance	(8,491.38)		(6,762.82)	
<b>Total</b>	<b>21,508.62</b>		<b>-6,762.82</b>	
<b>13 Long Term Borrowings</b>				
Secured				
From Bank	435,057.56		55,071.46	
	435,057.56		55,071.46	
The Loan is secured by a first ranking charge on the fixed assets and current assets of the Company . The Loan will be repayable after 3 years over a period of 10 years starting from January 2022 and ending in March 2032. Rate of Interest as on 31.03.19 was 8.55% per annum				
<b>14 Trade Payables</b>				
Dues to Micro, Small and Medium enterprises	8,632.25		5,661.36	
Dues to Others	54,533.56		157,618.34	
	63,165.81		163,279.70	
<b>15 Other Financial Liabilities</b>				
Bank overdraft	-		3,630.03	
Earnest Money Deposits	1,241.80		1,740.00	
Other Liabilities ( including creditors for expenses and statutory liabilities)	32,260.20		8,045.21	
	33,502.00		13,415.24	

Note No	Rs in Thousands		Rs in Thousands	
	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
<b>16</b>	<b>Other Income</b>			
	Interest Income on Income tax refund	0.07		1,006.95
	Miscellaneous Income	588.98		44.05
		589.05		1,051.00
<b>17</b>	<b>Finance Cost</b>			
	Bank Guarantee cost	16,790.10		37,437.26
	Bank charges	88.13		6.24
	Interest on Cash credit/ Bank Overdraft	22,889.77		861.54
		39,768.00		38,305.03
	Less: Transfer to Capital Work-In-Progress	39,768.00		38,305.03
		-		-
<b>18</b>	<b>Other Expenses</b>			
	Bidding Expenses	-		1,656.79
	Incorporation Expense	-		4,882.30
	Feasibility Studies	-		3,574.43
	Advertisement Expenses	540.57		-
	Business Promotion	140.33		-
	CAG & Internal Audit Expenses	224.73		-
	Meeting Expenses	135.22		-
	Office Expenses	76.11		1,415.90
	Office Rent	731.70		878.27
	Printing & Stationery	434.26		-
	Statutory Audit Fees (Includes Previous Years fees of Rs. 50 Thousand)	109.00		-
	Miscellaneous Expenses	401.84		-
	Professional Fees	2,090.48		1,562.40
	Travelling & Communication	1,062.90		3,745.22
	Training Expenses	801.24		112.90
	Management Service Cost	33,305.69		28,023.16
	Other Project Expenses	59,985.63		76,730.28
	<b>Total A</b>	<b>100,039.68</b>		<b>122,581.64</b>
	Less: Management Service for employee Cost Transferred to Capital Work-In-Progress (Refer Note 3)	(33,305.69)		(28,023.16)
	<b>Less: Transfer To IEDC (Incidental Expenditure During Construction)</b>			
	Rent	-		878.27
	Office Expenses	-		1,415.90
	Professional Fees	2,090.48		1,562.40
	Travelling & Communication	1,062.90		3,745.22
	Training Expenses	801.24		112.90
	Other Project Expenses	59,985.63	(63,940.25)	76,730.28
			2,793.74	10,113.51



**Calculation of Earnings Per Share**

Particular	Amount
Profit and loss as per SPL	-1,728.56

**Weighted Average No. of Shares**

Date of share Allotment	As on 31-3-2017	No. of Shares	Weight	Weighted Avg
4/1/2018	3/31/2019	15,000,000	364	15,000,000
1/9/2019	3/31/2019	4,000,000	81	936,416
			445	<b>15,936,416</b>
				<b>159.36</b>
Earnings Per Share				(0.00011)

**Diluted Earnings Per Share**

Weighted Average No. of Shares	15,936,416			
Shares for application money pending allotment				
3/30/2019	3/31/2019	3,000,000	1	8,671
				15,945,087
				<b>159.45</b>
DEPS				(0.00011)

**Calculation of EPS 2017-18**

Particular	Amount
Profit and loss as per SPL	-6,762.82

Weighted Average No. of Shares				
Date of share Allotment	As on 31-3-2017	No. of Shares	Weight	Weighted Avg
2/2/2017	8/3/2017	5,000,000	182	2,630,058
8/4/2017	3/31/2018	15,000,000	239	10,361,272
			421	<b>12,991,329</b>
				<b>129.91</b>
EPS				(0.00052)
DEPS				(0.00052)

## GOA NATURAL GAS PRIVATE LIMITED

(A JV of GAIL GAS LIMITED & BHARAT PETROLEUM CORPORATION LIMITED)  
REGD. OFFICE: PLOT NO. 33, RAJAN VILLA, JOURNALIST COLONY,  
PORVORIM, GOA-403521

### **NOTE 15:- NOTES ON ACCOUNTS**

1. The company incorporated on January 13, 2017 and currently under Project commissioning stage.
2. The company is a joint venture of GAIL Gas Limited (a wholly owned subsidiary of GAIL (India) Limited) and Bharat Petroleum Corporation Limited with equal share holding pattern. The total authorized share capital of the company is Rs.50 crore against which equity shares capital worth Rs.19 crore have been issued to promoter companies in the ratio of 1:1.
3. Authorization for development of City Gas Distribution Network in the Geographical Area of Goa State was granted by Petroleum and Natural Gas Regulatory Board (PNGRB) to the then Consortium of GAIL Gas Limited and Bharat Petroleum Corporation Limited in June, 2016. As per the regulation of PNGRB, Performance Bank Guarantee (PBG) of Rs.1504 crore issued by Indusind Bank, New Delhi valid upto 07.06.2021 has been submitted to PNGRB. The PBG has been issued to Gail Gas Limited against equal amount of corporate guarantee given by M/s. BPCL and M/s. GAIL.
4. The employees working for the company are on deputation from the promoter companies, i.e. GAIL Gas Limited / GAIL and Bharat Petroleum Corporation Limited. The cost of employee benefits is considered on the basis of debit notes raised by the promoter companies. During the year all the employees have been identified as working for project activities only and therefore, the employee cost and travelling expenses have been directly identified to the project activities. Similarly, expenses related to rent of warehouse, vehicle hire charges and all other non-administrative expenses have been allocated to Incidental Expenditure During Construction.
5. The Incidental Expenditure during Construction amounting to Rs 63,940 Thousand (Previous year Rs. 84,445 Thousand) has been allocated to Capital Work in Progress.
6. Capital Work in Progress (CWIP) include asset under construction which are under different stage of completion, capitalization will be done as soon as the assets are ready for use. CWIP includes Rs. 154,334 Thousand (Previous Year Rs. 146,015 Thousand) consisting of machineries/system and various types & sizes of pipes lying in own and hired warehouses of Goa Natural Gas Private Limited (GNGPL) and not issued to the Contractors.
7. Share Capital
  - a) The total authorized capital of the Company is Rs. 500,000 Thousand against which Rs.190,000 Thousand has been issued as on balance sheet date. (Previous year Rs. 150,000 Thousand)
  - b) The Company is a Joint Venture of GAIL Gas Limited (GGL) and Bharat Petroleum Corporation Limited (BPCL) and the shares are issued to the promoter companies in equal ratio as per the approval of the Board.

c) Company has made an offer of right issue of 30,00,000 equity shares (to be issued at face value of Rs.10 each) each to M/s. GGL and BPCL respectively. M/s. GGL has paid the share application money of Rs. 30,000 Thousand which is pending for Allotment as on balance sheet date. BPCL is in the process of obtaining necessary approval for payment of application money against the aforesaid shares. The company plans to allot the above shares before 31<sup>st</sup> May 2019.

**8. Capital Commitment Disclosure**

The estimated amount of contracts over Rupees Five Lakhs amounting to Rs.1,093,073 Thousand (Previous year Rs 302,868 Thousand) is remaining to be executed on Capital Accounts and not provided for.

**9.** The provisional liability of Rs. 29,266 Thousand (Previous year Rs. 6,504 Thousand) has been made in the books of accounts as on 31<sup>st</sup> March, 2019 which will be settled as per actual bills.

**10. Employee Benefits**

All the employees posted at Goa Natural Gas Private Limited are on the rolls GAIL Gas Limited/GAIL and Bharat Petroleum Corporation Limited. The Employees' benefits including salary are being prepared and disbursed and recovered by the promoter companies. The disclosure requirement in terms of Ind AS 19 has not been considered as the same have been complied by the promoter companies.

**11. Dues to Micro, Small and Medium Enterprises**

To the extent, the Company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

	Rs in thousands
Amount due and payable at year end	
- Principal (Previous Year Rs 5,661)	8,632
- Interest on above principal	-
(The interest payable on such vendors is not likely to be material)	

**12.** Additional information pursuant to the provisions of paragraph 5(viii) of Part II of Schedule III to the Companies Act, 2013 is not applicable.

**13. Related Party Disclosure:**

**A.** The entire Equity Share Capital of the Company is held by GAIL Gas Limited and Bharat Petroleum Corporation Limited, being the promoter companies.

**B. Related Parties:**

**a)** Relation and name of the related parties are:-

**1.** Promoter Venturer: GAIL Gas Limited (A wholly owned Subsidiary of GAIL (India) Limited) and Bharat Petroleum Corporation Limited.

**2.** Associate Company: GAIL (India) Limited

**3.** Key Management Personnel:

**i.** Mr. Kamal Kumar Sachdeva (CEO)

**ii.** Mr. Videsh Gurudas Sangodkar (CFO)

b) Related Party Transactions/balances outstanding with related parties:

(Rs. in Thousand)

Sl.No	Particulars	Promoter Venturer	Associate Company	Key Managemen t Personnel
<b>A</b>	<b>GAIL Gas Limited</b>	<b>35,449</b> (Previous Year Rs. 140,392)	-	-
1	Share of expenditure on account of Feasibility study, Market Survey, Bidding expenses, etc.	<b>Nil</b> (Previous Year Rs. 128,362)	-	-
2	Reimbursement of Employee Remuneration	<b>18,732</b> (Previous Year Rs.12,030)	-	-
3	Reimbursement of PBG Commission, Training expenses, Certification charges, etc.	<b>16,717</b> (Previous Year Rs. Nil)		
<b>B</b>	<b>Bharat Petroleum Corporation Limited</b>	<b>10,615</b> (Previous Year Rs. 86,006)	-	-
1	Share of expenditure on account of Feasibility study, Market Survey, Bidding expenses including expenditure on Detailed Project Report (DPR), Financial Appraisal Report.	<b>Nil</b> (Previous Year Rs.79,618)	-	-
3	Reimbursement of Employee Remuneration	<b>10,615</b> (Previous Year Rs. 6,388)	-	-
<b>C</b>	<b>GAIL (India) Limited</b>		<b>834</b> (Previous Year Rs. <b>41,055</b> )	
1	Expenses on account of Hooking-up of Shipper's Facilities		<b>331</b> (Previous Year Rs. 41,055)	
2	Supervision/Permission Charges towards GAIL P/L crossing Madkai & KIDC		<b>260</b> (Previous Year Rs. Nil)	

3	Natural Gas Purchases		<b>243</b> (Previous Year Rs. Nil)	
<b>D</b>	<b>Management Contracts including deputation of employees</b>		-	<b>8,940</b> (Previous Year Rs. <b>8,609</b> )
	Reimbursement of Remuneration to Key Management Personnel		-	<b>8,940</b> (Previous Year Rs. 8,609)

**14. Earnings per Share:**

Particulars	Unit	2018-19	2017-18
Profit after Tax	(Rs. in Thousand)	(1729)	(6,763)
Weighted Average No. of Equity Shares	Nos.	1,59,36,416	50,86,705
Nominal Value per Share	Rs.	10.00	10.00
Earnings per Share Basic	Rs.	(0.00011)	(0.00052)
Earnings per Share Diluted	Rs.	(0.00011)	(0.00052)

**15. "Income Taxes"** The Company has created net deferred tax assets in respect of temporary difference and unused carry forward of losses as on 31<sup>st</sup> March 2019 amounting to Rs. 2,990 Thousand (Previous Year Rs 2,350 Thousand). The item- wise details of deferred tax liability/asset are as under:

(Rs. in Thousand)

Particulars	31.03.2019	31.03.2018
Opening Balance Deferred Tax Assets / (Liabilities)	2350	-
Deferred Tax assets / (Liabilities) arising on account of Fixed Assets	7	(59)
Deferred Tax assets / (Liabilities) arising on account of unused carry forward of losses / preliminary expenses	633	2,409
Closing Balance C/F	2,990	2,350

**16. The details of amount paid/payable to auditor during the year:**

(Rs. in Thousand)

Particulars	2018-19	2017-18
Statutory Audit Fees	59	50
Other services	Nil	Nil
Reimbursement of expenses	Nil	Nil
<b>TOTAL</b>	<b>59</b>	<b>50</b>

**17. Contingent Liabilities**


Claim against the company not acknowledged as Debt: NIL

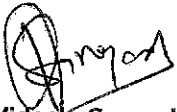
Company has contingent Liabilities on account of Bank Guarantee of Rs. 22,656 Thousand from Indusind Bank, New Delhi as at 31st March 2019 (Previous year Rs. 11,250 Thousand)


**For and on behalf of the Board**

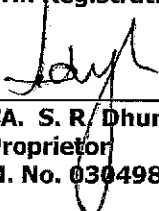
**As per our report of even date  
For Satish Dhume & Co.**

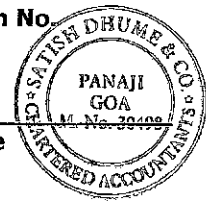
**Chartered Accountants  
Firm Registration No**

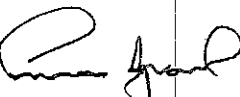
  
**Shashank Sharma  
(CS)  
PAN-DYBPS0565L**

  
**Videsh Sangodkar  
(CFO)  
PAN- ACDPR7010C**

  
**Kamal Kumar Sachdeva  
(CEO)  
PAN- AICPS0615B**

  
**CA. S. R. Dhume  
Proprietor  
M. No. 030498**



  
**S K Agrawal  
(Director)  
DIN- 06908669**

  
**Rajeev Garg  
(Director)  
DIN- 07674683**

**Place : Goa  
Dated : 29/04/2019**

**GOA NATURAL GAS PRIVATE LIMITED**  
(A JV of GAIL GAS LIMITED & BHARAT PETROLEUM CORPORATION LIMITED)  
REGD. OFFICE: PLOT NO. 33, RAJAN VILLA, JOURNALIST COLONY,  
PORVORIM, GOA-403521

**NOTE -1:- SIGNIFICANT ACCOUNTING POLICIES**

**1. Corporate information**

Goa Natural Gas Private Limited ("GNGPL") is a company domiciled in India with registered office at Plot No. 33, Rajan Villa, Journalist Colony, Porvorim, GOA.

GNGPL is a Joint Venture Company of GAIL Gas Limited {A wholly owned subsidiary of Gail (India) Limited} and Bharat Petroleum Corporation Limited. It was incorporated on 13<sup>th</sup> January, 2017 for the smooth implementation of City Gas Distribution (CGD) projects based on the Joint Venture Agreement of the Consortium. The Consortium, a Joint Venture Company namely M/s. Goa Natural Gas Pvt Ltd., has been authorized by Petroleum and Natural Gas Regulatory Board (PNGRB) for implementing City Gas Distribution Network in the Geographical Area of Goa State.

The financial statements of the company for the year ended 31st March 2019 were authorized for issue by Board of directors (BOD) on 29<sup>th</sup> April 2019.

**2. Basis of preparation**

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities which have been measured at fair value or revalued amount. The fact is disclosed in the relevant accounting policy.

The financial statements are presented in Indian Rupees ('INR') and the values are rounded to the nearest thousands, except otherwise indicated.

**3. Significant Accounting Policies**

**3.1 Property, plant and equipment**

**(i) Tangible Assets**

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in case retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful life specified in Schedule II to the Companies Act, 2013.

The asset's residual values, useful lives and methods of depreciation/amortization are reviewed at each reporting period and adjusted prospectively, if appropriate.

### **(ii) Capital Work in Progress**

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

## **3.2 Impairment of assets**

The Carrying amount of assets is reviewed at each Balance Sheet date. In case there is any indication of impairment based on Internal /External factors, an Impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount.

## **3.3 Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria are capitalized as property, plant and equipment.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Raw materials and finished products are valued at cost or net realizable value, whichever is lower.

Stock in process is valued at cost or net realizable value, whichever is lower. It is valued at cost where the finished products in which these are to be incorporated are expected to be sold at or above cost.

Stock of gas in pipeline is valued at cost (FIFO) or net realizable value whichever is lower.

Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realizable value, whichever is lower. It is valued at weighted average cost where the finished products in which they will be incorporated are expected to be sold at/or above cost.



Surplus/obsolete stores including capital stores and spares are valued at cost or net realizable value, whichever is lower.

### **3.4 Foreign currency transactions**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

At each balance sheet date, foreign currency monetary items (such as Cash, Receivables, Loans, Payables, etc.) are reported using the closing exchange rate (BC selling rate for payable and TT buying rate for receivable).

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as gain or loss in the period in which they arise.

Non-monetary items (such as Investments, Fixed Assets, etc.) which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

### **3.5 Revenue and Other Income**

Sales are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude value added tax. Any retrospective revision in prices is accounted for in the years of such revision.

Income in respect of MGO of Natural Gas and Interest on delayed realization from customers is not provided. Receipts during the year on account of MGO and Interest on delayed realization are adjusted on receipt basis.

### **3.6 Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale, after netting off any income earned on temporary investment of such funds. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are recognized as expense in the period in which they are incurred.

### **3.7 Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on straight line basis unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **3.8 Taxes**

#### **Current Income Tax**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### **Deferred Tax**

Deferred tax is provided, using the balance sheet method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

### **3.9 Provisions, Contingent liabilities, Contingent assets and Commitments**

#### **General**

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.

Contingent liabilities exceeding Rs.5 Lakhs in each case are disclosed by way of notes to accounts.

Estimated amount of contracts remaining to be executed on capital account are disclosed in each case above Rs.5 Lakhs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **3.10 Current versus non-current classification**

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

#### **An asset as current when it is:**

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

All other assets are classified as non-current.

#### **A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **3.11 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.

#### **i) Financial assets**

##### **Classification**

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through statement of profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

##### **Initial recognition and measurement**

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

##### **Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in two broad categories:

##### **a) Financial assets at amortized cost**

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

##### **b) Financial assets at fair value**

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

### **Derecognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

## **ii) Financial liabilities**

All financial liabilities are initially recognized at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft. Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss (FVTPL) or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortized cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR (Effective Interest Rate) method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

### **Derecognition**

A financial liability is derecognized 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 recognized in the statement of profit and loss.

## **iii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **3.12 Earnings per share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

## **4. Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

### **4.1 Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

#### **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

### **4.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

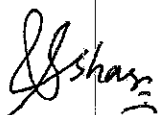
## Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

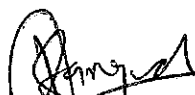
## Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

For and on behalf of the Board



**Shashank Sharma**  
(CS)  
PAN-DYBPS0565L



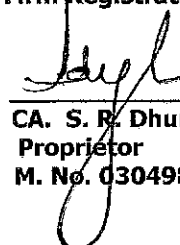
**Videsh Sangodkar**  
(CFO)  
PAN- ACDPR7010C



**Kamal Kumar Sachdeva**  
(CEO)  
PAN- AICPS0615B

As per our report of even date  
For Satish Dhume & Co.

Chartered Accountants  
Firm Registration No.



**CA. S. R. Dhume**  
Proprietor  
M. No. 030498



**S K Agrawal**  
(Director)  
DIN- 06908669



**Rajeev Garg**  
(Director)  
DIN- 07674683

Place : Goa  
Dated : 29/04/2019

# **SATISH DHUME & CO.**

**CHARTERED ACCOUNTANTS**

**SATISH R. DHUME** B. Com (Hons.) LL.B. (Gen.) F.C.A.

203/206/207, Mahalaxmi Chambers,  
18th June Road,  
PANAJI - GOA 403 001.  
Tel. : 2226309/2227775  
Fax : (0832) 2227775  
E-mail : sdhume@hotmail.com

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Goa Natural Gas Private Limited**

### **Report on the Audit of Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **M/s. Goa Natural Gas Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements and 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date

#### **Basis of 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 Ind AS 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 Ind AS financial statement**

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibilities for the Audit of Ind AS Financial Statement**

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





## 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 B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 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 Ind AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 C**"
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses



# SATISH DHUME & CO.

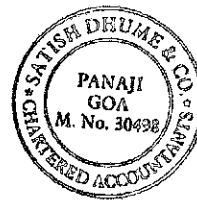
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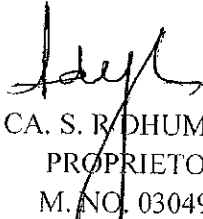
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- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) As required by Section 143(5) of the Companies Act, 2013 please refer to "Annexure-D" enclosed.

For SATISH DHUME & Co.  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 109314W



  
CA. S. R. DHUME  
PROPRIETOR  
M. NO. 030498

PLACE: Goa  
DATED: April 29, 2019  
UDIN: 19030498AAAAS9913

**Annexure A Responsibilities for Audit of Financial Statement**  
**(Referred in paragraph 1 of our report on Auditor's Responsibilities for the Audit of Ind AS**  
**Financial Statement)**

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



# SATISH DHUME & CO.

CHARTERED ACCOUNTANTS

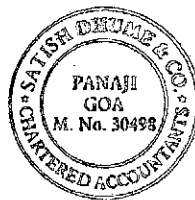
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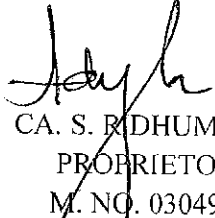
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

For SATISH DHUME & Co.  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 109314W



  
CA. S. R. DHUME  
PROPRIETOR  
M. NO. 030498

PLACE: Goa

DATED: April 29, 2019

UDIN: 19030498AAAAS9913

## “ANNEXURE- B” TO INDEPENDENT AUDITORS’ REPORT

### Re: Goa Natural Gas Private Limited

### (Referred in paragraph 1 of our report on other Legal and Regulatory Requirements)

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) In our opinion, the fixed assets were physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
  - (c) The company does not have any immovable property in its name.
  - (d) The components of Capital Work-in-Progress are lying with the third party and confirmed.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In respect of loans, investment, guarantees and securities the provisions of section 185 and 186 of the Companies act 2013 have been complied with by the company.
- (v) The company has not accepted deposits in accordance with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under have been complied with.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues Income-Tax, Goods and Service tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.



# SATISH DHUME & CO.

CHARTERED ACCOUNTANTS

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- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company did not have any loans or borrowings from financial institutions, government or has not issued any debentures during the year.
- (ix) Based upon the audit procedures performed and the information and explanations given by the Management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) The Company being the private company, section 197 shall not apply. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.



# SATISH DHUME & CO.

CHARTERED ACCOUNTANTS

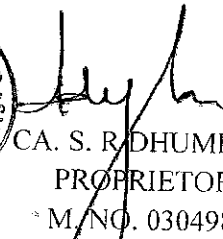
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(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For SATISH DHUME & Co.  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 109314W



  
CA. S. R. DHUME  
PROPRIETOR  
M. NO. 030498

PLACE: GOA

DATED: 29<sup>th</sup> April 2019

UDIN: 19030498AAAAS9913

**“ANNEXURE-C” TO THE INDEPENDENT AUDITORS’ REPORT****Re: Goa Natural Gas Private Limited  
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of  
the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Goa Natural Gas Private Limited (“the Company”) as of March 31, 2018 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 the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and specified under sub-section 10 of under section 143 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





# SATISH DHUME & CO.

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risk. The procedures selected depend on the auditor's judgment, 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.

## 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.



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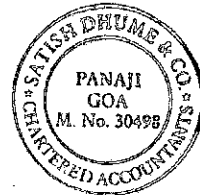
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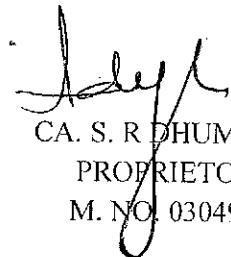
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## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SATISH DHUME & Co.  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 109314W



  
CA. S. R. DHUME  
PROPRIETOR  
M. NO. 030498

PLACE: GOA

DATED: 29<sup>th</sup> April 2019

UDIN: 19030498AAAAS9913

PLACE: GOA

DATED: 29<sup>th</sup> April 2019

# SATISH DHUME & CO.

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## "ANNEXURE-D" TO THE INDEPENDENT AUDITORS' REPORT

Re: Goa Natural Gas Private Limited

### DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

S. No.	Directions	Auditor's Remark
1.	Whether the Company has system in place to process all accounting transactions through IT systems? If yes, the implications of processing of accounting transactions outside IT systems on the integrity of accounts along with the financial implications, if any may be stated.	The Company has system in in place to process all the accounting transactions through IT system i.e Tally Accounting software. The Operational entries of the Company like revenue, inventory, debtors, fixed assets, CWIP, payroll etc have been recorded in the same financial reporting Tally system. The Company also has adequate internal control system to verify the correctness of the entries posted in the Tally Accounting System.
2.	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts/loans/ 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?	According to the information and explanation given to us and based on the examination of the records, there has been no restructuring waiver/write off of debts/loans/interest etc. of any existing loan taken by the Company during the year under audit.
3.	Whether the funds 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?	The Company does not have received/ receivable any finds for specific schemes from Central/State agencies during the year under audit.

For SATISH DHUME & Co.  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO. 109314W



*S. R. Dhume*  
CA. S. R. DHUME  
PROPRIETOR  
M. NO. 030498  
PLACE: GOA

DATED: 29<sup>th</sup> April 2019  
UDIN: 19030498AAAAS9913