



# GOA NATURAL GAS PRIVATE LIMITED

(A Joint Venture of GAIL GAS Limited and BPCL)

## ANNUAL REPORT 2019-20





GOA NATURAL GAS PRIVATE LIMITED

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**ANNUAL REPORT**

**2019-20**



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### **MESSAGE FROM CHAIRMAN**

Dear Shareholders,

On this day of 3<sup>rd</sup> Annual General Meeting of Goa Natural Gas Private Limited, I extend you all a very warm welcome. I take this opportunity to share with the performance review of the company for the Financial Year 2019-20. By focusing on its distinctive areas of strength and synergising the resources, your company was able to respond quickly to the challenges and opportunities and take the company to new heights.

Globally, there is an increasing thrust of developing cleaner energy and obviously the spotlight is on usage of Natural Gas. With Natural Gas being the preferred fuel of the future, the City Gas Distribution sector is poised for an exponential growth. The Government of India aspires to increase the share of natural gas in the country's primary energy basket from current level of 6.2% to 15% by 2030. We have seen the sector regulator; Petroleum and Natural Gas Regulatory Board (PNGRB) give out CGD authorizations for 228 geographical areas (spread across 402 districts in 27 states) in last two CGD bidding rounds, which is set to serve 70 per cent of the population. We have also been witness to the declaration of the CGD sector as a public utility sector in the FY 2019-20 by the Government of India, thereby emphasizing its value and need. In line with the vision and mission of the Government to create a gas-based economy, your Company is developing a CGD network in North Goa and Ponda GA. This network will provide uninterrupted gas supply to Industrial, Commercial and Household in various talukas in North Goa.

It is my pleasure to share that your company is preparing itself to contribute significantly towards the CGD development in the country.

In the financial year that went by, you would be glad to know that your Company commenced PNG sale to domestic households in Ponda, Panjim and Old Goa areas. We also commenced CNG sale through Two (2) CNG outlets and are looking forward to commence operations from around Five (5) more CNG stations in the coming year. With respect to industrial supply, your Company has successfully laid and commissioned pipeline network in the industrial area of Madcaim and Kundaim and signed the of Gas Supply Agreement (GSA) with industrial clients that include Godrej and Boyce Manufacturing Company Limited, Crompton Greaves, Colgate, Encube Ethicals Private Limited, Goldy FinePacks Private Limited and Dazzler Confectionery. Gas supply has already commenced to M/s Godrej and M/s Encube. Discussions with other industrial units in these industrial areas are at various stages for signing of the GSA.



The COVID-19 pandemic has impacted the progress of the industry in general leading to delay in project execution worldwide and your Company is no exception. However, we at GNGPL are confident of making of lost time once the situation starts to normalize. We are very positive for the long-term growth projections for the CGD sector coupled with the robust future growth plans of the Company. We are set on the right direction with long-term goals in place. Therefore, the short-term/ mid-term crisis may not be considered as a deterrent or a setback in the growth plans of the Company.

On behalf of the Board of Directors and Team GNGPL, I would like to thank all the internal and external stakeholders for their contribution in the growth story of the Company. I also extend gratitude to parent companies Bharat Petroleum Corporation Limited & GAIL Gas Limited and the Central and State Governments and the nodal Ministry for nurturing GNGPL.

**Thanking You**

**Shri M. V. Ravi Someswarudu**  
**CHAIRMAN**



## BOARD OF DIRECTORS



Shri M. V. Ravi Someswarudu  
*Chairman*



Shri P. Sudhahar  
*Director*



Shri Vivek Wathodkar  
*Director*



Shri Vijay Tilak  
*Director*

## KEY MANAGERIAL PERSONNEL

**MR. AJAY KUMAR JINDAL**  
**CHIEF EXECUTIVE OFFICER**

**MR. VIDESH SANGODKAR**  
**CHIEF FINANCIAL OFFICER**

**MS. BISHAKHA CHAKRABORTY**  
**COMPANY SECRETARY**

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### Registered Office

Rajan Villa, Plot 3, Journalist Colony  
Porvorim, Goa North-403521,

### Bankers

State Bank of India  
Indusind Bank Limited

### Statutory Auditors

Satish Dhume & Co  
Chartered Accountants



## DIRECTORS' REPORT

To,

**The Members**

**Goa Natural Gas Private Limited**

**33, Rajan Villa, Journalist Colony,**

**Porvorim, North Goa - 403521**

The Directors of the Company are pleased to submit 3<sup>rd</sup> Directors Report of the Company together with the audited statement of accounts and Auditors' Report thereon ended as on 31<sup>st</sup> March, 2020.

### **1. FINANCIAL RESULTS**

The financial performance of the Company during the year is as follows: -

<b>Particulars</b>	<b>1<sup>st</sup> April, 2019 - 31<sup>st</sup> March, 2020 Amount in  (Rs. 000)</b>	<b>1<sup>st</sup> April, 2018 - 31<sup>st</sup> March, 2019 Amount in  (Rs. 000)</b>
Total Income	3,052.00	589.05
Total Expenditure exclusive of depreciation	19,417.87	2793.74
Depreciation	3,163.56	164.15
Total Expenditure inclusive of depreciation	22,581.43	2957.89
Profit/(Loss) before exceptional items	-19,529.43	-2368.84
Exceptional items - Loss on account of fire	20,159.94	NIL
Profit/(Loss) before tax	-39,689.37	-2368.84
Current tax	NIL	NIL
Deferred Tax	10,367.13	-640.28
Loss after tax	-29,322.24	-1728.5
Transfer to Reserve	NIL	NIL
Balance Carried over to Balance Sheet	NIL	NIL
Reserves and Surplus (excluding revaluation reserve)	NIL	NIL



## 2. BUSINESS PLAN

The Company has long term plans to supply, distribute and market for the following:

- a. CNG as fuel for vehicles
- b. PNG for residential, commercial and industrial purposes
- c. Supply of CNG through mobile cascade to industrial and commercial customers

PNG sale to domestic households commenced from April 2019 and presently we are supplying PNG in Old Goa and Ponda. CNG sale has been started from Aug 2019 through one CNG station at BPCL RO (West Coast Petroleum) where GNGPL is selling more than 6000Kgs of CNG monthly.

The Company has successfully bagged big industrial clients like Godrej and Boyce Manufacturing Company Limited, Crompton Greaves, Colgate along with Encube Ethicals Private Limited, Goldy FinePacks Private Limited and Dazzler Confectionery for supply of industrial CNG. Supplies to M/s. Godrej have commenced from this Financial Year.

The year also saw the commissioning of DRS for supply of gas for domestic purposes in Old Goa and Ponda. Further the Company successfully commissioned around 7 Km of Steel pipeline and 10 KM of MDPE network in the industrial area of Madcaim and Kundaim.

### Achievements and Problems faced by the Company

The financial year also saw the inclusion of FTFT employees as additional human resource for the Company.

However due to current pandemic most of our planning with respect to pipe laying and new domestic connections were impacted. GNGPL had started supplies to M/s. Godrej and was in final stages of stating supplies to two more customers which could not be possible due to the lockdown.

Also, CNG sale at one RO was picking up with CNG sale in Feb 2020 exceeding 6000 Kgs. The same was also impacted due to the COVID pandemic.

### Upcoming Plans and projections

During the next financial year of 2020-21, the management plans to expand further and will try to achieve the MWP target set by PNGRB.



Two more CNG station one at Hira Petrol pump, Panaji and other at Dutta Prasad RO, Dhargalim is in the commissioning stage and we are expecting it be operational during the year. Further, GNGPL is planning to commence total 7 CNG stations by the end of next year.

We are expecting to sign the supply agreements that have been held up in the last quarter of F.Y. 2019-20 and further add maximum industrial customers in the FY 2020-21.

### 3. MEETINGS OF BOARD

During the Financial Year 2019-20, the Company could hold Three (03) Meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. However, the 4<sup>th</sup> Meeting proposed to be held for the last quarter of Financial Year 19-20 had to be postponed in the view of Covid Pandemic. The provisions of Companies Act, 2013, and MCA circulars issued in consideration of the Covid Pandemic were adhered to while in terms of the time gap between two meetings.

S No.	Date of Meeting	No. of Directors Present
1.	29 <sup>th</sup> April, 2019	4
2.	7 <sup>th</sup> August, 2019	4
3.	28 <sup>th</sup> November, 2019	3

Further, the details of the number of meeting attended by each of the Director are as follows:

S No.	Name	Total No. of Board Meeting held During the Year	No. of Board Meeting Attended During the Year
1.	Mr. Rajeev Garg	3	1
2.	Mr. Deepak Sawant	3	1
3.	Mr. Rajendra Pushparaj Natekar	3	1
4.	Mr. P. Sudhakar	3	3
5.	Mr. Asit Kumar Jana	3	2
6.	Mr. Vivek Wathodkar	3	2
7.	Mr. Shekhar Agrawal	3	2



**4. DIVIDEND**

As the Company has incurred losses, the Company has not recommended any dividend for the financial year 2019-20.

**5. TRANSFER TO RESERVES**

As the Company has incurred losses, nil amount was transferred to General reserve of the Company or into any such other reserve for the financial year 2019-20.

**6. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 (1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is not applicable to the Company. However, since the total loans from the banks exceed the threshold limit of 50 Crores provided under Section 177 (9) of the Companies Act, 2013 read with Rule 7 the Companies (Meetings of the Board and its Powers) Rules, 2014, the Company is required to establish a Vigil Mechanism. Since the Company did not have a full-time compliance personnel till now, the process of establishing vigil mechanism is still under way and the policy is proposed to be introduced during the ensuing financial year.

**7. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company is committed to provide a safe and conducive work environment to its employees.

The Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**8. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL**

**APPOINTMENTS**

<b>Name of the Director</b>	<b>Date of Appointment</b>
Mr. Asit Kumar Jana	26 <sup>th</sup> June, 2019
Mr. Vivek Wathodkar	28 <sup>th</sup> May, 2019
Mr. Vijay Tilak	20 <sup>th</sup> March, 2020



## RESIGNATIONS

Name of the Director	Date of Cessation
Mr. Rajeev Garg	7 <sup>th</sup> August 2019
Mr. Deepak Sawant	7 <sup>th</sup> August 2019
Mr. Shekhar Agrawal	30 <sup>th</sup> August, 2019
Mr. Shashank Sharma	18 <sup>th</sup> November, 2019

## 9. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to your Company.

## 10. CORPORATE GOVERNANCE

The policy of Corporate Governance is not applicable on the Company; however, the Company believes that good corporate governance is critical in establishing a positive organizational culture and it is evident by responsibility, accountability, consistency, fairness and transparency towards its stakeholders. There are no significant and material orders passed by the regulators or Courts or tribunals impacting the going concern status and Company's operations in future.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134 (3) (c) OF COMPANIES ACT, 2013:

The Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year and the profit and loss of the Company for that period;
- 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. Company being unlisted sub clause (e) of section 134(5) is not applicable.
- f. 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.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013, during the year under review and hence the said provision is not applicable.

**13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There were no contracts or arrangements made by the Company under section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act, during the year under review and hence the said provision of Section 188 is not applicable on the Company.

**14. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee is not applicable on the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**15. STATEMENT BY THE DIRECTORS INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION IS MADE OF ITS OWN PERFORMANCE**

The provisions of Section 134(3) (p) of the Companies Act, 2013, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors is not applicable on the Company.



**16. FRAUD**

No fraud has been reported by the auditors under sub section (12) of Section 143 of the Companies Act, 2013.

**17. EXTRACT OF ANNUAL RETURN**

Extract of Annual Return forms part of this Report as **Annexure-I**.

**18. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE ACT**

During the period, the Company has not accepted deposits from the public under Section 73 of the Companies Act, 2013.

**19. MATERIAL CHANGES AND COMMITMENTS, IF ANY**

The Covid-19 and the consequent lock down has impacted the overall project plans and the operations of the Company as described as a part of the Business Plan (Point 2) above. Except as mentioned herein, there are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Current financial year and the date of this Report.

**20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND OUTGO:**

- a. Conservation of Energy & Technology Absorption: Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not relevant to its functioning.
- b. Foreign Exchange earnings and outgo: There is no foreign exchange earnings and outgo of the Company during the current financial year as well as previous financial year.

**21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. Further, the Company is in process of implementing a risk management policy.



**22. CORPORATE SOCIAL RESPONSIBILITY**

The Company does not fall under the requisitions prescribed for constitution of Corporate Social Responsibility Committee or adoption of Corporate Social Responsibility Policy, and therefore, the disclosure under this head is not applicable.

However, the Company always endeavours to contribute towards the growth of the society.

**23. CHANGE IN THE NATURE OF BUSINESS**

The Company has not changed its nature of business during the year under review.

**24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**25. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has adopted adequate Internal Financial Control measures with reference to Financial Statements. The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting operating effectively as at March 31, 2020.

**26. ACKNOWLEDGEMENT**

The Directors acknowledge with thanks the support and co-operation extended by the shareholders and employees at all levels.

**For and on behalf of Board of Directors**

**P Sudhakar**  
**DIN-08379848**  
**(Director)**

**Vivek Wathodkar**  
**DIN-08486382**  
**(Director)**

PLACE: GOA  
DATE: 26.05.2020

**Annexure-1****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	U40300GA2017PTC013095
Registration Date	13/01/2017
Name of the Company	Goa Natural Gas Private Limited
Category / Sub-Category of the Company	Company limited by Shares
Address of the Registered office and contact details	Rajan Villa, Plot No-33 Journalist Colony, Porvorim Goa North Goa GA 403521
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1	Electricity, Gas, Steam and Hot water supply	40	100 %



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NOT APPLICABLE

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
	-	-	-	-	-

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	De mat	Physical (in Nos.)	Total (Amount)	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
Individual/ HUF	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
<b>Bodies Corp.</b>	-	95,00,000	9,50,00,000	50	-	17,50,000	17,50,000	50	
I) Gail Gas Limited									
II) Bharat Petroleum Corporation Limited		95,00,000	9,50,00,000	50		17,50,000	1,75,00,000	50	
Any Other									
<b>Sub-total(A)(1):-</b>		<b>1,90,00,000</b>	<b>1,90,00,000</b>	<b>100</b>	-	<b>35,00,000</b>	<b>350,00,000</b>	<b>100</b>	



2) Foreign	NA	NA	NA	NA	NA	NA	NA	NA	NA
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.									
d) Banks /	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)</b>	-	1,90,00,000	1,90,000,000	100	-	35,000,000	350,000,000	100	-
Public Shareholding	NA	NA	NA	NA	NA	NA	NA	NA	NA
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	-	-	-	-	-	-	-	-	-
2. Non Institutions	NA	NA	NA	NA	NA	NA	NA	NA	NA
a) Bodies Corp. (i) Indian (ii) Overseas	-	-	-	-	-	-	-	-	-



<b>b) Individuals</b>	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh									
<b>c) Others (Specify)</b>	-	-	-	-	-	-	-	-	-
<b>Subtotal (B) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	-	-	-	-	-
C.Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>1,90,00,000</b>	<b>19,00,00,000</b>	<b>100</b>	-	<b>35,00,00,000</b>	<b>350,00,00,000</b>	<b>100</b>	-

ii) *Shareholding of Promoters*

Sr. no	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total Shares	
1.	GAIL GAS LIMITED	95,00,000	50		17,50,000	50	-	-
2.	BHARAT PETROLEUM CORPORATION LIMITED	95,00,000	50		17,50,000	50	-	-
	<b>TOTAL</b>	<b>19,00,00,000</b>	<b>100</b>		<b>35,00,00,000</b>	<b>100</b>		



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

Sr.No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year:- GAIL GAS LIMITED	95,00,000	50	17,500,000	50
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	3000000 equity shares of Rs.10/- each allotted on 29.04.2019  5000000 equity shares of Rs.10 each allotted on 25.09.2019			
2.	BHARAT PETROLEUM CORPORATION LIMITED	95,00,000	50	17,500,000	50
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	3000000 equity shares of Rs.10/- each allotted on 29.04.2019  5000000 equity shares of Rs.10/- each allotted on 25.09.2019	-		
	<b>At the end of the Year</b>	<b>1,90,00,000</b>	<b>100</b>	<b>35,000,000</b>	<b>100</b>



**iv. Shareholding Pattern of top ten Shareholders: NA**

Sl. no.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		-		-	-	-
	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc):	-	-	-	-	-	
	At the end of the year	-	-	-	-	-	

**v. Shareholding of Directors and Key Managerial Personnel: N.A.**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		-		-		-
	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)		-		-		-
	At the end of the year		-		-		-

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	43,50,57,560	NA	NA	43,50,57,560



i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	43,50,57,560	NA	NA	43,50,57,560
Change in Indebtedness during the financial year	26,65,66,342			26,65,66,342
- Addition		NA	NA	
- Reduction		NA	NA	
Net Change	26,65,66,342	NA	NA	26,65,66,342
Indebtedness at the end of the financial year				
i) Principal Amount	7,01,623902	NA	NA	7,01,623902
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	7,01,623902	NA	NA	7,01,623902

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration		Total Amount
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-Tax Act, 1961		
	Stock Option	NA	NA
	Sweat Equity	NA	NA
	Commission - as % of profit - others, specify...	NA	NA
	Others, please specify	NA	NA
	Total (A)		
	Ceiling as per the Act		



**B. Remuneration to other directors: NOT APPLICABLE**

Sl. No.	Particulars of Remuneration	Name of MD/WTG/ Manager				Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	NA	NA	NA	NA	NA
	Total (1)	NA	NA	NA	NA	NA
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	NA	NA	NA	NA	NA
	Total (2)	NA	NA	NA	NA	NA
	Total (B)=(1+2)	NA	NA	NA	NA	NA
	Total Managerial Remuneration	NA	NA	NA	NA	NA
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA

**C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTG**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total (Rs.'000)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	11,886	11,886
	Stock Option	NA	NA
	Sweat Equity	NA	NA
	Commission - as % of profit - Others, specify...	NA	NA
	Others, please specify	NA	NA
	Total	11,886	11,886



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[R D/NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. Other Officers In Default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and on behalf of Board of Directors

**P. Sudhahar**  
Director

**DIN-08379848**

**Vivek Wathodkar**  
Director

**DIN-08486382**

**Place:** Goa

**Date:** 26<sup>th</sup> May, 2020



BALANCE SHEET AS AT 31st MARCH 2020				
	Particulars	Note No.	Figures as at the end of current reporting period	(Rupees in ` 000) Figures as at the end of previous reporting period
	<b>ASSETS</b>			
<b>(I)</b>	<b>Non- Current Assets</b>			
	(a) Property, Plant and Equipment	<b>2</b>	2,51,828.10	1,197.67
	(b) Intangible Assets	<b>2</b>	24.21	56.14
	(c) Capital Work-in-progress	<b>2</b>	7,35,158.37	6,81,096.65
	(d) Financial Assets			
	(i) Loans	<b>3</b>	917.23	343.91
	(e) Deferred tax assets (net)	<b>23</b>	13,357.40	2,990.27
	(f) Other non-current assets	<b>4</b>	36,945.98	40,541.25
	<b>Total Non-Current Assets (A)</b>		<b>10,38,231.29</b>	<b>7,26,225.89</b>
<b>(II)</b>	<b>Current Assets</b>			
	(a) Inventories	<b>5</b>	277.39	302.27
	(b) Financial Assets			
	(i) Trade Receivables	<b>6</b>	723.76	73.63
	(ii) Cash and Cash equivalents	<b>7</b>	26,249.08	16,480.67
	(iii) Other financial assets	<b>8</b>	256.95	18.19
	(c) Other Current Non-Financial Assets	<b>9</b>	29,835.85	133.33
	<b>Total Current Assets (B)</b>		<b>57,343.03</b>	<b>17,008.10</b>
	<b>Total Assets (I + II)</b>		<b>10,95,574.33</b>	<b>7,43,243.56</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
	(a) Equity Share Capital	<b>10</b>	3,50,000.00	1,90,000.00
	(b) Other Equity	<b>11</b>	(37,813.62)	21,508.62
	<b>Total Equity (C)</b>		<b>3,12,186.38</b>	<b>2,11,508.62</b>
<b>LIABILITIES</b>				
<b>(I)</b>	<b>Non- Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	<b>12</b>	7,01,623.90	4,35,057.56
	(ii) Other Financial Liabilities	<b>13</b>	3,155.12	1,337.20
	<b>Total Non-Current Liabilities (D)</b>		<b>7,04,779.02</b>	<b>4,36,394.76</b>
<b>(II)</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables			-
	(A) total outstanding dues of micro enterprises and small enterprises; and			



	(B) total outstanding dues of creditors other than micro enterprises and small ent.	<b>14</b>	98.29	-
	(iii) Other financial Liabilities	<b>15</b>	45,653.35	66,073.85
	(b) Provisions	<b>16</b>	32,857.29	29,266.33
	<b>Total Current Liabilities (E)</b>		<b>78,608.92</b>	<b>95,340.18</b>
	<b>TOTAL Equity &amp; Liabilities (I + II)</b>		<b>10,95,574.33</b>	<b>7,43,243.56</b>
	<b>Significant accounting policies</b>		<b>1</b>	
	<b>Notes on Accounts</b>		<b>2 to 24</b>	
	<b>The accompanying notes 1 to 24 are integral part of these financial statements</b>			
	<b>As per our report of even date attached</b>			
	<b>FOR &amp; ON BEHALF OF BOARD OF DIRECTORS</b>			
	<b>Asit Kumar Jana</b> (Director)  <b>DIN-03452799</b>		<b>Chartered Accountants</b>	
			<b>Firm Registration No 109314W</b>	
			<b>CA. S R Dhume, Proprietor</b>	
			<b>Membership No 030498</b>	
	<b>P. Sudhahar</b> (Director)  <b>DIN-08379848</b>			
	<b>Bishakha Chakraborty</b>	<b>Videsh Sangodkar</b>	<b>Ajay Kumar Jindal</b>	
	<b>CS</b>	<b>CFO</b>	<b>CEO</b>	
	<b>PAN-AGTPC4628D</b>	<b>PAN-BEZPS2870E</b>	<b>PAN AECPJ6314G</b>	
	<b>PLACE : Porvorim - Goa</b>			
	<b>DATE :26<sup>th</sup> May,2020</b>			


**STATEMENT OF PROFIT & LOSS FOR YEAR ENDED 31st MARCH, 2020**

(Rupees in ` 000)				
	Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
<b>I.</b>	<b>Revenue from operations</b>	<b>17</b>	3,052.00	588.98
<b>II.</b>	<b>Other Income</b>	<b>17 A</b>	-	0.07
<b>III.</b>	<b>Total Income (I+II)</b>		3,052.00	589.05
<b>IV.</b>	<b>Expenses</b>			
	Purchase of stock in trade	<b>18</b>	1,479.26	302.27
	Change in Inventories of Stock-in-Trade	<b>19</b>	24.88	-302.27
	Finance Costs	<b>20</b>	6,574.87	-
	Depreciation Expense	<b>2</b>	3,163.56	164.15
	Other expenses	<b>21</b>	11,338.85	2,793.74
	<b>Total Expenses (IV)</b>		22,581.43	2,957.89
<b>V</b>	<b>Profit/(Loss) before Exceptional Items and tax (I-IV)</b>		(19,529.43)	(2,368.84)
<b>VI</b>	<b>Exceptional items</b>			
	Loss on account of fire (Refer serial no. 7 of note24)		20,159.94	-
<b>VII</b>	<b>Profit/Loss before tax (V-VI)</b>		(39,689.37)	(2,368.84)
<b>VIII</b>	<b>Tax Expenses :</b>			
	(1) Current Tax		-	-
	(2) Deferred Tax	<b>23</b>	(10,367.13)	(640.28)
<b>IX</b>	<b>Profit / (Loss) for the period from Continuing Operations (VII-VIII)</b>		(29,322.24)	(1,728.56)
<b>X</b>	<b>Profit/(Loss) from Discontinued Operations</b>		-	-



<b>XI</b>	Tax Expense of Discontinued Operations		-	-
<b>XII</b>	Profit / (Loss) from Discontinued Operations (after tax) <b>(X-XI)</b>		-	-
<b>XIII</b>	Profit/(Loss) for the year <b>(IX+XII)</b>		(29,322.24)	(1,728.56)
<b>XIV</b>	<u>Other Comprehensive Income</u>			
	<b>(A)</b> (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>(B)</b> (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to the items that will be reclassified to profit or loss		-	-
<b>XV</b>	Total Comprehensive Income for the period(XIII+XIV) (Comprising profit/(loss) and other Comprehensive Income for the year)		(29,322.24)	(1,728.56)
<b>XVI</b>	Earning per equity share			
	(1) Basic	<b>22</b>	(1.43)	(0.11)
	(2) Diluted	<b>22</b>	(1.43)	(0.11)
	<b>Significant accounting policies</b>		<b>1</b>	
	<b>Notes on Accounts</b>		<b>2 to 23</b>	
<b>The accompanying notes 1 to 24 are integral part of these financial statements</b>				
<div> <div>As per our report of even date attached</div> <div>FOR SATISH DHUME &amp; CO Chartered Accountants CA. S R Dhume Proprietor  Membership No 030498</div> <div> <div>Bishakha Chakraborty CS PAN-AGTPC4628D</div> <div>Videsh Sangodkar CFO PAN-BEZPS2870E</div> <div>Ajay Kumar Jindal CEO PAN - AECPJ6314G</div> </div> </div>				
<div> <div>Asit Kumar Jana (Director) DIN 03452799  Place: Porvorim -Goa Date: 26.05.2020</div> <div>P Sudhahar (Director) DIN-08379848</div> </div>				



<b><u>CASH FLOW STATEMENT</u></b>			
	<b>Particulars</b>	<b>Figures for the current reporting period</b>	<b>Figures for the previous reporting period</b>
<b>(Rupees in ` 000)</b>			
<b>(A)</b>	<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
	Net Profit/Loss before tax	(39,689.37)	(2,368.84)
	<u>Adjustments For:-</u>		
	Finance Cost	6,574.87	-
	Interest Income	-	(0.07)
	Depreciation & Amortisation Expenses	3,131.63	164.15
	Operating Profit/Loss before Working Capital Changes	(29,982.86)	(2,204.76)
	Adjustments for changes in Working Capital:		
	Other Current liabilities	14,126.73	(80,027.13)
	Other Current Assets	(30,556.95)	(373.53)
	Cash Flow Operations	(46,413.09)	(82,605.43)
	Direct Taxes Paid(Net Of Refunds)	-	4.74
	Net Cash Generated/(Used In) from Operating activities	(46,413.09)	(82,600.69)
<b>(B)</b>	<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
	Purchase Of Fixed Assets	2,53,762.06	(100.68)
	Additions to Capital Work in Progress	(5,92,411.90)	(3,22,873.78)
	Financial Assets-Loans (NC)	3,021.95	(31,284.47)
	Interest Received	-	0.07
	Net Cash Generated/(Used In) From Investing Activities	(3,35,627.89)	(3,54,258.86)



( C )	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Proceeds From Capital	1,60,000.00	40,000.00
	Proceeds from Long term borrowings	2,36,566.34	3,79,986.10
	Other Financial Liabilities	1,817.92	-
	Share Application Money pending Allotment		30,000.00
	Finance Cost	(6,574.87)	-
	Net Cash Generated/(Used In) From Financing Activities	3,91,809.39	4,49,986.10
(A+B+C)	Net Increase/Decrease In Cash & Cash Equivalents	9,768.42	13,126.55
	Cash & Cash Equivalents at The Beginning Of The Year	16,480.67	3,354.12
	Cash & Cash Equivalents at The End Of The Year	26,249.09	16,480.67
	<b>Cash and bank balances as per balance sheet</b>	<b>26,249.08</b>	<b>16,480.67</b>
<p>The accompanying notes 1 to 23 are integral part of these financial statements</p>			
<p><b>FOR &amp; ON BEHALF OF BOARD OF DIRECTORS</b></p>		<p><b>As per our report of even date attached</b></p>	
<b>DIRECTOR</b>	<b>DIRECTOR</b>	<p><b>FOR SATISH DHUME &amp; CO</b> Chartered Accountants CA. S R Dhume ,Proprietor Membership No 030498</p>	
<p><b>Bishakha Chakraborty</b> <b>CS</b> <b>PAN-AGTPC4628D</b></p>	<p><b>Videsh Sangodkar</b> <b>CFO</b> <b>PAN-BEZPS2870E</b></p>	<p><b>Ajay Kumar Jindal</b> <b>CEO</b> <b>PAN - AECPJ6314G</b></p>	



**STATEMENT OF CHANGES IN THE EQUITY FOR THE YEAR ENDING AS ON 31ST MARCH, 2020**

A. Equity Share Capital										(Rupees in ` 000)	
Balance as at 31st March 2018		Changes in Equity Share Capital during Financial Year 2018-19			Balance as at 31st March 2019		Changes in Equity Share Capital during Financial Year 2019-20		Balance as at 31st March 2020		
1,50,000.00		40,000.00			1,90,000.00		1,60,000.00		3,50,000.00		
B. Other Equity										(Rupees in ` 000)	
	Shares Application Money Pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Other items of other comprehensive income	Money Received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify Nature)	Retained Earnings					
Balance of the beginning of the reporting period as on 31st March, 2018	-	-	-	-	-	(6,762.82)	-	-	-	-	(6,762.82)
Total Comprehensive Income during the period from 1st April , 2017 to 31st March,2019	-	-	-	-	-	(1,728.56)	-	-	-	-	(1,728.56)
Balance as on 31st March, 2019	-	-	-	-	-	(8,491.38)	-	-	-	-	(8,491.38)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-



Total Comprehensive Income during the reporting period	-	-	-	-	-	(29,322.24)	-	-	-	-	(29,322.24)
Dividends	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Any other change ( to be specified)	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2020	-	-	-	-	-	(37,813.62)	-	-	-	-	(37,813.62)

Significant accounting policies	01
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Notes on Accounts	02 to 24
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The accompanying notes 1 to 24 are integral part of these financial statements
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Bishakha Chakraborty CS PAN-AGTPC4628D	Videsh Sangodkar CFO PAN-BEZPS2870E	Ajay Kumar Jindal CEO PAN AECPJ6314G	As per our report of even date attached FOR SATISH DHUME & CO Chartered Accountants CA. S R Dhume Proprietor Membership No 030498
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Asit Kumar Jana (Director) DIN 03452799  Place: Porvorim -Goa Date: 26.05.2020	P Sudhahar (Director) DIN-08379848
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(Rupees in ` 000)

Note-2 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation		Impairment of Assets		Net Block	
	As on 1st April, 2019	Addition/ Adjustment during the year 2019-20	Deduction /Adjustment during the year 2019-20	As on 31st March, 2020	As on 31st March, 2019	For the year 2019-20	Deduction/Adjustment during the year 2019-20	As on 31st March, 2020	As on 31st March, 2019	As on 31st March, 2020
<b>Tangible Assets</b>										
Plant & Machinery	-	2,52,793	-	2,52,793.01	-	2,844.97	2,844.97	-	-	2,49,948.04
Furniture and Fixtures	968.02	140.46	-	1,108.49	89.79	100.60	190.39	-	-	918.10
Office Equipment	7.75	233.51	-	241.26	2.23	24.14	26.37	-	-	214.89
Computer	374.65	595.08	-	969.72	60.73	161.92	222.65	-	-	747.07
<b>SUB TOTAL (A)</b>	<b>1,350.42</b>	<b>2,53,762.06</b>	<b>-</b>	<b>2,55,112.48</b>	<b>152.75</b>	<b>3,131.63</b>	<b>-</b>	<b>3,284.38</b>	<b>-</b>	<b>2,51,828.10</b>
<b>Intangible Assets</b>										
Software	100.84	-	-	100.84	44.69	31.93	-	76.63	-	24.21
<b>SUB TOTAL (B)</b>	<b>100.84</b>	<b>-</b>	<b>-</b>	<b>100.84</b>	<b>44.69</b>	<b>31.93</b>	<b>-</b>	<b>76.63</b>	<b>-</b>	<b>24.21</b>
<b>Capital Work-in-progress</b>										
	6,81,096.65	3,86,577.37	3,32,515.65	7,35,158.37	-	-	-	-	-	7,35,158.37
<b>SUB TOTAL (C)</b>	<b>6,81,096.65</b>	<b>3,86,577.37</b>	<b>3,32,515.65</b>	<b>7,35,158.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,81,096.65</b>
<b>Total [A + B + C ] (Current Year)</b>	<b>6,82,547.91</b>	<b>6,40,339.43</b>	<b>3,32,515.65</b>	<b>9,90,371.69</b>	<b>197.44</b>	<b>3,163.56</b>	<b>-</b>	<b>3,361.01</b>	<b>-</b>	<b>6,82,350.47</b>



<b>NOTE 3</b>	<b>NON-CURRENT ASSETS</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	<b>Security Deposit</b>		
	- Unsecured, Considered Good	917.23	343.91
	<b>Total</b>	<b>917.23</b>	<b>343.91</b>

<b>NOTE 4</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Advance for Land	4,728.29	2,500.00
	Prepaid Expenses	32,148.20	37,962.29
	Income tax / Tax deducted at source	69.49	78.96
	<b>Total</b>	<b>36,945.98</b>	<b>40,541.25</b>

<b>NOTE 5</b>	<b>INVENTORIES</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Stock in Trade:	-	-
	Natural Gas	277.39	302.27
	<b>Total</b>	<b>277.39</b>	<b>302.27</b>



<b>NOTE 6</b>	<b>TRADE RECEIVABLES</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Unsecured considered good		
	Receivable from Others	561.49	83.20
	Receivable from Related parties	162.27	-
	Total Receivables	723.76	83.20
	<b>TOTAL</b>	723.76	83.20

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any direct partner, a director or a member.

<b>NOTE 7</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	<b>Balances with Banks</b>		
	Current Accounts	26,249.08	16,480.67
	<b>Total</b>	26,249.08	16,480.67

<b>NOTE 8</b>	<b>OTHER FINANCIAL ASSETS</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Advance to employees	7.20	8.62
	Others	249.75	9.57
	<b>Total</b>	256.95	18.19

<b>NOTE 9</b>	<b>OTHER CURRENT NON-FINANCIAL ASSETS</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>



		As at 31-3-2020	As at 31-3-2019
	Prepaid Expenses	29,217.17	133.33
	Advance to suppliers	618.68	-
	<b>Total</b>	<b>29,835.85</b>	<b>133.33</b>

<b>NOTE 10 EQUITY SHARE CAPITAL</b>			
<b>EQUITY</b>			
<b>Particulars</b>	<b>(Rupees in ` 000)</b>		<b>(Rupees in ` 000)</b>
	<b>As at 31-3-2020</b>		<b>As at 31-3-2019</b>
<b>Authorised Share capital</b>			
50000000 Equity Shares of Rs. 10/- each (Previous Year 50000000 Equity Shares of Rs. 10/- each)	5,00,000		5,00,000
<b>Issued, Subscribed &amp; Fully paid -up Share capital</b>			
35000000 Equity Shares of Rs. 10/- each (Previous Year 19000000 Equity Shares of Rs.10/- each)	<b>3,50,000</b>		<b>1,90,000</b>
<b>TOTAL</b>	<b>3,50,000</b>		<b>1,90,000</b>

<b>Particulars</b>	<b>As at 31-3-2020</b>		<b>As at 31-3-2019</b>	
	<b>Number</b>	<b>(Rupees in ` 000)</b>	<b>Number</b>	<b>(Rupees in ` 000)</b>
Shares outstanding at the beginning of the year	1,90,00,000	1,90,000	1,50,00,000	1,90,000
(+) Shares Issued During the year	1,60,00,000	1,60,000	40,00,000	-
(-) Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,50,00,000	3,50,000	1,90,00,000	1,90,000

#### B. Details of shares held by the shareholders holding more than 5% shares at the end

<b>Name of the Shareholder</b>	<b>As at 31-3-2020</b>		<b>As at 31-3-2019</b>	
	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
Bharat Petroleum Corporation Limited	1,75,00,000	50%	95,00,000	50%
GAIL Gas Limited	1,75,00,000	50%	95,00,000	50%



<b>NOTE 11</b>	<b>OTHER EQUITY</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	<b>Other Equity:</b>		
	<b>A. Share Application Money Pending Allotment</b>		
	Opening Balance	<b>30,000.00</b>	
	Additions during the current year		<b>30,000.00</b>
	Allotment during the year	<b>30,000.00</b>	
	Closing Balance	-	<b>30,000.00</b>
	<b>B. Retained Earnings:</b>		
	Opening Balance	(8,491.38)	(6,762.82)
	Add: Current Year Profit / (Loss)	(29,322.24)	(1,728.56)
		(37,813.62)	(8,491.38)
	<b>TOTAL</b>	(37,813.62)	21,508.62

<b>NOTE 12</b>	<b>BORROWINGS</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	<b>Non-Current Borrowings</b>		
	Secured Term Loan		
	<b>STATE BANK OF INDIA</b>	7,01,623.90	4,35,057.56
	The Loan is secured by a first ranking charge on the fixed assets and current assets of the Company. The Loan will be repayable over a period of 10 years starting from July 2021 and ending in June 2031. Rate of Interest during the year shall be floating link to 1-yr MCLR of SBI plus spread of 0.1%; rate of interest during the year was 8.65%, which was reduce to 7.95% pa from 15th Feb 2020 with monthly rest.		
	<b>TOTAL</b>	7,01,623.90	4,35,057.56



<b>NOTE 13</b>	<b><u>Other Financial Liabilities</u></b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Deposits	3,155.12	1,337.20
	<b>TOTAL</b>	<b>3,155.12</b>	<b>1,337.20</b>

<b>NOTE 14</b>	<b><u>Trade Payables</u></b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Trade Payable	56.78	-
	Trade Payable to Related Party	41.51	-
	<b>TOTAL</b>	<b>98.29</b>	<b>-</b>

<b>NOTE 15</b>	<b><u>OTHER FINANCIAL LIABILITIES</u></b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Deposits	1,414.83	1,414.83
	Payments to Related parties	8,528.32	4,164.38
	Capital Creditors [Refer note 1 below]	30,857.99	51,721.83
	Other Liabilities	3,738.28	7,309.18
	Statutory Dues (Duties & Taxes)	797.44	1,223.63
	Advances from customers	316.50	240.00
	<b>TOTAL:</b>	<b>45,653.35</b>	<b>66,073.85</b>
Note 1: Capital Creditors includes contractors/suppliers Retention on account of non-submission of PBG amounting to Rs. 8,564.74 Thousand (Previous Year Rs. 3385.46 Thousand)			



NOTE 16	PROVISIONS		
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)
		As at 31-3-2020	As at 31-3-2019
	Others		
	<u>Capital Work in progress</u>		
	-PE Laying Expenses	9,340.99	11,549.34
	-Steel Laying Expenses	6,675.07	9,292.18
	-Composite Work	854.17	-
	-Last Mile Connectivity	6,073.65	7,794.01
	-Bharat Petroleum Corporation Ltd - Manpower (PRISM)	2,383.60	-
	-Capitalised Provision	6,576.48	-
	-Other Expenses	832.34	501.80
	<b>TOTAL:</b>	<b>32,736.28</b>	<b>29,137.33</b>
	<u>Provisional Liabilities</u>		
	-Statutory Audit Fee	70.80	59.00
	-Office Expenses	50.20	70.00
	<b>Total (B)</b>	<b>121.00</b>	<b>129.00</b>
	<b>Grand Total (A+B)</b>	<b>32,857.29</b>	<b>29,266.33</b>



<b>NOTE 17</b>	<b>REVENUE FROM OPERATIONS</b>		
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)
		As at 31-3-2020	As at 31-3-2019
	<b>(1) Sale of Products</b>		
	Sale of Gas	1,589.18	
	<b>(2) Other Operating Revenue</b>		
	Application Fee - Domestic Connections	1,462.82	588.98
	<b>Total</b>	<b>3,052.00</b>	<b>588.98</b>

  

<b>NOTE 17 A</b>	<b>OTHER INCOME</b>		
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)
		As at 31-3-2020	As at 31-3-2019
	Interest Received on IT Refund		0.07

<b>NOTE 18</b>	<b>PURCHASE OF GAS</b>		
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)
		As at 31-3-2020	As at 31-3-2019
	<b>Purchase of Gas</b>	1,479.26	302.27
	<b>TOTAL</b>	<b>1,479.26</b>	<b>302.27</b>

<b>NOTE 19</b>	<b>Change in Inventories of finished goods, Stock-in-Trade and work-in-progress</b>		
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)
			As at 31-3-2019
	<b>Inventories as at March 31,2020</b>		
	Finished Goods	277.39	302.27
		277.39	302.27
	<b>Inventories as at March 31,2019</b>		
	Finished Goods	302.27	
		302.27	
	<b>TOTAL</b>	<b>24.88</b>	<b>(302.27)</b>



NOTE 20	FINANCE COST		
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)
			As at 31-3-2019
	Bank Guarantee cost	12607.07	16,790.10
	Bank charges	157.40	88.13
	Interest on Cash credit/ Bank Overdraft	49,822.32	22,889.77
		62,046.79	39,768.00
	Less: Transfer to Capital Work-in-Progress	55,471.92	(39,768.00)
	<b>TOTAL</b>	<b>6,574.87</b>	

Note-21	OTHER EXPENSES				
	Particulars	(Rupees in ` 000)	(Rupees in ` 000)	(Rupees in ` 000)	(Rupees in ` 000)
		As at 31-3-2020	As at 31-3-2020	As at 31-3-2019	As at 31-3-2019
	Hooking Up Operating Charges		1,084.13		-
	Operation & Maintenance Charges		1,753.81		-
	Advertisement Expenses		491.52		540.57
	Business Promotion		22.50		140.33
	CAG & Internal Audit Expenses		79.97		224.73
	Meeting Expenses		142.29		135.22
	Office Expenses		70.23		76.11
	Office Rent		825.00		731.70
	Printing & Stationery		208.76		434.26
	Statutory Audit Fees		70.80		109.00
	Miscellaneous Expenses		127.87		401.84
	Training Expenses		-		801.24
	Travelling & Communication		21.41		1,062.90
	Professional Fees		2,596.95		2,090.48
	Management Service Cost		39,831.44		33,305.69
	Other Project Expenses		38,158.13		59,985.63
	<b>Total A</b>		<b>85,484.81</b>		<b>1,00,039.68</b>
	Less: Management Service for employee Cost Transferred to Capital Work-In-Progress (Refer Note 3)		-38,781.09		-33,305.69
	<b>Less: Transfer To IEDC (Incidental Expenditure During Construction)</b>				
	Rent	6,671.53		-	
	Professional Fees	2,596.95		2,090.48	
	Travelling & Communication	21.41		1,062.90	
	Training Expenses	-		801.24	
	Other Project Expenses	26,074.98	-35364.87	59,985.63	-63940.25
	<b>Total (A+B+C)</b>		<b>11,338.85</b>		<b>2,793.74</b>



<b>NOTE 22</b>	<b>Earnings Per Share</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Profit (Loss) attributable to equity share holders	(29,322.24)	(1,728.56)
	Nominal value of equity share (in `)	10.00	10.00
	Weighted Average No. of Shares outstanding at the end of the year	2,04,52,054.79	1,59,36,416
	Basic Earnings per share-Rupees	(1.43)	(0.11)
	Diluted Earnings per share-Rupees	(1.43)	(0.11)

<b>NOTE 23</b>	<b>Deferred Tax Assets (Net)</b>		
	<b>Particulars</b>	<b>(Rupees in ` 000)</b>	<b>(Rupees in ` 000)</b>
		<b>As at 31-3-2020</b>	<b>As at 31-3-2019</b>
	Closing WDV as per IT Act	2,30,058.41	1,119.03
	Closing WDV as per Co Act	2,51,852.31	1,317.28
		21,793.90	198.25
	DTL	5,666.41	51.55
	<b>Computation Of Taxable Income</b>		
	Profit & Loss As Per Books	(39,689.37)	(2,368.84)
	Add: Depreciation as per Companies Act 2013	3,131.63	164.15
	Less: Depreciation As per Income Tax	24,822.68	106.28
	Total	(61,380.42)	(2,310.97)
	Add: Disallowed of preliminary Expenditure U/s 35D	(2,022.70)	(2,022.70)
	Profit & Loss as Per Income tax Act	(63,403.12)	(4,333.67)
	Diff: Resulting In Asset	(63,403.12)	(4,333.67)



	<b><u>DTA</u></b>	(16,484.81)	(1,126.75)
	<b>Preliminary Expenditure</b>		
	Preliminary Expenditure for the next Two years	(4,045.41)	(6,068.11)
	diff: Resulting In Asset	(4,045.41)	(6,068.11)
	DTA	(1,051.81)	(1,577.71)
	<b><u>Carried forward Losses till AY 19-20 as per ITR</u></b>	(5,719.98)	(1,297.52)
	diff: Resulting In Asset	(5,719.98)	(1,297.52)
	<b><u>DTA</u></b>	(1,487.20)	(337.35)
	<b><u>DTA</u></b>	(19,023.81)	(3,041.82)
	Net DTA	(13,357.40)	(2,990.27)



**NOTE 24: - 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.35 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 based on corporate guarantee of M/s. BPCL and M/s. GAIL of equal amount of Rs. 752 Crores each.
4. The employees working in the various disciplines have been identified as working for (a) project activities and/or (b) operation activities. Therefore, the employee cost and travelling expenses, pertaining to those employees engaged directly in project activities, are directly charged to project activities. Whereas, employee cost and travelling expenses, pertaining to those employees which have been engaged in both of the aforesaid activities, are charged to project activities and operation activities on best judgement basis and accounted for accordingly. 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 35,365 Thousand (Previous year Rs. 63,940 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. 172,572 Thousand (Previous Year Rs. 154,334 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. During the year there was an incidence of fire reported at the Central Warehouse where the company stores its machineries/system and various types & sizes of pipes. As a result of the fire, the CWIP items amounting to Rs. 20,160 Thousand were damaged in fire. The Central Warehouse has insured the stocks on behalf of the company. The Company if following up with the Central Warehouse for reimbursement of the loss amount. However, in the meanwhile the Company has shown the loss of Rs. 20,160 Thousand as an exceptional item in the P&L since the process of claim of insurance is in nascent stage.
8. Share Capital
  - a) The total authorized capital of the Company is Rs. 500,000 Thousand against which Rs.350,000 Thousand has been issued as on balance sheet date. (Previous year Rs. 190,000 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.
9. In terms of disclosure requirement as per Ind – AS 23 on "Borrowing Costs", total finance cost amounting to Rs. 49,822 Thousand (Previous Year Rs. 22,890 Thousand) was incurred, out of which an amount of Rs. 43,247 Thousand (Previous Year Rs. 22,890 Thousand) was capitalised including amount allocated towards capital Work in Progress during the period.



#### 10. Capital Commitment Disclosure

The estimated amount of contracts over Rupees Five Lakhs amounting to Rs. 960,144 Thousand (Previous year Rs 1,093,073 Thousand) is remaining to be executed on Capital Accounts and not provided for.

11. The provisional liability of Rs. 32,857 Thousand (Previous year Rs. 29,266 Thousand) has been made in the books of accounts as on 31<sup>st</sup> March, 2020 which will be settled as per actual bills.

#### 12. Employee Benefits

All the employees posted at Goa Natural Gas Private Limited are on the rolls GAIL (India) Limited (100% Holding Company of M/s. GAIL Gas Limited) 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 M/s. GAIL and BPCL and necessary disclosure as per requirement is being made by them.

#### 13. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2008 ("MSMED Act, 2006")

Sl. No.	Particulars	2019-20	2018-19
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
3	The amount of 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 this Act.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company.

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



**15. 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) (Upto 8<sup>th</sup> May 2019)

**ii.** Mr. Ajay Kumar Jindal (CEO) (Post 8<sup>th</sup> May 2019)

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

**iv.** Shashank Sharma (CS) till Nov 2019

**b)** Related Party Transactions with related parties:

(Rs. in Thousand)

Sl.No.	Particulars	Promoter Venturer	Associate Company	Key Management Personnel
	<b>GAIL Gas Limited</b>	<b>32,272</b> (Previous Year Rs. 35,449)		-
	Reimbursement of Employee Remuneration	<b>20,318</b> (Previous Year Rs. 18,732)		-
	Reimbursement of PBG Commission, Training expenses, Certification charges, etc.	<b>15,954</b> (Previous Year Rs. 16,717)		
	<b>Bharat Petroleum Corporation Limited</b>	<b>10,144</b> (Previous Year Rs. 10,615)		-
	Reimbursement of Employee Remuneration	<b>10,144</b> (Previous Year Rs. 10,615)		-
	<b>GAIL (India) Limited</b>		<b>2,000</b> (Previous Year Rs. 834)	
	Expenses on account of Hooking-up of Shipper's Facilities		<b>1,084</b> (Previous Year Rs. 331)	
	Supervision/Permission Charges towards GAIL P/L crossing Madkai & KIDC		<b>Nil</b> (Previous Year Rs. 260)	
	Natural Gas Purchases		<b>916</b> (Previous Year Rs. 243)	
	<b>Management Contracts including deputation of employees</b>			<b>11,886</b> (Previous Year Rs.)



				8,940)
	Reimbursement of Remuneration to Key Management Personnel			11,886 (Previous Year Rs. 8,940)
	<b>Closing Balance</b>			
	GAIL Gas Limited	<b>5,756</b> (Previous Year Rs.2,271 )		
	Bharat Petroleum Corporation Limited	<b>2,611</b> (Previous Year Rs.1893)		
	GAIL (India) Limited	<b>42</b> (Previous Year Rs.Nil )		

**16. Earnings per Share:**

Particulars	Unit	2019-20	2018-19
Profit after Tax	(Rs. in Thousand)	(29,322)	(1,729)
Weighted Average No. of Equity Shares	Nos.	2,04,52,055	1,59,36,416
Nominal Value per Share	Rs.	10.00	10.00
Earnings per Share Basic	Rs.	(1.43)	(0.11)
Earnings per Share Diluted	Rs.	(1.43)	(0.11)

- 17. "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 2020 amounting to Rs. 13,357 Thousand (Previous Year Rs 2,990 Thousand). The item- wise details of deferred tax liability/asset are as under:

(Rs. in Thousand)

Particulars	31.03.2020	31.03.2019
Opening Balance Deferred Tax Assets /(Liabilities)	2,990	2350
Deferred Tax assets/(Liabilities) arising on account of Fixed Assets	(5615)	(52)
Deferred Tax assets/(Liabilities) arising on account of unused carry forward of losses / preliminary expenses	15,982	692
Closing Balance C/F	13,357	2,990

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

(Rs. in Thousand)

Particulars	2019-20	2018-19
Statutory Audit Fees	70.8	59
Other services	Nil	Nil
Reimbursement of expenses	Nil	Nil
<b>TOTAL</b>	<b>70.8</b>	<b>59</b>



**19. Contingent Liabilities**

Claim against the company not acknowledge as Debt: NIL

Company has contingent Liabilities on account of Bank Guarantee/LC of Rs. 50,216 Thousand from Indusind Bank, New Delhi as at 31st March 2020 (Previous year Rs. 22,656 Thousand)

**20. Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.**

**For and on behalf of the Board**

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

**Chartered Accountants  
Firm Registration No. 109314W  
CA. S. R. Dhume, Proprietor  
M. No. 030498**

**Bishakha Chakraborty  
(CS)  
PAN-AGTPC4628D**

**Videsh Sangodkar  
(CFO)  
PAN- BEZPS2870E**

**Ajay Kumar Jindal  
(CEO)  
PAN- AECPJ6314G**

**Asit Kumar Jana  
(Director)  
DIN-03452799**

**P Sudhahar  
(Director)  
DIN-08379848**

**Place : Porvorim -Goa  
Dated : 26.05.2020**



## **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 2020 were authorized for issue by Board of directors (BOD) on 26<sup>th</sup> May 2020.

### **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**

**As per our report of even date  
For Satish Dhumé & Co.  
Chartered Accountants  
Firm Registration No. 109314W**

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

**Bishakha Chakraborty  
(CS)**

**Videsh Sangodkar  
(CFO)**

**Ajay Kumar Jindal  
(CEO)**

**Asit Kumar Jana  
(Director)  
DIN-03452799**

**P Sudhakar  
(Director)  
DIN-08379848**

**Place : Porvorim -Goa  
Dated : 26.05.2020**



## INDEPENDENT AUDITOR'S REPORT

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

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

#### **Opinion**

We have audited the accompanying standalone IND AS financial statements of **M/s. Goa Natural Gas Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including summary of significant accounting policies and other explanatory information (herein referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its losses (including other comprehensive income), 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibility of the Management for Standalone 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 standalone financial statements that give a true and fair view of the state of affairs (financial position), losses (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 the Indian Accounting Standards (Ind AS) 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 accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Financial Statements 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.

### **Auditor's Responsibility 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 skepticism 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 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 Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the said Order to the extent applicable.
2. As required by Comptroller and Auditor General of India, through directions/sub-directions issued under Section 143(5) of the Companies Act 2013, on the basis of the written representations received from management, we give our report on the matter specified in "Annexure B" attached.
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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash flows dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls 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 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;
  - (iii) There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Goa  
Date: 26.05.2020

For Satish Dhume & Co.  
Chartered Accountants  
Firm Registration No 109314W

S.R.Dhume , Proprietor  
Membership No 030498  
UDIN: 19030498AAAS9913



**“ANNEXURE- A” TO INDEPENDENT AUDITORS’ REPORT**

Referred in paragraph 1 to “Report on Other legal and regulatory requirements” of the Independent Auditors’ Report of even date to the members of GOA NATURAL GAS PRIVATE LIMITED on the standalone financial Statements for the year ended March 31, 2020

- (i) (a) As informed to us the Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, there is a regular program of physical verification of these fixed assets by the management which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no material discrepancies were noticed on such verification.
- (c) As informed to us and verified by us during the course of audit the company does not have any immovable property in its name.
- (ii) As informed to us, physical verification of inventory has been conducted at reasonable intervals by the management. We have been explained that the stock of gas at the end of the year has been taken by multiplying the observed pressure with actual volume. As informed to us no material discrepancies were noticed on physical verification of inventory.
- (iii) As informed to us, 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) As informed to us, the Company has not made any loans, investments, guarantees and securities under the provision of section 185 and 186 of the companies Act. Hence this section is not applicable.
- (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.
- (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 including, Income-Tax, Goods and Service tax, Value added tax, Cess 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, 2020 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, value added tax, goods and service tax, and cess outstanding on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company



is currently availing the moratorium period of loans and no payments are due. Due to the same 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) According to the information and explanations given to us and as represented by Management and based on our examination of books and records of the Company and in accordance with the generally accepted auditing practices in India, no case of frauds by the Company or any fraud 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) The Company is not a Nidhi Company and therefore, the provisions of clause 3 (xii) of the Order related to such companies is not applicable to the Company.
- (xiii) In our opinion, the Company has complied with provisions of section 177 and 188 of the Companies Act, 2013 in respect of transactions with related parties 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 the Directors.
- (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 Registration No 109314W

CA. S. R DHUME, Proprietor  
Membership No 030498  
Place: Panaji, Goa

Date: 26.05.2020



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

Referred to in Paragraph 2 to “Report on Other legal and regulatory requirements” of the Independent Auditors’ Report of even date to the members of Goa Natural Gas Private Limited on the financial statements for the year ended March 31, 2020.

Sr No	Directions	Auditors Remark	Impact on Financial Statements
1.	Whether the Company has system in place to process all the The Company maintain its books of account on IT system? If yes the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has system in place to process all transactions through IT System i.e Tally Accounting software. The Operational entries like revenue, inventory, debtors, fixed assets, CWIP, Payroll etc have been recorded in the same financial reporting Tally package. The Company also has adequate internal control system to verify the correctness of the entries posted in the Tally Accounting system.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest made by a lender to the Company due to Company’s inability to repay the loan? If yes, the financial impact may be stated?	According to the information and explanations 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.	Nil
3.	Whether 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.	There are no funds received/receivable by the Company for specific schemes from Central/ State agencies during the year under audit.	Nil

For Satish Dhume & Co.  
Chartered Accountants  
Firm Registration No 109314W

CA. S. R DHUME, Proprietor  
Membership No 030498  
Place: Panaji, Goa  
Date: 26.05.2020



## **“ANNEXURE-C” TO THE INDEPENDENT AUDITORS’ REPORT**

Referred to in paragraph 3(f) to “Report on Other legal and regulatory requirements” of the Independent Auditors’ Report of even date to the members of Goa Natural Gas Private Limited on the standalone financial statements for the year ended March 31, 2020.

### **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 **M/s Goa Natural Gas Private Limited (“the Company”)** as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’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 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

pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Satish Dhume & Co**  
**Chartered Accountants**  
**(Firm Registration No 109314W)**  
**S.R.Dhume, Proprietor**  
**Membership No 030498**  
**Place : Goa**  
**Date : 26.05.2020.**



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF GOA NATURAL GAS PRIVATE LIMITED FOR THE YEAR  
ENDED 31 MARCH 2020**

The preparation of financial statements of Goa Natural Gas Private Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) is 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 26 May 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Goa Natural Gas Private Limited for the year ended 31 March 2020 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 the behalf of the  
Comptroller & Auditor General of India**

*Tanuja Mittal*

**Tanuja Mittal  
Principal Director of Commercial Audit, Mumbai**

**Place: Mumbai**

**Date: 21 September 2020**

**Registered Office: -**

**Plot No. 33, Rajan Villa, Journalist Colony,  
Porvorim, Goa – 403521**