GUJARAT STATE INVESTMENTS LIMITED
CIN : U64990GJ1988SGC010307

BOARD OF DIRECTORS	Shri Arvind Agarwal, IAS [DIN 00122921]	(w.e.f. 06.06.2018)	Chairman
	Shri Milind Torawane, IAS [DIN 03632394]	(w.e.f. 04.10.2019)	Managing Director
	Ms. Arti Kanwar, IAS [DIN 03535973]		Director
	Ms. Mamta Verma, IAS [DIN 01854315]		Independent Director
	Shri Vasant Raval [DIN 03097981]		Independent Director
CESSATION OF DIRECTORS			
	Shri Sanjeev Kumar, IAS [DIN 03600655]	(Upto 04.10.2019)	Managing Director

CHIEF FINANCIAL OFFICER

Shri G. S. Pathak

COMPANY SECRETARY

Shri Sandip Shah

STATUTORY AUDITORS	SECRETARIAL AUDITORS	INTERNAL AUDITORS
M/s. Chandulal M. Shah & Co. Chartered Accounts, Ahmedabad.	Chetan Patel & Associates Company Secretary Ahmedabad.	M/s. J. P. Shah & Co. Chartered Accounts, Ahmedabad.

BANKERS

State Bank Of India

ICICI Bank

HDFC Bank

REGISTERED OFFICE

H. K. House, 6th Floor,
Ashram Road,
Ahmedabad - 380 009.

CIN No. : U64990GJ1988SGC010307

DIRECTORS' REPORT

To,
The Members
Gujarat State Investments Limited

The Directors take pleasure in presenting the 31st Annual Report together with the audited financial statements for the year ended on 31.03.2019. The Consolidated performance of the Company and its associates has been referred to wherever required.

ACCOUNTING METHOD

The Ministry of Corporate Affairs vide its notification dated 30th March, 2016 notified the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, including the roadmap for implementation of Ind AS for Non-Banking Financial Companies ("NBFCs"). NBFCs were required to comply with Ind AS in phased manner, from accounting period beginning on or after 1stApril, 2018.

The Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2019 are the first Standalone and Consolidated Financial Statements prepared in accordance with Ind AS. Up to 31st March, 2018, the Company prepared its Standalone and Consolidated Financial Statements in accordance with the Accounting Standards notified under Section 133 of the Act, read with the Companies (Accounts) Rules 2014.

Presentation of financial statements.

The audited financial statements of the Company for the financial year under review have been disclosed as per Schedule III (Division III) of the Act.

THE HIGHLIGHTS OF THE FINANCIAL PERFORMANCE

Standalone Performance as per Ind AS

During the year under review there is Profit Before Tax of ₹ 26554.18 Lakhs (Previous year is ₹ (821.14) Lakhs), Net Profit After Tax is ₹ 26295.08 Lakhs (Previous year is ₹ 1682.09 Lakhs), The Board may kindly note that during the year Dividend income is of ₹ 9184.94/- lakh (Previous Year ₹ 6819.88/- lakh). Interest Income is of ₹ 484.18/- lakh (Previous Year ₹ 856.65/-lakh), operating Expenses are of ₹ 283.84/- lakh including depreciation Rs.5.38/- lakh (Previous year ₹ 2472.32/- lakh including depreciation of ₹ 8.78/- lakh). Total investment made as Inter Corporate Deposit with GSFS is Rs.9192.45 Lakh (previous year ₹ 5815.18 Lakh).

Income Tax liability is of ₹ 950.26 Lakh (Previous year ₹ 265.82 Lakh)

Consolidated Performance as per Ind AS

Financial performance on consolidated basis during the year under review there is Profit of ₹ 222017.45Lakhs (Previous year is ₹ 106266.49Lakhs).

OPERATIONS

The Standalone Operating Income of the Company is derived from a mix of dividend, interest income and other income. During the year for compliance of Core Investment Company issued by Reserve Bank of India GSIL has sold it's non-group equity holdings and made book profit of ₹ 15317.18 Lakhs. The standalone profit before tax for the year under review is ₹ 26554.18 Lakhs as against ₹ (821.14) for the FY 2017-18, whereas the profit after tax for the year under review stands at ₹ 26295.08 as against ₹ 1682.09 for the FY 2017-2018. The Consolidated profit after tax for the year amounted to ₹ 222017.45 Lakhs as compared to ₹ 106266.49 Lakhs for the FY 2017-18. The total number of companies held in the equity portfolio of the Company stands at eleven companies as on 31stMarch, 2019, out of which six are Listed and five are Unlisted companies.

DIVIDEND

Keeping in view of present profit sharing policy, your Directors have not recommended any divided for the year under review.

SHARE CAPITAL

The Authorized Share Capital of the Company is ₹ 300000 Lakh (285,00,00,000 Equity Shares of ₹ 10 each and 1,50,00,000 Preference Shares of ₹ 100 each)and Paid- up Equity Capital of the company is ₹ 104276.90 Lakh, as on 31st March, 2019 which has remain same against the previous year.

Registration as a Systemically Important Non-Deposit taking CIC

The Company is registered as a Non-Deposit taking Systemically Important - Core Investment Company ("CIC-ND-SI") pursuant to the receipt of Certificate of Registration from the Reserve Bank of India dated 04th January, 2019, under Section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act"). During the financial year under review, the Company complied with all the applicable regulations notified by the Reserve Bank of India.

Brief Highlights of the year

During the year under review, your company has repaid loan amounting ₹ 55.00 Crore, provided for equity participation in GSPCL, to the State Government

During the year, Your company in compliance of Master Directions for Core Investment Companies (Reserve Bank) Directions, 2016, as amended from time to time, issued by the Reserve Bank India has off-load non-group equity investment amounting ₹ 1,42,722.22 Lakhs and has purchased 31716048 equity shares of Gujarat State Financial Services Ltd (GSFS) at fair value of ₹ 450/- each (i.e. ₹ 10 face value and ₹ 440 premium).

During the year under review, your Company to implement Government of Gujarat's Directions filed Scheme of arrangement to the Ministry of Corporate Affairs (MCA). Your Company received order dated 25th April, 2019 from MCA and your Company has implemented the instructions issued by GoG read with the Order issued by MCA after the end of the year under review. As per the provisions of the Indian Accounting Standards (IND-AS) GSPC became subsidiary of your Company.

During the year under review, your company considering the notification No. GHU-2018-(66)-BEC-12-2018-3332-K dated 27th August, 2018 has accepted one equity share of Gujarat State Electricity Corporation Limited against the equity investment of Bhavnagar Energy Company Limited made by the Company.

IMPLEMENTATION OF IND AS AND ITS IMPACT

The Ministry of Corporate Affairs, in its press release dated 18th January, 2016, had issued a roadmap for implementation of Indian Accounting Standards (Ind AS) for Non-Banking Financial Companies (NBFCs). This roadmap required NBFCs to prepare Ind AS based financial statements for the accounting periods beginning from 1st April, 2018 onwards with comparatives for the periods beginning 1st April, 2017. Accordingly, the Company has prepared the accompanying financial statements as per Ind AS with the comparative financials for the FY 2017-18. The implementation of Ind AS has resulted in significant changes to the way the Company has been preparing and presenting its financial statements from the erstwhile Indian GAAP. The areas that have significant accounting impact on the application of Ind AS based on the Ind AS mandatory exceptions and the optional exemptions elected by the Company, are summarised below:

- Investment in Equity Instruments and Fixed Income Securities are measured at Fair Value through Other Comprehensive Income (OCI). The realised gains/losses on sale of equity investments, other than fixed income securities, are reclassified to retained earnings from OCI which forms part of Other Equity in the Balance sheet.
- Interest income is recognised in the income statement using the effective interest method, whereby the coupon, fees net of transaction costs and all other premiums or discounts will be amortised over the life of the financial instrument.
- Gains realized on divestment of fixed income securities is recognized through Statement of Profit and Loss.

Therefore, following the transition to Ind AS, the operating income of the Company now mainly constitutes dividend, Interest income, gains or losses on sale of fixed income ICDs and change in fair value of investments classified through statement of profit and loss. Gains or losses on sale of equity investments, which hitherto had been disclosed in statement of profit and loss under erstwhile Indian GAAP, has been reclassified to retained earnings from the Other Comprehensive Income which has led to a significant reduction in the operating income of the Company.

The state of the Company's affairs

Your Company, as per Master Direction -Core Investment Companies (Reserve Bank) Directions, 2016 as amended, recognized by RBI vide letter dated 05th February, 2015 as unregistered Core Investment Company. During the year under review your company has applied for registration to Reserve Bank of India (RBI) and registered as Core Investment Company (CIC) w.e.f. 04.01.2019.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

ASSOCIATES AND SUBSIDIARY

Under the year of review, your Company have four associates companies and as per the provisions of the IND-AS one subsidiary.

During the year, your Board reviewed approved annual accounts of the associates. In accordance with the Section 129(3) the Companies Act, 2013 your company has prepared consolidated financial statements of the Company, which forms part of this report. Further, a statement of our associates in prescribed format in AOC-1 is appended as ANNEXURE to the Consolidated Financial Statements.

These documents will also be available for inspection during business hours at registered office of your company.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Under the Risk Management, various risks relating to operations & maintenance, financial and other organizational risks are assessed, evaluated and continuously monitored for taking effective mitigation steps. Risk interalia, containing major anxiety areas and action plan for their mitigation and noteworthy risk management activities carried out by the Company is periodically reviewed by the Audit Committee and the Board of Directors. The Company has adequate internal controls commensurate with the nature of its business and size.

Presentation of financial statements

The financial statements of the company for the year ended on 31st March, 2019 have been disclosed as per Division III of scheduled III of the Companies Act, 2013

Consolidated financial statements

Your Directors also present the consolidated financial statements incorporating the duly audited financial statements of the associates as prepared in compliance with the Companies Act, 2013 read with applicable accounting standards.

Secretarial Standards of ICSI

Pursuant to approval given on 10th April, 2015 by the Central Government on Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), as amended from time to time, came into effect from 01st July, 2015. The Company is in compliance with the same.

AUDITORS,

Statutory Auditor

Your Company is a Government Company within the meaning of the Section 2 (45) of the Companies Act, 2013, the Comptroller and Auditor General of India, New Delhi had appointed M/s Chandulal M. Shah & Co. Chartered Accountants, Ahmedabad [Firm Registration No. 0101698W]Chartered Accountants, as Statutory Auditors of your Company for the Financial Year 2018-19. ***There are qualifications in stand alone as well as Consolidated Report, Management Views and Auditor's views placed at Annexure.***

Secretarial Audit

M/s Chetan Patel and Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for Financial Year 2018-19, as required under section 204 of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit Report for F.Y. 2018-19 forms part of Annual Report as annexure to this report. ***The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks.***

Extracts of Annual Return and other disclosures under Companies (appointment & Remuneration) Rules, 2014

The Extract of Annual Return in prescribed format, Form No. MGT-9, as per Section134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed hereto and forms part of this report.

Declaration on Independent Directors

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

Corporate Social Responsibility:

The report on CSR Activities, as required pursuant to Section 135(2) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto.

Your company's investment in CSR activities for the year 2017-18 was ₹ 64.79 Lakhs which is 2% the average profits of the Company for the last three years.

Directors & Key Managerial Personnel - Changes

As on the Date of the Report, the Board of Directors of the Company comprises five Directors including one Managing Director and two Independent Directors.

Appointment:

Shri Arvind Agarwal, IAS [DIN 00122921] vide Government of Gujarat vide GR. No. JNV 10-2011-720764-A dated 29th May, 2018 has been appointed as Additional Director and Chairman of the Board of your company w.e.f. 06.06.2018.

Key Managerial Personal (KMP):

The Company has Shri Sanjeev Kumar, IAS [DIN 03600655], Managing Director and Shri Sandip Shah, Company Secretary and Shri G. S. Pathak, Chief Financial Officer designated as KMP as required under the Companies Act, 2013.

PARTICULARS OF EMPLOYEES OF THE COMPANY

a. None of the employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

b. None of the employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;

c. None of the employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operation.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013 ("Act') pertaining to investment, guarantee and lending activities is not applicable to the Company since your Company is specified NBFC. During year under review your Company has not granted any Loan or given any Guarantees or made any investments whichare covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Company being Government Company hence, as per the Section 188 of the Companies Act, 2013 read with notification no G.S.R. 463(E) dated 05th July, 2015 issued by Ministry of Corporate Affairs (MCA) said provisions shall not apply to your Company.

BOARD MEETINGS AND Composition of the Board and attendance record of directors for 2018-19

During the financial year under review 04 meetings of the Board of Directors were held on following dates,

09th July, 2018	19th September, 2018	31st December, 2018
16th March, 2019		

The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 read with Secretarial Standard-I.

Table 1: Composition of the Board and attendance record of directors for 2018-19

Name of director	Category	Relationship with other directors	Meetings attended	Whether attended ast AGM
Shri Arvind Agarwal, IAS[DIN 00122921]	Chairman- Non-Executive	---	04/04	No
Shri Vasantkumar Raval [DIN 03097981]	Independent Director	---	03/04	No
Ms. Mamta Verma, IAS [DIN 01854315]	Independent Woman Director	---	04/04	No
Ms. Arti Kanwar, IAS [DIN 03535973]	Director- Non-Executive, Promoter	---	01/04	No
Shri Sanjeev Kumar, IAS [DIN 03600655]	Managing Director- Non-Executive, Promoter	---	04/04	No

Meetings and Membership the Committee

1. Audit Committee

During financial year 2018-19 the Audit Committee met 02 times as following dates all members were present during both meetings,

09th July, 2018	31st December, 2018

The present composition of Audit Committee is as follow,

1. Shri Arvind Agarwal, IAS [DIN 00122921] Chairman of the Committee
2. Ms. Mamta Verma, IAS [DIN 01854315], Member (Independent Director)
3. Shri Vasant Raval [DIN03097981], Member (Independent Director)

2. Corporate Social Responsibility Committee (CSR Committee)

During the year CSR Committee met on 16thMarch, 2019 and all members of the Committee were present.

The present composition of CSR Committee is as follow,

1. Shri Arvind Agarwal, IAS [DIN 00122921] Chairman of the Committee
2. Shri Sanjeev Kumar, IAS [DIN 03600655], Member
3. Ms. MamtaVerma, IAS [DIN 01854315], Member (Independent Director)

4. Nomination and Remuneration Committee (N&R Committee)

During the year N&R Committee met on 16th March, 2019 and all members of the Committee were present

The present composition of Nomination and Remuneration Committee is as follow,

1. Ms. Mamta Varma, IAS [DIN 01854315] Chairman of the Committee
2. Shri Sanjeev Kumar, IAS [DIN 03600655], Member
3. Shri VasantRaval[DIN 03097981], Member (Independent Director)

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134 (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

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

(b) the directors have 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 of the profit and loss of the company for that period;

(c) the directors have 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 have prepared the annual accounts on a going concern basis; and

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

Compliance of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has only 6 employeesas on 31st March, 2019 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has formulated a vigil mechanism for Directors and Employees to report concerns, details of which are covered in the Corporate Governance Report.

FIXED DEPOSITS

The Company, being a Non-Deposit taking Systemically Important Core Investment Company, has not accepted any deposits from the public during the financial year under review inaccordance with Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014

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

The particulars with respect to the conservation of energy & technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

During the year under review, the Company did not have any foreign exchange earnings or foreign exchange outgo.

ACKNOWLEDGMENTS

The Board expresses its gratitude and appreciation to theGovernment of Gujarat, Financial Institutions and Banks, other business associates, promoters and shareholders' and employees of the Company for their continued support.

For, and on behalf of the Board

Chairman

Date: 03-10-2019

Place: Gandhinagar

Management's view against the Qualification in the Standalone Auditor's Report

Auditor's View	Management's View
As refer in Note No. 12, the company has acquired liability of NCD from Gujarat State Petroleum Corporation Ltd. (GSPC) of ₹ 6,000 crores through a scheme of arrangement approved by Government of Gujarat and Ministry of Corporate Affairs with an appointed date of 1st April, 2018. The company has been allotted shares of an equal amount of GSPC against this liability. Government of Gujarat has given a loan of ₹ 572 crores to pay interest in respect of this liability. There is no terms of repayment in respect of this loan. The government has issued GR bearing no. BUD-112017-2675-E on 6th February 2019 to support the company by way of a grant for payment of interest in the subsequent years. The company has passed a board resolution on 28th August, 2019 and has also made representation to Government of Gujarat to covert loan of ₹ 572 crores into grant similar to the subsequent years. However, there is no response from the Government. Pending this, the company has treated the loan of ₹ 572 crores received from Government of Gujarat as revenue grant since it is to meet the payment of interest liability under IND AS and accordingly the same has been credited to profit and loss account. The interest liability of ₹ 572 crore has been reduced from this grant as the amount has been received specifically to meet interest payment. Demand loan (since there is no repayment terms and the loan has been received from the promoter being Government of Gujarat) is under stated to this extent and the balance of profit and loss account would have been negative by ₹ 572 Crore We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in theAuditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder	Management of the Company has read The Government of Gujarat's directions with respect to financial realignment plan of Gujarat State Petroleum Corporation Limited (GSPC) and issued GR No. GSP/ 11-2017/706/E dated 26th July, 2018. The Company considering the Government support has also implemented the directions of the Government of Gujarat. The management also took note nature of support as committed by the Government of GujaratG.R. dated 26th July, 2018 read with executed agreement dated 18thJune 2019. The views of the management is also in confirmative with As per para 4 of IND-AS 20 "Government assistance takes many forms varying both in the nature of the assistance given and in the conditions which are usually attached to it. The purpose of the assistance may be to encourage an entity to embark on a course of action which it would not normally have taken if the assistance was not provided." In addition to above para, para 20 of provides "A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognized in profit or loss of the period in which it becomes receivable." The management of the Company has passed the entries with respect to ₹ 572 Crore Considering the fact and in light of the documents, Government resolutions and in light of the provisions of the IND-AS,

Management's view against the Qualification in the Consolidated Auditor's Report

Auditor's View	Management's View
As refer in Note No. 17, the holding company has acquired liability of NCD from Gujarat State Petroleum Corporation Ltd. (GSPC) of ₹ 6,000 crores through a scheme of arrangement approved by Government of Gujarat and Ministry of Corporate Affairs with an appointed date of 1st April, 2018. The company has been allotted shares of an equal amount of GSPC against this liability. Government of Gujarat has given a loan of ₹ 572 crores to pay interest in respect of this liability. There is no terms of repayment in respect of this loan. The government has issued GR bearing no.BUD-112017-2675-E on 6th February 2019 to support the company by way of a grant for payment of interest in the subsequent years. The company has passed a board resolution on 28th August, 2019 and has also made representation to Government of Gujarat to covert loan of ₹ 572 crores into grant similar to the subsequent years. However, there is no response from the Government. Pending this, the company has treated the loan of ₹ 572 crores received from Government of Gujarat as revenue grant since it is to meet the payment of interest liability under IND AS and accordingly the same has been credited to profit and loss account. The interest liability of ₹ 572 crore has been reduced from this grant as the amount has been received specifically to meet interest payment. Demand loan (since there is no repayment terms and the loan has been received from the promoter being Government of Gujarat) is under stated to this extent and the balance of profit and loss account would have been negative by ₹ 572 Crore We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder.	Management of the Company has read The Government of Gujarat's directions with respect to financial realignment plan of Gujarat State Petroleum Corporation Limited (GSPC) and issued GR No. GSP/ 11-2017/706/E dated 26th July, 2018. The Company considering the Government support has also implemented the directions of the Government of Gujarat. The management also took note nature of support as committed by the Government of GujaratG.R. dated 26th July, 2018 read with executed agreement dated 18thJune 2019. The views of the management is also in confirmative with As per para 4 of IND-AS 20 "Government assistance takes many forms varying both in the nature of the assistance given and in the conditions which are usually attached to it. The purpose of the assistance may be to encourage an entity to embark on a course of action which it would not normally have taken if the assistance was not provided." In addition to above para, para 20 of provides "A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognized in profit or loss of the period in which it becomes receivable." The management of the Company has passed the entries with respect to ₹ 572 Crore Considering the fact and in light of the documents, Government resolutions and in light of the provisions of the IND-AS.

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Standalone financial statements of Gujarat State Investments Limited, Ahmedabad for the year ended 31 March 2019

Comments	Management's Reply
The preparation of Standalone financial statements of the Gujarat State Investments Limited (GSIL), Ahmedabad for the year ended 31 March 2019 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) of the Act 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 03 Oct 2019. I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the Standalone financial statements of Gujarat State Investments Limited, Ahmedabad for the year ended 31 March 2019. 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. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b)of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:	Statement of Fact
A. Comments on Standalone Profitability **1. Profit and Loss Account** **Other expenses ₹ 2.84 crore (Note 23)** The above amount includes ₹ 1.08 crore towards 'Net loss on fair value changes' which should have been specifically shown as 'Net loss on fair value changes' under the head 'Expenses' on face of Statement of Profit and Loss instead as sub-item under the head 'Other Expenses' as per the General instructions for preparation of Financial Statementsfor a Non-Banking Financial Company (NBFC) issued vide the Ministry of Corporate Affairs vide its Notification dated 11th October, 2018. This has resulted in overstatement of 'Other Expenses' and understatement of 'Net loss on fair value changes' by ₹1.08 crore apart from improper presentation of Statement of Profit and loss. **For and on behalf of the Comptroller and Auditor General Of India** **Sd/-** **(Yashwant Kumar)** **Pr. Accountant General (G&SS Audit), Gujarat, Rajkot** **Place: Rajkot** **Date: 06.12.2019**	In reference to said Comment we would like to submit that GSIL has prepared its financial statement for the year ended on 31stMarch 2019 in accordance with the format as duly mentioned in Schedule III of Companies Act, 2013.The Ministry of Corporate Affairs vide its Notification dated 11th October, 2018 provided the General instructions for preparation of Financial Statements for a Non-Banking Financial Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, and that is required to comply with Indian Accounting Standard (Ind AS).In case of fair value of investments amounting to Rs.1.08 crore, The Company has established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Further information about the assumptions made in measuring fair values is included in the respective note.

The Company has charged the same to the statement of the profit and loss under the head of expenses- Other expenses whereas as per the suggestion of the Audit it should be presented under Expenses- Net loss on fair value changes. **Further the matter is related to the presentation only and there is no change in the profitability of the company.**

For and on behalf of the
Gujarat State Investments Limited

Sd/-
Authorized Signatory

Place: Gandhinagar
Date: 10.12.2019

Comments of the Comptroller and Auditor General of India under Section 143(6)(b) read with Section 129(4) of the Companies Act, 2013 on the Consolidated financial statements of Gujarat State Investment Limited, Ahmedabad for the year ended 31 March 2019

Comments	Management's Reply
The preparation of Consolidated financial statements of the Gujarat State Investments Limited (GSIL), Ahmedabad for the year ended 31 March 2019 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) read with Section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) 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 03rd Oct 2019. I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Gujarat State Investments Limited, Ahmedabad for the year ended 31 March 2019 under Section 143(6)(a) with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Gujarat State Investments Limited, Gujarat State Petroleum Corporation Limited and Gujarat State Financial Services Limited for the year ended on that date. Further, Section 139(5) and Section 143(6)(a) of the Act are not applicable to Gujarat State Fertilizers and Chemical Limited, Gujarat Narmada Valley Fertilizers Company Limited and Gujarat Alkalies and Chemical Limited, all of these being private entities under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, the Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these Companies. 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. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) with Section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:	Statement of Fact
A. Comments on Consolidated Profitability: **1. Profit and Loss Account** **Other expenses ₹ 737.17 crore (Note 34)** The above amount includes ₹ 1.08 crore towards 'Net loss on fair value changes' which should have been specifically shown as 'Net loss on fair value changes' under the head 'Expenses' on face of Statement of Profit and Loss instead as sub-item under the head 'Other Expenses' as per the General instructions for preparation of Financial Statements for a Non-Banking Financial Company (NBFC) issued vide the Ministry of Corporate Affairs vide its Notification dated 11th October, 2018. This has resulted	In reference said Comment we would like to submit that GSIL has prepared its financial statement for the year ended on 31st March 2019 in accordance with the format as duly mentioned in Schedule III of Companies Act, 2013.The Ministry of Corporate Affairs vide its Notification dated 11th October, 2018 provided the General instructions for preparation of Financial Statements for a Non-Banking Financial Company (NBFC) whose financial statementsare drawn up in compliance of the Companies (Indian Accounting Standards) Rules, and that is required to comply with Indian Accounting Standard (Ind AS).In case of fair value of investments amounting to ₹ 1.08 crore, The Company has established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party

in overstatement of 'Other Expenses' and understatement of 'Net loss on fair value changes' by ₹ 1.08 crore apart from improper presentation of Statement of Profit and loss.

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

Sd/-
(Yashwant Kumar)
Pr. Accountant General (G&SS Audit),
Gujarat, Rajkot

Place: Rajkot
Date: 06.12.2019

information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Further information about the assumptions made in measuring fair values is included in the respective note.

The Company has charged the same to the statement of the profit and loss under the head of expenses-Other expenses whereas as per the suggestion of the Audit it should be presented under Expenses- Net loss on fair value changes. Further the matter is related **to the presentation onlyand there is no change in the profitability of the company.**

For and on behalf of the
Gujarat State Investments Limited

Sd/-
Authorized Signatory

Place: Gandhinagar
Date: 10.12.2019

GUJARAT STATE INVESTMENTS LIMITED
6th Floor, H.K. House, Ashram Road,
AHMEDABAD-380009
(CIN:-U64990GJ1988SGC010307)

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES

1. CSR Policy of the Company as annexed hereto
2. The present composition of CSR Committee is as follow,
    1. Shri Arvind Agarwal, IAS [DIN 00122921], Chairman of the Committee
    2. Smt. Sanjeev Kumar, IAS [DIN 03600655], Member
    3. Ms. Mamta Verma, IAS[DIN 01854315], Member (Independent Director)

The Average Net Profit of the Company for last three financial year is ₹ 15,21,51,663/-

3. Prescribed CSR expenditure (two percent of the amount as in item 3 above) is ₹ 30,43,034/-
4. The details of CSR spend during the financial year 2017-18 is
    a. Total amount spend for financial year: ₹ 30,43,034/-
    b. Amount unspent : NIL
    c. The Company being a Government Company has contributed the amount ₹ 30,43,034/- to "Mukhyamantri Shri Swachchhata Nidhi Gujarat" towards its CSR contribution

The Committee declares that the amount which has been spent by the Company for CSR Contribution is in compliance with CSR objectives and policy of the Company.

Sd/-
Managing Director

Sd/-
Chairman

Corporate Social Responsibility Policy

Gujarat State Investments Limited

Preamble

Gujarat State Investments Limited (GSIL) is a wholly owned Government of Gujarat Company with employee size of total five employee, having regard to the Company's size and scope, for social development contribution in the local area it would not be practical to undertake direct CSR project.

CSR Policy

The Company will focus on activities in areas, excluding those undertaken in pursuance of normal business of the Company, selected from those identified and prescribed under the Companies Act,2013 with greater participation in the area of health, sanitation and social welfare, efforts towards reducing child mortality, promotion of education & social responsible behavior, and employment enhancing vocational skills.

The Government of Gujarat, keeping in view of objective prescribed under the Companies Act,2013 read with CSR Rules, 2014 has formulate CSR Authority, to carry out various CSR Activities.

The Company will transfer, in every financial year, an amount considered appropriate by the Board, inter-alia keeping in view of the benchmark of 2% of the average net profits of the Company during the 3 immediately preceding financial years, to the CSR Authority and/trust/society as established by the Government of Gujarat, to fulfill its Corporate Social Responsibilities.

Place : Gandhinagar

Date :

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 2018-19

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

To,
The Members,
GUJARAT STATE INVESTMENTS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat State Investments Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon. Based on my verification of the Gujarat State Investments Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Gujarat State Investment Limited ("The Company") for the financial year ended on 31st March, 2019 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;-**NOT APPLICABLE**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under-**NOT APPLICABLE**

(iv) Foreign Exchange Management Act, 1999 and the rules and reguiations made there under to extent of Foreign Direct lnvestment, Overseas Direct Investment and External Commercial borrowings-**NOT APPLICABLE**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Äct, 1992 ('SEBI Act')

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **-Not applicable**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 **-Not applicable**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009-**Not applicable**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999-**Not applicable**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-**Not applicable**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client-**Not applicable**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-**Not applicable** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-**Not applicable**

(vi) Following laws are applicable specifically to the company

- (a) The Reserve Bank of India, Act 1934

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with tock Exchange(s), if applicable-**Not applicable**

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

We further report that

The Board of Directors of the Company ís duly constituted vvith proper balance of Executive Directors, Non-Executive Directors and Independent Directors, The changes in the composition of the Board of Directors that took place during tlie period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

All the decision is carried through unanimously and there is no dissent from any member and same has been recorded as a part of the minutes.

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

Chetan Patel & Associates

CS Chetan Patel
(FCS No. 5188 CP No. : 3986)

Place: Ahmedabad
Date:15/05/2019

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U64990GJ1988SGC010307
2.	Registration Date	29/01/1988
3.	Name of the Company	GUJARAT STATE INVESTMENTS LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares/ Government Company
5.	Address of the Registered office & contact details	6th Floor, H. K. House, Ashram Road, Ahmedabad-380 009 (P) 079-26586636, 26579731 Mail:- infoatgsil@gmail.com
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Investments Company	64200	100%
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	GUJARAT STATE PETROLEUM CORPORATION LIMITED	U23209GJ1979SGC003281	Subsidiary	75.71%	Section 2(87)
2	GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED	L99999GJ1962PLC001121	Associate	38.63%	Section 2(6)
3	GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED	L24110GJ1976PLC002903	Associate	28.87%	Section 2(6)
4	GUJARAT ALKALIES AND CHEMICALS LIMITED	L24110GJ1973PLC002247	Associate	22.24%	section 2(6)
5	GUJARAT STATE FINANCIAL SERVICES LTD	U65910GJ1992SGC018602	Associate	22.98%	section 2(6)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)		1042769000	1042769000	100		1042769000	1042769000	100	NIL
d) Bodies Corp.									
e) Banks / FI									
f) Any other		70	70			70	70		
Total shareholding of Promoter (A)		**1042769070**	**1042769070**	**100**		**1042769070**	**1042769070**	**100**	**NIL**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		**1042769070**	**1042769070**	**100**		**1042769070**	**1042769070**	**100**	**NIL**

(ii) Shareholding of Promoter-

SN	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	Hon'ble Governor of Gujarat	1042769070	100	Nil	1042769070	100	Nil	NIL
2								
3								
4								
5								
6								
7								
8								
9								

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

No Change

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

Not Applicable

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

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	**N.A.**	**5,60,00,00,000.00**	**N.A.**	**5,60,00,00,000.00**
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness				
during the financial year				
* Addition				
* Reduction		55,00,00,000.00		55,00,00,000.00
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		**5,05,00,00,000**		**5,05,00,00,000**

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

The Managing Director of the Company is non-executive MD hence, remuneration to MD is not applicable

B. **Remuneration to other Directors**

a. Note: Till the last financial year all directors of the Company has nominated by Government of Gujarat, i.e Promoter of the Company, as Non-Executive Directors, therefore sitting fees has not been paid by the Company

b **REMUNERATION TO OTHER DIRECTORS**

A Independent Directors

(Amount in ₹)

SN	Particulars of Remuneration	**Independent Director**		
		Shri Vasantkumar Raval	Ms. Mamta Varma	Total
1	Fees for attending Board/ Committee Meetings	9000.00	NIL	**9000.00**
2	Commission	NIL	NIL	NIL
3	Other	NIL	NIL	NIL
	Total Payment	**9000.00**	**NIL**	**9000.00**

C. **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	N.A.	8,77,920.00	11,20,078.00	19,97,998.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL	NIL	NIL
2	Stock Option		NIL	NIL	NIL
3	Sweat Equity		NIL	NIL	NIL
4	Commission		NIL	NIL	NIL
	- as % of profit		NIL	NIL	NIL
	others, specify…		NIL	NIL	NIL
5	Others, please specify		NIL	NIL	NIL
	Total		8,77,920.00	11,20,078.00	19,97,998.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year 2018-19, there were no penalties/punishment/compounding of offences under the Companies Act, 2013.

INDEPENDENT AUDITOR'S REPORT

To,
The Members of

GUJARAT STATE INVESTMENTS LIMITED,

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Gujarat State Investment Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphthe aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 , and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Please refer in Note No. 12 the company has acquired liability of NCD from Gujarat State Petroleum Corporation Ltd. (GSPC) of ₹ 6,000 crores through a scheme of arrangement approved by Government of Gujarat and Ministry of Corporate Affairs with an appointed date of 1st April, 2018. The company has been allotted shares of an equal amount of GSPC against this liability.

Government of Gujarat has given a loan of ₹ 572 crores to pay interest in respect of this liability. There is no terms of repayment in respect of this loan vide GR No. BUD-112017-2675-E Dated 6th February 2019.

The government Gujarat vide an agreement dated 18th June 2018 agreed to support the company by way of a grant towards payment of interest in the subsequent years. The company has made representation to Government of Gujarat to convert loan of ₹ 572 crores into grant similar to the subsequent years. However, there is no response from the Government.

Pending this, the company has treated the loan of ₹ 572 crores received from Government of Gujarat as revenue grant since it is to meet the payment of interest liability accordingly the same has been credited to profit and loss account.

The interest liability of ₹ 572 crore has been reduced from this grant as the amount has been received specifically to meet interest payment.

Demand loan is under stated to this extent and the balance of profit and loss account would have been negative by ₹ 572 Crore

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

Emphasis of Matter

Accounting of amount received from the Gujarat Government

Please refer para no. a(i) to note no. 13 of the financial statement, the classification of loan of ₹ 505 Crore received from Government of Gujarat as demand loan in the balance sheet in the absence of any specific repayment period or schedule. Our opinion is not qualified in respect of this matter

Acquisition of NCDs liability of GSPC by the company under an order from Gujarat Government

Refer Note No. 6 to the financial statement and explanation to the note, with respect to acquisition of liability of NCDs ₹ 6,000 Crore of GSPC. The company under a scheme of business combination, and under an order from the Government of Gujarat, has acquired liability of NCDs of ₹ 6,00,000 Lakh in consideration of issue of equity shares of GSPC. This scheme of business combination is approved by the appropriate authorities after the balance sheet date. However, in view of the effective date of the shcme, being 1st of April 2018, the shares to be issued by the GSPC are reported as Investment. Our opinion is not qualified in respect to this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Board of Directors' report, but does not include the Standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

In preparing the financial statements, management isresponsible 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 doso.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

i. 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.

ii. 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.

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

iv. 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.

v. 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 ethicalrequirements regarding independence, and to communicatewith them all relationships and other matters that mayreasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

As required by the Comptroller and Auditor General of India through sub directions issued under the provisions of section 143(5) of the Companies Act 2013, we give Annexure B containing the relevant paragraph with our comments.

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

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

(b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014, except for matters described in the basis for qualified opinion para.

(d) As per Notification No. GSR 463(E) dated 5th June 2015, the provisions of Section 164(2) is not applicable to a company where the share capital held by the Central or State Government is more than 51%, therefore, we have not commented on receipt of representation from the directors and status of their qualification for directorship on the date of financial report

(e) 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 "AnnexureC".

(f) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;

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

i. The Company does not have any pending litigations which would impact its financial position]

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For, Chandulal M. Shah & Co.
Chartered Accountants
FRN101698W

(B.M. Zinzuvadia)
Partner
M. No. 109606

Place : Ahmedabad
Date : 3rd Oct. 2019
UDIN :19109606AAAAFM6838

ANNEXURE-A TO AUDITOR'S REPORT

Refer to the Paragraph 9 of the independent auditors' report of even date to the members of Gujarat State Investment Limited on the financial statements for the year ended on 31st March 2019.

1. **Fixed Asset**
   i. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   ii. The fixed assets have been physically verified by the management at reasonable intervals; Material discrepancies noticed on such verification have been properly dealt with in the books of accounts.
   iii. According to the records of the company, the company does not own any immovable property and therefore reporting under clause (I)(c) of the Order is not applicable.

2. **Inventory**

   The company does not hold inventory, and it is not engaged in the business of trading of securities and therefore, these clause is not applicable.

3. **Unsecured Loan**

   According to the information and explanation given to us the company is not required to maintain the register under the provisions of Section 189 in view of the exemptions given to Government company vide notification No. GSR 463(E) dated 5th June 2015.

4. **Compliance of Sec 185 and 186**

   In our opinion and according to the information provided to us the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security to the extent applicable to the company.

5. **Acceptance of Deposits**

   The company has not accepted any deposit from the public within the meaning of section 73 to section 76 of the act and the rules made there under during the period under audit and therefore, provisions of the clause 3(V) of the order is not applicable and hence not commented upon.

6. **Costing Records**

   The company is an investment company and therefore this para is not applicable.

7. **Statutory dues**
   i. the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs and any other statutory dues with the appropriate authorities.
   ii. According to the information and explanation provided to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, duty of customs and any other statutory dues were outstanding at the year end, for a period of more than six months from the dates they become payable.
   iii. According to the information and explanation given to us, there are no dues of provident fund, employees' state insurance, income tax, goods and service tax, duty of customs and any other statutory dues which have not been deposited on account of any dispute.

8. **Default in Repayments**

   In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a bank or to debenture holders.The company has not obtained any loan from financial institution.

9. **Utilization of Fund**

   As per information and explanations given to us, the company has not raised fund through initial or further public offer or through debt instruments. The company has also not raised funds through a term loan and therefore, clause (IX) of the order is not applicable and hence not commented upon.

10. **Fraud**

    During the course of our examination of the books of the company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across to any material fraud on or by the company nor we are informed of any such cases by the management of the company.

11. **Managerial Remuneration**

    The provisions of section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 is not applicable to the company and therefore clause (XI) is not applicable and hence not commented upon.

12. **Nidhi Company**

    In our opinion, the company is not a Nidhi, therefore the provisions of clause 3(xii) of the Order is not applicable to the company and hence not commented upon.

13. **Related Party Transactions**

    According to the information and explanation given to us, transactions with the related parties are in compliance with section 188 and 177 of the Companies Act, 2013, subject to notification No. 463(E) dated 5th June 2015.

14. New allotments

According to information and explanations given to us, the company has not made any preferential allotment or private placement of share or partly or fully convertible debenture during the year, therefore reporting under clause 3(xiv) is not applicable.

15. Non Cash Transactions with Directors

According to the information and explanations given to us and on an overall examination of the records of the company, we report that the company has not entered into any non-cash transaction with directors or persons connected with them as referred to in section 192 of the Companies Act 2013.

16. Sec. 45-IA of RBI Act

According to the information and explanation provided to us, the company is required to get registered with the RBI as NBFC under the provisions of section 45-IA of the Reserve Bank of India Act 1934. The company has obtained registration as Core Investment Non-Banking Company.

For, Chandulal M. Shah & Co.
Chartered Accountants
FRN101698W

(B.M. Zinzuvadia)
Partner
M. No. 109606

Place : Ahmedabad
Date : 3rd Oct. 2019
UDIN :19109606AAAAFM6838

Annexure B: - to the audit report

Comments of the auditors on the directions issued by the Comptroller and Auditor General of India through sub directions issued under the provisions of section 143(5) of the Companies Act 2013.

Directions under section 143(5) of the Companies Act 2013, Applicable for the year 2018-19

1. Whether the company has clear title/lease deed for the freehold and leasehold land respectively? If not, please state area of free hold and lease hold land for which title/ lease deeds are not available.

   Auditors' Comment

   The company do not hold any freehold or any lease hold land.

2. Whether there are any cases of waiver/write off of debts/loans/interest etc. if yes, the reasons therefor and the amount involved.

   Auditors' Comment

   During the year under review the company has not waived off/written off any debts/loans/interest etc.

3. Whether proper records are maintained for inventories lying with the third parties and assets received as gift/grant from the Govt. or other authorities.

   Auditors' Comment

   The company is an financial company and has not carried out trading activities in securities and therefore it does not hold inventories.

Sector Specific sub-directions under section 143(5) of the Companies Act 2013 - Finance Sector

1. Whether the company has complied with the directions issued by the Reserve Bank of India for, Non-Banking Financial company, Classification of Non-performing assets and capital adequacy norms.

   Auditors' Comment

   The company has complied with directions issued by the Reserve Bank of India for, Non-Banking Financial company, Classification of Non-performing assets and capital adequacy norms.

2. Whether the company has a system to ensure that the loans were secured by adequate security free from encumbrance and have first charge on the mortgaged assets. Further, instances of undue delay in disposal of seized units may be reported.

   Auditors' Comment

   The company has not given any loan during the period under audit. From the existing accounts, one loan of ₹ 25 Lakh given to Gujarat Tractor Limited is not secured against any security/ property.

3. Whether introduction of any scheme of settlement of dues and extension of there complied with policy guidelines of the company governance.

   Auditors' Comment

   No such scheme has been introduced by the company.

4. Comment on the confirmation of balance of trade receivables, trade payable term deposit and bank account and cash obtained.

   Auditors' Comment

   The company has not carried out any trading activities and therefore not applicable.

5. Whether the bank guarantee is revalidated in time.

   the company has neither obtained or provided any bank guarantee and therefore not applicable.

For, Chandulal M. Shah & Co.
Chartered Accountants
FRN101698W

(B.M. Zinzuvadia)
Partner
M. No. 109606

Place : Ahmedabad
Date : 3rd Oct. 2019
UDIN :19109606AAAAFM6838

Annexure 'B' to the Independent auditors report

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 Gujarat State Investment Limited ("the Company") as of March 31, 2019 in conjunction with my / our audit of the standalone 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 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 with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence I/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 with reference to these financial statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements 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, Chandulal M. Shah & Co.
Chartered Accountants
FRN101698W

(B.M. Zinzuvadia)
Partner
M. No. 109606

Place : Ahmedabad
Date : 3rd Oct. 2019
UDIN :19109606AAAAFM6838

GUJARAT STATE INVESTMENTS LIMITED
BALANCE SHEET AS AT 31st March, 2019 (Standalone)

(Amount in ₹)

Sr No	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	ASSETS				
1	**Financial Assets**				
a.	Cash and Cash Equivalents	4	21,395,502	4,463,395	2,963,783
b.	Loans	5	-	-	-
c.	Investments	6	80,001,318,128	18,291,023,858	18,527,790,075
d.	Other Financial assets	7	2,354,655,509	601,200,271	1,671,571,634
2	Non-Financial Assets				
a.	Current tax assets (Net)	8	-	35,793,469	38,094,200
b.	Deferred tax Assets (Net)	9	2,044,140,831	1,975,020,574	1,698,085,887
c.	Property, Plant and Equipment	10	1,152,367	1,663,222	2,338,615
d.	Other non -financial assets	11	27,702	29,771	14,958
	Total Assets		**84,422,690,039**	**20,909,194,560**	**21,940,859,152**
	LIABILITIES AND EQUITY				
	LIABILITIES				
1	**Financial Liabilities**				
a.	Debt Securities	12	60,000,000,000	-	-
b.	Borrowings (Other than Debt Securities)	13	5,050,000,000	5,600,000,000	6,798,500,000
c.	Other financial liabilities	14	1,410,790,628	848,391	2,554,356
2	**Non-Financial Liabilities**				
a.	Current tax liabilities (Net)	8	23,793,475	-	-
b.	Provisions	15	1,617,316	1,403,882	1,012,237
c.	Other non-financial liabilities	16	46,609	-	-
3	**EQUITY**				
a.	Equity Share capital	17	10,427,690,700	10,427,690,700	10,427,690,700
b.	Other Equity	18	7,508,751,311	4,879,251,587	4,711,101,859
	Total Liabilities And Equity		**84,422,690,039**	**20,909,194,560**	**21,940,859,152**

See accompanying Notes to the Financial Statements
As per our report attached

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

For and on behalf of board of directors of
Gujarat State Investments Limited

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st March, 2019 (Standalone)

(Amount in ₹)

Sr. No	Particulars	Note No.	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Revenue From Operations			
i.	Interest Income	19	48,418,271	85,665,390
ii.	Dividend Income		918,494,594	681,987,840
(I)	**Total Revenue from operations**		966,912,865	767,653,230
(II)	Other Income	20	1,720,844,239	1,917,036
(III)	**Total Income (I+II)**		**2,687,757,104**	**769,570,266**
	Expenses			
i.	Finance Costs	21	-	28,556
ii.	Impairment on financial instruments		-	600,000,000
iii.	Employee Benefits Expenses	22	3,417,060	3,544,756
iv.	Depreciation , amortization and impairment	10	538,117	878,442
v.	Others expenses	23	28,384,280	247,232,794
(IV)	**Total Expenses (IV)**		**32,339,457**	**851,684,548**
(V)	Profit / (loss) before exceptional items and tax (III - IV)		2,655,417,649	-82,114,282
(VI)	Exceptional items		-	-
(VII)	Profit/(loss) before tax (V -VI)		**2,655,417,649**	**-82,114,282**
(VIII)	Tax Expense			
	(i) Current Tax	24	95,026,277	26,582,004
	(ii) Deferred Tax	24	69,116,944	276,905,369
(IX)	Profit / (loss) for the period from continuing operations(VI I -VIII)		**2,629,508,316**	**168,209,084**
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X -XI)		-	-
(XIII)	**Profit/(loss) for the period (IX+XII)**		**2,629,508,316**	**168,209,084**
(XIV)	**Other Comprehensive Income**			
	(A) (i) Items that will not be reclassified to profit or loss		-11,903	-88,673
	(ii) Income tax relating to items that will not be reclassified to profit or loss		3,311	29,318
	Subtotal (A)		-8,592	-59,355
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		**-8,592**	**-59,355**
(XV)	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)**		2,629,499,724	168,149,728
(XVI)	**Earnings per equity share**			
	Basic & Diluted	25	2.52	0.16

See accompanying Notes to the Financial Statements
As per our report attached

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

For and on behalf of board of directors of
Gujarat State Investments Limited

B.M. Zinzuvadia
Partner
Membership No. : 109606

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

Place : Ahmedabad
Date: 03-10-2019

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

A Equity Share Capital

(Amount in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balance at the beginning of the reporting period	10,427,690,700	10,427,690,700	10,427,690,700
Changes during the year	-	-	-
Balance at the reporting period	**10,427,690,700**	**10,427,690,700**	**10,427,690,700**

B Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained Earnings	Reserve fund u/s 45- IC (1) Of Reserve Bank Of India Act, 1934		
Balance as at April 01, 2018	**520,000,000**	**4,359,310,942**	**-**	**-59,355**	**4,879,251,587**
Profit for the period	-	2,629,508,316			**2,629,508,316**
Transfer from Retained Earnings	-	-525,901,663	525,901,663	-8,592	**-8,592**
Items of the OCI for the year, net of tax	-	-	-	-	**-**
Remeasurement benefit of defined benefit plans	-	-	-	-	**-**
Balance as at March 31, 2019	**520,000,000**	**6,462,917,595**	**525,901,663**	**-67,947**	**7,508,751,311**
Balance as at April 01, 2017	520,000,000	4,191,101,859	-	-	**4,711,101,859**
Profit for the period	-	168,209,084	-		**168,209,084**
Transfer from Retained Earnings	-	-	-	-59,355	**-59,355**
Items of the OCI for the year, net of tax	-	-	-	-	**-**
Remeasurement benefit of defined benefit plans	-	-	-	-	**-**
Balance as at March 31, 2018	**520,000,000**	**4,359,310,942**	**-**	**-59,355**	**4,879,251,587**

As required by section 45-IC of the RBI Act 1934, the company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act,1984.

The accompanying notes form an integral part of the standalone financial statements.

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2019 (Standalone)

(Amount in ₹)

	Particulars	2018-2019	2017-2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit Before Tax	2,655,417,649	-82,114,282
	Adjustments for :		
	Provision for dimunition in value of investments,		
	credited to the statement of Profit & Loss Account	-	600,000,000
	Fair value of Investments	10,750,385	236,766,217
	Depreciation	538,117	878,442
	Liabilites / Provsisons no longer required		2,300,731
	Other Comprehensive Income	-11,903	-88,673
	Profit & Loss on sale of Investment	-1,720,844,239	-
	Operating profit before working capital changes	**945,850,008**	**757,742,435**
	Movments in working Capital		
	Decrease/increase in other financial assets	-1,753,455,238	1,070,371,363
	Other Non Financial Assets	2,069	-14,813
	Other Non Financial Liabilities	46,609	-
	Other Financial Liabilities	1,409,942,237	-1,705,965
	Provision of Gratuity & Retirement benefits	213,434	391,645
	Direct Tax Paid (Net of Refunds)	-35,439,333	-26,582,004
	Net Cash used in Operating Activities	**567,159,786**	**1,800,202,661**
B.	**CASH FLOW FROM INVESTING ACTIVITES**		
	Proceeds from sale of Investment	14,272,021,183	-
	Purchase of Fixed Asset	-27,262	-203,050
	Purchase of Investments	-14,272,221,600	-600,000,000
	Net Cash from Investing Activities	**-227,679**	**-600,203,050**
C.	**CASH FLOW FROM FINANCING ACTIVITES**		
	Proceeds/ Payment from unsecured loans	-550,000,000	-1,198,500,000
	Net Cash from Financing Activities	**-550,000,000**	**-1,198,500,000**
	Net Increase / (Decrease) in Cash And Cash Equivalents (A + B + C)	16,932,107	1,499,611
	Cash And Cash Equivalents - Opening Balance	4,463,395	2,963,783
	Cash And Cash Equivalents - Closing Balance	21,395,501	4,463,395

Note:

1. Since Company is a Investment Company, Purchase & sale of investments have been considered as part of " Cash flow from Investing activites & interest / dividend earned from said investments during the year have been considered as part of " Cash flow from Operating activties".
2. Cash and cash equivalents represents cash and bank balances as per Balance Sheet, intercorporate deposits placed for three months or lower tenure.
3. Previous year's figures have been regrouped, wherever necessary.
4. During the financial year 2018-19, the company has entered into a non cash transaction by purchasing equity shares of GSPC and also acquiring Non Convertible Debentures. The details of which are provided under Note No. 6.

As per our report attached

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Company Overview & Significant Accounting Policies

1. Reporting Entity

Gujarat State Investments Limited (the 'Company') is a Company domiciled in India, with its registered office situated at 6th Floor, H K House, Ashram Road, Ahmedabad, 380009, Gujarat, India. The Company has been incorporated under the provisions of Companies Act, 1956. The Company is primarily involved in Investments activity. The company has been registered as a Core Investments Company (CIC) Specified NBFC with the Reserve Bank of India in terms of the regulation governing Non-Banking Financial Companies.

2. Basis of preparation

a. Statement of compliance with Ind AS

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. Financial statements of the company up to the year ending 31st March, 2018 had been prepared in accordance with the requirements of Indian GAAP, which includes standards notified under Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS for the company is 01st April, 2017. The Company has adopted all the relevant Ind AS and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act , read with Rule 7 of the Companies(Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation and description of the effect of the transition have been summarized in Note 28.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest Rupees, unless otherwise indicated.

c. Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Item	Measurement basis
Inter Corporate Deposit (ICD)	At Amortized cost
Investments other than Investments in Associates	At Fair value

d. Use of Estimates and Judgments:

In preparing these financial statements, management has made judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

Estimates:

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to the accounting estimates are recognized prospectively.

Judgments:

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the respective note.

Assumptions and Estimation Uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the respective note.

e. Measurement of Fair Values:

The Company has established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the respective note.

3. Significant Accounting Policies

Financial Instruments

a. Financial Assets:

ii.) Classification:

The Company classifies its financial assets in the following measurement categories:

- Those measured at amortized cost and
- Those measured at fair value through profit or loss.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL :
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of Principal and interest on the principal amount outstanding.
- Financial assets are not reclassified subsequent to their initial recognition except if and in the period the Company changes its business model for managing financial assets.

iii.) Measurement

At initial recognition, the Company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement and Gains and Losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

iv.) De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

a. Financial Liabilities:

(i) Classification, Subsequent Measurement and Gains and losses

Financial liabilities are classified as measured at Historical cost. Government of Gujarat, in capacity of the Promoter of the company, provides investment funds in form of interest free loans having specific directions to invest in equity shares of Group Entities of the company in terms of CIC directions. Investment funds, released as loan by GoG, when received for investment in equity are recognized as financial liabilities. There exist an obligation, however, the terms and conditions do not specify that whether the loan is repayable on demand and also fixed repayment schedule is not specified. Considering the said fact it is not possible to value such financial liability at amortized cost.

ii) De-recognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the profit or loss.

b. Offsetting

Financial assets and financial liabilities are off set and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

c. Investments in Associates

Investments in associates is carried at cost in the separate financial statements.

4. Property, Plant and Equipment

i. Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is recognised in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

v. Derecognition

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

5. Impairment

i. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL)

Measurement of Expected Credit Losses

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

ii. Impairment of Non-Financial Assets

The Company’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

6. Employee Benefits

i. Short Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

ii. Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount using market yields at the end of reporting period on government bonds.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the Asset Ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

7. Provisions (other than Employee Benefits), Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A contingent asset is neither recognized nor disclosed if inflow of economic benefit is probable.

8. Recognition of Dividend Income, Interest Income

Income from dividend is accounted as and when such dividend has been declared and the company's right to received payment is established.

Interest income is recognized on a time proportion basis, taking in the account the amount outstanding and the rate applicable.

9. Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is 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 the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assists and liabilities will be realized simultaneously.

10. Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid Investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

11. Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year plus potential equity shares.

12. Cash Flow Statement

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

13. Other Income

“Accounting for Government Grants and Disclosure of Government Assistance”

Government of Gujarat Support and Assistances received are accounted in accordance with Ind AS 20. Government support and assistance takes many forms varying both in the nature of the assistance given and in the conditions which are usually attached to it. Government support is recognized through profit and loss when it is established that the support is for the purpose other than capital expenditure. A government support/grant that becomes receivable in terms of government resolution is recognized in profit or loss of the period in which it becomes receivable.”

4 Cash and Bank Balance

(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Cash on Hand	31,228	16,230	14,616
Balances with Banks	2,161,177	4,192,730	949,167
In Liquid Deposit with Gujarat State Financial Services Ltd	19,203,097	254,435	2,000,000
Total	**21,395,502**	**4,463,395**	**2,963,783**

5 Loans

(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Amortised cost Total	Amortised cost Total	Amortised cost Total
Loans			
(A) (i) Loans repayable on demand	2,500,000	2,500,000	2,500,000
Total (A) - Gross	2,500,000	2,500,000	2,500,000
Less: Impairment Loss Allowance	2,500,000	2,500,000	2,500,000
Total (A) - Net	-	-	-
(B) (i) Secured by tangible assets			-
(ii) Unsecured	2,500,000	2,500,000	2,500,000
Total (B) - Gross	2,500,000	2,500,000	2,500,000
Less: Impairment Loss Allowance	2,500,000	2,500,000	2,500,000
Total (B) - Net	-	-	-
(C) Loans In India			-
(i) Public Sector	2,500,000	2,500,000	2,500,000
Total (C) - Gross	2,500,000	2,500,000	2,500,000
Less: Impairment Loss Allowance	2,500,000	2,500,000	2,500,000
Total (C) - Net	-	-	-

Note 6 Investments

(Amount in ₹)

Particulars	Face Value	As at 31st March, 2019				As at 31st March, 2018				As at 31st March, 2017			
		No of Shares	Others (At Cost)	Fair Value through Profit Or Loss	Total	No of Shares	Others (At Cost)	Fair Value through Profit Or Loss	Total	No of Shares	Others (At Cost)	Fair Value through Profit Or Loss	Total
Equity instruments			**-**	**29,825,818**	**29,825,818**		**-**	**12,961,844,150**	**12,961,844,150**		**-**	**13,198,610,367**	**13,198,610,367**
Gujarat Industrial Power Co. Ltd.	10	352,415		25,091,948		352,415	-	34,219,497		352,415	-	36,386,849	
Torrent Power Ltd.	10	-	-	-		46,871,621	-	10,738,288,371		46,871,621	-	10,890,621,139	
Gujarat Lease Financing Ltd.	10	1,328,125		2,018,750		1,328,125	-	2,191,406		1,328,125	-	5,976,563	
Digjam Limited	10	-	-	-		1,234,744	-	11,063,306		1,234,744	-	15,668,901	
Atul Products Limited	10	-	-	-		130,594	-	342,417,468		130,594	-	310,996,552	
Batliboi & Co. limited	5	-	-	-		38,895	-	902,364		38,895	-	927,646	
GSL (India) Limited	10	157,140		1,571,400		157,140	-	1,571,400		157,140	-	1,571,400	
Sun Pharmaceutical Industries Limited	1	-	-	-		505,265	-	250,308,281		505,265	-	347,470,741	
Bank of Baroda	2	-	-	-		250,000	-	35,550,000		250,000	-	43,237,500	
Gujarat State Financial Corporation	10	935,600		1,122,720		935,600	-	2,572,900		935,600	-	2,993,920	
Cama Hotels Limited	10	-	-	-		5,340	-	72,700		5,340	-	72,700	
Gujarat State machine tools Company Limited	1	1,929,050		20,000		1,929,050	-	20,000		1,929,050	-	20,000	
Gujarat State Trans Receivers Limited	10	12,000		1,000		12,000	-	1,000		12,000	-	1,000	
Gujarat State Petroleum Corporation Limited	1	-	-	-		192,592,441	-	1,542,665,457		192,592,441	-	1,542,665,457	
Subsidiary			**-**	**60,180,965,457**	**60,180,965,457**		**-**	**-**	**-**		**-**	**-**	**-**
Gujarat State Petroleum Corporation Limited	**1**	7,513,229,145	**-**	60,180,965,457									
Associates			**19,882,323,462**	**-**	**19,882,323,462**		**5,610,101,862**	**-**	**5,610,101,862**		**5,610,101,862**	**-**	**5,610,101,862**
Gujarat Narmada Valley Fertilizers Co. Ltd	10	33,227,546	1,353,153,175	-		33,227,546	1,353,153,175	-		33,227,546	1,353,153,175	-	
Gujarat State Fertilizers & Chemicals Co. Ltd.	2	150,799,905	2,523,796,172	-		150,799,905	2,523,796,172	-		150,799,905	2,523,796,172	-	
Gujarat Alkalies & Chemicals Ltd.	10	15,329,373	1,733,152,505	-		15,329,373	1,733,152,505	-		15,329,373	1,733,152,505	-	
Bhavnagar Energy Company Ltd.	10	-	-	-		1	10	-		1	10	-	
Gujarat State Electricity Corporation Limited	10	1	10	-		-	-	-		-	-	-	
Gujarat State Financial Services Ltd.	10	31,716,048	14,272,221,600			-				-	-		
Total (A)			21,866,662,452	60,210,791,275	80,093,114,737		7,594,440,852	12,961,844,150	18,571,946,012		7,594,440,852	13,198,610,367	18,808,712,229
(i) Investments outside India			-	-	-		-	-	-		-	-	-
(ii) Investments in India			21,866,662,452	60,210,791,275	80,093,114,737		7,594,440,852	12,961,844,150	18,571,946,012		7,594,440,852	13,198,610,367	18,808,712,229
Total (B)			21,866,662,452	60,210,791,275	80,093,114,737		7,594,440,852	12,961,844,150	18,571,946,012		7,594,440,852	13,198,610,367	18,808,712,229
Less: Allowance for Impairment loss (C)			280,922,154	189,125,545	91,796,609		280,922,154		280,922,154		280,922,154		280,922,154
TOTAL NET (A-C)					**80,001,318,128**				**18,291,023,858**				**18,527,790,075**

Bhavnagar Energy company limited (BECL) has not provided its annual statement of accounts and management is of the opinion that the financial position of the company is not good. Also, the company has advanced ₹ 60,00,00,000 during the financial year as the Promoter of BECL, the company has signed the Sponsors' Support Agreement (SSA) and as per the said agreement the promoters collectively shall not, in the final settlement date (being the date on which all application under the SSA have been irrevocably and unconditionally paid and discharge in full to the satisfaction of lenders), dispose of their shareholdings which would result in dilution of their shareholding will 51%. Hence the investment in BECL amounting to ₹ 1,98,43,39,000 and loan advanced under the above described contractual agreement have been impaired. However as per Government notification in Official Gazette, dated 27.08.2018, GOG directed to accept 1 equity share of GSECL in lieu of invesment in BECL.

"The Ministry of Corporate Affairs (MCA), vide order dated 25th April, 2019, has approved the Scheme of Arrangement between Gujarat State Petroleum Corporation Limited (GSPC), Gujarat State Investment Limited (GSIL) and GSPC NCD Holders. The scheme of arrangement has approved transfer of GSPC's obligation in form of Non-Convertible Debentures (NCD) amounting to ₹ 6,000 crores to GSIL in exchange of 749,06,36,704 fully paid equity shares of face value ₹ 1 each at fair value of ₹ 8.01 each (with premium of Rs.7.01 per share).

The appointed date of the scheme is 1st April, 2018. The scheme becomes effective upon filling of certified copy of the order with Registrar of Companies, Gujarat on 16th May, 2019. By virtue of this investment, GSIL holds 74.53% of Share Capital of GSPC, therefore the latter become a subsidiary of the Company w.e.f. 1st April, 2018."

7 Other Financial Assets **(Amount in ₹)**

Particulars	As at 31st March, 2019		As at 31st March, 2018	As at 1st April, 2017
Inter Corporate Deposit *		919,245,804	581,518,755	1,607,157,576
Interest Accrued on Investments		36,222,622	19,672,516	64,405,058
Security Deposts		9,000	9,000	9,000
Grant Receivable	1,409,178,083		-	-
Expense Payable	-1,409,178,083	-	-	-
Advance to GSPC	1,404,178,083		-	-
GSPC Payable	-5,000,000	1,399,178,083	-	-
Total		**2,354,655,509**	**601,200,271**	**1,671,571,634**

7.1 Gujarat State Investments Limited has taken over listed NCDs as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018. Further State Government has resolved that “The Government of Gujarat will support GSIL for payment towards Interest on NCD and principal repayment. Energy & Petrochemicals Department will make necessary budgetary provisions for the same in the budget of relent years.” In addition to the resolution, The Government of Gujarat extended it’s support to GSIL vide G.R. dated 02.06.2019 for NCDs serving, the said support is a part of Government’s commitment under G.R dated 26.07.2018 read with agreement executed between Government of Gujarat and GSIL on 18.06.2019. Hence, GSIL is required to pay Interest on NCD with the Support received from Government of Gujarat.

7.2 * ICD includes ICD given to related party. **(Amount in ₹)**

Name of Related Party	31.03.2019	31.03.2018	01.04.2017
Gujarat State Financial Services	919,245,804	581,518,755	1,607,157,576

7.3 GSIL has requested Government of Gujarat to issue necessary directives for settlement of funds released by GSIL to GSPC towards reimbursement of interest on non-convertible debenture of ₹ 140,91,78,082 for the period from 1st January, 2018 to 31st March, 2018, paid in June 2018, be treated as equity contribution and accordingly fresh equity shares to be issued by GSPC to GSIL at the price as mentioned in the scheme of arrangement i.e. ₹ 8.01 per share

8 Current tax assets (Net) **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Advance Income tax (Net of Provision)	-23,793,475	35,793,469	38,094,200
Total	**-23,793,475**	**35,793,469**	**38,094,200**

9 Deferred Tax Assets (Net) **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Deffered Tax Asset:			
Arising on account of timing difference - Fixed Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting	269,803	512,012	366,829
- Others	335,909	276,532	147,042
- Fair Valuation of Current Investments	1,092,263,497	1,089,272,740	1,010,990,726
- Impairement in associate	884,959,291	884,959,291	686,581,291
- MAT Credit Entitlement	66,312,331	-	-
Total Deffered Tax Asset	2,044,140,831	1,975,020,574	1,698,085,887
Total Deffered Tax Liability	-	-	-
TOTAL	**2,044,140,831**	**1,975,020,574**	**1,698,085,887**

a Reconciliation of deferred tax liabilities(Net): (Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Opening balance	1,975,020,574	1,698,085,887
Tax income/(expense) during the period recognised in profit or loss	2,804,614	276,905,369
Tax income/(expense) during the period recognised in other comprehensive income	3,311	29,318
Tax income/(expense) during the period recognised directly in other equity	66,312,331	-
Closing balance	**2,044,140,831**	**1,975,020,574**

b Movements in DTA: (Amount in ₹)

Particulars	Others	Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting	Fair Valuation of Current Investments	Imperment in associates	MAT Credit Entitlement	Total
At 1st April 2017	**147,042**	**366,829**	**1,010,990,726**	**686,581,291**	**-**	**1,698,085,887**
charged/credited:						-
to Profit or Loss	100,172	145,183	78,282,014	198,378,000	-	276,905,369
to other comprehensive income	29,318					29,318
At 31st March 2018	**276,532**	**512,012**	**1,089,272,740**	**884,959,291**	**-**	**1,975,020,574**
charged/credited:						-
to Profit or Loss	56,066	-242,209	2,990,757	-	66,312,331	69,116,945
to other comprehensive income	3,311					3,311
At 31st March 2019	**335,909**	**269,803**	**1,092,263,497**	**884,959,291**	**66,312,331**	**2,044,140,830**

11 Other Non Financial Assets (Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Prepaid Expenses	23,676	25,745	10,932
Balance with Statutory / Government authorities	4,026	4,026	4,026
Total	**27,702**	**29,771**	**14,958**

GUJARAT STATE INVESTMENTS LIMITED

10 *Property, Plant and Equipment*

(Amount in ₹)

	Gross Block				Depreciation					Net block	
Particulars	As at 1st April,2017	Adjustment/Additions/(Deletions)	Impact of IND AS on transition	As at 31st March,2018	As at 1st April,2017	For the Year	Adjustment	Impact of IND AS on transition	As at 31st March,2018	As at 1st April,2017	As at 31st March,2018
Furniture & Fixtures	524,270	-	-	524,270	499,283	1,793	-	-	501,076	24,987	23,194
Vehicles	3,629,062	-	-	3,629,062	1,435,909	762,182	-	-	2,198,091	2,193,153	1,430,971
Office Equipment	218,751	19,300	-	238,051	107,189	32,215	-	-	139,404	111,562	98,647
Computer	199,261	183,750	-	383,011	190,349	82,252	-	-	272,601	8,912	110,410
	4,571,344	**203,050**	**-**	**4,774,394**	**2,232,730**	**878,442**	**-**	**-**	**3,111,172**	**2,338,615**	**1,663,222**

(Amount in ₹)

	Gross Block				Depreciation					Net block	
Particulars	As at 1st April,2018	Adjustment/Additions/(Deletions)	Impact of IND AS on transition	As at 31st March,2019	As at 1st April,2018	For the Year	Adjustment	Impact of IND AS on transition	As at 31st March,2019	As at 1st April,2018	As at 31st March,2019
Furniture & Fixtures	524,270	11,682	-	535,952	501,076	2,854	-	-	503,930	23,194	32,022
Vehicles	3,629,062	-	-	3,629,062	2,198,091	438,967	-	-	2,637,058	1,430,971	992,004
Office Equipment	238,051	7,080	-	245,131	139,404	30,160	-	-	169,564	98,647	75,567
Computer	383,011	8,500	-	391,511	272,601	66,136	-	-	338,737	110,410	52,774
	4,774,394	**27,262**		**4,801,656**	**3,111,172**	**538,117**	**-**	**-**	**3,649,289**	**1,663,222**	**1,152,367**

12 **Debt Securities** **(Amount in ₹)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 31st March, 2017**
	At Amortised Cost	**At Amortised Cost**	**At Amortised Cost**
Non Convertible Debentures	60,000,000,000	-	-
Total	**60,000,000,000**	**-**	**-**
Debt securities in India	60,000,000,000	-	-
Debt securities outside India	-	-	-
Total	**60,000,000,000**	**-**	**-**

Gujarat State Investments Limited has taken over 60,000 listed NCDs having face value of ₹ 10,00,000 each, as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018 w.e.f. appointed date as mentioned in the scheme of arrangement, i.e. 01st April, 2018. Schedule of Repayment of the same is given as below:

NCD ISIN No.	**Total no of NCDs**	**Total Value**	**Maturity Date**
INE08EQ08015	10,000	10,000,000,000	21.09.2020
INE08EQ08049	10,000	10,000,000,000	28.09.2022
INE08EQ08023	10,000	10,000,000,000	01.10.2022
INE08EQ08056	10,000	10,000,000,000	22.03.2025
INE08EQ08031	20,000	20,000,000,000	22.03.2028
Total	60,000	60,000,000,000	

13 **Borrowings (Other than Debt Securities)** **(Amount in ₹)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 31st March, 2017**
	At Amortised Cost	**At Amortised Cost**	**At Amortised Cost**
Loan Repaybale on Demand	5,050,000,000	5,600,000,000	6,798,500,000
Total	5,050,000,000	5,600,000,000	6,798,500,000
Borrowings in India	5,050,000,000	5,600,000,000	6,798,500,000
Borrowings outside India	-	-	-
Total	**5,050,000,000**	**5,600,000,000**	**6,798,500,000**

Government of Gujarat, in capacity of the Promoter of the company, provides investment funds in form of interest free loans having specific directions to invest in equity shares of Group Entities of the company in terms of CIC directions. Investment funds, released as loan by GoG, when received for investment in equity are recognized as financial liabilities. There exist an obligation, however, the terms and conditions do not specify fixed repayment schedule. Hence, the same is classified as loan repayable on demand.

14 **Other Financial Liabilities** **(Amount in ₹)**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 31st March, 2017**
GOG Support for NCD Takeover Transaction	1,404,178,083	-	-
Other Payables*	1,612,545	848,391	2,554,356
GOG Support Grant (Repayable)	5,000,000	-	-
Total	**1,410,790,628**	**848,391**	**2,554,356**

Gujarat State Investments Limited has taken over listed NCDs as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018. Further State Government has resolved that “The Government of Gujarat will support GSIL for payment towards Interest on NCD and principal repayment. Energy & Petrochemicals Department will make necessary budgetary provisions for the same in the budget of relent years.” In addition to the resolution, The Government of Gujarat extended it’s support to GSIL vide G.R. dated 02.06.2019 for NCDs serving, the said support is a part of Government’s commitment under G.R dated 26.07.2018 read with agreement executed between Government of Gujarat and GSIL on 18.06.2019. Hence, GSIL is required to pay Interest on NCD with the Support received from Government of Gujarat.

15 Provisions **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Provisions For Employee Benefits			
Provision for Leave Encashment	614,874	540,927	364,449
Provision for Gratuity	1,002,442	862,955	647,788
Total	**1,617,316**	**1,403,882**	**1,012,237**

16 Other Non- Financial Liabilities **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Duties and Taxes	46,609	-	-
Total	**46,609**	**-**	**-**

17 Share Capital **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
AUTHORIZED SHARE CAPITAL 2,85,00,00,000 Equity Shares of ₹ 10/- each (Previous Year 2,85,00,00,000 Equity Shares of ₹ 10/-each)	28,500,000,000	28,500,000,000	28,500,000,000
1,50,00,000 Preference Share of ₹ 100/- each (Previous Year 1,50,00,000 Preference Shares of ₹ 100/-each)	1,500,000,000	1,500,000,000	1,500,000,000
Total	**30,000,000,000**	**30,000,000,000**	**30,000,000,000**
ISSUED , SUBSCRIBED & FULLY PAID UP CAPITAL 1,04,27,69,070 Equity Shares of ₹ 10/-each fully paid up (Previous Year 1,04,27,69,070 Equity Shares of ₹ 10/-each fully paid up)	10,427,690,700	10,427,690,700	10,427,690,700
Total	**10,427,690,700**	**10,427,690,700**	**10,427,690,700**

17.1 The reconciliation of the number of Equity Shares outstanding as at 31st March 2019 is set out below :

Particulars	As at 31st March, 2019	
	No. of shares	Amount in ₹
Shares outstanding at the beginning of the year	1,042,769,070	10,427,690,700
Add: Shares issued during the year	-	-
Shares outstanding at the end of the year	1,042,769,070	10,427,690,700

17.2 Rights, preferences and restrictions attached to Equity Shares :

The company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding .

17.3 The details of shareholders holding more than 5% shares are set out below :

Name of the shareholders	As at 31st March, 2019	
	No. of Shares	% of holding
Governor of Gujarat	1,042,769,070	100%

18 Other Equity

(Amount in ₹)

Particulars	As at 31st March,2019		As at 31st March,2018		As at 31st March,2017	
Other Reserves						
Capital Redemption Reserve		520,000,000		520,000,000		520,000,000
Others						
Retained Earnings						
Balance as per last Financial year	4,359,251,587		4,191,101,859		6,824,734,967	
Add : Profit for the year	2,629,508,316		168,209,084		575,084,363	
Other Comprehensive Income	-8,592		-59,355		-11,984	
Adjustments as per Ind AS						
Fair Valuation of Investments					-2,921,938,514	
DTA created as per Fair Valuation of Investments	-		-		1,010,990,726	
Restatement of Subsidiary Value as per Ind AS	-		-			
Impairment in value of associate	-		-		-1,984,338,990	
DTA created on impairment	-		-		686,581,291	
Less : Appropriations						
Transfer to Statutory Reserve maintained under section 45-IC of RBI Act, 1934	-525,901,663		-			
		6,462,849,648		4,359,251,587		4,191,101,859
Other Comprehensive Income						
(a) Remeasurements of Defined Benefit Plans						
Balance as per last Financial year	-		-		-	
Adjustments during the year	-11,903		-88,673		-18,324	
DTA created as per Defined Benefit Plans	3,311		29,318		6,340	
Transferred to Retained Earnings	8,592	-	59,355	-	11,984	-
Statutory Reserve						
Maintained under section 45-IC of RBI Act, 1934						
Balance as per last Financial year	-		-			
Add: Transfer during the year	525,901,663		-		-	
		525,901,663		-		-
Total		**7,508,751,311**		**4,879,251,587**		**4,711,101,859**

19 **Interest Income** **(Amount in ₹)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Interest on Inter Corporate Deposits	35,617,325	83,657,775
Interest on Short Term Deposit	12,800,946	2,007,615
Total	**48,418,271**	**85,665,390**

20 **Other Income** **(Amount in ₹)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Income tax refund	-	79,883
GOG Support Grant Received for NCD interest Expense	5,715,000,000	-
NCD Interest Expense	-5,715,000,000	-
Profit on Sale of Investments	1,531,718,694	-
Reversal of Diminution in value of investments	189,125,545	-
Others	-	1,837,153
Total	**1,720,844,239**	**1,917,036**

Gujarat State Investments Limited has taken over listed NCDs as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018. Further State Government has resolved that "The Government of Gujarat will support GSIL for payment towards Interest on NCD and principal repayment. Energy & Petrochemicals Department will make necessary budgetary provisions for the same in the budget of relent years." In addition to the resolution, The Government of Gujarat extended it's support to GSIL vide G.R. dated 02.06.2019 for NCDs serving, the said support is a part of Government's commitment under G.R dated 26.07.2018 read with agreement executed between Government of Gujarat and GSIL on 18.06.2019. Hence, GSIL is required to pay Interest on NCD with the Support received from Government of Gujarat.

21 **Finance Costs** **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at Amortised Cost
Interest on Late Payment of Income Tax	-	28,556
Total	**-**	**28,556**

22 **Employee Benefits Expenses** **(Amount in ₹)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Salaries and wages	3,161,578	3,107,973
Contribution to provident and other funds	255,482	436,783
Total	**3,417,060**	**3,544,756**

22.1 **As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :**

A) Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under

Sr No	Particulars	As at 31st March 2019	As at 31st March 2018
1	Employer's Contribution to Provident Fund	127,898	112,563
2	Employer's Contribution to Pension Scheme	-	21,248

B) Defined Benefit Plans
Gratuity
Plan Features

Benefits offered	15/26 x Salary x Duration of service
Salary Definition	Basic Salary including Dearness Allowance
Benefit Ceiling	Benefit Ceiling of ₹ 20,00,000 was applied
Vesting Conditions	5 years of continuous service (Not Applicable in case of death/disability)
Benefit Eligibilty	Upon Death or Resignation/ Withdrawal or Retirement
Retirement age	58 Years

Risks associated to the Gratuity Plan

A. Acturial Risk	Risks due to adverse salary growth / Variability in mortality and withdrawl rates.
B. Investment Risk	Risks due to significant changes in discounting rate during the inter-valuation period.
C. Liquidity Risk	Risks on account of Employees resign/retire from the company and as result strain on the cashflow arises.
D. Market Risk	Risks related to changes and fluctuation of the financial markets and assumption depends on the yields on the corporate/government bonds and hence the valuationof liability isexposed to fluctuations in the yields as at the valuation date.
E. Legislative Risk	Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

22.2 Employee Benefits:

A. Defined benefit plans

The following table sets out the funded status of the Gratuity and the amounts recognized in financial statements as at 31st March, 2019,as required by Ind AS 19.

	Particular	Gratuity(Unfunded)	
		2018-19	2017-18
V	**Expenses recognized in the statement of profit & loss account for the year ended 31st March, 2019**		
1	Current service cost	65,126	52,979
2	Interest cost	62,458	46,336
3	Expected return on plan assets	-	-
4	Actuarial (gain) / Losses	-	-
5	Benefits Paid	-	-
6	Transfer in Obligation(net)	-	-
7	Past service cost	-	27,179
8	Total expenses	-	-
VI	**Balance Sheet reconciliation**		
1	Opening net liability	862,955	647,788
2	Expenses as above	-	-
3	Employer contribution	-	-
4	Amount Recognized in Other Comprehensive income	11,903	88,673
5	Benefits Paid	-	-
6	Amount recognized in the Balance Sheet	-	-
7	Expected contribution during next 12 months	-	-

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for management of plan assets.

Particular		Gratuity (Unfunded)	
		2018-19	2017-18
VII	**Actuarial Assumptions**		
1	Discount Rate	7.00%	7.30%
2	Rate of return on plan assets	-	-
3	Salary Escalation	5.00%	5.00%
4	Withdrawl Rate	1% to 5%	1% to 5%
5	Medical Inflation rate	-	-

Sensitivity analysis

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

Particular	Gratuity (Unfunded)	
	As at 31st March, 2019	As at 31st March, 2018
Sensitivity %		
Discount rate varied by 0.5%		
Increase +5%	986,760	848,459
Decrease -5%	1,019,257	878,242
Salary growth rate varied by 0.5%		
Increase +5%	1,015,178	873,286
Decrease -5%	996,160	851,318
Withdrawl Rate		
Increase + 10%	1,006,666	866,069
Decrease - 10%	998,070	859,690
Medical Inflation Rate - (0.5% PY NA)		
Increase	-	-
Decrease	-	-

23 Other Expenses **(Amount in ₹)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Rent**	696,000	631,620
Repairs and Maintenance	156,102	72,797
Power and Fuel	516,024	376,768
Communication Costs	57,708	49,140
Printing and Stationery	88,251	112,728
Legal and Professional charges	3,737,430	281,020
Insurance	58,182	47,290
Rate & Taxes	78,114	71,497
Audit fees	467,150	100,750
CSR Expenses	3,043,034	6,479,298
Travelling Expense	64,688	78,901
Contract Expense	2,576,782	1,766,450
Miscellaneous Expenses	634,430	398,318
Fair Value of Investments	10,750,385	236,766,217
Ekta Yatra Expenses	5,460,000	-
Total	**28,384,280**	**247,232,794**

23.1 Payment to Auditor as:

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Statutory Audit Fees	325,000	30,250
Tax Audit Fees	25,000	18,150
Internal Audit Fees	80,750	28,750
Secretarial Audit Fees	36,400	23,600
Total	**467,150**	**100,750**

**The Company's significant leasing arrangement is in respect of operating lease for office premise. This lease agreement is of 12 months and is usually renewable by mutual consent on mutually agreeable terms

23.2 Details of CSR Expenditure

a) CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 30.43 lakhs (64.79 lakhs)

b) Expenditure related to Corporate Social Responsibilty is Rs 30.43 lakhs

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Details of Amount spent towards CSR is given below:		
i) Mukhya Mantri shri Swachhta Nidhi-Gujarat Rajya	3,043,034	-
ii) Gujarat CSR Authority	-	6,479,298
Total	**3,043,034**	**6,479,298**

24 Tax Expenses **(Amount in ₹)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current Tax	95,026,277	26,582,004
Deffered Tax	69,116,944	276,905,369
Total	**164,143,220**	**303,487,373**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	2018 - 2019	2017-18
Profit as per books (Ind AS)	**2,655,417,649**	**-82,114,282**
Ind AS adjustments in the profit	-	-
Employee Benefit Expenses	-	-61,496
Impairment	-	600,000,000
Fairvalue adjustment	-	236,766,217
Profit as per books (AS)	-	754,590,439
Tax as per Book Profit	572,210,638	249,467,599
Tax effect of Disallowed Expenses	107,953	2,745,041
Tax effect of Non Taxable income	-486,217,324	-225,465,180
Other Adjustment	8,925,009	-165,456
Tax as per Tax Profit	95,026,277	26,582,004
Deferred Tax	69,116,944	276,905,369
Total Tax Expense	**-25,909,333**	**-250,323,365**

25 Earnings Per Share

Particulars		Year ended 31st March 2019 ₹	Year ended 31st March 2018 ₹
Profit attributable to the Equity Shareholders (₹)	A	2,629,499,724	168,149,728
Basic / Weighted average number of Equity Shares outstanding during the period	B	1,04,27,69,070	1,04,27,69,070
Basic/Diluted Earnings per Share	A/B	2.52	0.16

26 Related Party Disclosures

S.N.	Name	Relationship	% of Holding As as 31st March, 2019	% of Holding As as 31st March, 2018
1	Gujarat Narmada Valley Fertilizers Co. Ltd	Associate	21.38%	21.38%
2	Gujarat State Fertilizers & Chemicals Co. Ltd.	Associate	37.84%	37.84%
3	Gujarat Alkalies & Chemicals Ltd.	Associate	20.87%	20.87%
4	Gujarat State Financial Services Ltd.	Associate	22.98%	-
5	Gujarat State Petroleum Corporation Limited	Subsidiary	74.76%	7.52%

26.1 The company being state controlled enterprise, it is not required to disclose transactions with other state controlled enterprises as per Ind As 24.

26.2 There is no transaction with key managerial personnels

26.3 Refer note 6 and note 7 for the significant transactions entered with Related Parties.

27 Segment Reporting

The main business of company is investment activity, hence there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

28 Contingent Liabilites

Claim of Income Tax for Assessment Year 2001-02, 2004-05, 2006-07, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 against the company is disputed and not acknowledged as debt. The company is in appeal before Appealte authorities and as on date of preparing financial statements there are no outstanding demands against the company.

29 Financial Risk Management Objectives and Policies

Risk Exposure

The Company's business activities expose it to only one type of financial risk and that is market risk. Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the company is equity securities price risk i.e. price risk of various investments that could adversely affect the value of the Company's financial assets or expected future cash flows.

The Company's exposure to equity securities price risk arises from investments held by the Company which are classified in the balance sheet as fair value through profit and loss (FVTPL).

Risk Management Policy

The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee which is responsible for developing and monitoring the Company's risk management policies.The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management of the Company are governed by appropriate policies and procedures and that financial risk is identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to protect the Company's financial results and position from financial risks, maintain market risks within the acceptable parameters while optimizing returns and protect the Company's financial investments while maximizing returns.

Sensitivity

The table below summarises the impact of increases/decreases of the equity security prices on the Company's profit or loss for the period.

Particulars	Impact on Statement of Profit and Loss		
	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Equity Security Price - increase 5%	3,019,995,841	648,092,208	659,930,518
Equity Security Price - decrease 5%	-3,019,995,841	-648,092,208	-659,930,518

30 Cashflow statement

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

31 Event after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

32 Capital management

The company defines capital as total equity including issued equity capital and all other equity reserves attributable to equity holders of the parent (which is the company's net asset value). The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities and comprising debt instruments and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio on balance sheet date was as follows

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Total liabilities comprising debt instruments and borrowings	65,050,000,000	5,600,000,000	6,798,500,000
Less : Cash and bank balances	21,395,502	4,463,395	2,963,783
Adjusted net debt	65,028,604,498	5,595,536,605	6,795,536,217
Total equity	17,936,442,011	15,306,942,287	15,138,792,559
Adjusted net debt to adjusted equity ratio	363%	37%	45%

Gujarat State Investment Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

33 **Financial Instruments :**

The Company uses the following hierarchy for determining the fair value of financial instruments by valuation technique:
Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets :

(Amount in ₹)

Particulars	Note	Instruments carried at			Total carrying Eamount	Total Fair Value	Hierarchy Level
		At Cost	Fair Value FVTPL	Amortised Cost			
As at 01.04.2017							
Investments in Associate Entities	6	5,329,179,708	-		5,329,179,708	5,329,179,708	NA
Investments other than in Associate Entities	6	-	13,198,610,367	-	13,198,610,367	13,198,610,367	Level 1,2
Cash and Cash Equivalents				2,963,783	2,963,783	2,963,783	NA
Other Financial Assets				1,671,571,634	1,671,571,634	1,671,571,634	NA
Total		5,329,179,708	13,198,610,367	1,674,535,417	20,202,325,493	20,202,325,493	
As at 31.03.2018							
Investments in Associate Entities	6	5,329,179,708	-		5,329,179,708	5,329,179,708	NA
Investments other than in Associate Entities	6	-	12,961,844,151	-	12,961,844,151	12,961,844,151	Level 1,2
Cash and Cash Equivalents				4,463,395	4,463,395	4,463,395	NA
Other Financial Assets				601,200,271	601,200,271	601,200,271	NA
Total		5,329,179,708	12,961,844,151	605,663,666	18,896,687,524	18,896,687,524	
As at 31.03.2019							
Investments in Associate Entities	6	19,601,401,308	-		19,601,401,308	19,601,401,308	NA
Investments other than in Associate Entities	6	-	60,399,916,820	-	60,399,916,820	60,399,916,820	Level 1,2
Cash and Cash Equivalents				21,395,502	21,395,502	21,395,502	NA
Other Financial Assets				2,354,655,509	2,354,655,509	2,354,655,509	NA
Total		19,601,401,308	60,399,916,820	2,376,051,011	82,377,369,139	82,377,369,139	

Fair value of financial assets and liabilities measured at amortised cost is not materially different from Fair Value.

Effect of Ind AS adoption on the standalone balance sheet as at 31.03.2018

(Amount in ₹)

Sr No	Particulars	As at 31.03.2018 as per IGAAP	Adjustments	As at 31.03.2018 as per Ind AS
	ASSETS			
1	**Non- current Assets**			
	Property, Plant and Equipment	1,663,220	-	1,663,222
	Financial Assets			-
	(i) Investments	24,034,067,577	-5,743,043,719	18,291,023,858
	Other non-current assets	36,523,429	-729,960	35,793,469
	Deferred Tax Asset (Net)	752,886	1,974,267,688	1,975,020,574
2	**Current assets**			**-**
	Inventories	-		-
	Financial Assets			-
	(iii) Cash and cash equivalents	4,463,395	-0	4,463,395
	(v) Loans	581,557,526	-38,770	581,518,755
	Other current assets	19,672,516	9,000	19,681,516
	Other non -financial assets	-	29,772	29,772
	Total Assets	**24,678,700,549**	**-3,769,505,989**	**20,909,194,561**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share capital	10,427,690,700	-	10,427,690,700
	(b) Other Equity	8,648,054,795	-3,768,803,208	4,879,251,587
	LIABILITIES			**-**
	Non-current liabilities			**-**
1	Financial Liabilities			-
	(i) Borrowings	5,600,000,000	-	5,600,000,000
	Provisions	1,376,703	27,179	1,403,882
	Other non-current liabilities	-	-	-
	Current liabilities			
2	Financial Liabilities			
	(i) Trade payables	-	-	-
	(ii) Other financial liabilities	-	-	-
	Other current liabilities	1,578,351	-729,960	848,391
	Provisions	-	-	-
	Total Equity and Liabilities	**24,678,700,549**	**-3,769,505,989**	**20,909,194,560**

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2018

(Amount in ₹)

Sr. No	Particulars	Year Ended 31st March, 2018 as per IGAAP	Adjustments	Year Ended 31st March, 2018 as per IND AS
I	Revenue from Operations	767,653,230	-	767,653,230
II	Other Income	1,917,036	-	1,917,036
III	Total Income (I +II)	769,570,266	-	769,570,266
IV	Expenses:			
	Employee Benefits Expense	3,606,250	(61,494)	3,544,756
	Finance Costs	28,556	-	28,556
	Depreciation and Amortization Expense	878,442	-	878,442
	Impairment on financial instruments	-	600,000,000	600,000,000
	Other Expenses	10,466,579	236,766,217	247,232,794
	Total Expenses (IV)	14,979,827	836,704,723	851,684,548
V	Profit before tax (III- IV)	754,590,439	(836,704,723)	(82,114,282)
VI	Tax expense :			
	(1) Current Tax	26,582,004	-	26,582,004
	(2) Deferred Tax	245,355	276,660,014	276,905,369
VII	Profit for the period (V -VI)	728,253,790	(560,044,708)	168,209,084
VIII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	-	(88,673)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	29,318	-
			(59,355)	
	B (i) Items that will be reclassified to profit or loss	-		-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-		-
IX	Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)	728,253,790	(560,104,064)	168,149,727
X	Earnings per equity share (Face Value of ₹ 10 /- each)			
	Basic & Diluted	0.70	(0.54)	0.16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

34 First Time Adoption of Ind AS As stated in Significant Accounting Policies these are the first Financial Statements prepared in accordance with Ind AS. For the year ended 31st March, 2018 the Company had prepared its Financial Statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (“the Act”) read with rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Act. The accounting policies set out in Significant Accounting Policies have been applied in preparing these Financial Statements for the year ended 31st March, 2019 including the comparative information for the year ended 31st March, 2018 and the opening Ind AS Balance Sheet on the date of transition i.e 1st April, 2017. In preparing its Ind AS Balance Sheet as at 1st April, 2017 and in presenting the comparative information for the year ended 31st March, 2018, the Company has adjusted amounts reported previously in Financial Statements prepared in accordance with IGAAP. This note explains the principal adjustments made by the Company in restating its Financial Statements prepared in accordance with IGAAP and how the transition from IGAAP to Ind AS has affected the Company’s financial position, financial performance and cash flows.

35 **Transition to Ind AS**

These financial statements of the Company for the year ended March 31, 2019 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 First-Time Adoption of Indian Accounting Standards with April 01, 2017 as the transition date and Indian GAAP as the IGAAP.

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the standalone financial statements for the year ended March 31, 2019 and the comparative information.

35.1 First time adoption of Ind AS

An explanation of how transition from IGAAP to Ind AS has affected the company's financial position, financial performance and cash flows are set hereunder:

Exception to the retrospective application of other Ind AS

i **Estimates**

Company's estimates in accordance with Ind AS as at the date of transition to Ind AS (April 01, 2017) are consistent with the estimates made for the same date as per IGAAP.

ii **Classification of financial assets**

Under previous GAAP, investment in long term investments were carried at cost. Under Ind AS, the Company has opted to Fair Value these Investments Through Profit & Loss (FVTPL). Accordingly, resulting fair value change of these Investments have been recognised in retained earnings as at the date of transition and subsequently in the Profit & Loss account for the year ended 31st March, 2018.

35.2 Reconciliation between IGAAP and Ind AS

35.2.1 Reconciliation of Equity as previously reported under IGAAP to Ind AS

(Amount in ₹)

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Equity as per IGAAP	8,648,054,795	7,919,801,005
Effect of measuring investment at fair value through profit and loss (gross)	-5,743,070,897	-4,906,277,503
Deferred tax adjustment on fair valuation	1,974,267,689	1,697,578,356
Equity as per Ind AS	4,879,251,587	4,711,101,859

35.2.2 Reconciliation of Total Comprehensive Income for the year ended March 31, 2018

(Amount in ₹)

Particulars	**For Year ended March 31, 2018**
Net Profit after tax as per IGAAP	728,253,790
Effect of measuring investment at fair value through profit and loss (gross)	-836,704,723
Deferred tax adjustment on fair valuation	276,660,016
Net Profit after tax as per Ind AS	168,209,084
Less : Other comprehensive income (Net of tax)	-59,355
Total Comprehensive Income	**168,149,729**

35.2.3 Reconciliation of statement of cash flows

There are no material adjustments to the statement of cash flows as reported under IGAAP

35.2.4 Notes to Reconciliations

a **Recognition of fair value gain on investments**

Under Ind AS, investments are valued at fair value whereas in case of IGAAP, long term investments were valued at cost and current investments were valued at lower of cost or fair value.

b **Deferred Tax**

Under Ind AS, deferred tax is recognised on temporary differences whereas in case of IGAAP, deferred tax was recognised on timing difference. Accordingly, deferred tax on temporary differences on provision on standard assets and fair value gain on investments is recognised.

c **Recognition of Actuarial Gain / Loss**

Actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the statement of profit and loss under IGAAP.

36 Previous Year's figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

37 **Scheduled to the Balance Sheet as required in terms of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 updated as on June 07, 2018**

	Schedule to the Balance Sheet of a NBFC		
	Particulars		**Amount in ₹**
	Liabilities side	**Amount outstanding**	**Amount overdue**
(1)	Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	60,000,000,000	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (specify nature)	5,050,000,000	-
	* Please see Note 1 below	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :	-	-
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	* Please see Note 1 below		-
	Assets side	**Amount outstanding**	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured		-
	(b) Unsecured		-
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-
(5)	Break-up of Investments		
	Current Investments		
	1. Quoted		
	(i) Shares	-	
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	Inter Corporate Deposits		919,245,804
	2. Unquoted		
	(i) Shares	-	
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-

Long Term investments	
1. Quoted	
(i) Share	
(a) Equity	5,639,906,670
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2. Unquoted	
(i) Shares	
(a) Equity	74,453,208,057
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
(vi)	

(6) Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total			

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see note 3 below

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	60,180,965,457	-
(b) Companies in the same group	5,610,101,852	-
(c) Other related parties		-
2. Other than related parties		-
Total	65,791,067,309	-
** As per Accounting Standard of ICAI (Please see Note 3)		

(8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	2,500,000
(ii) Net Non-Performing Assets	
-	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

Notes :

1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

38 Scheduled to the Balance Sheet as required in terms of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 updated as on June 07, 2018

Annex I

Schedule to the

Balance Sheet of a non-deposit taking Core Investment Company

(Amount in ₹)

	Particulars		Amount in ₹
	Liabilities side :		
(1)	**Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:**	**Amount out standing**	**Amount overdue**
	(a) Debentures : Secured	60,00,00,00,000	-
	: Unsecured		
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits		
	(c) Term Loans		
	(d) Inter-corporate loans and borrowing		
	(e) Commercial Paper		
	(f) Other Loans		
	Loans from GOG	5,05,00,00,000	-
	Assets side :		
		Amount outstanding	
(2)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**		
	(a) Secured		
	(b) Unsecured	25,00,000	
(3)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		
	(b) Repossessed Assets		
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above	-	
(4)	**Break-up of Investments :**		
	Current Investments :		
1.	Quoted :		
	(i) Shares :		
	(a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
2.	Unquoted :		
	(i) Shares :		
	(a) Equity		
	(b) Preference	-	-
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
	ICD with GSFS		
	Long Term investments :		
1.	Quoted :		
	(i) Shares :		
	(a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		
2.	Unquoted :		
	(i) Shares :		
	(a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (please specify)		

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions			
	Secured	Unsecured		Total
1. Related Parties **	-	-	-	-
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
other than related parties	-	-	-	-
Total	-	-	-	-

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	60,180,965,457	-
(b) Companies in the same group	5,610,101,852	-
(c) Other related parties	-	-
Other than related parties	-	-
Total	65,791,067,309	-

Particulars	**Amount**
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	2,500,000
(ii) Net Non-Performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

38.1 Maturity Pattern of Liabilities

Particulars	**Liabilities**		
	Total no of NCDs	**Total Value**	**Maturity Date**
Non Convertible Debentures (ISIN No.)			
INE08EQ08015	10,000	10,000,000,000	21.09.2020
INE08EQ08049	10,000	10,000,000,000	28.09.2022
INE08EQ08023	10,000	10,000,000,000	01.10.2022
INE08EQ08056	10,000	10,000,000,000	22.03.2025
INE08EQ08031	20,000	20,000,000,000	22.03.2028
Total	**60,000**	**60,000,000,000**	

38.2 Exposures

Exposure to Real Estate Sector :-

Category	**2018-19**
Direct Exposure	
Residential Mortgage	NIL
Commercial Real Estate	NIL
Investment in Mortgage backed Securities and other Securitised Exposure	NIL
Indirect Exposure	
Fund based and non fund based exposure on National Housing Bank(NHB) and Housing Finance Companies (HFCs)	NIL

Annex II

38.3 Data on Pledged Securities

Name of the NBFC Lender :- Gujarat State Investments Limited
PAN : AABCG4649M
Date of Reporting-31st March 2019
Share holding Information

Name of the Company	ISIN	No of Shares held against loans	Type of the Borrower (Promoter / Non Promoter)	Name of the Borrower	PAN of the Borrower
NA	NA	NA	NA	NA	NA

As per Our Report of Even Day

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

INDEPENDENT AUDITOR'S REPORT

To,
The Members of

GUJARAT STATE INVESTMENTS LIMITED,

Report on the Audit of the Consolidated Financial Statements
Qualified Opinion

We have audited the consolidated financial statements of Gujarat State Investment Limited ("the holding Company") and its subsidiary and associates ("The Group") which comprise the consolidated balance sheet as at 31st March 2019, and the consolidated statement of Profit and Loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphthe aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the group as at March 31, 2019 , and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As refer in Note No. 17 the holding company has acquired liability of NCD from Gujarat State Petroleum Corporation Ltd. (GSPC) of ₹ 6,000 crores through a scheme of arrangement approved by Government of Gujarat and Ministry of Corporate Affairs with an appointed date of 1st April, 2018. The company has been allotted shares of an equal amount of GSPC against this liability.

Government of Gujarat has given a loan of ₹ 572 crores to pay interest in respect of this liability. There is no terms of repayment in respect of this loan. The government of Gujarat, vide agreement executed on 18th June 2019, has agreed to support the company by way of a grant for payment of interest in the subsequent years. The company made representation to Government of Gujarat to covert loan of ₹ 572 crores into grant similar to the subsequent years. However, there is no response from the Government.

Pending this, the company has treated the loan of ₹ 572 crores received from Government of Gujarat as revenue grant since it is to meet the payment of interest liability and accordingly the same has been credited to profit and loss account.

The interest liability of ₹ 572 crore has been reduced from this grant as the amount has been received specifically to meet interest payment.

Demand loan is under stated to this extent and the balance of profit and loss account would have been negative by ₹ 572 Crore

We have also communicated the basis of qualifications reported by auditors of other components in Annexure No A

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter given in Annexure B, our description of how auditors of relevant components have addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters given in Annexure B, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Emphasis of Matter

Accounting of amount received from the Gujarat Government

Please refer first para to note no. 18 of the consolidated financial statement, the classification of loan of ₹ 505 Crore received from Government of Gujarat as demand loan in the balance sheet in the absence of any specific repayment period or schedule. Our opinion is not qualified in respect of this matter

Emphasis of Matters reported by auditors of other components not audited by us.

Without modifying our opinion, we draw out attentions and report the EOMs reported by the auditors of other components in Annexure No. C

Responsibility of Management for Standalone Financial Statements

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

In preparing the financial statements, management isresponsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

i. 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.

ii. 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.

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

iv. 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.

v. 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.

Other Matters

We did not audit the financial statements and other financial information, in respect of the subsidiary, whose financial statements include total assets of ₹ 20280.47 Crore crores and liability of ₹ 27539.73 Crore as at March 31, 2019, and total revenues of ₹19114.27 Crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

(a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, and from the reports of other auditors.

(b) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account

(c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014, except for matters described in the basis for qualified opinion para.

(d) On the basis of reports of the auditors of other components, we report that director of subsidiary and associates are not disqualified from being appointed as directors. As per Notification No. GSR 463(E) dated 5th June 2015, the provisions of Section 164(2) is not applicable to the holding company as the share capital held by the Central or State Government is more than 51%,

(e) With respect to the adequacy of the internal financial controls over financial reporting of the holding Company , subsidiary and associates and the operating effectiveness of such controls, refer to our separate Report in "Annexure D".

(f) The provisions of section 197 read with Schedule V of the Act are not applicable to the holding Company, subsidiary and associates for the year ended March 31, 2019;

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

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate in its consolidated financial statements - Refer Note 38 to the consolidated financial statements

   ii. The group did not have any long-term contracts including derivative contracts for which there were any material for eseeable losses]

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company, subsidiary and associates

For, Chandulal M. Shah & Co.
Chartered Accountants
FRN101698W

(B.M. Zinzuvadia)
Partner
M. No. 109606

Place : Ahmedabad
Date : 3rd Oct. 2019
UDIN :19109606AAAAFM6838

Annexure A: to the report
Basis of qualification reported by auditors of other components

1	Gujarat State Financial Services Limited	Basis for Qualified Opinion 1. Non Charging of Interest on monthly basis a. Company was in regular practice of charging interest on quarterly basis instead of monthly basis on loans and advances since last many years. Therefore, the consequential impact of additional interest of previous years is currently not ascertainable. b. Company failed to charged interest on monthly basis on loans and advances of certain Government of Gujarat Entities for current year, resulting in understatement of Revenue from Operations of ₹ 18,85,13,599, understatement of Profit of ₹ 18,85,13,599 and understatement of Assets of ₹ 18,85,13,599 for the year ended 31st March 2019. The above effect includes consequential impact of additional interest of previous year 2017-18 which was the subject matter of Basis of Qualified Opinion of previous year independent auditor's report. c. Due to the aforesaid effect of additional interest to be recognized, the provision on Standard Assets should be increased by ₹ 7,54,054 resulting in overstatement of Profit of ₹ 7,54,054 and understatement of liabilities of ₹ 7,54,054. The total impact of above Para a, b, & c resulted in Understatement of Revenue from Operations of ₹ 18,85,13,599, Understatement of Assets of ₹ 18,85,13,599 Understatement of Liabilities of ₹ 7,54,054 and Overstatement of Profit of ₹ 187759545. The matters described in Basis of Qualified Opinion Para were also a subject matter of qualification in previous year independent auditor's report on the financial statements for the year ended 31st March 2018.

Annexure B to the auditors Report
Key audit matters reported by auditors of other components

Sr	Name of Components	Key Audit matters	Response to KAM by component auditors
	Gujarat State Petroleum Corporation (GSPC)	**Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)** The application of the new revenue accounting standard w.e.f. 01.04.2018 involves certain key judgements relating -- to identification of distinct performance obligations, --determination of transaction price of the identified performance obligations, --recognition of revenue based on the completion of identified performance obligations, -- the appropriateness of the basis used to measure revenue recognized over a period, if any. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Relevant References in Consolidated Ind AS financial statements; Revenue recognition: Accounting policies Note No: 1(q) Revenue from operations: Note No: 24	**Our procedures included, but were not limited to the following:** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows : • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures : -- Read, analysed and identified the distinct performance obligations in these contracts. -- Compared these performance obligations with that identified and recorded by the Company. -- Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. -- Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

[redacted]

		Key Audit Matters	Response to Key Audit Matter
			-- Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
		Impairment of Property, Plant & Equipment As per the requirements of Ind AS 36, the Company assesses at the end of every reporting period, whether there are any indications that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset or CGU. The determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use involves significant estimates, assumptions and judgements of the certain internal as well as market factors (including but not limited to) such as future cash inflows as well as outflows in terms of additional capital and revenue expenditure, gas price, growth rate, discounting factors, exchange rate variations and crude prices. **Relevant References in Consolidated Ind AS financial statements;** Impaiment: Accounting policies 1(g) Exceptional Items : Note No. 33	**Our procedures included, but were not limited to the following:** - Assessing the methodologies used by the external valuer for determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use; - Evaluating the independent external valuer's competence, capabilities and objectivity; - Checking, on a sample basis, the accuracy and relevance of the input data provided by management to the external valuer for determination of recoverable amount, being the higher of fair value less costs to sell and value-in-use; - Assessing management's key assumptions used to estimate values in use based on our knowledge of the oil & gas industry; and - Considering the potential impact of reasonably possible downside changes in these key assumptions.
	Gujarat Narmada Valley Fertilizers Co. Ltd	Subsidy income on Urea is recognized and measured withreference to notification/ circular/ policies issued by theDepartment of Fertilizers, Government of India. During the current year, the Holding Company has recognized UreaSubsidy Income of aggregating to Rs 1,126.33 crores and de-recognized/write-off subsidy balance of ₹ 127.38crores recognized in earlier years and outstanding as at March31, 2018. The measurement of Urea subsidy income involves interpretation of relevant regulatory pronouncements, understanding of energy norms, and management estimates /judgements including in respect of escalation / de-escalationcosts at each reporting date. Accuracy of revenues may deviatesignificantly because of revision/ changes in such interpretation,estimates and judgements. Accordingly, recognition and measurement of subsidy incomewas determined to be a key matter in our audit of consolidatedInd AS financial statements	• Our audit procedures included considering the appropriateness of the Company's income/ subsidy recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. • We performed test of controls, assisted by our IT specialists, over revenue recognition with specific focus on whether Ureasubsidy income is recognised as per applicable regulatorypronouncements and consistency of judgement & estimation norms defined thereon. • We have reviewed the relevant regulatory pronouncement inrespect of Urea subsidy income and verified the claims filedby the Company along-with underlying evidences in respectof such income. • The Subsidy income recognised and remained outstandingover significant period are discussed / enquired withmanagement based on follow-up with Department ofFertilizers, Government of India including basis ofmanagement judgement and realisation certainty thereof. • We also verified the collections made during the year as wellas subsequent period against such subsidy income recognizedby the Company.

[redacted] [redacted]

		During the year the Holding Company has provided tax provision of Rs.244.32 crore and has also has adjusted/credited excess tax provision of ₹ 133.86 crores on reconciliation of current tax provision of earlier years as per the books compared to tax liability acknowledged in respective year's income tax return / assessed tax liabilities as at date. Income tax provisioning for the year including write back adjustments involve interpretation of income tax laws and respective judgements pronounced by authorities. Amount of write back of income tax provision is a significant transaction that has occurred during the year. Accordingly, judgements and estimatesfor providing income tax provision and adjustments thereofwas determined to be a key matter in our audit of consolidated Ind AS financial statements.	• Our audit procedures included review of income provision made in the books incl. review of income tax return filed by the Company for the previous year including tax liabilities acknowledged therein and tax provisions recorded/ carried in the books of account for the respective financial year. • We reviewed various orders/judgements awarded by different forums of income tax authorities against tax assessments/ appeals completed during the year that resulted in significant re-assessment of tax liabilities/ provisions in the books. • We verified the income tax refund collected during the year and reviewed the tax refund orders received in this regard by the Company including the reasons of additional deductions allowed therein by the tax authorities. • We reviewed the relevant judicial pronouncement made by different judicial forums, applicable tax laws and rules and prevailing tax propositions in respect of the matters that resulted into reduction of tax liabilities based on the representations made by the Company. • Reviewed the reconciliation of tax balances as per the books, as per the tax amount assessment and management judgement and estimation based on which tax provision was provided and excess provision was recorded in the financial results.
	Gujarat State Fertilizers & Chemicals Co. Ltd.	***Evaluation of uncertain tax positions:*** The Group has material uncertain tax positions for liability of ₹ 31,803.00 Lakhs including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 39 to the Consolidated Financial Statements	***Principal Audit Procedures*** We evaluated the related accounting policy for provisioning for tax exposures and found it to be appropriate. We have obtained details of completed tax assessments and demands upto the year ended March 31, 2019 from management. We evaluated auditee's response / opinion taken from various tax experts by auditee to challenge the underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at March 31, 2019 to evaluate whether any change was required to management's position on these uncertainties. From the evidence obtained and in the context of the consolidated financial statements, taken as a whole, we consider the provisions in relation to uncertain tax positions as at 31 March 2019 to be appropriate.

		Impairment of property, plant and equipment: During the year, Group has discontinued its operations at Fiber unit due to non-viability of its products. Gross block of the assets of the Fiber unit and its carrying value as on 31st March 2019 works out to ₹ 23,814.93 Lakhs & ₹ 6,268.05 Lakhs. Further, methanol plant having Gross Block and its carrying value as on 31st March, 2019 of ₹ 26,126.42 Lakhs & ₹ 20,327.73 Lakhs is operating for less than 5% of installed capacity since April'15. We have considered this issue to be a key audit matter because the analysis performed by management requires the use of complex estimates and judgments regarding the future earnings performances \ recoverable amount of the CGUs to which the aforementioned assets belong.	**Principal Audit Procedures** We evaluated the management's various viable proposals, impairment calculations, assessing the net recoverable value of the CGU used in the models, and the process by which they were drawn up, including comparing them to the latest circle rates of the Land, and testing the underlying calculations. Based on our audit procedures, we found management's assessment in determining the carrying value of the property, plant and equipment of Fiber unit & Methanol Plant to be reasonable. Refer Notes 6 to the Consolidated Financial Statements.
		Impairment of subsidy receivables from Government: Government Subsidy Receivable forms a significant part of the Company's assets, amounting to ₹ 1,72,948.97 Lakhs as at March 31, 2019. Given the size of the subsidy balance relative to the total assets of the Group and the estimates and judgements described in Note 12 to the consolidated financial statement, the fair value assessment requires significant audit attention.	**Principal Audit Procedures** Our audit procedure includes verification of subsidy rate notified by department of Fertilizers (DOF), communication letters for escalation / de-escalation in subsidy rates, input price escalation / de-escalation as estimated by the management in case of urea subsidy, quantity supplied at first point sale. Group has accounted subsidy income in books in line with rates approved by DOF including escalation / de-escalation as estimated by the management. Negligible variances have been noticed in the input price escalation / de-escalation as estimated by the management and subsequently as approved by the DOF. As subsidy receivable is outstanding from Department of Fertilizer (i.e. sovereign Authority) and is backed by the approved claims generated from MFMS (Mobile Fertilizer Management System), amount outstanding as on date has not been impaired.
		Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard): Group primarily manufactures and sells a number of fertilizer and chemical products to its customers, mainly through its own distribution network. Sales contracts specifically w.r.t Bill and Hold transaction contains constructive obligation for transfer of control to the buyer. As per the terms of the contract with the customers, Group use to recognize the sale based on the invoicing and considering the transfer of control and other criteria set out in para B81 of Ind AS 115. Refer Notes 49 to the Consolidated Financial Statements.	**Principal Audit Procedures** Our audit procedure focused on transactions occurring within proximity of the year end in the Fertilizer segment, obtaining evidence to support the appropriate timing of revenue recognition based on terms and conditions set out in sales contracts, delivery documents and dealers' confirmation.

	Gujarat Alkalies & Chemicals Ltd.	**Valuation of the Equity Instruments (unquoted)** Investments in Equity Instruments (Unquoted) aggregates 5% of the Company's Total assets as at March 31, 2019. Refer Note 6 to the consolidated financial statements for details of Investments in Equity Instruments (Unquoted) and Note 36.9.1 for the valuation approach/methodology and Key inputs thereof. The Group measures its investments in Equity Instruments (Unquoted) at Fair Value through Other Comprehensive Income as at the Balance Sheet date. Fair value is determined using valuation approach / methodology for which significant inputs are unobservable inputs (Level 3 inputs). The valuation approach/ methodology adopted by the management in certain cases are single valuation methods and in some cases multiple valuation approaches, and hence involve significant judgement as regards the methods and inputs used.	**Our audit procedures included the following:** a) Evaluated and tested the design and operating effectiveness of the key controls implemented by the Company with respect to the valuation of Investments in Equity instruments (unquoted), inter alia controls around: • periodic review by management of the risks of the valuation approach/ methodology; • the verification and validation of unobservable inputs; • the determination of value adjustments; • selection and competence evaluation of external valuer. b) Involved the Internal fair value experts and: • Assessed the reasonableness of the approach/ methodology and inputs used; • Assessed the reasonableness of the valuation results determined by the external valuer.

Annexure C to the auditor's Report
The Matter of Emphasis reported by auditors of other components

Sr	Name of Components	Matter of Emphasis
	Gujarat State Petroleum Corporation (GSPC)	a) Para (s) Accounting for oil and gas joint operations of Note No. 1 Significant Accounting Policies, which describes that the financial statements of the joint operations (unincorporated joint ventures) prepared in accordance with the requirements prescribed by the respective Production Sharing Contracts or Joint Operating Agreement of the joint operations (unincorporated joint ventures).In view of the same, certain adjustments/ disclosures required under the mandatory Accounting Standards and the provisions of the Companies Act, 2013 have been made in the consolidated Ind AS financial statements to the extent information available with the Holding Company as on the date. b) Note No. 15 (j) to the Consolidated Ind AS financial statements regarding conversion of Compulsory Convertible Debentures in to Equity Shares due on January 2019 and converted on May 29, 2019 has been reclassified in Financial Statement as on March 31, 2019 as "Financial Instrument in Equity Nature" as per guidance provided under IND AS 32 "Financial Instruments Presentation". c) Note no. 35 to the Consolidated Ind AS financial statements regarding non provisioning of disputed Income Tax demands/ claims by the Income Tax Authority amounting to ₹ 1,701.78 Crores (P.Y. ₹ 1,527.43 Crores) and disclosed by way of a note as contingent liability as the matter is disputed. d) Note No. 35 to the Consolidated Ind AS financial statements regarding reasonable uncertainty for an amount receivable on account of adjustment of advanced floor consideration received towards Other Six Discoveries amounting to Rs.1,265 Crores (USD 200 Million) and subsequently to be adjusted towards final consideration receivable as per Field Development Plan (FDP) prepared by ONGC for submission to DGH. e) Note No. 48 (b) to the Consolidated Ind AS financial statements regarding transfer of GSPC's obligation in form of Non- Convertible Debentures (NCD) of ₹ 6,000/- Crores to Gujarat State Investment Limited (GSIL) in exchange of 749,06,36,704 Equity Shares pursuant to Scheme of Arrangement approved by Ministry of Corporate Affairs (MCA) effective from May 16, 2019 on filling of order with Registrar of Companies (ROC) from Appointed Date April 1, 2018 and its effect in the Financial Statement by derecognizing Debenture obligation w.e.f April 1, 2018 and Equity Shares to be issued classified as on March 31, 2019 as "Financial Instrument in Equity Nature" as per guidance provided under IND AS 32 " Financial Instruments Presentation". f) Note No. 48 (b) to the Consolidated Ind AS financial statements regarding adjustment of advance received from Gujarat State Investment Limited (GSIL) amounting to ₹ 571 Crores shown under Other Current Financial Liabilities and advance receivable from GSIL under Advance Recoverable, towards interest served amounting to ₹ 571.50 Crores, pending direction from Government of Gujarat.
	Gujarat State Financial Services Ltd.	1. We draw attention to Note No. 37 of Financial Statements which describes related party disclosures as per IND AS 24. 2. We draw attention to Note No. 38.1.4 (c) of Financial Statements which describes the Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by NBFC as on 31st March, 2019. 3. We draw attention to Note No. 40 of Financial Statements which describes that the company has only single independent director from October 2018. 4. We draw attention to Note No. 38.1.1 of Financial Statements and Point No. (B) (1) of Annexure C of this report which describes the CRAR of 8.02% as against prescribed CRAR of 10% for the year ended 31st March 2019 for government owned NBFCs.

Annexure 'D' to the Independent auditors report
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 Gujarat State Investment Limited ("the holding Company") as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the holding Company, subsidiary and its associates, which are companies incorporated in India, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence I/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 with reference to these consolidated financial statements

A company's internal financial control over financial reporting with reference to these consolidated financial statementsis a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statementsincludes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 holding Company, subsidiary and associates has, in all material respects, an internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal financial controls with reference to consolidated financial statements 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to the subsidiary company incorporated in India, is based on the corresponding report of the auditors of such subsidiary incorporated in India.

For, Chandulal M. Shah & Co.
Chartered Accountants
FRN101698W

(B.M. Zinzuvadia)
Partner
M. No. 109606

Place : Ahmedabad
Date : 3rd Oct. 2019
UDIN :19109606AAAAFM6838

GUJARAT STATE INVESTMENTS LIMITED
BALANCE SHEET AS AT 31st March, 2019 (Consolidated)

(₹ in Lakhs)

Sr No	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	ASSETS				
1	**Financial Assets**				
	Cash and Cash Equivalents	4	33,990.96	13,511.63	29.64
	Bank Balances other than above	4	57,355.00	48,180.65	-
	Receivables				
	i) Trade Receivables	5	122,190.58	99,085.13	-
	Loans	6	14,834.00	35,838.00	-
	Investments	7	653,382.26	556,478.24	439,103.87
	Other Financial Assets	8	203,753.76	262,933.04	16,715.72
2	**Non-Financial Assets**				
	Inventories	9	28,918.00	44,695.00	-
	Current tax Assets (Net)	10	19,094.00	31,149.93	381.94
	Deferred tax Assets (Net)	11	-	-	16,980.86
	Investment Property		152.00	153.00	-
	Property, Plant and Equipment	12	1,152,796.21	1,129,530.92	23.39
	Capital work-in-progress	12	106,474.75	149,283.77	-
	Intangible assets under development	13	48,342.00	93,252.89	-
	Goodwill				
	-Goodwill on Consolidation	13	794,212.53	794,212.53	-
	Other Intangible assets	13	47,615.93	44,344.76	-
	Other non -financial assets	14	36,272.13	28,501.51	0.15
	Non - Current Assets Held For Sale	15	48,331.00	-	-
	Total Assets		**3,367,715.10**	**3,331,151.01**	**473,235.56**
	LIABILITIES AND EQUITY				
	LIABILITIES				
1	**Financial Liabilities**				
	Derivative financial instruments		-	-	-
	Trade Payables		-	-	-
	(i) total outstanding dues of micro enterprises and small enterprises	16	1,408.00	1,741.00	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	30,973.00	95,108.00	-
	Debt Securities	17	600,000.00	-	-
	Borrowings (Other than Debt Securities)	18	1,191,226.00	1,946,139.00	67,985.00
	Other financial liabilities	19	513,474.87	499,399.01	25.54
2	**Non-Financial Liabilities**				
	Current tax liabilities (Net)		237.93	-	-
	Provisions	20	22,580.17	27,781.04	10.12
	Deferred tax liabilities (Net)		91,833.09	36,466.79	-
	Other non-financial liabilities	21	31,545.47	28,413.00	-
	Liabilities associated with Non Current Assets held for sale	22	13,058.00	-	-
3	**EQUITY**		-	-	-
	Equity Share capital	23	104,276.91	104,276.91	104,276.91
	Other Equity	24	511,088.36	404,429.14	300,936.99
	Non-Controlling Interest		256,013.30	187,397.12	-
	Total Liabilities And Equity		**3,367,715.10**	**3,331,151.01**	**473,235.56**

See accompanying Notes to the Financial Statements
As per our report attached

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st March, 2019 (Consolidated)

(₹ in Lakhs)

Sr. No	Particulars	Note No.	For the period ended 31st March, 2019	For the period ended 31st March, 2018
	Revenue From Operations			
i.	Interest Income	25	16,613.18	12,358.65
ii.	Dividend Income		9,396.95	7,009.88
iii.	Sale of Products	26	1,911,427.24	1,459,659.64
(I)	Total Revenue from operations		1,937,437.37	1,479,028.18
(II)	Other Income	27	20,967.13	7,768.53
(III)	**Total Income (I+II)**		**1,958,404.50**	**1,486,796.71**
	Expenses			-
	Production expenditure	28	9,233.00	7,432.00
	Cost of material consumed	29	65,197.77	40,455.42
	Cost of traded goods	30	1,305,864.95	978,708.19
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	17,982.44	-2,812.23
i.	Finance Costs	32	122,978.45	203,228.49
ii	Net Loss on sale of investments		-	-
iii.	Impairment on financial instruments		-	6,000.00
iv.	Employee Benefits Expenses	33	26,173.06	21,160.60
v.	Depreciation, amortization and impairment	13	78,004.70	79,850.30
vi.	Others expenses	34	73,716.86	62,349.26
(IV)	**Total Expenses (IV)**		**1,699,151.22**	**1,396,372.03**
(V)	Profit / (loss) before exceptional items and tax (III - IV)		259,253.28	90,424.68
(VI)	Exceptional items	35	-16,059.00	-71,293.00
(VII)	Profit/(loss) before tax (V -VI)		243,194.28	19,131.68
	Share of profit/(loss) of joint ventures and associates accounted for using the equity method (Net of Tax)		58,382.51	52,141.61
(VIII)	Tax Expense		-	-
	(i) Current Tax	36	57,527.94	46,162.58
	(ii) Adjustments of tax for earlier years		(3,606.33)	(806.76)
	(iii) Deferred Tax		6,841.30	5,442.04
(IX)	Profit / (loss) for the period from continuing operations (VI I -VIII)		240,813.87	20,475.43
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X -XI)		-	-
(XIII)	**Profit/(loss) for the period (IX+XII)**		**240,813.87**	**20,475.43**
(XIV)	**Other Comprehensive Income**			-
	(A) (i) Items that will not be reclassified to profit or loss		-0.12	-
	Profit on Sale of Equity Instrument		0.03	-
	Changes in fair value of FVTOCI equity instruments		1,808.60	-
	Remeasurement of post-employment benefit obligations		-550.00	-
	Share of OCI in Associate and JV (Ind AS)		-20,367.62	-
	Income tax relating to these items		312.69	-
	Subtotal (A)		-18,796.42	-
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		**-**	**-**
	Other Comprehensive Income (A + B)		**(18,796.42)**	**85,791.05**
	Share of associates			
(XV)	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)		222,017.45	106,266.49
	Profit attributable to:			
	Owners of the Company		(19,151.06)	26,583.72
	Non-Controlling Interest		354.65	(6,108.29)
	Other comprehensive income attributable to:			
	Owners of the Company		201,513.98	68,493.92
	Non-Controlling Interest		39,299.89	17,297.13
	Total comprehensive income attributable to:			
	Owners of the Company			
	Non-Controlling Interest		39,654.38	11,188.85
(XVI)	Earnings per equity share			
	Basic & Diluted		17.49	9.12

See accompanying Notes to the Financial Statements

As per our report attached

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants
B.M. Zinzuvadia
Partner
Membership No. : 109606
Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

Consolidated Statement of Cash Flows for the period ended 31st March, 2019 (Consolidated)

(₹ in Lakhs)

	Particulars	For the period ended 31 March 2019	For the period ended 31 March 2018
	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	**243,194.90**	**19,130.34**
	Adjustments for:		
	Depreciation, Amortisation & Depletion	78,004.72	79,851.47
	Interest & Finance Charges	121,822.57	202,214.99
	Loss on Sale of Assets	77.32	286.37
	Unrealised Foreign Exchange Loss/(Gain)	5,637.83	(64.86)
	Employee benefit Expense	37.75	217.38
	Other non-cash expenses	918.33	326.40
	Exploration Cost Written off/(written back)	(9,379.00)	49,133.00
	Impairment of oil and gas assets	23,651.00	22,160.00
	Provision for dimunision of investment	-	6,000.00
	Liabilities no longer required	-	15.71
	OCI	(0.12)	(0.89)
	Fair Valuation	107.50	2,367.66
	Profit and Loss on sale of Investment	(17,208.44)	
	Provision for Gratuity	2.13	3.92
	Provision/(Reversal) for Doubtful Advances	82.55	(63.00)
		446,949.05	381,578.46
	Interest and Dividend Income	(14,317.17)	(11,144.55)
	Operating Profit before working capital changes	**432,631.88**	**370,433.90**
	Adjustments for changes in Working Capital		
	Long Term Loans & Advances	(732.12)	(103.01)
	Other Non-Current Assets	(7,605.90)	(2,207.25)
	Other Financial Assets	(17,774.04)	10,720.87
	Non Financial Assets	0.02	0.15
	Inventories	15,777.07	(6,140.62)
	Trade Receivables	(33,021.15)	1,966.23
	Short Term loan and Advances	5,637.21	(10,582.03)
	Fixed Deposits with Bank	(9,518.77)	43,565.16
	Other Current Assets	81,070.76	(121,151.93)
	Other Long Term Liabilities	19,471.62	12,681.07
	Provisions	1,230.00	46.77
	Trade payables	(54,215.68)	17,833.78
	Other Non Financial Liabilities	0.47	-
	Other Financial Liabilities	14,149.42	(9.76)
	Other Current Liabilities	27,962.08	(25,461.77)
	Cash Generated from/(Used in) Operations	**475,062.88**	**291,591.57**
	Taxes (paid)/ refund	(39,782.92)	(43,947.81)
	Net Cash Generated from/(Used in) Operating Activities (A)	**435,279.96**	**247,643.76**
	CASH FLOW FROM INVESTING ACTIVITIES		
	Cash Paid for Purchase of Assets / CWIP including Joint Arrangements	(81,262.13)	(101,884.43)
	Sale proceeds from sale of Participating Interest in Joint Arrangements	-	774,989.75
	Sale of Fixed Assets	1,216.28	2,099.13
	Investments in Associates	(15,886.00)	-
	Investments in Associates - Pending Allotment	(6,147.00)	-
	Proceeds from sale of Investment	142,720.21	
	Purchase of Investments	(142,722.22)	
	Proceeds from/(cash used in) Other Investments	(9,909.71)	(14,861.19)
	Inter Corporate Loan returned by group Company	15,344.00	-
	Loan Given	-	(6,000.00)
	Interest and Dividend Income	17,574.66	13,317.08
	Net Cash Generated from/(Used in) Investing Activities (B)	(79,071.90)	667,660.33
	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceed from from issue of Share capital to Non Controlling Interest	116.83	184.00
	Proceeds from /(Repayment of) Loans (net)	(204,793.75)	(702,856.04)
	Interest & Financing Charges	(115,876.18)	(190,136.13)
	Divedend (including Corporate Dividend Tax)	(15,365.13)	(15,172.06)
	Net Cash Generated from/(Used in) Financing Activities (C)	**(335,918.23)**	**(907,980.23)**
	Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)	**20,289.82**	**7,323.85**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	138.16	126.15
Cheques on Hand	-	-
Bank Balances	13,370.93	6,059.09
	13,509.10	**6,185.24**
Cash and Cash equivalents at the End of the Year		
Cash on hand	266.31	138.16
Cheques on Hand	19.59	-
Bank Balances	33,513.02	13,370.93
	33,798.92	**13,509.09**

Note:

The above Statement of Cash Flow has been prepared under the “Indirect Method” as set out in the Ind AS-7 Statements of Cash Flows.

The opening balance of financial 2017-2018 includes Consolidated cash and bank balance of Gujarat State Petroleum Corporation Ltd.

During the financial year 2018-19, the company has entered into a non cash transaction by purchasing equity shares of GSPC and also acquiring Non Convertible Debentures. The details of which are provided under Note No. 7.

The accompanying notes are integral part of the financial statements.

For Chandulal M. Shah
Firm’s Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019 (Consolidated)

A Equity Share Capital (₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balance at the beginning of the reporting period	104,276.91	104,276.91	104,276.91
Changes during the year	-	-	-
Balance at the reporting period	104,276.91	104,276.91	104,276.91

B Other Equity (₹ in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained Earnings	Reserve fund u/s 45-IC (1) Of Reserve Bank Of India Act, 1934		
Balance as at April 01, 2018	**5,200.00**	**399,229.73**	**-**	**-**	**404,429.73**
Profit for the period	**-**	**-**			**-**
Transfer from Retained Earnings	-	90,332.06	5,317.47	0.80	95,650.33
Changes in parents ownership interest in subsidiary		16,326.45			16,326.45
Transfer to Special Reserves		-5,317.47			-5,317.47
Items of the OCI for the year, net of tax	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-0.80	-	-	-0.80
Balance as at March 31, 2019	**5,200.00**	**500,569.98**	**5,317.47**	**0.80**	**511,088.24**
Balance as at April 01, 2017	**5,200.00**	**295,736.99**	**-**	**0.71**	**300,937.70**
Profit for the period	**-**	**103,492.87**	**-**		**103,492.87**
Transfer to Retained Earnings	-	-	-	-0.71	-0.71
IND AS Adjustments		-			-
Items of the OCI for the year, net of tax	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-0.12	-	-	-0.12
Balance as at March 31, 2018	**5,200.00**	**399,229.73**	**-**	**-**	**404,429.73**

As required by section 45-IC of the RBI Act 1934, the company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act,1984.

The accompanying notes form an integral part of the standalone financial statements.

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

FORM NO. AOC.1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1.	Sl. No.	1
2.	Name of the subsidiary	Gujarat State Petroleum Corporation Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2018 31st March 2019
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
5.	Share capital	2,579,262,920
6.	Reserves & surplus	-75,171,900,052
7.	Total assets	202,804,678,846
8.	Total Liabilities	275,397,315,978
9.	Investments	11,301,279,767
10.	Turnover	191,142,724,143
11.	Profit before taxation	22,232,593,302
12.	Provision for taxation	6,050,382,123
13.	Profit after taxation	16,182,211,179
14.	Proposed Dividend	-
15.	% of shareholding	75.71

Notes: The following information shall be furnished at the end of the statement:

1.	Names of subsidiaries which are yet to commence operations	NA
2.	Names of subsidiaries which have been liquidated or sold during the year.	NA

Part "B": Associates and Joint Ventures

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

(Amount in ₹)

Name of Associates/Joint Ventures	Gujarat Narmada Valley Fertilizers Company Limited	Gujarat State Fertilizers & Chemical Co. Limited	Gujarat Alkalies & Chemical Limited	Gujarat State Financial Services
1. Latest audited Balance Sheet Date	31.03.2019	31.03.2019	31.03.2019	31.03.2019
2. Shares of Associate/Joint Ventures held by the company on the year end				
No.	33,227,546	150,799,905	15,329,373	31,716,048
Amount of Investment in Associates/Joint Venture	1,353,153,175	2,523,796,172	1,733,152,505	14,272,221,600
Extend of Holding %	28.87	38.63	22.24	22.98
3. Description of how there is significant influence	Control of more than twenty percent of total share capital	Control of more than twenty percent of total share capital	Control of more than twenty percent of total share capital	Control of more than twenty percent of total share capital
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	10,349,485,075	25,124,634,646	5,749,993,098	14,859,144,749
6. Profit / Loss for the year				
i. Considered in Consolidation	1,581,273,214	20,344,849	1,055,555,595	586,923,149
i. Not Considered in Consolidation	-	-	-	-

Notes : 1. Names of associates or joint ventures which are yet to commence operations. - None
2. Names of associates or joint ventures which have been liquidated or sold during the year. - None

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants

B.M. Zinzuvadia
Partner
Membership No. : 109606

Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

General information

Gujarat State Investment Limited (the 'Company'/the 'Parent'/'GSIL') is a Company domiciled in India, with its registered office situated at 6th Floor, H K House, Ashram Road, Ahmedabad, 380009, Gujarat, India. The Company has been incorporated under the provisions of Companies Act, 1956. The Company is primarily involved in investment activity.

1. Significant accounting policies

This note provides list of the significant accounting policies applied in the preparation of these consolidated financial statements. These policies have been applied consistently to all years presented, unless otherwise stated.

(a) Basis of preparation of Consolidated financial statements:

(i) Statement of compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time,as well as Guidelines issued by The Institute Of Chartered Accountants of India for Oil and Gas Producing Activities (Ind AS). The Group presents its financial statements to comply with Division III of Schedule III to the Companies Act, 2013 which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC to comply with Ind AS) and the requirements of Ind AS. As per para 60 of Ind AS 1, an entity shall present current and non-current assets, and current and non-current liabilities, as separate classifications in its balance sheet except when a presentation based on liquidity provides information that is reliable and more relevant. Hence, the assets and liabilities are classified as financial, non-financial as opposed to current, non-current classification as required by Division I and Division II of Schedule III.

Accounting policies have been consistently applied except whereby a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hither to.

(ii) Historical cost convention

The consolidated financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- certain financial assets and liabilities measured at fair value; and
- defined benefit plans - plan assets measured at fair value.
- Assets held for sale -measured at Fair Value less Cost to Sell

(iii) Use of estimates and judgements

The presentation of the consolidated financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of consolidated financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Current / Deferred tax expense
- Measurement of defined benefit obligations, Key Actuarial Assumptions
- Provisions and contingencies
- Expected credit loss for receivables
- Estimation of Oil and Gas reserves
- Impairment
- Valuation of Inventory
- Going Concern
- Fair Value of Assets held for sale
- useful life of Property, plant and Equipments

(b) Principles of consolidation and equity accounting

The consolidated financial statement of GSIL represents consolidation of its consolidated financial statements with subsidiary and associates.The proportion of ownership interest in subsidiary and associate is as follows:

Notes to Consolidated financial statements for the year ended 31st March, 2019

Name of Entity	Relationship with GSPC	Direct Control or Control through Subsidiary (indirect Control)	ownership interest as on 31st March 2019	ownership interest as on 31st March 2018
Gujarat State PetroleumCorporation (GSPC)	Subsidiary	Direct Control	75.71%	77.02%
Gujarat Narmada Valley Fertilizers Co. Ltd	Associate	Associate	28.87%	28.87%
Gujarat State Fertilizers & Chemicals Co. Ltd.	Associate	Associate	38.63%	38.63%
Gujarat Alkalies & Chemicals Ltd.	Associate	Associate	22.24%	22.24%
Gujarat State Financial Services Ltd.	Associate	Associate	22.98%	-

Subsidiary

Subsidiary are entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its Subsidiary line by line adding together like items of assets, liabilities, other equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of Subsidiary have been aligned where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of Subsidiary are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Associates

Associates are entities over which the group has significant influence but not control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(i) Equity method

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

Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been aligned where necessary to ensure consistency with the policies adopted by the group.

The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy.

(ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated statement of profit and loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to consolidated statement of profit and loss where appropriate.

(iii) Business combination of entities under common control

Business combinations involving entities that are ultimately controlled by the same party before and after the business combination are considered as common control business combination to be accounted using the pooling of interest method which comprises of the below.

- The assets and liabilities of the combining entities are reflected at their carrying amount.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to align accounting policies.
- The financial information in the financial statements in respect of prior period is restated as the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve. Acquisition costs that the group incurs in connection with a business combination are expensed as incurred.

The identity of the reserves is preserved and the reserves of the transferor become the reserve of the transferee. The difference if any between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to "Capital Reserve on common control business combination" and is presented separately from other capital reserves.

The Ministry of Corporate Affairs (MCA), vide order dated 25th April, 2019, has approved the Scheme of Arrangement between Gujarat State Petroleum Corporation Limited (GSPC), Gujarat State Investment Limited (GSIL) and GSPC NCD Holders. The appointed date of the scheme is 1st April, 2018. The scheme becomes effective upon filling of certified copy of the order with Registrar of Companies, Gujarat on 16th May, 2019. By virtue of this investment, GSIL holds 74.53% of Share Capital of GSPC, therefore the latter become a subsidiary of the Company w.e.f. 1st April, 2018. The acquisition has been evaluated as a Business Combination under common control and has been accounted for as per Apendix C to Ind AS 103 on Buisiness Combinations. Accordingly, the figures for the year 2017-18 have been restated.

(c) Property, plant and equipment

(i) Oil and Gas properties

The Group has adopted Contract Area (PSC) level cost center based accounting for the oil and gas operations with effect from 1st April, 2015 and accordingly, all costs incurred in acquisition, prospecting, exploration and development of a Contract Areas are accumulated considering a contract area as a cost center.Costs incurred at each of the following level are accounted for as stated below.

1) Pre-acquisition Cost

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

2) Acquisition, Exploration & Evaluation Costs:-

Acquisition cost of an oil and gas property are costs incurred to purchase, lease or otherwise acquire a property or mineral rights. All such cost are capitalised and accumulated as Exploration Cost underCapital Work In Progress or Intangible assets under Development as the case may be based on the nature of the expenditure.

Exploration and Evaluation activities cover the prospecting activities conducted in search for oil and gas after an entity has obtained legal rights to explore a specific area, as well as activities towards determination of the technical feasibility and commercial visibility of extracting the oil & gas.All such cost are capitalised and accumulated as Exploration Cost under Capital Work In Progress or Intangible assets under Development as the case may be based on the nature of the expenditure.

3) Development Cost

Development activities cover the activities conducted after determination of the technical feasibility and commercial viability of extracting oil & gas but before the well start actual commercial production and includes drilling cost of developments wells, completion of successful exploration wells laying gathering lines, production facilities etc. All such cost are capitalised and accumulated as Development Cost under Capital Work In Progress or Intangible assets under Development as the case may be based on the nature of the expenditure.

4) Producing properties:-

Producing Properties are created in respect of an area/field having proved developed oil and gas reserves, when the well in the area/fieldis ready to commence commercial production. All the exploration cost and development cost incurred for the producing wells are reclassified as Producing Properties or Property Plant & Equipment as the case may be. The exploration and evaluation expenditure on unsuccessful wells in a proved area are also capitalised as Producing Properties as per the guidance available para 23 of Guidance Notes issued by The Institute of Chartered Accountants of India for Oil and Gas Producing Activities (Ind AS).

5) Abandonment Cost

The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete/facilities are installed.

6) Surrender / Relinquishment of a Contract Area

The carrying cost of a Contract Area is written off in the statement of profit & loss in the year in which such a Contract area is surrendered after the required approvals. Further, the carrying cost of a Contract Area that is proposed for surrender during a year but approval for which is still awaited at the end of such year, is also provided for in the statement of profit & loss under the head exploration cost written off.

7) Disposal of Interest

Gain (excess of net consideration over carrying value of the assets) or loss (excess of carrying value of the assets over net consideration) on sale of interest in a contract area is recognized in the statement of profit or loss in the year in which such agreement is executed.

8) Accounting for Carried interest

The "carried interest" arrangements whereby the assignee (the carrying party) agrees to defray all costs of drilling, developing, and operating the property and is entitled to all of the revenue from production from the property, excluding any third party interest, until all of the assignee's costs have been recovered, after which the assignor will share in both costs and production, based on the agreed arrangement. In such an arrangement, the Group being the carrying party records all costs, including those carried, as per its normal accounting policy, and records all revenue from the property including that applicable to the recovery of costs carried during pay-out period.

(iv) Other property, plant and equipment

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

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

In case of transmission and city gas distribution business, the Group capitalises all the cost directly attributable and ascertainable to project assets, till completing the project. These costs include expenditure of pipelines, plant and machinery, cost of laying of pipeline, cost of survey, commissioning and testing charge, detailed engineering and interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Costs of meter / regulator consumed for initial connection to customers are capitalized as per underlying contracts with customers and consumed for replacement during the year are charged to statements of profit & loss.

The present value of the expected cost for the decommissioning of an asset after its useful life is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

An item of property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the statement of profit and loss.

(d) Investment properties

Investment properties comprise portions of free hold or lease hold land and office buildings that are held for rental yield and/or capital appreciation.

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

(e) Intangible assets

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

Goodwill on acquisitions of Subsidiaries is included in intangible assets. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets like software, licenses, which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

(f) Depreciation, depletion and amortisation methods, estimated useful lives and residual values

Depreciation on producing properties is provided on unit of production method and on other tangible items of property, plant and equipment is provided on written down value method (WDV) except otherwise stated.

The useful lives have been determined based on technical evaluation done by the management's experts which are in line with useful lives specified by Schedule II to the Companies Act, 2013.The residual values are at 5% of the original cost of the item of property, plant and equipment. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Cost of lease-hold land is amortized equally over the period of lease.

Depreciation on Property, Plant and Equipment used for exploration and drilling activities is initially capitalized as part of exploration or development costs.

The depletion on producing properties has been calculated and provided, using the unit of production method as described in the Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS) issued by ICAI, in proportion of oil and gas production achieved vis a vis the proved reserves.

As Guidance Note is for "Producing Activities", the Group keeping in mind the prudent industry practice considers the assets for depletion only once the commercial production is commenced with the approval of the appropriate authority as per the provisions of the Production Sharing Contract (PSC). Till that time, neither the reserves are taken for depletion nor are the assets with respect to the said PSC are capitalized.

Depreciation on Plant and Machinery - pipelines (Steel and MDPE) is provided at 3.33 % on Straight-Line Method (SLM) considering useful life of thirty years.

City gas stations, skids, pressure regulating stations, meters & regulators are written off on SLM basis. These are estimated to have useful life of 18 years based on technical assessment made by technical expert and management

On Power Generation Assets depreciation is provided on straight line method (SLM) following the rate and methodology as notified by Central Electricity Regulatory Commission (CERC) pursuant to provisions of Electricity Act, 2003.

Right of Way (ROW) & Right of Use (ROU) are amortised over a period of useful lives which are considered to be 30 years and 99 years respectively on Straight Line Method.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated on written down value method (WDV) based on the useful lives prescribed in Schedule II to the Companies Act, 2013.

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

(g) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation based on estimates, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously valued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

Finance lease

Lease of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases.

At the commencement of the lease term, the Group recognises finance leases as assets and liabilities in its balance sheet at amounts equal to the fair value of the leased property or, iflower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any indirect costs of the Group are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease

Leases, in which a significant portion of the risks and rewards incidental to ownership is not transferred to the Group as lessee, are classified as operating leases. Lease payments under an operating lease are recognised as expenses on a straight-line basis over the lease term unless either:

A. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

B. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

As a lessor

Finance lease

When substantially all of the risks and rewards of ownership transfer from the Group to the lessee, then it is classifies as finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating lease

Lease income from operating lease (excluding amount for services such as insurance and maintenance) is recognised in the statement of profit or loss on a straight-line basis over the lease term, unless either:

A. Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the Group are not on that basis; or

B. The payments to the Group are structured to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases. If payments to the Group vary because of factors other than general inflation, then this condition is not met.

(i) Borrowing costs

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

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(j) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the consolidated balance sheet.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

(k) Financial instruments

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

Financial assets

Initial recognition

A financial asset is recognised in the consolidated balance sheet when the Group becomes party to the contractual provisions of the instrument.

Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

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

A. Financial assets measured at amortised cost;

B. Financial assets measured at fair value through profit or loss (FVTPL); and

C. Financial assets measured at fair value through other comprehensive income (FVTOCI).

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

A. The Group's business model for managing the financial assets, and

B. The contractual cash-flows are characteristics of the financial asset.

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

A. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

B. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and

B. The asset's contractual cash flows represent SPPI.

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

As per announcement of The Institute of Chartered Accountants of India (ICAI) relating to Accounting for derivative contracts, derivative contracts other than those covered under Ind AS 107, as specified in the Companies (Accounting Standard) Rules, 2015 and as amended, the effect of change in rates, are Marked to Market on a portfolio basis and the net loss after considering the offsetting effects on the underlying hedge item, is charged to Statement of Profit & Loss. Net gains are ignored.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

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

A. The contractual rights to the cash flows from the financial asset have expired, or

B. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

   i) The Group has transferred substantially all the risks and rewards of the asset, or

   ii) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses impairment based on expected credit loss (ECL) model to the following:

A. Financial assets measured at amortised cost

B. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

A. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

B. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Groupis not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit & Loss. The balance sheet presentation for various financial instruments is described below:

A. Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

B. Loan commitments and financial guarantee contracts - ECL is presented as a provision in the consolidated balance sheet, i.e. as a liability.

C. Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

A. Financial liabilities measured at amortised cost

B. Financial liabilities subsequently measured at fair value through profit or loss

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Debt Instrument and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and de-recognition are recognised in consolidated statement of profit and loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit and loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be draw down to the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a payment for liquidity services and amortised over the period of the facility to which it relates.

The Group has taken interest free loan from Government of Gujarat having specific directions to invest in equity shares of specified entities. There exist a contractual obligation, however, the terms and conditions do not specify fixed repayment schedule. Hence the same is classified as loan repayable on demand.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss as other income or other expenses.

Trade and other payables

These amounts represent liability for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives

The Group uses derivative financial instruments i.e. swaps, commodity hedging contracts and option contracts, to hedge its price fluctuation risk and interest rate risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to consolidated statement of profit and loss.

De-recognition

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

(l) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

(m) Fair value measurement

The Group measures certain financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or

B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Board of Directors (BOD) of the respective component determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the Group's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the BOD after discussion with and approval by the management. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises the accounting policy for fair value.

(n) Inventories

- Crude oil in flow lines is not valued as it is not stored.
- Natural gas imported as LNG and stored in the storage tank of the LNG terminal are valued at cost or net realizable value whichever is lower.
- Chemicals, fuels, consumables, stores and spare parts are valued at Weighted Average Cost.
- Inventory of Gas (including inventory in own pipeline and CNG cascades) is valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.
- Inventories of Project materials, spares, stores, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost. However, stores and spares meeting the definition of property plant and equipment are capitalised and depreciated from the date of purchase.

(o) Employee benefits

(i) Short term employee benefit obligations

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

(ii) Other long term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of reporting period that have terms approximating to the terms of related obligation.

The obligations are presented as current liabilities in the balance sheet if the Group does not have unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

A. Defined benefit plans such as gratuity& loyalty bonus etc. and

B. Defined contribution plan such as provident fund, superannuation fund etc.

Gratuityobligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in profit or loss as past service cost.

Loyalty bonus

The Group provides for loyalty bonus to eligible employees whereby a lump sum payment to eligible employees at the time of retirement, death, incapacitation or termination of employment is paid based on the respective employee's salary and the tenure of employment. Liabilities with regard to the loyalty bonus scheme are determined by independent actuarial valuation as on the balance-sheet date.

Defined contribution plans

The Group pays provident fund and superannuation fund contributions to Employee's Provident Fund/Trust and Group Superannuation Scheme of Life Insurance Corporation of India respectively. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date

(v) Employee Stock Option plan

Share-based compensation benefits are provided to employees via Employee Stock Option Scheme.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

A. including any market performance conditions (e.g. entity's share price)

B. excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specific time period); and

C. including the impact of any non-vesting conditions (e.g. the requirements for employees to save or holding shares for specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

(p) Foreign currency transactions

(i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is GSIL's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements of profit and loss. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

In case of overseas unincorporated joint operation, that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- The summarized revenue and expenses reflected in Statement of Profit and Loss at an average of Reserve Bank of India Reference Rate for the year.
- The assets and liabilities at the closing exchange rate prevailing on balance sheet date as notified by Reserve Bank of India.

All resulting exchange differences are recognised in other comprehensive income as foreign currency translation reserve.

(q) Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

- Revenue corresponds to the fair value of the consideration received or receivable for goods and services sold, in the normal course of the Group's activities. Revenue is recognized when the control of the goods or services has been transferred. The amount recognised as revenue is stated inclusive of royalty payable to Government of India and exclusive of profit petroleum, sales tax /value added tax (VAT) and Goods and service tax (GST).
- Income from sale of crude oil and gas produced from wells until start of commercial production is adjusted against the cost of such wells.
- Revenue from sale of gas is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas on metered/assessed measurements facility. In case of high sea sales, control is transferred to the customer on delivery of the gas outside the territorial water of India.
- Profit Petroleum payable to the Government of India (MoP&NG) under a PSC is accounted for initially on an estimated basis and upon approval of the DGH, MoP&NG, difference, if any, is accounted for in the year of such of approval.
- Revenue from regasification services is recognised over time such service are performed by the Company and revenue from gas transmission is recognized over the period in which the related volumes of gas are delivered to the customers.
- Revenue from sale of electricity is recognized at the point in time when control is transferred to the customer, generally on delivery of the electricity on metered/assessed measurements facility.
- Revenue from transmission of gas through pipeline is recognised over the period in which the related services are performed. Customers are billed on fortnightly basis.
- In case of city gas distribution business, revenue from sale of Natural Gas is recognized at the point in time when the control is transferred to the customers, generally on delivery of the gas on metered/assessed measurement facility. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial and non-commercial customers and fortnightly for industrial customers.
- Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery to customers from retail outlets.
- Revenue recognised towards supply of natural gas already occurred for the period from the end of the last billing date to the balance sheet has been reflected under contract asset (as unbilled revenue) based on previous average consumption.
- In case of IT business, Revenue from sale of traded goods is recognised at the point in when control is transferred to the customers, generally on delivery of the goods to the customers. Revenue from operation& maintenance services, webcasting services, server co-location, software as a service model over specified period of time on a straight line basis, because customers simultaneously receives and consumes the benefits provided by the group. Facility Management Services are recognised at gross amount charged to customers with a corresponding charge in the statement of profit and loss.
- Revenue in respect of 'Take or Pay' quantity of gas (short lifted quantity of gas under the Gas Sale Agreements) (Commitments) is recognized on accrual basis in the period to which it relates to.

Interest and Dividend Income:

- Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset to that asset's gross carrying amount on initial recognition.
- Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

Other Income

- Income in respect of interest on delayed realizations from customers, if any, is recognized when it can be reliably measured and it is reasonable to expect ultimate collection.
- Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contact with customers.
- Liquidity damages, if any are recognised at the time of recording the purchase of materials in books of accounts and the matter is considered settled by the management.

(r) Accounting for oil and gas joint operations

All Oil and Gas Joint Operations are in the nature of unincorporated joint operations. Accordingly, the consolidated financial statements of the Group reflect the Group's share of assets, liabilities, income and expenditure of the Joint operations, which are accounted on a line by line basis, based on the available information as on the date of the Balance Sheet, with similar items in the Group's accounts, to the extent of the Participating Interest of the Group in each joint operation and related Joint Operating Agreements (JOA), if any, except in case of abandonment, impairment, depletion and depreciation, which are accounted for as per the accounting policies of the Group. The consolidated financial statements of the unincorporated joint operations are prepared by the respective Operators of the Contract Area in accordance with the requirements prescribed by the respective PSC and JOA. Hence, certain adjustments/disclosures required under the mandatory Accounting Standards and the Companies Act, 2013 have been made in the consolidated financial statements of the Group only to the extent of information available with the Group as on the date of the balance sheet. Such information include information relating to foreign exchange differences, micro, small and medium enterprises, expenditure in foreign currency, earnings in foreign currency, CIF value of imports, transactions with related parties, details of commitments and contingencies, inventory of oil and gas and consumption of stores and spares.

(s) Taxation

Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, along with Income Computation and Disclosure Standards - ICDS as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred taxes

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

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. However, when there is no convincing evidence available for future taxable profit the company recognises deferred Tax assets arising from unused tax losses or tax credit only to the extent of deferred Tax liability already recognised by the company till date.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in Subsidiary, branches and associates and interest in joint Operations where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in Subsidiary, branches and associates and interest in joint Operations where it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

A specific measurement requirement applies to a deferred tax asset or liability that arises from investment property. This requirement establishes a rebuttable presumption that the carrying amount of investment property will be recovered through sale. The presumption may be rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property, rather than through sale. If the presumption is rebutted, then the normal requirements of measuring deferred tax asset or liability are applicable.

Where an investment property comprises land only, then because the land would not be depreciated, the presumption cannot be rebutted. Accordingly, the Group has created deferred tax asset on indexation benefit available on freehold land held as investment properties at the appropriate tax rate.

Minimum Alternate Tax

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit and loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented with Deferred Tax Asset.

(t) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

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

(u) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The Group records a provision for decommissioning costs of a windmills and producing properties. It is recognised as the windmills and oil and gas properties are constructed on leasehold lands which are to be returned to the lessor at the end of the lease tenure on 'as is' basis. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the respective assets. The cash flows are discounted at a current pre-tax rate that reflects the risk specific to the decommissioning liability. The unwinding of discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liability is disclosed in the case of:

A. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

B. A present obligation arising from the past events, when no reliable estimate is possible;

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

Contingent liabilities are not provided for & if material, are disclosed by way of notes to accounts. Contingent assets are not recognized in consolidated financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(v) Cash and Cash Equivalents

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

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in the balance sheet.

(w) Statement of Cash Flows

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

(x) Segment Reporting

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

(y) Rounding off

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

(z) Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

(aa) Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the consolidated financial statements.

(bb) Amendments to existing Ind AS

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116 'Leases' and amendments to certain IND AS. The Standard / amendments are applicable to the company with effect from 1st April 2019.

Standard issued not yet effective

- Ind AS 116: Leases-
  - The standard changes the recognition, measurement, presentation and disclosure of leases. It requires:
  - Lessees to record all leases on the balance sheet with exemptions available for low value and short-term leases.
  - At the commencement of a lease, a lessee will recognise lease liability and an asset representing the right to use the asset during the lease term (right-of-use asset).
  - Lessees will subsequently reduce the lease liability when paid and recognise depreciation on the right-of-use asset.
  - A lease liability is re-measured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The re-measurement normally also adjusts the right-of-use asset.

Amendments to existing Ind AS

- Appendix C to Ind AS 12, Income taxes
- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 111, Joint Arrangements
- Amendments to Ind AS 19, Employee Benefits
- Amendments to Ind AS 23, Borrowing Costs
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures

The above amended standards are not expected to have a significant impact on the Company's standalone financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective standards.

4 **Cash and Bank Balance** (₹ in Lakhs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 1st April, 2017**
Cash on Hand	266.31	138.16	0.15
Balances with Banks	33,532.61	13,370.93	9.49
In Liquid Deposit with Gujarat State Financial Services Ltd	192.03	2.54	20.00
Total	**33,990.96**	**13,511.63**	**29.64**

Bank Balances other than (a) above (₹ in Lakhs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 1st April, 2017**
Other bank balances		-	
Earmarked balances In unclaimed dividend accounts*	343.00	-	-
Escrow Account	4,105.00	358.38	-
Margin money deposits	21,118.00	4,018.27	-
Fixed Deposit	-	30,438.69	-
With original maturity of more than 3 months but less than 12 months	489.00	443.76	-
With original maturity more than 12 months	31,300.00	12,921.55	-
Total	**57,355.00**	**48,180.65**	**-**

*** Refer note 42 - Financial instruments, fair values and risk measurement**

a. The balances in dividend accounts are not available for use by Gujarat State Petronet Limited and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.

5 **Trade Receivables** (₹ in Lakhs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 1st April, 2017**
Receivables			
Secured Considered good **	31,523.00	37,594.84	-
Unsecured considered good	90,667.58	61,490.29	-
Credit Impaired	1,288.70	1,167.66	-
Less: Impairment on account of expected credit loss assessment	-1,288.70	-1,167.66	-
Total	**122,190.58**	**99,085.13**	**-**

** Out of this, ₹ 42,519 Lakhs (PY: ₹ 25,911 Lakhs) are backed by bank guarantee.

6 **Loans** (₹ in Lakhs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 1st April, 2017**
(i) Term Loans	-	-	-
(ii) Loan Repayable on demand		35,863.00	
(iii) Others	14,859.00		25.00
Total (A) - Gross	14,859.00	35,863.00	25.00
Less: Impairment Loss Allowance	25.00	25.00	25.00
Total (A) - Net	**14,834.00**	**35,838.00**	**-**
(B) (i) Secured by tangible assets	-	-	-
(ii) Unsecured	25.00	25.00	25.00
Total (B) - Gross	25.00	25.00	25.00
Less: Impairment Loss Allowance	25.00	25.00	25.00
Total (B) - Net	**-**	**-**	**-**
(C) Loans In India	-	-	-
(i) Public Sector	25.00	25.00	25.00
Total (C) - Gross	25.00	25.00	25.00
Less: Impairment Loss Allowance	25.00	25.00	25.00
Total (C) - Net	**-**	**-**	**-**
Total	**14,834.00**	**35,838.00**	**-**

Bhavnagar Energy company limited (BECL) has not provided its annual statement of accounts and management is of the opinion that the financial position of the company is not good. Also, the company has advanced ₹ 60,00,00,000 during the financial year as the Promoter of BECL, the company has signed the Sponsors' Support Agreement (SSA) and as per the said agreement the promoters collectively shall not, in the final settlement date (being the date on which all application under the SSA have been irrevocably and unconditionally paid and discharge in full to the satisfaction of lenders), dispose of their shareholdings which would result in dilution of their shareholding will 51%. Hence the investment in BECL amounting to ₹ 1,98,43,39,000 and loan advanced under the above described contractual agreement have been impaired.

7 Investments

(₹. in Lakhs)

Particulars	As at 31st March, 2019				As at 31st March, 2018				As at 1st April, 2017		
	Equity Accounting	Fair Value Profit Or Loss	Fair Value OCI	Total	Equity Accounting	Fair Value Profit Or Loss	Fair Value OCI	Total	Amortised cost	Through Profit Or Loss	Total
Equity instruments	-	298.26	19,684.82	19,983.08	-	114,191.79	6,479.92	120,671.71	-	131,986.10	131,986.10
Associates	634,317.14	-	-	634,317.14	438,615.76	-	-	438,615.76	309,926.99	-	309,926.99
Total (A)	634,317.14	298.26	19,684.82	654,300.22	438,615.76	114,191.79	6,479.92	559,287.47	309,926.99	131,986.10	441,913.09
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	634,317.14	298.26	19,684.82	654,300.22	438,615.76	114,191.79	6,479.92	559,287.47	309,926.99	131,986.10	441,913.09
Total (B)	634,317.14	298.26	-	654,300.22	438,615.76	114,191.79	6,479.92	559,287.47	309,926.99	131,986.10	441,913.09
Less: Allowance for Impairment loss **(C)**	2,809.22	1,891.26	-	917.97	2,809.22	-		2,809.22	2,809.22	-	2,809.22
TOTAL NET (A-C)	**631,507.92**	**2,189.51**	**19,684.82**	**653,382.26**	**435,806.54**	**114,191.79**	**6,479.92**	**556,478.24**	**307,117.77**	**131,986.10**	**439,103.87**

Bhavnagar Energy company limited (BECL) has not provided its annual statement of accounts for more than two years and management is of the opinion that the financial position of the company is not good. Also, the company has advanced ₹ 60,00,00,000 during the financial year as the Promoter of BECL, the company has signed the Sponsors' Support Agreement (SSA) and as per the said agreement the promoters collectively shall not, in the final settlement date (being the date on which all application under the SSA have been irrevocably and unconditionally paid and discharge in full to the satisfaction of lenders), dispose of their shareholdings which would result in dilution of their shareholding will 51%. Hence the investment in BECL amounting to ₹ 1,98,43,39,000 and loan advanced under the above described contractual agreement have been impaired.

During the year 2018-19, the Company had acquired 74.53% shareholding (7,49,06,36,704 equity shares of face value ₹ 1 per share) in Gujarat State Petroleum Corporation Limited (GSPC), at ₹ 8.01 per share for transfer of Non Convertible Debentures. By virtue of this investment, GSPC had become a subsidiary of the Company.

Notes :

a. The Company has opted to consider Fair valuation of these investments on transition date as deemed cost. The same has been explained in Note no. 42.

b.The percentage holding of GSPC in GSEG has increased to 53.70% as against 32.59% in previous financial year. GSPC holds majority shares of GSEG but does not have majority voting power and hence GSEG is still an associate and not subsidiary of GSPC. The voting rights on such incremental equity shares acquired by GSPC during the financial year are restricted on account of ongoing litigation. Definition of Subsidiary Company under Section 2(87) of the Companies Act, 2013 requires exercise or control of more than one-half of total voting power. GSPC has given undertaking to NCLT, Ahmedabad that it shall not exercise voting powers in respect of such shares as are allotted to GSPC pursuant to the said offer for Right Issue of shares during the pendency of the petition no. 51 of 2018 filed by KRIBHCO and In view of that, NCLT has ordered to keep on hold the allotment against share application money of Rs.61.47 crores. The matter is still pending with NCLT.

c. GSPC LNG Ltd ceases to be an associate company w.e.f 25th October,2018 and hence investment in GSPC LNG Ltd has been re-classified as other non-current investment.

8 **Other Financial Assets** (₹ in Lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	As at 1st April, 2017
Inter Corporate Deposit*		12,578.46	9,251.19	16,071.58
Interest Accrued on Investments		362.23	196.73	644.05
Security Deposts		26.78	23.88	0.09
Grant Receivable	14,091.78		-	-
Expense Payable	-14,091.78	-	-	-
Other Advances		13,991.78	-	-
Advances				
Amount Receivable for Sale of Investments		-	120,605.00	-
Advances recoverable in cash or in kind or for value to be received (Unsecured, considered good)		97,201.74	56,431.98	-
Unbilled Revenue		365.12	245.93	-
Receivable from Joint Arrangements		71,942.00	65,523.00	-
Advances recoverable in cash or in kind or for value to be received		-	-	-
Unsecured, considered doubtful		29,001.00	29,001.00	-
Less : Provision for doubtful advances		-29,001.00	-29,001.00	-
Insurance claim receivable		-	-	-
Receivable from employees (Secured - considered good)		369.91	129.33	-
Advance for Gratuity to employees		24.54	98.00	-
Bank Balances-Escrow Account - PNGRB		274.79	-	-
Deposits with original maturity more than 12 months		16.17	-	-
Site resoration fund - Deposits with banks -a		391.00	10,361.00	-
Share application money pending allotment		6,147.00	-	-
Derivative assets - b		43.24	24.00	-
Receivable from employees under Own Your Vehicle Scheme (Unsecured - considered good)		19.00	43.00	-
Total		**203,753.76**	**262,933.04**	**16,715.72**

8.1 Gujarat State Investments Limited has taken over listed NCDs as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018. Further State Government has resolved that "The Government of Gujarat will support GSIL for payment towards Interest on NCD and principal repayment. Energy & Petrochemicals Department will make necessary budgetary provisions for the same in the budget of relent years." In addition to the resolution, The Government of Gujarat extended it's support to GSIL vide G.R. dated 02.06.2019 for NCDs serving, the said support is a part of Government's commitment under G.R dated 26.07.2018 read with agreement executed between Government of Gujarat and GSIL on 18.06.2019. Hence, GSIL is required to pay Interest on NCD with the Support received from Government of Gujarat.

8.2 * ICD includes ICD given to related party. (₹ in Lakhs)

Name of Related Party	31.03.2019	31.03.2018	01.04.2017
Gujarat State Financial Services	9,192	5,815	16,072

a. The above amount has been deposited with banks under section 33ABA of the Income Tax Act,1961 and can be withdrawn only for the purpose specified in the Scheme i.e towards removal of equipments and installations in a manner agreed with Central Government pursuant to an abandonment plan to prevent hazards to life,property,environment etc. This amount is considered as restricted cash and hence not considered as ' Cash and Cash equivalents'.

b. **Derivative assets**
The Group has entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk.

8.3 GSIL has requested Government of Gujarat to issue necessary directives for settlement of funds released by GSIL to GSPC towards reimbursement of interest on non-convertible debenture of ₹ 140,91,78,082 for the period from 1st January, 2018 to 31st March, 2018, paid in June 2018, be treated as equity contribution and accordingly fresh equity shares to be issued by GSPC to GSIL at the price as mentioned in the scheme of arrangement i.e. ₹ 8.01 per share

9 **Inventories** (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Raw materials	-	-	-
Finished goods - Crude oil			
(valued at rate specified in COSA)	340.00	406.00	-
Traded goods - Liquified natural gas	3,407.00	21,334.00	-
Line Pack Gas	10,499.00	10,398.00	-
Natural Gas Deferred Delivery (GIT)	2,742.00	1,644.00	-
Condensate	2,829.00	3,084.00	-
Stores and spares/Project materials	9,101.00	7,829.00	-
Total	**28,918.00**	**44,695.00**	**-**

10 **Current tax assets (Net)** (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Advance Income tax (Net of Provision)	18,856.07	31,149.93	381.94
Total	**18,856.07**	**31,149.93**	**381.94**

11 **Deferred Tax Assets (Net)** (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
DEFFERED TAX ASSET:			
Arising on account of timing difference - Fixed Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting	2.70	5.12	3.67
- Others	77.36	38.77	1.47
- Fair Valuation of Current Investments	10,922.63	10,892.73	10,109.91
- Impairement in associate	8,849.59	8,849.59	6,865.81
- MAT Credit Entitlement	663.12		-
Total DEFERRED TAX ASSET (A)	**20,515.40**	**19,786.21**	**16,980.86**
DEFERRED TAX LIABILITIES :			
Arising on account of	-	-	-
- Balance at the beginning of the year	-67,275.49	-56,696	-
Tax income/(expense) during the period recognised in profit or loss	-	-	-
- Decommissioning obligations	145.00	134	-
- Others	-45,218.00	309	-
Tax income/(expense) during the period recognised in other comprehensive income	-	-	-
TOTAL DEFERRED TAX LIABILTY (B)	**-112,348**	**-56,253**	**-**
TOTAL (B-A)	**-91,833.09**	**-36,466.79**	**-**

GUJARAT STATE INVESTMENTS LIMITED

Notes to Consolidated Financial statements for the year ended 31st March 2019

Note 12

Property, plant, equipment as at 31st March 2019

(₹ in Lakhs)

Particulars	Gross Block					Depreciation, Depletion and Amortization						Net Block	
	As at 1st April 2018	Adjustments on account of amalgamation	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	Charge For the year	Adjustments on account of amalgamation	Impairment	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Tangibles assets :													
Freehold Land	70,374.13	-	150.37	(204.00)	70,320.50	-	-	-	-	-	-	70,320.50	70,374.13
Lease hold Land*	6,137.58	-	2.00	-	6,139.58	262.81	71.09	-	-	-	333.90	5,805.68	5,874.77
Buildings	49,171.79	-	4,056.93	(183.00)	53,045.73	6,910.80	2,342.12	-	-	(29.00)	9,223.92	43,821.81	42,260.99
Plant and Machinery	1,197,848.87	-	102,653.69	(954.00)	1,299,548.56	283,877.61	64,611.15	-	-	(350.00)	348,138.75	951,409.81	913,971.26
Furniture and Fixture	2,879.44	-	89.93	(18.34)	2,951.04	1,415.68	300.39	-	-	(11.08)	1,704.98	1,246.05	1,463.76
Office Equipments	2,387.86	-	210.39	(44.53)	2,553.71	1,640.44	220.66	-	-	(16.22)	1,844.89	708.83	747.42
Computer Equipment	4,073.16	-	1,524.12	(127.20)	5,470.08	2,818.15	476.20	-	-	(91.71)	3,202.64	2,267.43	1,255.01
Vehicles	1,294.67	-	43.00	(150.00)	1,187.67	833.26	135.50	-	-	(128.00)	840.76	346.91	461.41
Electrical Installation & Equipment	7,804.60	-	2,312.29	(3.71)	10,113.19	4,095.22	1,064.88	-	-	(2.51)	5,157.58	4,955.60	3,709.38
Communication Equipment	5,268.33	-	417.61	-	5,685.94	2,393.56	571.12	-	-	-	2,964.68	2,721.26	2,874.77
Ships	6.33	-	-	-	6.33	2.82	0.65	-	-	-	3.47	2.86	3.51
Books	32.61	-	-	-	32.61	32.61	-	-	-	-	32.61	-	-
Producing Properties (being Company's share in Joint Arrangement)	166,044.58		868.00	(30,002.00)	136,910.58	79,512.11	5,978.00	-	(12,561.00)	(5,208.00)	67,721.11	69,189.46	86,532.46
Total tangible assets	**1,513,323.95**	**-**	**112,328.34**	**-31,686.78**	**1,593,965.51**	**383,795.06**	**75,771.75**	**-**	**-12,561.00**	**-5,836.52**	**441,169.30**	**1,152,796.21**	**1,129,528.89**
	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital work in progress :	-	-	-	-	-	-	-	-	-	-	-	-	-
Exploration & Development	-	-	-	-	-	-	-	-	-	-	-	13,109.00	9,264.23
CWIP Building	-	-	-	-	-	-	-	-	-	-	-	-	14.00
CWIP Others	-	-	-	-	-	-	-	-	-	-	-	93,365.75	140,005.54
Total capital work in progress	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**106,474.75**	**149,283.77**

Property, plant, equipment as at 31st March 2018

(₹ in Lakhs)

Particulars	Gross Block					Depreciation, Depletion and Amortization						Net Block	
	As at 1st April 2017	Adjustments on account of amalgamation	Addition during the year	Disposal/ Adjustment	As at 31st March 2018	As at 1st April 2017	Charge For the year	Adjustments on account of amalgamation	Impairment	Disposal/ Adjustment	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Tangibles assets :													
Freehold Land	70,003.82	-	206.31	164.00	70,374.13	-	-	-	-	-	-	70,374.13	70,003.82
Lease hold Land*	5,973.58	-	164.00	-	6,137.58	192.72	70.09	-	-	-	262.81	5,874.77	5,780.86
Buildings	47,013.20	-	2,172.40	(12.81)	49,172.79	4,715.63	2,195.51	-	-	(1.34)	6,909.80	42,262.99	42,297.57
Plant and Machinery	1,148,355.50	-	51,078.46	(1,585.10)	1,197,848.87	220,736.99	63,963.72	-	-	(823.11)	283,877.61	913,971.26	927,618.51
Furniture and Fixture	3,047.17	-	90.38	(258.11)	2,879.44	1,237.00	360.22	-	-	(180.56)	1,416.66	1,462.78	1,810.17
Office Equipments	2,444.43	-	158.40	(214.97)	2,387.86	1,554.61	284.07	-	-	(199.24)	1,639.44	748.42	889.82
Computer Equipment	3,906.66	-	316.91	(151.41)	4,072.16	2,567.50	396.59	-	-	(146.94)	2,817.14	1,255.02	1,339.16
Vehicles	1,413.02	-	46.79	(166.15)	1,293.67	795.39	184.17	-	-	(147.31)	832.26	461.41	617.63
Ele Installation & Equipment	7,127.81	-	676.89	(0.09)	7,804.60	2,973.36	1,121.86	-	-	-	4,095.22	3,709.38	4,154.45
Communication Equipment	5,084.26	-	184.07	-	5,268.33	1,715.59	677.97	-	-	-	2,393.56	2,874.77	3,368.67
Ships	6.33	-	-	-	6.33	2.00	0.82	-	-	-	2.82	3.51	4.33
Books	33.42	-	0.19	-	33.61	33.42	0.19	-	-	-	33.61	-	-
Producing Properties (being Company's share in Joint Arrangement)	152,220.58	-	13,824.00	-	166,044.58	71,065.11	8,447.00	-	-	-	79,512.11	86,532.46	81,155.46
Total tangible assets	**1,446,629.79**	**-**	**68,918.80**	**-2,224.64**	**1,513,323.95**	**307,589.32**	**77,702.21**	**-**	**-**	**-1,498.50**	**383,793.03**	**1,129,530.92**	**1,139,040.47**
	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital work in progress :	-	-	-	-	-	-	-	-	-	-	-	-	-
Exploration & Development		-	-	-	-	-	-	-	-	-	-	9,264.23	17,341.04
CWIP Building		-	-	-	-	-	-	-	-	-	-	14.00	284.06
CWIP Others		-	-	-	-	-	-	-	-	-	-	140,005.54	121,706.97
Total capital work in progress		-	-	-	-	-	-	-	-	-	-	**149,283.77**	**139,332.07**

*The non-cancellable lease term is for a period of 50-99 years. Accordingly, the land has been classified as finance lease.

Notes

a. Exploration and Development cost incurred by the joint Arrangements has been bifurcated into CWIP tangible and intangible assets under Development as per the requirement of Guidance note on Accounting for Oil & Gas Producing Activities (Ind AS) issued by ICAI read with Ind AS 106 "Exploration for and Evaluation of Mineral Resources".

In the Case of Subsidiary GSPC Pipavav Power Company Limited.

GSPC Pipavav Power Company Limited had capitalised substanitial portion of 702MW power plant during FY 2013 - 2014 that were ready for commercial production based on trial run as per terms of Power Purchase Agreement (PPA) with GUVNL. Further the work under EPC contract is not over and the company has not issued Provisional Acceptance Certificate (PAC) to Bharat Heavy Electricals Ltd. (BHEL). Considering uncertainity in recoberability and crystallization of exact amount of liquidated damages on account of delay in execution of contract under the EPC contract with BHEL (including liquidated damages arising that may arise on Perfomance Acceptance Certificate), the management has decided to consider accounting of liquidated damages under EPC contract after PAC and Perfomance Guarantee test by BHEL.

The assets i.e. 702MW gas based combined cycle power plant located at Pipavav, Amreli is commissioned for generation of power (electricity). Presently, the Company is generating power as per the Power Purchase Agreement (PPA) executed with GUVNL. Although, GUVNL is the sole procurer of electricity generated from the assets at this point in time, the Company has right to use the assets for other customer/s in future, if any.

In light of the above aspects of the arrangement, the Company has examined the parameters of determining whether this arrangement contains a Lease with respect to Appendix C of Ind AS 17-Leases. As per Appendix C there are two criteria which needs to be fulfilled to determine that the arrangement is a lease:

i) Fulfilment of the arrangement is dependent on the use of a specific asset

ii) Arrangement conveys a right to use the asset

The Management has reviewed the above two conditions in light of the Power Purchase Agreement, Articles of Association, its relationship with the promoters and the Government of Gujarat. Moreover, the Company has solicited clarifications from GUVNL (the procurer). The first condition is fulfilled as the arrangement is dependent on the use of specified asset i.e. the 156MW and 351MW gas based power project. However, the Company has observed that the second condition is not satisfied due to the following observations:

a. The power procurer neither has the ability to operate the asset nor direct any other party to operate the asset.

b. The power procurer does not have any physical control over the asset

c. The Company has the right to sell the electricity generated from the asset to a separate power procurer, if required. Further the condition under the criteria requires that the pricing for the arrangement must not be linked operating capacity/ productivity of the asset. The criteria allows the arrangement to classified as lease only if there is neither a fixed price per unit nor market linked price per unit. The asset's pricing with power procurer is completely dependent on the productivity factor as the final price of power is market linked. The price of gas procured by the Company to operate the asset and generate power is market linked and a pass-through under the PPA which leads to the inference that the price per unit is market linked. Moreover the fixed cost component under PPA pricing is also governed by certain market linked components like interest rate for the loans being serviced by the Company.

Thus, although the procurer is off-taking all or substantially all the output from a specified asset, there vests no right to use of the asset with the procurer other than the output. Hence the arrangement does not fulfil the criteria for the determination of lease and accordingly the asset has been considered as a part of PPE of the company disclosed in the Schedule above.

Borrowing Cost and Test Production

In the case of GSPC for FY 2018-19 Borrowing Cost : NIL (FY 17-18: ₹ 0.79 crs) is capitalised as part of CWIP.

While In case of GPPC for FY 2018-19 Borrowing Cost : NIL (FY 17-18: ₹ 0.03 crs) is capitalised proportionately for 702MW power plant.

Contractual Obligations

Refer Note 36 for disclosure of contractual(Capital) commitments for the acquisition of property, plant and equipment.

2A Leased Assets

In the case of Subsidiary Gujarat Info Petro Limited Building includes the following amounts where the Company is a lessee under the finance lease.

(₹ in Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Building		
Cost/Deemed cost	0.3	0.18
Accumulated Depreciation	0.02	0.01
Net carrying amount	0.28	0.16

The Company has entered into irrevocable finance lease arrangements for office space at Infocity, Gandhinagar for an upfront one time consideration of ₹ 23,40,000 plus incidental charges and freehold premium payable at the end of 58 years of ₹ 1,74,720 as on 31 March, 2019 . Total minimum lease payments at the end of 58 years amounting to ₹ 1,74,720 is reflected under other non current financial liabilities.

GUJARAT STATE INVESTMENTS LIMITED
Notes to Consolidated Financial statements for the year ended 31st March 2019

Note 13

Investment property as at 31st March 2019

(₹ in Lakhs)

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Land and building	156.00	-	-	156.00 -	3.00	1.00		4.00 -	152.00 -	153.00 -
Total Investment property	**156.00**	**-**	**-**	**156.00**	**3.00**	**1.00**	**-**	**4.00**	**152.00**	**153.00**

Investment property as at 31st March 2018

(₹ in Lakhs)

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2017	Addition during the year	Disposal/ Adjustment	As at 31st March 2018	As at 1st April 2017	For the year	Disposal/ Adjustment	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Land and building*	320.00		(164.00)	156.00	2.00	1.00		3.00	153.00	318.00
Total Investment property	**320.00**	**-**	**-164.00**	**156.00**	**2.00**	**1.00**	**-**	**3.00**	**153.00**	**318.00**

*Includes land of an amount of ₹ 1.45 crores (P.Y ₹ 1.45 crores) which is non depreciable.

Notes

a. The assets are given on lease for various lease terms as agreed mutually. The leases are cancellable subject to agreed notice period.

b. Amount recognised in profit or loss for investment properties :

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Rental Income	19.00	18.00
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	19.00	18.00
Depreciation	(1.00)	(1.00)
Profit from investment properties	18.00	17.00

c. Contractual Obligations

Refer to Note 36 for disclosure of contractual obligations to purchase, construct or develop investment property or for its repair, maintenance or enhancements.

d. Leasing Arrangements

The operating lease arrangements are cancellable subject to the stipulated notice period. Accordingly there is no commitment from the lessee in terms of minimum lease payments (MLP) and hence management is of the view that it is impracticable to estimate the MLP receivable in future.

e. Fair Value

In case of Parent Company management conducted the fair value assessment based on principles of Ind AS 113 for investment properties. Consequently, the fair value was determined not to be substantially different from the carrying value of the assets.

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated) **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment Properties	240.00	240.00
Total	**240.00**	**240.00**

"The Group obtains independent valuations for its investment properties once in every three years. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the group considers information from a variety of sources including:"

1. Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
2. Discounted cash flow projections based on reliable estimates of future cash flows "
3. Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by based on independent valuer's valuation certificate. The main inputs used are the rental growth rates, jantry value guideline and sales comparison approach based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3."

The Group had recognized the rental - facilitation fees of on Investment property for the financial year 2016-17 and 2017-18 on the basis of provisional working of rental -facilitation fees submitted by tenants. As the Group is defending the issue of valuation of land for rental -facilitation fees with tenants and not recognize the rental -facilitation fees on fair value of land because no such decision is arrived at by both the parties (company & tenants) till end of the financial year.

On similar line, the Group has recognized rental -facilitation fees on Investment property for in the financial year 2018-19 on the basis previous year working and considering no further working of rental -facilitation fees has been submitted by tenants for the financial year 2018-19."

Goodwill on Consolidation as at 31st March 2019

(₹ in Lakhs)

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Goodwill on consolidation	18,613.77	-	-	18,613.77	-	-	-	-	18,613.77	18,613.77
	-	-	-	-	-	-	-	-	-	-
Total Goodwill on consolidation	**18,613.77**	**-**	**-**	**18,613.77**	**-**	**-**	**-**	**-**	**18,613.77**	**18,613.77**

Other intangible assets as at 31st March 2019

(₹ in Lakhs)

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2018	Addition during the year	Disposal/ Adjustment	As at 31st March 2019	As at 1st April 2018	For the year	Disposal/ Adjustment	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Right of Use/ Right of Way	43,936.71	4,695.05	(170.00)	48,461.76	3,131.31	1,130.90	(17.00)	4,245.21	44,216.55	40,805.40
Software	10,056.01	967.06	(11.00)	11,012.07	6,516.65	1,101.04	(5.00)	7,612.70	3,399.38	3,539.36
Total other intangible assets	**53,992.72**	**5,662.11**	**(181.00)**	**59,473.83**	**9,647.96**	**2,231.94**	**(22.00)**	**11,857.91**	**47,615.93**	**44,344.76**
Intangible assets under development										
Exploration & Development				-	-			-	48,291.00	93,238.89
Software				-	-			-	51.00	14.00
Total of Intangible assets under development	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**48,342.00**	**93,252.89**

Goodwill on Consolidation as at 31st March 2018

(₹ in Lakhs)

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2017	Addition during the year	Disposal/ Adjustment	As at 31st March 2018	As at 1st April 2017	For the year	Disposal/ Adjustment	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Goodwill on consolidation	18,613.77	-	-	18,613.77	-	-	-	-	18,613.77	18,613.77
	-	-	-	-	-	-	-	-	-	-
Total Goodwill on consolidation	**18,613.77**	**-**	**-**	**18,613.77**	**-**	**-**	**-**	**-**	**18,613.77**	**18,613.77**

Other Intangible assets as at 31st March 2018

(₹ in Lakhs)

Particulars	Gross Block				Depreciation, Depletion and Amortization				Net Block	
	As at 1st April 2017	Addition during the year	Disposal/ Adjustment	As at 31st March 2018	As at 1st April 2017	For the year	Disposal/ Adjustment	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017
Right of Use / Right of Way*	40,030.96	3,910.75	(5.00)	43,936.71	2,133.35	999.96	(2.00)	3,131.31	40,806.40	37,897.61
Goodwill	-	-	-	-	-	-	-	-	-	-
Software	8,585.64	1,647.37	(177.00)	10,056.01	5,544.52	1,147.13	(175.00)	6,516.65	3,539.36	3,041.12
Concession assets	-	-	-	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-	-	-	-
Total other intangible assets	**48,616.60**	**5,558.12**	**(182.00)**	**53,992.72**	**7,677.87**	**2,147.09**	**(177.00)**	**9,647.96**	**44,344.76**	**40,938.73**
	-	-	-	-	-	-	-	-	-	-
Intangible assets under development	-	-	-	-	-	-	-	-	-	-
Exploration & Development	-	-	-	-	-	-	-	-	93,238.89	145,621.00
Software	-	-	-	-	-	-	-	-	14.00	125.00
Total of Intangible assets under development	-	-	-	-	-	-	-	-	**93,252.89**	**145,746.00**

Notes

a. Details of borrowing cost capitalised have been disclosed in Note No. 2 of Property, Plant and Equipment.

In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

b. **Right of Use (ROU)**

"The Group acquires the 'right of use' (hereinafter referred to as 'ROU') for the purpose of laying and maintenance of the underground pipeline and vests in the Group and the Group has the right to use the same in the manner for which it has been acquired. The acquisition of ROU is governed by the legal process as per the Act, the Group has paid the compensation /consideration of the ROU - land determined by the competent authority under the Act and any person authorised by the Group, have unrestricted right of entry and lay pipeline or do any other act necessary for the purpose of laying of pipeline. The Group has disclosed the cost incurred for acquisition of ROU as 'Right of Use' in the Intangible Asset schedule. Right of Use has an indefinite life and hence it is not amortised. However, the same is tested for impairment annually.

*Includes RoU of ₹ 112.35 Crs (31st March 2018: ₹ 109.31 Crs)"

c. **Contractual Obligations** Refer Note 36 for disclosure of contractual(Capital) commitments for the acquisition of property, plant and equipment.

d. **Right of Way (ROW) :**

Right of Way (ROW) is amortised over 30 years on straight line method as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

14 **Other Non Financial Assets** (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Other Advances			
Prepaid Expenses	10,412.24	8,632.26	0.11
Balance with Statutory / Government authorities	14,554.04	14,601.04	0.04
Advances to Staff	-	-	-
Capital Advances	8,148.33	3,456.88	
Payment under Protest	1.00	1.00	
Deferred employee cost	1,148.80	560.79	
Other assets	1,443.63	665.15	
Deferred employee cost	563.43	582.17	
Advance to vendors - Unsecured Considered Doubtful	2.16	2.22	
- Provision for Doubtful advances	-1.50	-	
Total	**36,272.13**	**28,501.51**	**0.15**

15 **Non-Current Asset Held for Sale** (Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Non-Current Asset Held for Sale	48,331.00	-	-
Total	**48,331.00**	**-**	**-**

Non Current Assets held for sale

During the year the group has decided to sell participating interest in 12 E&P fields belonging too E&P segment namely Hazira, Allora, Dholasan, North Kathana, Unawa, Miroli, Bhandut, CB ONN 2004/1, CB ONN 2004/2, CB ONN 2004/3, GK OSN 2009/1 and MB OSN 2005/1. The bidding process for the same was initiated by the group during the year. Hence, as per Ind AS 105 – 'Non-current Assets Held for Sale and Discontinued Operations', such group of assets have been reclassified as non current assets held for sale and measured at the lower of carrying amount and fair value less cost to sale as presented in the table below: (₹ in Lakhs)

Particulars	As at 31st March, 2019
Assets	
Non current assets (net of depreciation and amortisation where applicable)	
Producing Properties	24,794.00
Freehold Land	204.00
Office equipments	7.00
Computer equipment	3.00
Plant and machinery	5.00
Furniture and fixtures	0.30
Vehicle	1.00
Building	154.00
Exploration & Development	44,115.00
Site Restoration Fund	10,694.00
Other Current Assets	44.00
Total carrying value of non-current assets (A)	80,021.30
Liabilities associated with above group of assets	
Provision for decommissioning cost	(7,804.00)
Other Current liabilities	(5,254.00)
Net assets classified as held for sale	66,963.30
Fair value less cost to sell of above group of assets (B)	35,274.00
"Impairment loss recognised in statement of profit or loss as an exceptional item "(C) = (A) - (B)"	31,689.30
Details of profit and loss attributable to the above group of assets is below:	

Particulars	As at 31st March, 2019
Revenue	3,482.00
Expense	(3,508.00)
Depletion	(1,637.00)
Impairment	(31,689.30)
Profit/(loss) before tax	(33,352.30)
Income tax expense	-
Profit/(loss) after tax	**(33,352.30)**

16 **Trade payables** **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Total outstanding dues of micro enterprises and small enterprises	1,408.00	1,741.00	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,973.00	95,108.00	-
Total Trade payables	**32,381.00**	**96,849.00**	**-**

17 **Debt Securities** **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Non Convertible Debentures	600,000.00	-	-
Total	**600,000.00**	**-**	**-**
Debt securities in India	600,000.00	-	-
Debt securities outside India	-	-	-
Total	**600,000.00**		

Gujarat State Investments Limited has taken over 60,000 listed NCDs having face value of ₹ 10,00,000 each, as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018 w.e.f. appointed date as mentioned in the scheme of arrangement, i.e. 01st April, 2018. Schedule of Repayment of the same is given as below:

(Amount in ₹)

NCD ISIN No.	Total no of NCDs	Total Value	Maturity Date
INE08EQ08015	10,000	10,000,000,000	21.09.2020
INE08EQ08049	10,000	10,000,000,000	28.09.2022
INE08EQ08023	10,000	10,000,000,000	01.10.2022
INE08EQ08056	10,000	10,000,000,000	22.03.2025
INE08EQ08031	20,000	20,000,000,000	22.03.2028
Total	**60,000**	**60,000,000,000**	**-**

18 **Borrowings (Other than Debt Securities)** **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
	At Amortised Cost	At Amortised Cost	At Amortised Cost
(a) Term loans			
(i)from banks	816,360.00	646,620.00	-
(ii)from other parties	216,312.00	289,514.00	-
(b) Loans repayable on demand			
(i)from banks	53,054.00	297,476.00	-
(ii)from other parties	-	-	-
(c) Other loans	50,500.00	56,000.00	67,985.00
(d) Compulsory Convertible Debentures	-	55,000.00	-
(i) Non-Convertible Debentures	-	601,529.00	-
Total (A)	**1,136,226.00**	**1,946,139.00**	**67,985.00**
Borrowings in India	1,136,226.00	1,946,139.00	67,985.00
Borrowings outside India	-	-	-
Total (B)	**1,136,226.00**	**1,946,139.00**	**67,985.00**

Government of Gujarat, in capacity of the Promoter of the company, provides investment funds in form of interest free loans having specific directions to invest in equity shares of Group Entities of the company in terms of CIC directions. Investment funds, released as loan by GoG, when received for investment in equity are recognized as financial liabilities. There exist an obligation, however, the terms and conditions do not specify fixed repayment schedule. Hence, the same is classified as loan repayable on demand.

Gujarat State Petroleum Corporation Limited
Secured Loans

a. State Bank of India had sanctioned a Rupee Term Loan (RTL 1) Facility amounting to ₹ 3,000 Crores (Current outstanding is ₹ 859.09 Crores) in F.Y. 2014-15. During FY 2018-19, there was no installment due towards repayment of loan, as loan repaid from ONGC sales consideration has retired the near term installments in the repayment schedule. The loan is secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt.Limited.(JODPL) as on 31st March 2017 amounting to ₹ 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

Borrowings

b. Consortium of two member banks lead by Bank of Baroda, London branch has provided Foreign Currency Loan (ECB-1) of USD 200 Million (Rs.1053.94 Crores) (Current outstanding of USD 18.30 Million i.e. ~₹ 126.56 Crores). During FY 2018-19, there was no installment due towards repayment of loan, as loan repaid from ONGC sales consideration has retired the near term installments in the repayment schedule. The loan is secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt.Limited.(JODPL) as on 31st March 2017 amounting to ₹ 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

c. Consortium of five member banks lead by Bank of Baroda, London branch has provided Foreign Currency Loan (ECB-2) of USD 250 Million (₹ 1528.70 Crores) (Current outstanding of USD 60.80 Million i.e ₹ 395.47 Crores) and USD 75 Million (Current outstanding of USD 18.57 Million i.e. ₹ 120.79 Crores) from Export Import Bank of India . The company has prepaid USD 138.59 Million (i.e. ₹ 882.26 Crores) (USD 250 Million Facility) and USD 42.36 Million (i.e. ₹ 269.66 Crores) (USD 75 Million Facility) from funds received as consideration from ONGC. The prepayment with funds from sales consideration has retired the near term installments in the repayment schedule. The loan is secured by way of first ranking parri passu charge over the Company's share (10%) in the contract area (KG-OSN-2001/3), charge over receivables from JODPL as on 31st March 2017 amounting to ₹ 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

d. .EXIM bank has provided Foreign Currency Loan (ECB - 3) of USD 100 Million (Rs.624.45 Crores) (Current outstanding of USD 24.24 Million i.e. ~₹ 167.65 Crores). During FY 2018-19, there was no installment due towards repayment of loan, as loan repaid from ONGC sales consideration has retired the near term installments in the repayment schedule. The loan is secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt.Limited.(JODPL) as on 31st March 2017 amounting to ₹ 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

e. State Bank of India (Nassau) has provided Foreign Currency Loan (ECB - 4) of USD 100 Million (Rs.657.40Crores) (Current outstanding of USD 28.58 Million i.e. ₹ 197.70 Crores). During FY 2018-19, there was no installment due towards repayment of loan, as loan repaid from ONGC sales consideration has retired the near term installments in the repayment schedule. The loan is secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt. Limited. (JODPL) as on 31st March 2017 amounting to ₹ 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

f. Consortium of thirteen member banks lead by Punjab National Bank has provided Rupee Term Loan (RTL 2) of ₹ 4,500 Crore (Current outstanding of ₹ 1,389.36 Crore). During FY 2018-19, there was no installment due towards repayment of loan, as loan repaid from ONGC sales consideration has retired the near term installments in the repayment schedule. The loan is secured by way of first ranking parri passu charge over the Company's share (10%) share of receivables in the contract area (KG-OSN-2001/3), charge over receivables from JODPL Pvt.Limited.(JODPL) as on 31st March 2017 amounting to ₹ 485.71 Crores and charge over any additional consideration which may be received from ONGC in future after approval of Field Development Plan for other six discoveries of KG-OSN-2001/3.

g. State Bank of India has provided a Corporate Loan (RTL 3) of ₹ 2,100 Crores (Current Outstanding - ₹ 2,100 Crores) in FY 2018-19. The loan is secured by land based in Kakinada, Andhra Pradesh, hypothication of Wind Mill, Pledge of shares and Participating Interest of block. As per the terms of the agreement, the company has time for creation and perfection of security, further the company has repaid loan to the extent of ₹ 1,050 Crores in June 2019 and is in process of discussion with banks for modification of security proposed to bank, the outcome of same is awaited. Considering the above ongoing process, the loans is considered secured.

Unsecured Loans:

h. Company has availed Long Term Loan from Gujarat State Financial Services (GSFS) in FY 2018-19 for the period of 5 years with repayment in 16 quarterly installment. (Current outstanding ₹ 1,000 Crores).

i. As on 31st March, 2018 outstanding unsecured NCDs amounting to ₹ 6,000 crores raised on private placement basis are listed with National Stock Exchange and same has been transferrred to GSIL under the scheme of arrangement (refer note no-43). The details of the same are as follows:

* The company has the call option for these NCDs after 10 years, from date of allotment i.e. 28th September, 2012 and till maturity and in case such option is not exercised then the interest rate will step up by 2 % till the NCDs are repaid.

** The company has the call option for these NCDs after 12 years, from date of allotment i.e. 22nd March, 2013 and in case call option is not exercised, the interest rate will step up by 2% till the NCDs are repaid/redeemed.

j. The Company has raised funds amounting to ₹ 550 Crores through issuance of Compulsory Convertible Debentures (CCDs) on private placement basis. The details of CCDs issued are as follows:

Name of Investor
IDBI Bank
IFCI
State Bank of India

"The CCDs (face value: ₹ 81 per debenture) were secured by a first mortgage and charge over immovable property (Guesthouse Bungalow at Infocity, Gandhinagar) of the Company. There was a lock in period of one year for CCD investor from the date of allotment. The debentures are converted into equity shares on 29th May, 2019.

As the conversion of CCD into Equity was due in January 2019 as per the terms of the CCD agreement, the same has been re classified as ""Financial Instrument in Equity Nature"" as on 31st March, 2019.

Further, as the conversion was not done till 31st March,2019, interest on CCD for the period ended on 31st March,2019 has been provided."

k. In Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

For Borrowings also Refer note 42 - Financial instruments, fair values and risk measurement

Secured Loans

Term loan from banks and financial institutions are secured by first pari-passu charge on all Intangible and Tangible assets (except 36" pipeline from Hazira to Mora), Capital Work in Progress, operating cash flows, Book Debts and Other Movables of the Company.

For foreign currency loan, the Company has entered in to cross currency swap and interest rate swap in order to hedge its foreign currency risks in full.

l. In Case of Subsidiary Gujarat Pipavav Power Company Limited

Secured Loans

The Term Loan from banks are secured by Pari - pasu charge by way of mortgage of the company's immovable properties both present and future; and hypothecation of entire movable properties both present and future situated at Dist. Amreli, Pipavav for 702 MW power project is subject to fulfillment of the condition.

During FY 17-18, the term loan of IDBI and Karur Vysya Bank was repaid. These both loans were taken over by Dena Bank.

* The term loan from Vijya Bank for 5 MW solar project is secured by pari - passu charge by way of mortgage of the company's immovable properties both present and future; and hypothecation of entire movable properties both present and future situated at Dist. Patan, Charanka for 5 MW Solar Power Project and receivables.

19 Other Financial Liabilities **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
GOG Support for NCD Takeover Transaction	14,041.78	-	-
GOG Support Grant (Repayable)	50.00	-	-
Operation and maintenance expense payable	75.00	148.00	-
Lease Hold Premium payable	1.75	1.75	-
Security deposits received from customers	1,919.61	1,499.62	-
Other payables	1,019.00	1,322.00	-
Current maturities of non-current borrowings (Note 15)	158,295.26	201,262.02	-
Creditors for Capital Expenditure	39,103.34	39,933.93	-
Payable to Joint Arrangements	48,428.00	65,719.00	-
Interest accrued but not due	1,002.00	-	-
Unclaimed dividend	344.13	358.38	-
Imbalance,overrun & Other charges	3,912.61	3,621.18	-
Total outstanding dues of micro enterprises and small enterprises	3,350.34	1,164.00	-
Total outstanding dues to other than micro enterprises and small enterprises	28,665.90	24,312.58	-
Deposits from customers and others	95,049.31	83,651.47	-
Earnest Money Deposits	239.59	226.61	-
BG Asia Pacific Holdings Limited	46,478.00	46,478.00	-
Less : Amount deposited in Escrow Account with Citi Bank	-46,478.00	-46,478.00	-
Security Deposit from Vendors	2,694.80	2,727.00	-
Other current financial liabilities	62,476.50	2,882.47	-
Derivative liability1	52,677.20	67,861.61	-
Other Expenses Payable	112.62	2,698.90	-
Other Payables*	16.13	8.48	25.54
Total	**513,474.87**	**499,399.01**	**25.54**

Gujarat State Investments Limited has taken over listed NCDs as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018. Further State Government has resolved that "The Government of Gujarat will support GSIL for payment towards NCD interest and principal repayment. Energy & Petrochemicals Department will make necessary budgetary provisions for the same in the budget of relent years." In addition to the resolution, The Government of Gujarat extended it's support to GSIL vide G.R. dated 02.06.2019 for NCDs serving, the said support is a part of Government's commitment under G.R dated 26.07.2018 read with agreement executed between Government of Gujarat and GSIL on 18.06.2019. Hence, GSIL is required to pay NCDs interest which will be given by GOG as support.

20 Provisions **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Provisions For Employee Benefits			
Provision for Leave Encashment	6.15	5.41	3.64
Provision for Gratuity	2,270.02	1,358.63	6.48
Provision for Superannuation	96.00	38.00	-
Provision for leave travel allowance	64.00	38.00	-
Provision for Leave Benefits	5,677.00	4,579.00	-
	8,113.17	6,019.04	10.12
Others		-	
Provision for decommissioning obligation	8,752.00	16,063.00	-
Provision for Profit Petroleum	5,643.00	5,643.00	-
Provision for other expenses	72.00	56.00	-
	14,467.00	21,762.00	-
Total	**22,580.17**	**27,781.04**	**10.12**

Notes

1 The Group had entered into Interest rate swap to hedge against interest rate risk.

2 In case of Subsidiary GSPL Consol

(i) The Group obtained security deposits from the customers under contractual terms which are repayable after fixed contract tenure.

(ii) The balance with the bank for unpaid dividend is not available for use by the Group and the money remaining unpaid will be deposited in Investor Protection and Education Fund u/s 124(5) of Companies Act, 2013 after the expiry of seven years from the date of declaration of dividend. No amount is due at the end of the period for credit to Investors education and protection fund.

(iii) The Group deposited ₹ 464.78 Crs on 12th June, 2013 into the escrow account ("named BG Asia Pacific Holdings Pte. Limited GSPC Distribution Networks Limited Escrow Account") opened with Citibank N.A. , acting as the escrow agent, pursuant to the escrow agreement executed between the BG Asia Pacific Holdings Pte. Limited (the Seller), Gujarat Gas Limited (Formerly known as GSPC Distribution Networks Limited) (the Purchaser) and Citibank N.A. The Payment of said amount into Escrow Account is to be utilized to meet future tax withholding liability (if any) based on outcome of the applications to the Authority for Advance Rulings or otherwise to be remitted to BG Asia Pacific Holdings Pte. Limited (the Seller) directly.

21 Other Non- Financial Liabilities **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Other Payables*	3,053.00	13,980.00	-
Duties and Taxes	0.47	-	-
Statutory tax liability	16,954.00	10,375.00	-
Advance from customers	330.00	520.00	-
Income received in advance	11,016.00	3,204.00	-
Others	192.00	334.00	-
Total	**31,545.47**	**28,413.00**	**-**

* Inlcudes Statutory Dues

22 Liabilities associated with Non Current Assets held for sale **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Liabilities associated with Non Current Assets held for sale	13,058.00	-	-
Total	**13,058.00**	**-**	**-**

GUJARAT STATE INVESTMENTS LIMITED

22.1 Loan repayment schedule

In the Case of Subsidiary Gujarat State Petrolium Corporation Ltd.

(₹ in Lakhs)

S. No.	Particulars	Total Outstanding (Rs. in Lakhs)*	Maturity period	Rate of Interest (p.a.)	Repayable in 12 months	Repayable in 2 to 4 years	Repayable in 5 to 7 years	Repayable in 8 to 10 years
1	Rupee Term Loan-1	859.09	30-Sep-24	SBI Base Rate + Spread			85,909.00	
2	Rupee Term Loan-2	1,389.36	31-Mar-29	SBI Base Rate + Spread	-			138,936.00
3	External Commercial Borrowing (ECB-1)	126.56	30-Sep-20	6 m Libor + Spread	3,972.00	8,684.00	-	-
4	External Commercial Borrowing (ECB-2)	548.95	30-Sep-23	6 m Libor + Spread		40,845.00	14,050.00	
5	External Commercial Borrowing [ECB-3 (Exim)]	167.65	31-Dec-24	6 m Libor + Spread			16,765.00	
6	External Commercial Borrowing [ECB-4 (SBI)]	197.70	30-Sep-24	6 m Libor + Spread		6,800.00	12,970.00	
8	Corporate Loan	2,100.00	30-Sep-28	SBI MCLR + Spread	15,750.00	47,250.00	42,000.00	105,000.00
9	GSFS Loan	1,000.00		Floating Rate of Interest - presently 8.25%		90,600.00	9,400.00	-
	Total	**6,389.31**			**19,722.00**	**194,179.00**	**181,094.00**	**243,936.00**

*The amounts outstanding for various loans as on 31st March, 2019 are as per the terms of the agreement and as per the understanding of the Joint Lenders Meeting wherein it was decided that the prepayment with funds from sales consideration has retired the near term installments in the repayment schedule, for which the approval of respective banks is awaited.The amount represents actual amount payable to banks at prevailing exchange rates on reporting date excluding accounting effects of Effective interest Rate (EIR) as per Ind-AS.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated).

(₹ in Lakhs)

Sr. No.	Terms of repayment	No. of Installments due	Interest rate	Maturity	2018-19		2017-18	
					Non-current	Current	Non-current	Current
1	Quarterly installments	13	7.86%	Apr-22	6,328.13	2,812.50	9,140.63	2,812.50
2	Half yearly installments	3	1 Year GSEC + 2.175%	Aug-20	603.27	1,206.55	1,809.82	1,206.55
3	Quarterly installments	32	1 Year MCLR	Mar-27	11,664.00	1,668.00	8,433.33	1,666.67
4	Yearly installments	2	8.25%	Mar-21	93,333.33	93,333.33	156,666.67	123,333.33
5	Yearly installments	3	8.25%	Mar-22	16,666.66	8,333.33	-	-
6	Quarterly installments	35	8.75%	Dec-27	48,809.00	2,763.00	51,599.00	2,762.00
7	Quarterly installments	34	8.59%	Sep-27	151,106.00	8,631.00	159,740.00	8,630.00
8	Quarterly installments	40	8.60%	Mar-29	9,000.00	1,002.00	10,000.00	2.00
	Grand Total				**337,510.39**	**119,749.71**	**397,389.45**	**140,413.05**

In the Case of Subsidiary GSPC Pipavav Power Company Limited.

(₹ in Lakhs)

Sr. No.	Particulars	Rate of Interest	Maturity	Outstanding as at March 31, 2019	Maturity Profile		
					2019- 2020	2020 - 2025	2025 - 2030
	Details of Term Loans From Bank						
1	Secured Term Loan from Bank of Maharashtra	**One Year MCLR+ 0.00%**	**31-Mar-25**	24,910.41	4,189.20	20,721.21	-
2	Secured Term Loan from Allahabad Bank	**One Year MCLR+ 0.00%**	**30-Jun-25**	15,605.89	2,500.00	12,500.00	605.89
3	Secured Term Loan from Dena Bank	**One Year MCLR+ 0.30%**	**30-Jun-25**	10,382.50	1,666.67	8,333.33	382.50
4	Secured Term Loan from Dena Bank (New)	**One Year MCLR+ 0.30%**	**30-Sep-25**	2,021.48	311.11	1,555.56	154.81
5	Secured Term Loan from Dena Bank (IDBI take over)	**One Year MCLR+ 0.30%**	**31-Mar-25**	14,984.18	2,498.58	12,485.60	-
6	Secured Term Loan from Dena Bank (KVB take over)	**One Year MCLR+ 0.30%**	**31-Mar-25**	9,995.13	1,666.71	8,328.42	-
7	Secured Term Loan from OBC Bank	**One Year MCLR+ 0.10%**	**31-Mar-25**	9,986.35	1,666.67	8,319.68	-
8	Secured Term Loan from Vijya Bank	**One Year MCLR+ 0.00%**	**31-Mar-25**	4,996.52	833.33	4,163.19	-
9	Secured Term Loan from SBI	**One Year MCLR+ 0.60%**	**31-Mar-25**	7,088.68	1,195.33	5,893.35	-
10	Secured Term Loan from Vijaya Bank *	**One Year MCLR+ 0.00%**	**24-Nov-21**	908.48	332.10	576.38	-
	Total			**100,879.62**	**16,859.70**	**82,876.71**	**1,143.21**

23 Share Capital **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
AUTHORIZED SHARE CAPITAL			
2,85,00,00,000 Equity Shares of ₹ 10/- each (Previous Year 2,85,00,00,000 Equity Shares of ₹ 10/-each)	285,000	285,000	285,000
1,50,00,000 Preference Share of ₹ 100/- each (Previous Year 1,50,00,000 Preference Shares of ₹ 100/-each)	15,000	15,000	- 15,000
Total	**300,000**	**300,000**	**300,000**
ISSUED , SUBSCRIBED & FULLY PAID UP CAPITAL			-
1,04,27,69,070 Equity Shares of ₹ 10/-each fully paid up (Previous Year 1,04,27,69,070 Equity Shares of ₹ 10/-each fully paid up)	104,277	104,277	104,277 -
Total	**104,277**	**104,277**	**104,277**

23.1 The reconciliation of the number of Equity Shares outstanding as at 31st March 2019 is set out below :

Particulars	As at 31st March, 2019	
	No. of shares	Amount in ₹
Shares outstanding at the beginning of the year	1,042,769,070	10,427,690,700
Add: Shares issued during the year	-	-
Shares outstanding at the end of the year	1,042,769,070	10,427,690,700

23.2 Rights, preferences and restrictions attached to Equity Shares :

The company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding .

23.3 The details of shareholders holding more than 5% shares are set out below :

Particulars	As at 31st March, 2019	
	No. of shares	% of holding
Governor of Gujarat	1,04,27,69,070	100%

24 Other Equity

(₹ in Lakhs)

Particulars	As at 31st March,2019		As at 31st March,2018		As at 1st April,2017	
Other Reserves						
Capital Redemption Reserve	-	5,200.00	-	5,200.00	-	5,200.00
Others	-	-	-	-	-	-
Retained Earnings	-	-	-	-	-	-
Balance as per last Financial year	399,229.85	-	295,736.99	-	261,125.70	-
Add : Profit for the year	90,332.06	-	103,492.87	-	66,698.46	-
Transfer from Other Compreh ensive Income	-0.80		-0.71		-0.12	
Adjustments as per Ind AS	-	-	-	-	-	-
Fair Valuation of Investments	-	-	-	-	-29,219.39	-
Dta created as per Fair Valuation of Investments	-	-	-	-	10,109.91	-
Restatement of Subsidiary Value as per Ind AS	-	-	-	-		-
Impairment in value of associate	-	-	-	-	-19,843.39	-
DTA created on impairment	-	-	-	-	6,865.81	-
Changes in parents ownership interest in subsidiary	16,326.45					
Less : Appropriations	-	-	-	-	-	-
Transferred to General Reserve	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-
Transfer to Statutory Reserve maintained under section 45-IC of RBI Act, 1934	-5,317.47	-	-	-	-	-
	-	500,570.89	-	399,229.85	-	295,736.99
Other Comprehensive Income	-	-	-	-	-	-
(a) Remeasurements of Defined Benefit Plans	-	-	-	-	-	-
Balance as per last Financial year	-0.71	-	-0.12	-	-	-
Adjustments during the year	-0.12	-	-0.89	-	-0.18	-
DTA created as per Defined Benefit Plans	0.03	-	0.29	-0.71	0.06	-
Transfer to Retained earnings	0.80	-	0.71	-	0.12	-
Statutory Reserve	-	-	-	-	-	-
Maintained under section 45-IC of RBI Act, 1934	-	-	-	-	-	-
Balance as per last Financial year	-	-	-	-	-	-
Add: Transfer during the year	5,317.47	-	-	-	-	-
	-	5,317.47	-	-	-	-
Total		**511,088.36**		**404,429.14**		**300,936.99**

25 **Interest Income** **(₹ in Lakhs)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Interest on Inter Corporate Deposits	356.17	836.58
Other interest Income	16,257.01	11,522.08
Total	**16,613.18**	**12,358.65**

26 **Sale of Products, Services and Other Operating Revenues** **(₹ in Lakhs)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Sale of products		
Sale of natural gas - Trading	1,656,150.00	1,276,747.43
Sale of gas - Joint Arrangement	1,495.00	1,484.00
Sale of oil - Joint Arrangement	7,412.13	7,629.00
Sale of electricity	71,784.90	49,177.07
Sale of Traded goods	-	-
	1,736,842.03	1,335,037.50
Sale of services		
Re-gasification income	28,170.40	22,517.10
Revenue from Transportation of Gas (net)	139,930.98	95,639.69
IT Service Income	1,393.30	1,246.07
Facility Management Service Income	-	-
Other income	-	-
	169,494.69	119,402.87
Other operating revenues		
Contract Renewal Charges	-	-
Take or pay income	1,345.00	441.00
Connectivity Charges	3,745.52	4,778.28
Registration Charges	-	-
Other Operating Income	-	-
	5,090.52	5,219.28
Total	**1,911,427.24**	**1,459,659.64**

27 **Other Income** **(₹ in Lakhs)**

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Net gain/(loss) on ineffective portion of hedges	-	-
Net gain/(loss) on derecognition of property, plant and equipment	-	-
Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)(to be specified)	-	-
Income tax refund	-	0.80
Provision for demunation write back	-	-
Others	57,150.00	-
Govt Grant Received for Interest Expense	-57,150.00	-
Profit on Sale of Investments	17,208.44	-
Usage charges	107.00	236.00
Other income - Joint arrangements	108.00	480.00
Net profit on sale of fixed assets	-	1.00
Net Foreign Exchange Gain	731.00	5,165.00
Other Non Operating Income	2,113.00	1,865.00
Other Income	699.69	20.73
Total	**20967.13**	**7768.53**

Gujarat State Investments Limited has taken over listed NCDs as per the directions of the Government of Gujarat vide G.R. date 26th July, 2018. Further State Government has resolved that "The Government of Gujarat will support GSIL for payment towards Interest on NCD and principal repayment. Energy & Petrochemicals Department will make necessary budgetary provisions for the same in the budget of relent years." In addition to the resolution, The Government of Gujarat extended it's support to GSIL vide G.R. dated 02.06.2019 for NCDs serving, the said support is a part of Government's commitment under G.R dated 26.07.2018 read with agreement executed between Government of Gujarat and GSIL on 18.06.2019. Hence, GSIL is required to pay Interest on NCD with the Support received from Government of Gujarat.

28 Production expenditure - E&P (₹ in Lakhs)

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
Production expenditure	6,898.00	4,821.00
Duties and taxes	910.00	636.00
Other G&A expenses	1,425.00	1,960.00
Bidding Expenses	-	15.00
Total	**9,233.00**	**7,432.00**

29 Cost of material consumed (₹ in Lakhs)

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
Purchase of natural gas	22,928.00	13,754.00
Transportation charges	17,881.77	6,733.42
Consumable and commissioning charges	3,574.00	3,466.00
Excise duty	20,814.00	16,502.00
Total	**65,197.77**	**40,455.42**

30 cost of traded Goods (₹ in Lakhs)

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
Purchase of gas		
Local Purchase of Gas	459,951.00	331,341.00
Import Purchase of Gas	756,571.00	588,529.00
	1,216,522.00	919,870.00
Purchase of IT equipment	**1.00**	**7.00**
Other costs		
Import Gas Regasification Charges	70,491.00	60,698.00
Gas Transmission Charges	23,944.95	11,176.19
Commodity Hedging Cost/ Other expenses	-5,372.00	-13,080.00
Annuity & Meter Validation Charges	278.00	37.00
	89,341.95	58,831.19
Total	**1,305,864.95**	**978,708.19**

31 Changes in inventories of finished goods, work-in-progress and stock-in-trade (₹ in Lakhs)

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
Finished goods		
Closing stock of oil	-3,169.00	-3,490.00
Opening stock of oil	3,490.44	3,679.00
	321.44	189.00
Increase/ decrease in stock of oil (Refer Note No.38(I))	-268.00	-2.23
	53.44	186.77
Stock in trade		
Closing stock of liquified gas	-4,765.00	-22,694.00
Opening stock of liquified gas	22,694.00	19,695.00
	17,929.00	-2,999.00
Total	**17,982.44**	**(2,812.23)**

32 Finance Costs (₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest on deposits	-	-
Interest on borrowings	-	-
Interest on debt securities	-	-
Interest on subordinated liabilities	-	-
Unwinding of discount on Provisions and processing fee of loans	531.00	493.00
Other Borrowing Costs (includes bank guarantee, LC charges, bank charges, etc.)	4,267.00	3,101.00
Other interest expense	118,180.45	199,634.49
Total	**122,978.45**	**203,228.49**

33 Employee Benefits Expenses (₹ in Lakhs)

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Salaries and wages	21,861.62	17,683.08
Contribution to provident and other funds	3,022.55	2,518.37
Share Based Payments to employees	-6.00	-1.00
Staff welfare expenses	1,294.89	960.15
Others	-	-
Total	**26,173.06**	**21,160.60**

34 Other Expenses (₹ in Lakhs)

Particulars	For the period ended 31st March, 2019	For the period ended 31st March, 2018
Rent, Rates and Taxes**	442.18	489.92
Repairs and Maintenance	43,524.20	33,355.11
Power and Fuel	5.16	3.77
Communication Costs	589.30	566.09
Printing and Stationery	320.36	351.11
Legal and Professional charges	37.37	2.81
Insurance	971.85	1,155.84
Audit fees	75.54	57.81
Service Tax RCM	-	-
CSR Expenses	30.43	64.79
Travelling Expense	455.94	419.81
Contract Expense	25.77	17.66
Miscellaneous Expenses	24.28	21.94
Fair Value of Investments	107.50	2,367.66
Operation and maintenance expenses	1,367.13	1,275.71
Windmills insurance expenses	67.00	15.00
Electricity expenses	128.15	106.12
Business development and promotion	965.19	395.50
Advertisement and publicity	129.99	109.24
Administration and establishment	1,656.78	1,381.28
Recruitment and training expense	96.87	85.66
Professional and technical expenses	5,018.79	3,767.99
Donations	1,619.28	1,971.26
Vehicle running expenses	745.73	701.56
Bandwidth expenses	47.06	50.17
Net loss on sale/ discarding of fixed assets	183.49	800.00
Diminution in Capital Inventory & Inventory	474.00	146.00
LCV/HCV Hiring, Operating and Maintenance Charges	5,196.00	4,344.00
Franchisee and other Commission	3,884.00	3,492.00
Agency & Contract Staff Expenses	2,941.00	2,660.00
Billing & collection	845.00	889.00
Other expenses	1,054.65	1,063.11
Network Operating Expenses	1.63	0.25
Project Expenses	136.31	165.80
Facility Management Charges	117.32	63.27
Ekta Yatra Expenses	54.60	-
Administrative Expenses	-	-
Provision for doubtful advances	377.00	-8.00
Total	**73,716.86**	**62,349.26**

**The Company's significant leasing arrangement is in respect of operating lease for office premise. This lease agreement is of 11 months and is usually renewable by mutual consent on mutually agreeable terms.

35 Exceptional Items **(₹ in Lakhs)**

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
Impairment of oil and gas assetsa		
Provided During the year	42,992.00	22,160.00
Less: Reveresed during the year	-19,341.00	-
Rates & Taxes	1,787.00	-
Exploration cost written off/ written back	-9,379.00	49,133.00
Total	**16,059.00**	**71,293.00**

Notes

a. The management of holding company identifies each E&P field /PSC under E&P segment as seperate Cash Generating Unit (CGU). "During FY 2018-19, based on revised Oil & Gas reserve estimation by Gujarat Energy Research & Management Institute (GERMI), an external agency, the holding company has provided for impairment of ₹ 88.29 Crore and has reversed impairment earlier provided for to the extent of ₹ 168.67 crores for 8 continuing E&P fields (CGUs).

Further, during the year holding company has classified 12 E&P fields as assets held for sale (refer note no.23). In relation to which, the group has provided for impairment loss of ₹ 341.63 Crore and has revesered impairment earlier provided for the extent of Rs.24.74 crores. "During FY 2017-18, while transfering E&P assets to producing properties, as required by Ind AS 106, the holding company has provided for Impairment Losses for Sanand-Miroli block amounting to Rs.215.69 Crores and balance amount comprise of impairment losses provide for onshore Joint Arrangements' inventories based on external valutions."

b. The recoverable amount of CGU is determined at higher of its fair value less cost to sell and its value-in-use. For 12 E&P fields which are classified as Assets held for sale, the company has considered fair value less cost of sell as the recoverable amount whereas for other 8 fields, value-in-use is considered as the recoverable amount of CGU.

Fair value is determined at estimated selling price of CGU using level III Inputs. This calculation uses the estimated future cash flows that can be generated from the continuing use of these blocks and outflows at the end of its useful life which are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 10%.

The Value in Use of producing / developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under the circumstances where further development of the fields in the CGUs is under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are also taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of evaluation/development is also considered while determining the value in use.

In assessing value in use, the estimated future cash flows from the continuing use of assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 10% (as at March 31, 2018 -10%).

Future cash inflows from sale of crude oil and value added products have been computed using the future prices, on the basis of market-based average prices of Brent crude oil as discounted to match the quality of our crude oil and its Co-relations with benchmark crude. Future cash flows from sale of natural gas are also computed based on the expected future prices on the basis of notification issued by the Government of India/GSA.

c. In the block KG-OSN-2001/3, the holding company had in the previous year written off ₹ 230 crores towards inventory based on initial valuation by the Buyer as exploration cost written off. Howvere, during Fy 2018-19 the valation was finalised with the help of the independent valuer and on the basis of the report, the holding company has written back the inventory to the extent of ₹ 94.90 crores. Balance amount of ₹ 1.11 crores includes cost incurred for earlier written off blocks.

During FY 2017-18 the holding Company has written off Non-Operated Block CB-ONN-2009/4 amounting to Rs.33.02 Crores. Further holding company has written off ₹ 455.04 crores (net off impairment provision already provided for last year) towards exploration cost for KG OSN 2001/3 block 80% Participating Interest transfer. Balance amount includes cost incurred for earlier written off blocks."

d. Exceptional item of Rates & Taxes pertains to balance provision of stamp duty as per the order of the Chief Controlling Revenue Authority (CCRA) for stamp duty levied of ₹ 42.87 Crs with regards to the appeal filed against the order of Collector & Additional Superintendent of Stamps for adjudication of stamp duty pursuant to Composite Scheme of Amalgamation and Arrangement approved by Hon'ble Gujarat High Court. The Group had already provided ₹ 25.00 Crs in books of accounts for the same in the financial year 2015-16.

Current Tax **(₹ in Lakhs)**

Particulars	As at 31st March,2019	As at 31st March,2018
Current Tax	57527.94	46,162.58
Excess Provision for earlier years	0.00	-
Deferred Tax	921.70	2,769.05
Total	**58449.64**	**48931.63**

36 A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Profit before tax	**243,194.28**	**19,131.68**
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.608%)	81,425.43	-10,018.32
Reduction in tax rate	-	-
Tax effect of:	**-**	**-**
Non-deductible tax expenses	**-**	**-0.61**
Deferred tax impact on items as elaborated in movement of deferred tax balances recognised through statement of profit and loss	-	-51,246.00
Fairvalue adjustment		2,367.66
Deferred tax impact on items as elaborated in movement of deferred tax balances recognised through OCI	-691.17	46,109.33
Provision for impairment not allowable for taxes	8,265.71	24,681.00
Items with No tax consequences	-3,378.86	-516.49
Undistributed reserves of equity accounted investees	503.94	489.59
Chapter VI deductions	-1,035.27	-1,254.93
Differences between Indian and foreign tax rates	-27.00	1,452.40
Non-deductible tax expenses	-0.14	42.36
Others - Excess / Short Provision	-3,628.40	-807.18
Depreciation as per Profit and Loss Account	10,883.85	4,917.91
Consumption of Stores & Spares-ICDS Adjustment	125.03	90.38
Disallowance U/s 43B	63.31	-
Disallowance -Others	23.27	9.22
Interest on HBA	-2.38	-2.86
Interest on Income Tax Refund	-	-0.59
Interest On Fixed Deposits	-53.14	-62.39
Depreciation as per Income tax act	-35,992.61	-5,959.06
Preliminary Expenses Allowed U/s. 35D	-	-2.73
Interest on Others	55.52	65.84
Recognition of tax effect of previously unrecognised tax losses	606.51	368.19
Other items	3,562.72	40,075.13
Total	**60,706.31**	**50,797.85**

37 Earnings Per Share

(₹ in Lakhs)

Particulars	Year ended 31st March 2019 ₹	Year ended 31st March 2018 ₹
Profit attributable to the Equity Shareholders (₹)	18,236,292,105	9,507,763,793
Basic / Weighted average number of Equity Shares outstanding during the period	1,04,27,69,070	1,04,27,69,070
Basic/Diluted Earnings per Share	17.49	9.12

Notes to Consolidated Financial statements for the year ended 31st March 2019

Note 38

Contingent liabilities

1. Claims against the Group not acknowledged as debts which in the opinion of the Management are not tenable/under appeal at various stages:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Direct & Indirect Tax matters (Ref. note no.20 C point no. 3)	213,940.00	198,072.00
Joint Arrangements (Ref. note a to f below)	20,065.00	19,777.00
Guarantee	270,141.00	292,150.00
Other (Ref. note g & h below)	123,685.00	92,718.00

Above Contingent Liabilities Includes-.

In the Case of Gujarat State Investment limited

Claim of Income Tax for Assessment Year 2001-02, 2004-05, 2006-07, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 against the company is disputed and not acknowledged as debt. The company is in appeal before Appealte authorities and as on date of preparing financial statements there are no outstanding demands against the company.

In the Case of Gujarat State Petroleum Corporation Limited

(a) In September 2005, GSPC, as the Operator in KG-OSN-2001/3 block (till 31 March, 2017), had entered into a contract with Atwood Oceanics Pacific Limited ('AOPL') for drilling, completing or abandoning the wells identified by GSPC's drilling program. With respect to certain invoices raised by AOPL during July and August 2009, AOPL has claimed that the said invoices were paid by GSPC after a delay of 733 days in September 2011. Accordingly, AOPL had initiated arbitration proceeding against the JV claiming interest on delayed payment towards the said invoices claiming an amount of ₹ 1,054 Lakhs (USD1,523,895) [31 March 2018: Rs.991 Lakhs (USD1,523,895)] along with interest at the rate of 1.5% per month from 11 January 2013 till the date of payment. The Honorable Sole Arbitrator, vide arbitral award dated 12 May 2015, has concluded that the JV is not liable to pay the claims of interest on delayed payment towards the invoices as aforesaid and rejected the claims made by AOPL in this regard. AOPL has preferred an appeal under Section 34 of the Arbitration and Conciliation Act, 1996 praying for setting aside of the award passed by the Sole Arbitrator before the District Court, Gandhinagar. The matter is subjudice.

(b) JODPL:The Company has issued forfeiture notice to Jubilant Offshore Drilling Pvt Ltd (JODPL) against ₹ 49,355 Lakhs of the capital contribution (excluding applicable interest on capital contribution) made by the Company on behalf of JODPL in KG-OSN-2001/3 until 31st March 2017. Based on relevant clauses of PSC and JOA, it can be reasonably ascertained that the forfeiture notice shall be effected and GSPC shall be assigned commensurate PI towards the capital contribution.

(c) Profit Petroleum paid under protest for Hazira Block: Joint Arrangement (JV) partners are liable to pay profit petroleum to MoP&NG after recovery of cost petroleum. The Director General of Hydrocarbons (DGH) disallowed an amount of USD 177.45 Lakhs (mainly on account of purchase of compressor amounting to USD 113.28 lakhs) from the cost petroleum recovered by JV and demanded profit petroleum on disallowed amount. In the Operating Committee meeting (10th June 2013) it was decided to deposit the amount demanded by the MoP&NG under protest. The Company had deposited ₹ 9,116 lakhs on this account.

(d) Royalty paid under protest for Hazira Block: The Joint Arrangement was charging Royalty on Gas Sales Price and recovering the same from the customers. The Royalty thus collected is shared between GOI and Government of Gujarat in the ratio of 47:53 respectively.

The Directorate General of Hydrocarbons (DGH) vide letter dated 6th February, 2013 demanded the royalty amount short paid by the Company @ 9.09 percent instead of 10 percent. DGH was of the view that the Joint Arrangement had computed royalty on gas on Cum-royalty basis using the effective rate of 9.09 percent instead of 10 percent which was not in line with the Royalty Notifications.

The Company paid the differential royalty for the period from 2003-04 to 2012-13 in July 2013 under protest. From April 2013, the Company is paying the Royalty (as per above formula) to GOI on monthly basis. As on 31 March 2018, the Company paid Royalty of ₹ 3,599 Lakhs to GOI under protest.As the matter is under arbritation, only GOI portion of the royalty is paid.

e) In case of cambay block, GSPC has filed an application under Section 9 before Hon'ble Gujarat High Court for stay on the operation and implementation of the Default notice dated May 29, 2018 and letter dated July 29, 2018 issued by Oilex. The High Court has allowed the application vide its order dated 1st November, 2018.GSPC has invoked arbitration against Oilex before Singapore International Arbitration Centre (SIAC) for declaration that default notice and notice of withdrawal by Oilex is invalid and contrary to JOA. Oilex in its counter-reply has made claim of over USD 30.5 lakhs. SIAC has ordered the parties to deposit first tranche of arbitration fee towards constitution of the Arbitral Tribunal. Both parties have deposited the arbitration fee. The Court disposed of the application by granting stay and restraining Oilex from taking any coercive action.SIAC is in the process of establishing Arbitral Tribunal.

f) The Company had made an investment in a joint Arrangement (JV) incorporated to carry out exploration and production activities in Joint Petroleum Development Area (JPDA) block (JPDA 06-103) in Australia. GSPC holds 20% working interest in the JV through Special Purpose Vehicle (SPV) in GSPC (JPDA) Ltd amounting to ₹ 9,939 Lakhs (31st March 2018: ₹ 9,839 lakhs) to carry out exploration activities in Australia.

Considering the unsuccessful outcome of the exploration activities in the block 100% provision for impairment has been provided in the standalone financial statements to the extent of investment made in the subsidiary - GSPC (JPDA) Ltd amounting to ₹ 9,939 lakhs as on 31.03.2019 (₹ 9,839 lakhs as on 31.03.2018)

Moreover, Autoridade Nacional do Petroleo (ANP) has terminated the PSC with condition of paying the penalty of USD 3403758 (Current year Rs.2,354 lakhs (Previous year ₹ .2,212 lakhs)) (JPDA Share) for the unfinished work programme. However, Operator and JV partners have protested against the same and ANP has reduced the penalty to USD 23,00,000 (Current year ₹ 1,591 lakhs (Previous year ₹ 1,495 lakhs)) (JPDA Share). The final outcome of the same is still awaited.

(g) The Company had filed a complaint dated 06.04.2011 before PNGRB against GAIL, IOCL and BPCL. PGNRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

All the parties have preferred appeals against the PNGRB Orders before Appellate Tribunal for Electricity (APTEL) and APTEL has passed an interim order on 23.01.2012 and directed GAIL, IOCL and BPCL to give direct connectivity at Dahej Terminal subject to GSPC giving undertaking in respect of the following:

i) GSPC shall open a separate bank account and deposit an amount of ₹ 14,000 Lakhs. Accordingly, GSPC has opened and deposited equivalent amount in a separate bank account.

ii) From the date of change of delivery point, GSPC shall also deposit differential amount in a separate bank account. (Accordingly company had deposited additional ₹ 7,536 lakhs in a separate bank account).

The Company has submitted the Undertaking to APTEL in respect of the same on 18.02.2012 and deposited amounts as aforesaid.

The APTEL has passed common judgment dated 18.12.2013 (the APTEL Judgment) in the appeals filed by GAIL, IOCL and BPCL and set aside the PNGRB Order.

The Company filed an appeal before the Hon'ble Supreme Court against the APTEL Judgment and the Hon'ble Supreme Court has vide its order dated 28.02.2014 directed the Company, as an interim arrangement, to pay the interconnectivity charges at the rate of ₹ 12 / MMBTU form the account separately maintained for the said purpose in accordance with APTEL's Order dated 23.01.2012 as narrated in (i) & (ii) above.

Accordingly, company utilized ₹ 17,655 lakhs for payments to GAIL, IOCL and BPCL as per Interim arrangement order of the Hon'ble Supreme Court. The amount paid net of amount recovered from customers is shown as amount paid under protest in the accounts.

Further, the company has also not provided for differential amount charged by vendors above Rs.12/ MMBTU agreegating to ₹ 4,219 lakhs.

The appeal is pending before the Hon'ble Supreme Court.

h) Other Contingent liabilities includes Contingent Liablitity associated with Gas Trading Business ₹ 3,950 Lakhs.

In the Case of Subsidiary Gujarat State Petronet Limited (Consolidated)

a) Imbalance and overrun charges as per the 'Modalities of maintaining & operation of Escrow Account under the PNGRB (Access Code for Common or Contract Carrier Natural Gas Pipeline) Regulations, 2008' issued by PNGRB on 7th March 2011, collected for the period prior to 1st April 2011 amounting to ₹ 226.02 Lacs (net of taxes) has been deposited in Escrow Account under protest. However, the same is not recognised as liability as these guidelines are applicable w.e.f. 1st April 2011.

b) UPL Limited (UPL) a customer of erstwhile Gujarat Gas Company Limited(now known as Gujarat Gas Limited) filed a complaint before Petroleum and Natural Gas Regulatory Board (PNGRB) against erstwhile GGCL alleging charging of tariff illegally under the City Gas Network Distribution Agreement entered into between the Parties. The matter was decided against the Group by PNGRB. The Group has preferred an appeal at Appellate Tribunal for Electricity (APTEL) against the PNGRB Order. The Group has also sought an interim stay on the PNGRB order which was granted by APTEL. The APTEL has in its order stated that it is an interim order without considering the merits of the case. The Group has submitted bank guarantee of ₹ 40.00 Crs in favour of UPL.

c) Erstwhile Gujarat Gas Company Limited and Erstwhile GSPC Gas Company Limited (Now collectively known as Gujarat Gas Limited "GGL") had signed Gas supply agreement with Gujarat State Petroleum Corporation Limited (GSPCL) for purchase of Re-gasified liquefied natural gas (RLNG). As per the provision of said agreement, GGL has to pay interconnectivity charges to GSPCL for the supply and purchase of RLNG at Delivery point which is charged to GSPCL by their supplier i.e.PLL Off takers (GAIL India, BPCL, IOCL).

PGNRB had vide its orders dated 13.09.2011 of Chairman and dated 10.10.2011 of the majority members (three member panel of Board) unanimously held that GAIL had adopted Restrictive Trade Practices by blocking off direct connectivity to GSPC and further, directed Respondents to immediately give direct connectivity to GSPC at Dahej Terminal.

The PLL Offtakers (GAIL) filed appeals against the said PNGRB orders before the Appellate Tribunal for Electricity (APTEL). On 23-February-2012 APTEL had issued an interim order for shifting the Delivery Point from GAIL-GSPL Delivery Point to GSPL-PLL Delivery Point. On 18-December-2013 APTEL issued its judgment and required GSPCL to pay the amount of the difference between ₹ 8.74/MMBTU (exclusive of Service Tax) – earlier connectivity charges and ₹ 19.83/MMBTU (Exclusive of Service Tax) – HVJ/DVPL Zone-1 tariff to GAIL for the period from 20th November 2008 to 29th February 2012."

GSPCL has filed an appeal against the APTEL's above referred judgment before Hon'ble Supreme Court of India (GSPCL vs. GAIL & Others, Civil Appeal No. 2473-2476 of 2014) and the Hon'ble Supreme Court of India had passed the Interim Order on 28th February 2014. The Court has stated that the ends of justice would be met if as a matter of interim arrangement, the appellant is directed to pay interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes). The Group has already provided and paid interconnectivity charges at the rate of ₹ 12.00 per MMBTU (exclusive of Taxes).

d) One of the gas suppliers of the Group has submitted a claim of ₹ 475.59 Crs (P. Y. ₹ 134.90 Crs), for use of domestic allocated gas other than PNG (Domestic) and CNG segments' demand in earlier years (FY 2013-14 to FY 2017-18). The Group has refused this erroneous claim contending that there is gross error in actual domestic gas purchase and actual sales in PNG (Domestic) and CNG segments considered by GAIL and also there is no contractual provisions of the agreement executed with GGL that allow such claim. The management is of the firm view that the Group is not liable to pay any such claim. The Group has already taken up the matter with concerned party/authorities to withdraw the claim.

e) The Group has initiated an arbitration proceeding against one of the franchisees claiming compensation for loss of revenue While replying to the claim, the said franchisee has also filed a counter claim of ₹ 177.14 Crs (P. Y. ₹ 177.14 Crs) against the Group claiming compensation for various losses. The Group has filed necessary rejoinder to the counter claim strongly refuting the same mainly on the grounds that the claims are wrong and as are not flowing from the same agreement under which the arbitral tribunal has been constituted the tribunal does not have any jurisdiction to adjudicate the claim.

The Office of superintendent of stamp issued demand of stamp duty of ₹ 43.53 Crs for the transaction of scheme of amalgamation and arrangement in the financial year 2016-17. The Group had filed the appeal before Chief Controlling Revenue Authority - CCRA on 20.12.2016. During current financial year, the Chief Controlling Revenue Authority (CCRA) had issued order for stamp duty levied of ₹ 42.87 Crs. The Group has paid the balance stamp duty as per the Chief Controlling Revenue Authority - CCRA and settled the matter.

In the Case of GSPC Pipavav Power Company Limited.

While granting further extension of Environmental Clearance to GPPC in 2013, Ministry of Environment and Forest (MoEF), Government of India directed to earmark ₹ 11.70 Crs as one-time capital cost towards CSR activities and a recurring expenditure of ₹ 2.34 Crs on annual basis for such activities till the life of the plant. At present, the Management has decided to hold the implementation of MoEF's directives in this regard. The same has been intimated to MoEF from time to time.

Contingent assets

In the Case of Gujarat State Petroleum Corporation Limited

The consideration received from ONGC towards 80% PI transfer in KG-OSN-2001/3 block had two components i.e. (i) Consideration towards DDW (ii) Advance floor consideration for Other Six Discoveries amounting to USD 9,952.6 Lakhs (₹6,29,502 lakhs) and USD 2000 lakhs (₹ 1,265 lakhs) respectively. The advance consideration received towards Other Six Discoveries is non-refundable.

The final consideration for Other Six Discoveries shall be determined based on Field Development Plan (FDP) of Other Six Discoveries prepared by ONGC for submission to Directorate General of Hydrocarbons (DGH). In the scenario, wherein final consideration as per FDP of Other Six Discoveries is assessed at a value higher than USD 2,000 lakhs, the advance consideration received by GSPC shall be adjusted against the same and the balance consideration shall be paid to GSPC. In a scenario, wherein final consideration assessed for Other Six Discoveries is less than or equal to USD 200 Million, GSPC shall retain the non-refundable advance consideration already received.

However, ONGC has already applied for extension in timeline for submission of FDP. Following the principle of conservatism, the Company has not arrived at the valuation of the six discoveries as it is subject to preparation of FDP by ONGC and GSPC & ONGC agreeing to a value as per the valuation parameters adopted for DDW. Hence, at present the receivable on account of six discoveries cannot be reasonably ascertained.

b) Guaranteed Gas Price: The Company has executed Farm-in Farm-out Agreement with ONGC for farm-out of 80% PI in KG Block in FY 2017-18. The agreement involves annual valuation adjustment linked to existing gas prices during the currency of the respective financial year which is carried forward for the tenure of gas sales and purchase agreement between ONGC and GSPC. As per the terms of valuation adjustment clause of agreement, the Company shall be liable to annually adjust valuation i.e. pay any differential amount to ONGC which shall be evaluated based on difference between actual gas prices during the year and agreed prices for the respective financial year for the actual production quantity. The liability is unascertainable due to linkage of adjustment value to actual production during the year along with actual gas prices which is determined as per 6-month trailing market prices of varied mix of alternative fuels/sources of natural gas notified by PPAC. Both these factors cannot be accurately predicted/estimated, thus the valuation adjustment cannot be quantified with certainty. However, the Company has gas sales purchase agreement with ONGC for the entire natural gas produced from KG Block which is forms a component of gas trading pool, which effectively covers the risk of valuation adjustment under FIFO. Further, as on 31st March, 2019 there is an amount ₹ 2.42 crores as surplus with the company for valuation adjustment under FIFO.

In the Case of Gujarat State Petronet Limited (Consolidated)

a) The Group has raised claim of Rs.43.08 Crs for net credit of natural gas pipeline tariff as per PNGRB Order with one of the suppliers and supplier is disputing Group's claim and indicating for adjusting the partial claim of ₹ 30.72 Crs out of total claim ₹ 43.08 Crs against disputed liability for use of domestic allocated gas other than PNG (Domestic) and CNG segments' against demand in earlier year.

b) The Group has filed an appeal before the Appellate Tribunal for Electricity (APTEL) against the PNGRB order related to the matter held that the Gas Swapping Arrangement Guidelines of PNGRB is applicable erroneously. APTEL has issued the order in favour of GGL. The said supplier has filed appeal at Hon'ble Supreme Court of India against the order of APTEL.

Presently, the matter is pending in Hon'ble Supreme Court of India. Currently, GGL is paying ₹ 42.46 per mmbtu as transmission charges for domestic gas being purchased and delivered by GAIL at one of the delivery points. If verdict is in favour of GGL, GGL will get refund of ₹ 146.66 Crs from December 2013 till March 2019 and the Group shall endeavour to pass on the benefit to its customers."

c) The Group is having other certain claims, litigations and proceedings which are pursuing through legal processes. The management believe that probable outcome in all such claims, litigations and proceedings are uncertain. Hence, the disclosure of such claims, litigations and proceedings is not required in the financial statements.

Note 1

Capital commitments **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated Amount of Contracts remaining to be executed on capital accounts and not provided for		
i. In respect of Joint Arrangements	66,994.00	55,093.00
ii. In respect of Others	61,838.00	62,890.49
Minimum Work Programme committed under various production Sharing Contracts in India and Outside India.	**-**	**-**
i. In India	-	-
ii. Outside India	-	-
Investment Commitments	**172,516.00**	**182,407.00**
Estimated amount of Contracts remaining on Revenue Accounts	**38,868.00**	**33,079.00**

Note 39

Employee Benefits:

A. Defined contribution plans

1. Company's contribution to Provident Fund is ₹ 20.87 Crores (FY 2017-18 - ₹ 18.68 Crores)
2. Company's contribution to Super Annuation fund is ₹ 3.28 Crores (FY 2017-18 ₹ 1.45 Crores)

B. Defined benefit plans

The following table sets out the funded status of the Gratuity and Leave Encashment Plan and the amounts recognized in Group's consolidated financial statements as at 31st March, 2019; 31st March, 2018 as required by Ind AS 19.

(₹ in Lakhs)

Particular	Gratuity(Funded)		Loyalty Bonus (Unfunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS (Unfunded)	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
I Change in obligation during the year ended 31st March, 2019										
1 Liability at the beginning of the year	7,006.21	6,197.36	878.00	693.00	1,251.38	1,010.03	4,349.36	4,010.51	-	-
2 Interest cost	436.34	442.11	66.00	51.00	93.51	73.18	325.87	287.25	0.54	-
3 Current service cost	700.56	672.12	106.00	119.00	79.39	75.83	359.18	341.07	4.13	-
4 Past service cost	436.24	87.61			-	-	4.31	-	70.67	-
5 Prior Year Charge	-	-			-	-	-	-	-	-
6 Benefit Paid	(460.96)	(184.66)	(10.00)	-	(211.00)	(23.00)	(331.32)	(201.37)	-	-
7 Actuarial (gain) / Losses	522.79	(226.46)	(58.00)	15.00	36.28	115.34	538.31	(88.10)	-	-
7a Actuarial (gain) / Loss Due to change in Financial assumption	1.45	-			-	-	1.27	-	-	-
8 Transfer in Obligation	(1.08)	18.13			-	-	84.10	-	-	-
9 Liability at the end of the year	8,641.55	7,006.21	982.00	878.00	1,249.56	1,251.38	5,331.06	4,349.36	75.34	-
II Change in assets during the year ended 31st March, 2019										
1 Plan assets at the beginning of the year	6,716.87	5,329.27			1,020.53	963.49	-	-	-	-
2 Expected return of plan assets	426.20	333.95			78.48	67.55	-	-	-	-
3 Contributions	671.81	1,177.65			83.00	12.49	-	-	59.61	-
4 Benefit paid	(445.89)	(190.14)			(211.00)	(23.00)	-	-	-	-
6 Actuarial gain / (Loss)	(83.61)	(18.25)			(8.00)	-	-	-	-	-
7 Return on plan Assets excl interest income	104.51	70.26			-	-	-	-	-	-
8 Transfer in/(out) plan assets	(1.08)	14.13			-	-	-	-	-	-
9 Plan assets at the end of the year	7,388.81	6,716.87			963.01	1,020.53	-	-	59.61	-
10 Total Actuarial Gain/(Loss) To Be Recognized	(606.40)	208.21	58.00	(15.00)	(44.28)	(115.34)	(538.31)	88.10	-	-
III Actual Return on plan assets										
1 Expected return of plan assets	426.20	333.95			78.48	67.55	-	-	-	-
2 Actuarial gain / (loss)	(83.61)	(18.25)			(8.00)	-	-	-	-	-
3 Actual return on plan assets	342.59	315.70			70.48	67.55	-	-	-	-
IV Net asset / (liability) recognized in the Balance Sheet as at 31st March, 2019										
1 Liability at the end of the year	8,641.55	7,006.21	982.00	878.00	1,249.56	1,251.38	5,337.00	4,354.00	75.34	-
2 Plan assets at the end of the year	7,388.81	6,716.87	-	-	963.01	1,020.53	-	-	59.61	-
3 Amount recognized in the Balance Sheet Accrued (Pre paid)	1,252.74	289.34	982.00	878.00	286.55	230.85	5,331.06	4,349.36	15.73	-

(₹ in Lakhs)

Particular	Gratuity(Funded)		Gratuity(Unfunded)		Loyalty Bonus (Unfunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS (Unfunded)	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
V Expenses recognized in the statement of profit & loss account for the year ended 31st March, 2019												
1 Current service cost	700.56	672.12	0.65	0.53	106.00	119.00	79.39	75.83	359.18	341.07	4.13	-
2 Interest cost	436.34	442.11	0.62	0.46	66.00	51.00	93.51	73.18	325.87	287.25	0.54	-
3 Expected return on plan assets	(426.20)	(333.95)	-	-	-	-	(78.48)	(67.55)	-	-	-	-
4 Actuarial (gain) / Losses	606.40	(208.21)	-	-	(58.00)	15.00	44.28	115.34	538.31	(88.10)	-	-
5 Benefits Paid	-	-	-	-	(10.00)		-	-	0.74	1.76		-
6 Transfer in Obligation(net)	-	4.00	-	-			-	-	84.10	-	-	-
7 Past service cost	436.24	87.61	-	0.27			-	-	4.31	-	70.67	-
8 Total expenses	1,753.34	663.68	-	-	104.00	185.00	138.70	196.80	1,311.76	540.21	75.34	-
VI Balance Sheet reconciliation												
1 Opening net liability	289.34	868.09	86.30	6.48	878.00	693.00	230.85	46.54	4,349.36	4,010.51	-	-
2 Expenses as above	1,753.34	663.68	-	-	104.00	185.00	138.70	196.80	1,311.76	540.21	75.34	-
3 Employer contribution	(671.81)	(1,177.65)	-	-	-	-	(83.00)	(12.49)	-	-	(59.61)	-
4 Amount Recognized in Other Comprehensive income	22.00	(115.00)	0.12	0.89	-	-	23.00	117.00	-	-	-	-
5 Benefits Paid	(15.07)	5.48	-	-	-	-	-	-	(331.32)	(201.37)	-	-
6 Amount recognized in the Balance Sheet	1,377.80	244.60	-	-	982.00	878.00	309.55	347.85	5,329.80	4,349.36	15.73	-
7 Expected contribution during next 12 months	943.54	13.00	-	-	21.00	31.00	60.00	69.00	135.60	149.81	1.22	-

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for management of plan assets.

Particular	Gratuity (Funded)		Gratuity(Unfunded)		Loyalty Bonus (UnFunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS (Unfunded)	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
VII Actuarial Assumptions												
1 Discount Rate	7.55%-7.60%	7.60%-7.7%	7.00%	7.30%	7.60%	7.65%	7.60%	7.65%-7.70%	7.00%	7.25%	7.60%	NA
2 Rate of return on plan assets	7.55%-7.60%	7.60%-7.7%			-	-	6.98%-7.6%	7.65%-7.70%	-	-	7.60%	NA
3 Salary Escalation	7% to 10%	7.00%-9.5%	5.00%	5.00%	7.00%	7.00%	7.00%	7.00%	5.00%	5.00%	-	NA
4 Withdrawl Rate	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	1% to 5%	-	-
5 Medical Inflation rate	-	-			-	-	-	-	-	-	4.00%	NA

Sensitivity analysis

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

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Loyalty Bonus (Unfunded)		Leave Encashment (Funded)		Leave Encashment (UnFunded)		PRMBS	
	As at 31st March'2019	As at 31st March'2018	As at 31st March'2019	As at 31st March'2018	As at 31st March'2019	As at 31st March'2018	As at 31st March'2019	As at 31st March'2018	As at 31st March'2019	As at 31st March'2018	As at 31st March'2019	As at 31st March'2018
Sensitivity %												
Discount rate varied by 0.5%												
Increase +5%	9,075.08	7,442.14	9.87	8.48	921.00	821.00	1,172.30	1,172.39	4,983.77	4,072.20	68.05	-
Decrease -5%	10,224.72	8,371.77	10.19	8.78	1,049.00	941.00	1,332.20	1,337.90	5,714.38	4,654.39	82.42	-
Salary growth rate varied by 0.5%												
Increase +5%	10,179.93	8,313.54	10.15	8.73	1,043.00	935.00	1,332.43	1,337.91	5,706.47	4,649.46	-	-
Decrease -5%	9,111.56	7,485.11	9.96	8.51	926.00	825.00	1,172.23	1,171.32	4,986.95	4,074.60	-	-
Withdrawl Rate												
Increase + 10%	4,106.24	3,221.43	10.07	8.66	978.00	873.00	1,250.75	1,253.58	1,362.70	1,034.42	73.40	-
Decrease - 10%	4,088.62	3,191.65	9.98	8.60	987.00	883.00	1,247.36	1,249.17	1,357.63	1,030.20	76.23	-
Medical Inflation Rate - (0.5% PY NA)												
Increase	-	-			-	-	-	-	-	-	82.66	-
Decrease	-	-			-	-	-	-	-	-	67.80	-

Note 40

Joint Operations (un incorporated Jont arrangements)

The group has entered into Production Sharing Contracts (PSCs) / Agreements in consortium with various Private/Public Sector & Foreign Companies as stated below with the Ministry of Petroleum & Natural Gas (Government of India), for exploration of oil and gas in the following fields. The group has also entered into Production Sharing Agreements (PSAs)/Work Permits overseas relating to Oil & Gas/ Exploration Areas blocks along with various companies. Pursuant to the PSCs, Joint Operations {unincorporated Joint arrangements (JVs)} have been formed to undertake necessary economic activities for production of Oil and Gas by entering into a Joint Operating Agreement with them. The details are stated below:

I Blocks/Fields currently under exploraiton, development and production

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	**Non Operated JVs**			
1	Hazira	66.67% (66.67%)	Sun Petrochemicals Private Limited (Operator)	33.33%
2	Bhandut	60% (60%)	Oilex NL Holdings (India) Ltd (Operator)	40%
3	Cambay	55% (55%)	Oilex NL (Operator)	30%
			Oilex NL Holdings (India) Ltd	15%
4	Asjol	50% (50%)	Hindustan Oil and Exploration Company Limited (Operator)	50%
5	Palej	50% (50%)	Exploration	
			Hindustan Oil and Exploration Company Limited (Operator)	50%
		35% (35%)	Development	
			Hindustan Oil and Exploration Company Limited (Operator)	35%
			Oil and Natural Gas Corporation Limited	30%
6	North Balol	45% (45%)	Hindustan Oil and Exploration Company Limited (Operator)	25%
			GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
7	Dholasan	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly as Heramec ltd.)	30%
8	North Kathana	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
9	Kanawara	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
10	Allora	70% (70%)	GNRL Oil & Gas Limited (Operator) (Formerly Heramec ltd.)	30%
11	"CB-ONN-2004/1“"	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
12	"CB-ONN-2004/2“"	45% (45%)	Oil and Natural Gas Corporation Limited (Operator)	55%
13	CB-ONN-2004/3	35% (35%)	Oil and Natural Gas Corporation Limited (Operator)	65%
14	MB-OSN-2005/1	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
15	GK-OSN-2009/1	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	40%
			Indian Oil Corporation Limited	20%
			Adani Welspun Exploration Ltd	20%
16	"KG-OSN-2001/3“	10% (80%)	JODPL Pvt. Limited	10%
	(Refer Note a)"		Oil and Natural Gas Corporation Ltd.	80%
B	**GSPC-Operated**			
17a	Tarapur			
		80% (80%)	Geo Global Resources (Barbados) Inc.	20%
			Development:	
		56% (56%)	Geo Global Resources (Barbados) Inc.	14%
			Oil and Natural Gas Corporation Limited	30%
17b	Tarapur - Extension phase	80% (80%)	Geo Global Resources (Barbados) Inc.	20%
18	Unawa	70% (70%)	GNRL Oil & Gas Limited (Formerly Heramec ltd.)	30%
19a	CB-ONN-2000/1 (Ahmedabad)	50% (50%)	GAIL (India) Ltd	50%
19b	CB-ONN-2000/1	50% (50%)	GAIL (India) Ltd	50%
	–(Extension phase) (Refer Note h)			
20	CB-ONN-2002/3 (Sanand)	55% (55%)	Jubilant Oil & Gas Private Limited	20%
	(Refer Note h)			
			Hindustan Petroleum Corporation Limited	15%
			Geo Global Resources (Barbados) Inc.	10%
21	"CB-ONN-2003/2	75% (62.50%)	Exploration	
	(Ankleshwar)“"		GAIL (India) Ltd	25%
			Geo Global Resources (Barbados) Inc.	12.5%
		50%(50%)	Development & Production:	
			GAIL (India) Ltd	20%
			Jubilant Capital Private Limited	20%
			Geo Global Resources (Barbados) Inc.	10%

*PI – Participating Interest

** Figures in bracket indicate previous year figures. There is no change in previous year figures unless otherwise stated."

II Blocks/Fields proposed to be surrendered

Sr No	Joint arrangements/PSCs	GSPC's PI	Operatorship/Other Partners	PI
A	**Non Operated JVs**			
1	MB-OSN-2000/1 (Mumbai)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	75%
	(Refer Note c)		Indian Oil Corporation Limited	15%
2	"MB-DWN-2000/2 (Mumbai)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	50%
	"(Refer Note c)"		Indian Oil Corporation Limited	15%
			GAIL (India) Ltd	15%
			Oil India Lt.	10%
3	"CB-ONN-2002/2 (Mehsana)	60% (60%)	Jubilant Oil & Gas Pvt. Limited (Operator)	30%
	"(Refer Note c)"		Geo Global Resources (Barbados) Inc.	10%
4	"CY-ONN-2002/1(Cavery)	20% (20%)	Jubilant Oil & Gas Pvt. Limited (Operator)	30%
	"(Refer Note c)"		GAIL (India) Ltd	50%
5	BS(3)-CBM-2003/II	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
	(Refer Note c)			
6	"CY-DWN-2004/1"(Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
7	"CY-DWN-2004/2"(Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
8	"CY-DWN-2004/4" (Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
9*	"CY-PR-DWN-2004/2"(Refer Note c) "	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
10*	"KG-DWN-2004/1"(Refer Note c) "	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
11 -*	"KG-DWN-2004/2"(Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			BPCL	10%
12 -*	"KG-DWN-2004/3" (Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
13 *	"KG-DWN-2004/5"(Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	50%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			BPCL	10%
			Oil India Limited	10%
14	"KG-DWN-2004/6"(Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			GAIL (India) Ltd	10%
			Hindustan Petroleum Corporation Limited	10%
			Oil India Limited	10%
15 *	"MB-OSN-2004/2"(Refer Note c)"	20% (20%)	Petrogas E&P LLC(Operator)	20%
			GAIL (India) Ltd	20%
			Hindustan Petroleum Corporation Limited	20%
			Indian Oil Corporation Limited	20%
16	"CB-ONN-2004/4"(Refer Note c)"	40% (40%)	Oil and Natural Gas Corporation Limited (Operator)	60%
17	"RJ-ONN-2004/1 "(Refer Note c)"	22.225%	GAIL (India) Ltd (Operator)	22.225%
		(22.225%)	Hindustan Petroleum Corporation Limited	22.22%
			BPCL	11.11%
			Hallworthy Shipping Ltd. SA	11.11%
			Nitin Fire Protection Industries Ltd.	11.11%
18 *	"KG-OSN-2005/1"(Refer Note c)"	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	60%
			HPCL – Mittal Energy Ltd.	20%
19	"KG-DWN-2005/1"(Refer Note c)"	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	70%
			Indian Oil Corporation Limited	20%
20	CY-ONN-2005/1	30% (30%)	GAIL (India) Ltd (Operator)	40%
			Bengal Energy Inc.	30%
21	"KK-DWN-2005/2""	10% (10%)	Oil and Natural Gas Corporation Limited (Operator)	90%
22	"AN-DWN-2009/5"(Refer Note e)"	0% (0%)	Oil and Natural Gas Corporation Limited (Operator)	100%
23	"AN-DWN-2009/13"(Refer Note e)"	0% (0%)	Oil and Natural Gas Corporation Limited (Operator)	80%
			GAIL (India) Ltd	10%
			NTPC Ltd	10%

24	AA-ONN-2003/1(Assam) (Refer Note c)	20% (20%)	Jubilant oil & Gas Pvt Limited (Operator) Jubilant Securities Pvt. Ltd. GAIL (India) Ltd	10% 35% 35%
25	CY-DWN-2004/3 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator) GAIL (India) Ltd Hindustan Petroleum Corporation Limited	70% 10% 10%
26	CY-PR-DWN-2004/1 (Refer Note c)	10% (10%)	Oil and Natural Gas Corporation Limited (Operator) GAIL (India) Ltd Hindustan Petroleum Corporation Limited	70% 10% 10%
27	MB-OSN-2005/5 (Refer Note c)	30% (30%)	Oil and Natural Gas Corporation Limited (Operator)	70%
28	MB-OSN-2005/6 (Refer Note c)	20% (20%)	Oil and Natural Gas Corporation Limited (Operator)	80%
29	CB-ONN-2005/4 Refer Note c)	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
30	CB-ONN-2005/10 (Refer Note c)	49% (49%)	Oil and Natural Gas Corporation Limited (Operator)	51%
31	CB-ONN-2009/4 (Refer Note b)	50% (50%)	Oil and Natural Gas Corporation Limited (Operator)	50%
32*	Sabarmati	60% (60%)	Oilex NL Holdings (India) Ltd (Operator)	40%

* Blocks CY-PR-DWN-2004/2, KG-DWN-2004/1,KG-DWN-2004/2,KG-DWN-2004/3,KG-DWN-2004/5,Sabarmati,KG-OSN-2005/1 & MB-OSN-2004/2 have received the approval from MOPN&G for surrender

B	**GSPC-Operated**			
33	South Diyur (Egypt) (Refer Note d)	80% (80%)	Alkor Petro Ltd	20%
34	"North Hap'y (Egypt)"(Refer Note d) "	80% (80%)	Petrogas E&P LLC	20%
35	"MB-OSN-2004/1"(Refer Note c) "	20% (20%)	GAIL (India) Ltd Hindustan Petroleum Corporation Limited Indian Oil Corporation Limited Western Drilling Contractors Pvt. Ltd.	20% 20% 20% 20%
36	Block No 19 (Yemen)	45% (45%)	Alkor Petroo Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
37	Block No 28 (Yemen)	45% (45%)	Alkor Petroo Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
38	Block No 57 (Yemen)	45% (45%)	Alkor Petroo Ltd. Western Drilling Contractors Pvt. Ltd.	25% 30%
39	South Gulf of Suez (Egypt) (Refer Note d)	60% (60%)	Adani Welspun Exploration Ltd	40%
40	KG-ONN-2004/2	40% (40%)	GAIL (India) Ltd Petrogas E&P LLC	40% 20%
41	RJ-ONN-2005/3	60% (60%)	Oil and Natural Gas Corporation Limited	40%
42	Timor - JPDA 06/103	20%(20%)	Oilex (JPDA06/103) Ltd (Operator) Videocon JPDA 06-103 Limited Bharat Petro Resources JPDA Ltd Japan Energy Corporation Pan Pacific Petroleum NL	10% 20% 20% 15% 15%
43	South East Tungkal (Indonesia) (Refer Note d)	50.50%(50.50%)	Essar Oil Ltd	49.50%

Notes

a. The group's Participating Interest (80% PI) in KG-OSN-2001/3 has been farmed out to Oil and Natural Gas Corporation (ONGC) through a Farm-in/Farm-out Agreement which was executed on 10th March 2017. The agreed valuation for the transaction is USD 995.26 Million towards KG-Deen Dayal West (DDW) area and USD 200 Million as an advance consideration towards the Other Six Discoveries areas. The consideration towards DDW Field is further subject to adjustment based on gas price while the consideration towards Other Six Discoveries is subject to additional payment by ONGC upon valuation of these discoveries to be carried out upon submission of FDP.

The group had declared Commercial Operation Date (COD) w.e.f. 1st April, 2016. As per the agreement, the economic date of transfer for asset i.e. 80% Participating Interest of GSPC is 23:59 hours 31st March 2017. The closure for the transaction has been achieved on 4th August 2017.

In August 2002, the group had entered into Carried Interest Agreement (CIA) with Geo Global Resources (India) Inc (GGR), under which the group granted GGR 10.0% carried interest in the KG-OSN-2001/3 block. The group had incurred ₹ 1,856.83 Crore on GGR's behalf until 31st March 2017. While GSPC and GGR were at difference of opinions as to obligations under the carried interest agreement, in April 2017, the group has entered into a Deed of Assignment & Assumption of Participating Interest with GGR vide which GGR has surrendered and assigned its 10% Participating Interest in KG-OSN-2001/3 Block to the group. Thus, the group shall hold 10% PI in KG-OSN-2001/3 Block.

b. During FY 2017-18 the group along with its Joint arrangement partners have recommended block CB-ONN-2009/4 to be surrendered to Government of India. Accordingly a total exploration cost of ₹ 33.04 crores have been written off during FY 2017-18.

c. The group along with its Joint arrangement partners have recommended block MB-OSN-2000/1, MB-DWN-2000/2 (Mumbai), CY-ONN-2002/1 (Cauvery), CB-ONN-2002/2, MB-OSN-2004/1, MB-OSN-2004/2, KG-DWN-2004/1, KG-DWN-2004/2, KG-DWN-2004/3, KG-DWN-2004/5, KG-DWN-2004/6, CY-DWN-2004/1, CY-DWN-2004/2, CY-DWN-2004/4, CY-PR-DWN-2004/2, CB-ONN-2004/4, RJ-ONN-2004/1, BS (3)-CBM-2003/II, KG OSN 2005/1, KG DWN 2005/1, KK DWN

2005/2, KG ONN 2004/2, RJ ONN 2005/3, AA-ONN-2003/1, CY-DWN-2004/3, CY-PR-DWN-2004/1, MB-OSN-2005/5, MB-OSN-2005/6, CB-ONN-2005/10 and CB-ONN-2005/4 to be surrendered to Government of India/Appropriate Authorities in earlier periods.

d. The group along with its Joint arrangement partners has decided to withdraw from North Ha'py (Egypt) block, South Diyur (Egypt), South Gulf of Suez (Egypt) and South East Tungkal Indonesia blocks in earlier years.

e. During FY 2013-14 the group has decided to surrender and assign its 10% PI in two ONGC operated blocks namely AN-DWN-2009/5 and AN-DWN-2009/13 block to ONGC w.e.f. 1st April, 2013.

f. JPDA-06-103 block is being operated through a Special Purpose Vehicle (SPV) i.e. GSPC JPDA Ltd a 100% subsidiary of the company as per the terms of the PSC.

g. During the financial year 2012-13 the group along with it JV partners have recommended to surrender the three blocks by invoking the termination provision of the PSAs on account of continuation of force majeure events for more than six months. Vide letter dated 13th February, 2013, GSPC led consortium has terminated Production Sharing Agreements (PSAs) for 3 blocks awarded in Republic of Yemen (RoY). PSAs have been terminated on the ground of existence of force majeure event. The Consortium had initiated the arbitration proceedings under the PSAs before the International Chamber of Commerce (ICC), Paris and in the interim stage, obtained order Republic of Yemen not to take steps invoking SBLCs, while Consortium has been directed to extend the validity of SBLCs. Detailed pleadings were filed by both the parties and the final hearing was held from 8-12th September 2014 at the ICC hearing center in Paris. After the final hearing was concluded both the parties had submitted Post Hearing Briefs before the Arbitral Tribunal. Subsequently upon completion of the arbitration proceedings, the final award has been passed by the Arbitral Tribunal on 10 July 2015. The Arbitral Award inter alia:

- Declared that the three Production Sharing Agreements (Blocks 19, 28, and 57) have been validly terminated by GSPC Consortium;

- Declared that the Republic of Yemen and/or the Yemeni Ministry of Oil and Minerals were and are not entitled under the Production Sharing Agreements to draw on the related Standby Letters of Credits (US $ 42 million i.e ₹273.18 crores) issued in their favor by the International bank of Yemen;

- Arbitral Tribunal has awarded costs of approx. USD 3.79 million (₹24.65 crores) in favour of GSPC Consortium.

The Said Arbitral Award has been challenged by the Yemen Government by filing Annulment Proceedings in Court Of Appeal at Paris. GSPC Consortium has filed the response to the Annulment Proceedings filed by Yemen Government. The hearing for the matter took place on February 28, 2017. The Annullment Proceedings have also been held in favour of GSPC Consortium by the Paris Court. GSPC consortium is taking steps for enforcement of award. the matter is sub-judice.

h. During the FY2017-18 GSPC Operated Sanand Block and CB-ONN-2000/1(RFPSC) has received approval for commercial production.

i. Of the above, 18 fields/blocks are in production, namely Hazira, Bhandut, Cambay, Asjol, Unawa, North Balol, CB-ON/7 (Palej), Dholasan, North Kathana, Kanawara, Allora, CB-ONN-2000/1 (Ahmedabad), Tarapur, CB-ONN-2003/2 (Ankleshwar), KG-OSN-2001/3, CB-ONN-2000/1(RFPSC),Sanand Miroli, CB-ONN-2004/1 and CB-ONN-2004/2 block. Net quantity of group's interest (on gross basis) in proved developed reserves is as follows:

Particulars	Proved Reseves (Oil) (Million MT)*	Proved Reserves (Gas) "(Million Cubic Meter) *
Opening Balance for the year ended on 1st April, 2018		
	0.20	4,107.56
	(0.44)	-40,573.60
Additions	-	-
	-0.03	-
** Adjustments on account of change in Reserve estimate	0.16	82.67
	(0.24)	(-103.02)
Deletions		
	-	-36,341.23
Production	0.03	34.63
	-0.03	-21.79
Closing Balance for the year ended on 31st March, 2019	0.33	4,155.60
	-0.20	-4,107.56

*Figures in brackets relate to period ended 31st March, 2018

The group's share of reserve has been considered on the basis of the "Reserve" certification provided by Gujarat Energy Research & Managment Institute (GERMI) as on 31st March, 2019 and accordingly the proved reserves as on 31st March, 2019 has been worked based on the reserve estimates certified by GERMI and only includes the blocks which are in production.

** Adjustments reflects change in current reserve estimation and earler reserve estimation based on proved reserves.

The financial statements of the group reflect its share of Assets, Liabilities, Income and Expenditure of the Joint arrangement operations which are accounted on a line to line basis with similar items in the group's accounts to the extent of participating interest of the group as per the various joint arrangement agreements, in compliance of Ind AS-111. The income and expenditure from Joint arrangements are disclosed separately in the Statement of Profit and Loss. The summary of the group's share in Assets & Liabilities of Joint arrangements are as follow:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Fixed Assets		
Gross Block	446,687.00	443,315.00
CWIP*	158,774.00	157,931.00
Current Assets	19,653.00	9,718.00
Current Liabilities and Provisions	34,590.00	9,936.00
Contingent Liabilities	20,065.18	19,777.00

* includes stores & spares

l. The Statement of Profit and Loss of the group includes its share in Profit or Loss pertaining to the respective Joint arrangements. The summary of Statement of Profit and Loss for the year ended 31st March 2019 is given as under:

(₹ in Lakhs)

Particulars	GSPC's Share As at	
	31st March, 2019 GSPC's Share	31st March, 2018 GSPC's Share
Income		
Sale of Crude Oil	7,412.00	7,630.00
Sale of Gas	3,388.00	3,950.00
Increase/(Decrease) in Stock*	-53.00	-187.00
Other Income	807.00	480.00
Total	**11,554.00**	**11,873.00**
Expenditure		
Production Expenses	6,898.00	4,821.00
Duties & Taxes	910.00	636.00
Administrative exps.	1,425.00	1,960.00
Total Expenditure before Depreciation	**9,233.00**	**7,417.00**
Profit before depreciation	**2,321.00**	**4,456.00**

*It includes increase/ (decrease) in stock of crude oil of Hazira Field amounting to ₹ 2.68 crore (PY Rs.0.02 crore). The same is not considered in closing stock of crude oil, in line with Joint arrangement's accounting policy.

m.In FY 2017-18 GSPC and HOEC has submitted the proposal for CB-ON/7 Ring Fenced PSC (RFPSC) to MOPNG which is pending requisite approval. However, GSPC has already paid the requisite amount of USD 1.275 Million (₹ 8.17 Crores) as per the guidelines of MOPNG for signing of CB-ON/7 RFPSC.

Note 41

Related party disclosure

As per the Indian Accounting Standard-24 on “Related Party Disclosures”, list of related parties identified of the Company are as follows.

Associates/Joint Ventures

Name of the entity	Type
Gujarat Narmada Valley Fertilizers Co. Ltd	Associate
Gujarat State Fertilizers & Chemicals Co. Ltd.	Associate
Gujarat Alkalies & Chemicals Ltd.	Associate
Gujarat State Financial Services Ltd.	Associate
Gujarat State Energy Generation Limited	Associates
Sabarmati Gas Limited	Joint Ventures
GSPL India Gasnet Limited	Joint Ventures
GSPL India Transco Limited	Joint Ventures
Alcock Ashdown (Gujarat) Limited	Associates

Note 41.1
Related party disclosure
Transactions during the year with related parties:

(₹ in Lakhs)

Nature of Transaction	Associates		Joint Ventures		TOTAL	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Income:						
Sale of LNG	**12,302.44**	**8,470.21**	**28,141.10**	**21,019.72**	**40,443.54**	**29,489.93**
Sabarmati Gas Limited	-	-	28,141.10	21,019.72	28,141.10	21,019.72
Gujarat State Energy Generation Limited	12,302.44	8,470.21	-	-	12,302.44	8,470.21
Regasification Income	**924.33**	**-**	**-**	**-**	**924.33**	**-**
Gujarat State Energy Generation Limited	924.33	-	-	-	924.33	-
Connectivity Charges Received	**-**	**-**	**144.55**	**177.00**	**144.55**	**177.00**
Sabarmati Gas Limited	-	-	144.55	-	144.55	-
GSPL India Gasnet Limited	**-**	**-**	**-**	**177.00**	**-**	**177.00**
Gas Transportation Income	1,053.38	-	5,210.28	3,477.00	6,263.66	3,477.00
Sabarmati Gas Limited	-	-	5,210.28	3,477.00	5,210.28	3,477.00
Gujarat State Energy Generation Limited	1,053.38	-	-	-	1,053.38	-
Line Crossing Chages Received	**-**	**-**	**4.72**	**-**	**4.72**	**-**
Sabarmati Gas Limited	-	-	4.72	-	4.72	-
Rent received 18.99	**18.08**	**145.10**	**139.85**	**164.09**	**157.93**	
Gujarat State Energy Generation Limited	18.99	18.08	-	-	18.99	18.08
GSPL India Gasnet Limited	-	-	56.65	55.00	56.65	55.00
GSPL India Transco Limited	-	-	55.62	55.00	55.62	55.00
Sabarmati Gas Limited	-	-	32.84	29.85	32.84	29.85
Dividend Income	**-**	**-**	**249.69**	**199.89**	**249.69**	**199.89**
Sabarmati Gas Company Limited.	-	-	249.69	199.89	249.69	199.89
Interest Income	**1,172.44**	**2,270.90**	**-**	**-**	**1,172.44**	**2,270.90**
Gujarat State Energy Generation Limited	1,172.44	2,270.90	-	-	1,172.44	2,270.90
Reimbursement of Exp-Received	**90.28**	**98.33**	**941.84**	**552.72**	**1,032.12**	**651.05**
Sabarmati Gas Company Limited.	-	-	40.10	39.23	40.10	39.23
Gujarat State Energy Generation Limited	83.81	82.00	-	-	83.81	82.00
GSPL India Gasnet Limited	-	-	595.69	332.68	595.69	332.68
GSPL India Transco Limited	-	-	306.05	180.82	306.05	180.82
GSPC LNG Limited	6.47	16.33	-	-	6.47	16.33
Sale of Material -Inventory	**-**	**-**	**122.18**	**0.29**	**122.18**	**0.29**
GSPL India Gasnet Limited	-	-	122.18	0.29	122.18	0.29
Expenses:				-	-	
Gas transportation charges	**-**	**-**	**2,419.24**	**-**	**2,419.24**	**-**
GSPL India Gasnet Limited	-	-	2,419.24	-	2,419.24	-
Reimbursement of Expenses: Paid	**37.51**	**-**	**168.17**	**252.89**	**205.68**	**252.89**
Gujarat State Energy Generation Limited	37.51	-	-	-	37.51	-
GSPL India Gasnet Limited	-	-	98.51	130.89	98.51	130.89
GSPL India Transco Limited	-	-	69.66	122.00	69.66	122.00
Rent Expense -	**-**	**1.81**	**-**	**1.81**	**-**	
GSPL India Gasnet Limited	-	-	1.81	-	1.81	-
Purchase of Assets	**-**	**-**	**0.61**	**-**	**0.61**	**-**
GSPL India Transco Limited	-	-	0.61	-	0.61	-
Sale of Assets	**0.56**	**-**	**9.10**	**-**	**9.66**	**-**
Gujarat State Energy Generation Limited.	0.56	-	-	-	0.56	-
GSPL India Gasnet Limited	-	-	3.35	-	3.35	-
GSPL India Transco Limited	-	-	6.75	-	6.75	-

Note 41.2
Related party disclosure
Balances Outstanding

(₹ in Lakhs)

Nature of Transaction	Associates		Joint Ventures		TOTAL	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Current Assets & Liabilities:						
Debtors	**4,401.03**	**9,664.31**	**629.34**	**572.64**	**5,030.37**	**10,236.95**
Gujarat State Energy Generation Limited.	4,401.03	9,664.31	-	-	4,401.03	9,664.31
Sabarmati Gas Company Limited	-	-	629.34	572.64	629.34	572.64
Advance/Receivables	**3,718.83**	**6,705.44**	**1,433.22**	**211.32**	**5,152.05**	**6,915.75**
Gujarat State Energy Generation Limited.	3,718.83	6,704.08	-	-	3,718.83	6,704.08
Sabarmati Gas Company Limited	-	-	3.97	123.82	3.97	123.82
GSPL India Gasnet Limited	-	-	80.28	48.50	80.28	48.50
GSPL India Transco Limited	-	-	1,348.97	38.00	1,348.97	38.00
GSPC LNG Limited	-	1.36	-	-	-	1.36
Payable	**26.60**	**-**	**353.12**	**13.00**	**379.72**	**13.00**
Gujarat State Energy Generation Limited.	26.60	-	-	-	26.60	-
GSPL India Gasnet Limited	-	-	1.27	8.00	1.27	8.00
GSPL India Transco Limited	-	-	283.85	5.00	283.85	5.00
Sabarmati Gas Company Limited	-	-	68.00	-	68.00	-
Investment in Share Capital (Allotment)	**29,018.16**	**14,275.60**	**24,281.83**	**20,381.83**	**53,299.99**	**34,657.43**
GSPC LNG Limited	-	1,143.00	-	-	-	1,143.00
GSPL India Gasnet Limited	-	-	9,152.00	9,152.00	9,152.00	9,152.00
GSPL India Transco Limited	-	-	9,620.00	5,720.00	9,620.00	5,720.00
Gujarat State Energy Generation Limited.	27,868.16	11,982.60	-	-	27,868.16	11,982.60
Sabarmati Gas Company Limited.	-	-	5,509.83	5,509.83	5,509.83	5,509.83
Alcock Ashdown (Gujarat) Limited (excluding provision for Diminution in value)	1,150.00	1,150.00	-	-	1,150.00	1,150.00
Investment in Share Capital (Allotment-pending-Share application money)	**6,146.91**	**-**	**-**	**-**	**6,146.91**	**-**
Gujarat State Energy Generation Limited.	6,146.91	-	-	-	6,146.91	-
Inter Corporate Loan	-	15,343.79	-	-	-	15,343.79
Gujarat State Energy Generation Limited.	-	15,343.79	-	-	-	15,343.79

Note 42

A. Financial instruments by category and their fair value

(₹ in Lakhs)

As at 31st March 2019	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amortised Cost	Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets									
Investments									
Quoted	298.26	2,629.00	-	56,101.02	59,028.28	2,927.26	-	-	2,927.26
Unquoted	601,810.00	17,055.77	-	235,132.60	853,998.37	-	601,810.00	17,055.77	618,865.77
Loans			14,833.63		14,833.63				
Trade Receivables	-	-	122,190.58	-	122,190.58	-	-	-	-
Cash and Cash Equivalents	-	-	33,798.44	-	33,798.44	-	-	-	-
Other Bank Balances	-	-	57,354.55	-	57,354.55	-	-	-	-
Other financial assets	43.24	-	203,952.52	-	203,995.76	-	-	43.24	43.24
Total financial assets	**602,151.50**	**19,684.77**	**432,129.71**	**291,233.62**	**1,345,199.60**	**2,927.26**	**601,810.00**	**17,099.01**	**621,836.27**
Financial liabilities									
Debt Securities	-	-	600,000.00		600,000.00				
Borrowings			1,136,226.18		1,136,226.18				
Other financial liabilities	52,677.20		460,848.68		513,525.88			52,677.20	52,677.20
Trade Payables	-	-	32,380.77	-	32,380.77	-	-	-	-
Total financial liabilities	**52,677.20**	**-**	**2,229,455.63**	**-**	**2,282,132.83**	**-**	**-**	**52,677.20**	**52,677.20**

(₹ in Lakhs)

As at 31st March 2018	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amotised Cost	Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets									
Investments									
Equity instruments - Long term									
Quoted	129,618.44	3,579.00	-	-	133,197.44	133,197.44	-	-	133,197.44
Unquoted	-	2,900.87	-	126,081.55	128,982.42	-	-	2,900.87	2,900.87
Loans			35,838.00		35,838.00				-
Trade Receivables	-	-	99,085.13	-	99,085.13	-	-	-	-
Cash and Cash Equivalents	-	-	13,509.37	-	13,509.37	-	-	-	-
Other Bank Balances	-	-	48,180.65	-	48,180.65	-	-	-	-
Other financial assets	23.96	-	262,912.68	-	262,936.64	-	-	-	-
Non-current	-	-	-	-	-	-	-	-	-
Current		-	-	-	-	-	-	**23.96**	23.96
Total financial assets	**129,642.40**	**6,479.87**	**459,525.83**	**126,081.55**	**721,729.65**	**133,197.44**	**-**	**2,924.83**	**136,122.27**
Financial liabilities									
Borrowings	-	-	1,946,139.37	-	1,946,139.37				
Other financial liabilities	67,861.61		431,538.39		499,400.01			67,861.61	67,861.61
Trade Payables	-	-	96,848.91	-	96,848.91	-	-	-	-
Total financial liabilities	**67,861.61**	**-**	**2,474,526.68**	**-**	**2,542,388.29**	**-**	**-**	**67,861.61**	**67,861.61**

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

Types of inputs are as under:

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVTOCI in unquoted equity shares "Investments in Equity Shares of Other Entities

OPAL -Due to recent commissioning of project, fair value of investments in equity shares of OPAL have been considered as equivalent to cost. GSPC LNG has not commenced its commercial production and hence fair value of investments in equity shares of GSPC LNG have been considered as equivalent to cost.Investment was made in the equity shares of Swan LNG Pvt Ltd. in February 2018 and March 2019. Further payments will be made based on the agreed milestones as and when they are due. Management believes that there is no significant change in value of the investments. Accordingly, the investment is disclosed at the transaction price represented by the cash payment made on the date of acquisition.

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31st March, 2019 and 31st March, 2018 is as below:

(₹ in Lakhs)

Particulars	Amount
As at 1 April 2017	4,406.00
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	0.83
Gains/ (losses) recognised in consolidated statement of profit or loss	(1,482.00)
As at 31 March 2018	2,924.83
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	14,154.90
Gains/ (losses) recognised in consolidated statement of profit or loss	19.28
As at 31 March 2019	17,099.01

Transfer out of Level 3

There were no movement in level 3 in either directions during 2018-19 and the year 2017-18. There were no transfers out of level 3 during the year 2018-19 and 2017-18.

Sensitivity analysis

Investments in unquoted equity shares comprises majorly of investments in ONGC Petro Additions Ltd. & Swan LNG Pvt Ltd. On account of lack of adequante information, investments in ONGC Petro Additions Ltd. have not been fair valued. Further, The Group believes that there is no significant change in value of the investments made in the equity shares of Swan LNG Pvt Ltd accordingly it is impracticable to provide the sensitivity analysis of both the companies.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

a. Credit risk ;

b. Liquidity risk ; and

c. Market risk

(i) Risk management framework

"The Group is exposed to financial risks arising from business/operating activities as well as financial instruments. The risks include market risks pertaining to price risk, currency risk and interest rate risk; credit risk and liquidity risk. The finance and commercial team advises the management (including the CFO of Parent Company) which oversees the risk management strategies and procedures. The objective of the teams is to inform the management on financial risks and propose appropriate financial risk governance framework for the company. Based on the inputs from respective teams, analysis and understanding, the management issues directives for mitigation of risks. The management regularly monitors the risks to ensure that financial risks are identified, measured and managed in accordance with risk management policies."The Group's risk management activities pertaining gas trading business are managed by the commercial team, while those pertaining to financing activities are managed by the finance team. All derivative activities are carried out by teams with appropriate skills and experience under supervision as per directives of management. The teams are subject to necessary financial and management control."

(ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the Group along with relevant mitigation procedures adopted have been enumerated below:

Trade and other receivables

Customers of the Group across the business segments viz. gas trading, power generation, city gas distribution and gas transmission comprise of equity accounted entities and corporates which include public sector undertakings. The Group ratifies the counterparty creditworthiness prior to the contractual agreement and adequate risk mitigation measures are incorporated in the agreement. The counterparty dealings with respect to receivables are governed by the respective group company's debtor's policy which is guiding document. Hence, at this point in time, the group does not perceive credit risk on gas trading receivables.

Gas transmission services are generally subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the company's receivables are secured. The Group provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

In CGD business, sales to domestic customers for household purposes like cooking, geyser application, etc., invoices are raised periodically. Security deposits along with connection deposits are taken for mitigation of potential credit risk arising in the event of non-payment of invoices. CNG sales made through operators of the CNG stations owned by the Group and CNG Franchises outlet are exposed to credit risk as amounts so collected is deposited/transferred in company bank account on next working day. Bank Guarantee / Security Deposit is taken to mitigate the credit risk. For CNG sales made through Oil Marketing Companies (OMCs), the Group raises the invoice for quantities sold based on periodicity as per the agreement. The OMCs are well established companies viz. HPCL, BPCL, IOC, Essar Oil Ltd. where no significant credit risk is anticipated.

"Gujarat Urja Vikas Nigam Limited (GUVNL), a public sector undertaking controlled by the Government of Gujarat, is the single customer for the power generation business. Being a PSU with timely payment track record and adequate credit rating, the group perceives no credit risk."

Since all the customers for the group are based within India, there is no credit risk expected from the outside India. The Group creates an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Movements in Expected Credit Loss Allowance **(₹ in Lakhs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the year	(1,168.00)	(1,227.00)
Movements in allowance	(120.70)	59.00
Closing balance	(1,288.70)	(1,168.00)

Value of receivables outstanding beyond one year from the due date is not significant. Such receivables which are past due but not impaired are assessed on case-to-case basis. The instances pertain to third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired. The provision for impairment of trade receivables, movement of which has been provided below, is not significant / material. Since the Group has a fairly diversified in terms of spread and hence no concentration risk is foreseen.

Other financial assets

"Other financial assets comprises of an amount of ₹ 496.04 Crore which is receivable from Jubilant Offshore Drilling Pvt Ltd (JODPL) pertaining to Production Sharing Contract executed between the parties for KG-OSN-2001/3 block. JODPL had filed a petition for insolvency and Insolvency Restructuring Professional (IRP) was appointed. However, the resolution process did not materialise subsequent to which JODPL has gone into liquidation and a liquidator has been appointed. The Group has issued forfeiture notice to JODPL to recover the outstanding dues. The Group has adequate rights under the Production Sharing Contract to ensure recovery of receivable amounts from JODPL through the future cash flows of KG Block. The Group is assessing way forward and committed to undertake necessary steps.

"Apart from this, other financial assets comprise of cash and cash equivalents, loans provided to employees and investments in equity shares of companies other than subsidiaries, associates and joint Arrangements.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating. The Group reviews their credit-worthiness at regular intervals.
- Investments are made in credit worthy companies.
- Group has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Govt. of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Group does not have exposure to any credit risk.
- Derivative instruments comprise of forward contracts, commodity derivatives, Interest rate swaps and cross currency interest rate swaps where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Group's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Floating rate		
Expiring within one year (line of credit and other facilities)	216,060.00	312,102.00
Expiring beyond one year (line of credit and other facilities)	-	-
Total	**216,060.00**	**312,102.00**

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lakhs)

31st March, 2019	Carrying amount	Contractual cash flows		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	1,032,672.20	1,032,672.20	-	1,032,672.20
Current borrowings	53,053.98	53,053.98	53,053.98	-
Non current financial liabilities	3,016.36	3,016.36	-	3,016.36
Current financial liabilities	496,351.61	496,351.61	496,351.61	-
Trade and other payables	32,380.77	32,380.77	32,380.77	-
Total	**1,617,474.92**	**1,617,474.92**	**581,787.36**	**1,035,687.56**

(₹ in Lakhs)

31st March, 2018	Carrying amount	Contractual cash flows		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	1,592,663.21	1,592,663.21	-	1,592,663.21
Current borrowings	297,476.16	297,476.16	297,476.16	-
Non current financial liabilities	2,972.37	2,972.37	-	2,972.37
Current financial liabilities	496,419.16	496,419.16	496,419.16	-
Trade and other payables	96,848.91	96,848.91	96,848.91	-
Total	**2,486,388.80**	**2,486,388.80**	**890,744.23**	**1,595,634.57**

(iv) Market risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the company is commodity price risk i.e. price risk of natural gas that could adversely affect the value of the Group's financial assets, liabilities or expected future cash flows. The currency risk for the Group involves exposure arising from External Commercial Borrowings and payments for supply of natural gas. The interest rate risk involves rate risk linked to borrowings of the Group.

Commodity price risk

The Group's integrated natural gas procurement and trading business (including Liquified Natural gas (LNG)) is open to price risk which is substantially mitigated through conventional derivative instruments which ensures the hedging of the commodity price at marketable/acceptable level for sale to the customer. The Group has executed commodity swaps and options linked to Brent Crude prices which are highly correlated to natural gas prices. Further, the sales prices are modified appropriately to counter market price movements.

Equity price risk

The Company's exposure to equity securities price risk arises from investments held by the Group which are classified in the balance sheet as fair value through other comprehensive income (FVOCI). The captioned equity investments are publicly traded as they are listed on the NSE Nifty 50 Index as well as in unquoted equity shares of companies of good credit standing.

Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's other comprehensive income for the period. The analysis is based on the assumption that the index had increased average of the actual movements in quoted prices of equity shares held as investments for the respective periods. All other variables held constant.

Particulars	Impact on Other Comprehensive Income	
	As at 31st March, 2019	As at 31st March, 2018
NSE NIFTY 50 - increase 6%	157.74	214.74
NSE NIFTY 50 - decrease 6%	(157.74)	(214.74)

The table below summarises the impact of increases/decreases of the equity security prices on the Company's profit or loss for the period.

Particulars	Impact on Statement of Profit and Loss		
	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Equity Security Price - increase 5%	30,199.96	6,480.92	6599.305184
Equity Security Price - decrease 5%	-30,199.96	-6,480.92	-6599.305184

Currency risk

The functional currency of all the companies part of the group is Indian Rupees. However, the Group has exposure of USD and JPY denominated External Commercial Borrowing (ECB) as well as receivables and payables in foreign currency. The Group uses combination of Cross currency Interest rate swap, interest rate swaps and forward contracts to manage the foreign currency risk linked to ECB. The currency risk linked to the payables of gas trading business is mitigated by appropriately factoring the same in the sales prices for the natural gas sold to downstream customers.

Exposure arising on purchase contracts of gas on account of the fluctuations in the exchange rate is managed by taking corresponding derivative positions.

In case of GSPL the currency exposure arising on ECB denoinated in JPY was fully hedged using a CCIRS.

In case of GSPC the currency exposure on account of USD denominated ECB loans as on 31st March 2018 is reduced subsequent to closure of transaction for 80% PI of KG Block with ONGC. The consideration received for the transaction was utilized to partially novate the ECB loans. The currency risk for the balance ECB loan shall be adequately covered through natural hedge i.e. USD denominated revenue from KG Block pertaining to balance 10% PI with GSPC. Details of the USD denominated ECB outstanding as at each reporting date have been provided below:"

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non current borrowings		
ECB - principal and interest	104,087.08	97,886.00
Total USD denominated exposure	104,087.08	97,886.00

The following significant exchange rates have been applied during the year.

(₹ in Lakhs)

Rupees	Average rate		Year-end spot rate	
	2018-19	2017-18	As at 31-Mar-19	As at 31-Mar-18
USD	67.10	64.94	69.17	65.04

Sensitivity analysis

Since the JPY denominated ECB is fully hedged, only USD denominated ECB is considered for the below seinsitivity analyis

(₹ in Lakhs)

Effect in Rupees	Profit or loss		Equity, net of tax	
	Strengt-hening	Weakening	Strengt-hening	Weakening
31st March, 2019				
USD (7% movement)	7,286.10	(7,286.10)	4,740.04	(4,740.04)

(₹ in Lakhs)

Effect in Rupees	Profit or loss		Equity, net of tax	
	Strengt-hening	Weakening	Strengt-hening	Weakening
31st March, 2018				
USD (7% movement)	6,852.02	(6,852.02)	4,480.67	(4,480.67)

Interest rate risk

Interest rate risk is the risk that either fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates i.e. Base Rate/MCL linked in INR denominated loans and 6-month LIBOR linked in USD denominated loans.

The Group has substantial mix of USD denominated and INR denominated borrowings. It manages the interest rate risk in INR denominated loans through contractual agreement (i.e. term loan agreement) clauses with the lenders wherein provisions are built-in to allow the Group to prepay the loans without penalty. This clause can be exercised in scenarios that the interest rate under the agreement are not moving in favorable directions and the Group has other available options to switch with borrowings bearing lower interest rates. The interest rate risk of USD denominated loans is mitigated through Interest Rate Swaps which have been executed for the entire ECB liability of the Group.

(₹ in Lakhs)

Variable-rate instruments	As at 31st March, 2019	As at 31st March, 2018
Non current - Borrowings	822,672.20	655,716.54
Current - Borrowings	53,053.98	297,476.16
Current portion of Long term borrowings	55,731.04	33,947.10
Total	**931,457.23**	**987,139.80**

(₹ in Lakhs)

Fixed-rate instruments	As at 31st March, 2019	As at 31st March, 2018
Non current - Borrowings	210,000.00	936,945.67
Current - Borrowings	-	-
Current portion of Long term borrowings	102,564.22	167,314.92
Total	**312,564.22**	**1,104,260.59**

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. As far as INR denominated borrowings are concerned, the Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and it does not have any designate derivatives (interest rate swaps). However, for USD & JPY denominated borrowings, the Group accounts for fixed rate financial asset or liability at fair value through profit or loss and the Group has designated derivatives (Interest Rate Swaps). Therefore, the profit or loss impact on account of change in interest rates at the reporting date is indicated in the following table. Since no interest rate risk is perceived on fixed rate loans, only variable rate loans have been considered for the purposes of sensitivity disclosed below:

(₹ in Lakhs)

Particulars	Profit or loss		Equity, net of tax	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
31st March, 2019				
Non current - Borrowings	8,226.72	(8,226.72)	5,351.98	-5,351.98
Current - Borrowings	530.54	(530.54)	345.15	-345.15
Current portion of Long term borrowings	557.31	(557.31)	362.56	-362.56
Total	**9,314.57**	**(9,314.57)**	**6,059.69**	**(6,059.69)**
31st March, 2018				
Non current - Borrowings	6,557.17	(6,557.17)	4,287.86	-4,287.86
Current - Borrowings	2,974.76	(2,974.76)	1,945.26	-1,945.26
Current portion of Long term borrowings	339.47	(339.47)	221.99	-221.99
Total	**9,871.40**	**(9,871.40)**	**6,455.10**	**(6,455.10)**

Note 43

Capital management

The Group defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the parent (which is the Group's net asset value). The primary objective of the company's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base. The Group aims to maintain the net debt ratio, that is, the ratio of net debt to net debt plus equity, of 2:3 with some flexibility of 5%.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity."

The Company's adjusted net debt to equity ratio on 31st March, 2019 was as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total non-current liabilities	1,244,021.45	2,091,400.39
Less : Cash and bank balances	91,131.06	61,647.93
Adjusted net debt	1,152,890.38	2,029,752.46
Total equity	(71,126.07)	(759,285.27)
Adjusted net debt to adjusted equity ratio	-16.21 times	-2.68 times

Note 44 TRANSITION TO IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

In Case of Subsidiary Gujarat State Petronet Limited Consolidated

Effective April 1, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with customers" which resulted in changes in the revenue recognition accounting policy and adjustments to the amounts recognised in the financial statements.

In accordance with the transition provisions in Ind AS 115, the Group has adopted the new standard retrospectively using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted.

In summary, the following adjustments were made:

Balance Sheet as on 1 April, 2018: **(₹ in Lakhs)**

Financial line item	Ind AS 18- Carrying Amount	Re-measurement	Ind AS 115- Carrying Amount
Other Equity	272,002.05	-3,982.24	268,019.81
Non-Current Liability: Revenue Received in Advance	-	5,052.00	5,052.00
Current Liability: Revenue Received in Advance	-	630.00	630.00
Investments in equity accounted investees	59,120.98	286.24	58,834.74
Deferred Tax (Asset)	-	-1,986.00	-1,986.00

Balance Sheet as on 31 March, 2019: **(₹ in Lakhs)**

Financial line item	Ind AS 18- Carrying Amount	Re-measurement	Ind AS 115- Carrying Amount
Other Equity	378,592.93	(4,391.00)	374,201.93
Non-Current Liability: Revenue Received in Advance	-	5,954.00	5,954.00
Current Liability: Revenue Received in Advance	-	796.00	796.00
Deferred Tax (Asset)	-	(2,359.00)	(2,359.00)

Statement of profit or loss for the year ended March 31, 2019 **(₹ in Lakhs)**

Financial line item	Ind AS 18- Values	Re-measurement	Ind AS 115- Values
Revenue from contracts with customers	956,394.26	(1,068.00)	955,326.26
Income tax expense	51,810.84	(373.20)	51,437.64
Profit for the period	119,734.30	(694.80)	119,039.50

Explanation of the Re-measurement Adjustment:

Connection charges from customers deferred over the period when the performance obligation is satisfied:

Industrial Customers: The performance obligations as per the contractual arrangement with the customer is to deliver gas over the tenure of the contract. Consequently, the connection charges is to be deferred over the contract period.

Domestic Customer: The connection charges is to be deferred over the period of delivery of gas. It is reasonably expected by the Group that the gas is procured by the customer and supplied by the Group on a perpetual basis. Consequently the connection charges are to be deferred over the useful life of the connection facility (i.e. 18 years).

In Case of Gujarat Info Petro Limited

Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with customers" which resulted in changes in the revenue recognition accounting policy and adjustments to the amounts recognised in the financial statements.

In accordance with the transition provisions in Ind AS 115, the Company has adopted the new standard retrospectively using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted.

In summary, the following adjustments were made:

a) Balance Sheet as on April 1 2018

(₹ in Lakhs)

Balance sheet (extract)	Ind AS 18 carrying amount	Re-measurement	Ind AS 115 carrying amount
Other Equity:			
Retained Earnings	(2,209.21)	16.30	(2,192.91)
Current Liability :			
Excess Billing Over Revenue	(143.86)	(22.50)	(166.36)
Deferred Tax Asset	80.22	6.20	86.42

b) Balance Sheet as on 31st March 2019

(₹ in Lakhs)

Balance sheet (extract)	Ind AS 18 carrying amount	Re-measurement	Ind AS 115 carrying amount
Other Equity:			
Reatined Earnings	(2,484.82)	-	(2,484.82)
Current Liability :	-	-	-
Excess Billing Over Revenue	(141.09)	-	(141.09)
Deferred Tax Asset	80.47	-	80.47

Note 45

Employee stock option plan 2008

In Case of Gujarat Gas Limited

The erstwhile GSPC Gas Company Limited ('e-GSPC'), erstwhile Gujarat Gas Company Limited ('e-GGCL'), erstwhile Gujarat Gas Financial Services Limited ('e-GFSL') and erstwhile Gujarat Gas Trading Company Limited ('e-GTCL') merged with and into GSPC Distribution Network Limited ('GDNL') under the Composite Scheme of Amalgamation and Arrangement (the "Scheme of Amalgamation"). The effective date of Scheme of Amalgamation was 14 May 2015. Upon the Scheme of Amalgamation becoming effective, the name of GDNL has been changed to Gujarat Gas Limited ('GGL') as per the provisions of the Companies Act.

Pursuant to the Scheme of Amalgamation, the Addendum Gujarat Gas Limited Employee Stock Option Plan 2016 ("ESOP 2016") being supplementary to the Gujarat Gas Company Limited Employee Stock Option Plan 2008 ("ESOP 2008") has been formulated for the limited purpose of adopting the ESOP 2008 in the Company.

The e-GGCL had formulated the above ESOP 2008, whereby Stock Options had been granted by e-GGCL to its employees. The ESOP 2008 has been effective from 1 November 2008 for a tenure of 8 years. As on the effective date of the Scheme of Amalgamation, certain employees of e-GGCL to whom Options had been Granted and Vested under the ESOP 2008, have not Exercised the said Options and hence as per the Scheme of Amalgamation, they are the Eligible Employees for the purpose of the ESOP 2016 as follows:

1. Revised Grants have been made to them with effect from the effective date under the Scheme of Amalgamation of 13000 equivalent number of Options-I under the ESOP 2016, against the equivalent number of Options Granted and Vested in them pursuant to the ESOP 2008, which were not Exercised by them on the effective date under the Scheme of Amalgamation.
2. The above Revised Grants of Options-I has been on the basis of the Share Exchange Ratio of 1 (one) equity share of Rs.10/- each of GGL, for every 1 (one) equity share of Rs.2/- each of e-GGCL, pursuant to the Scheme of Amalgamation.
3. The Options-I bear the Exercise Price as per the ESOP 2008. The Exercise Price payable for Options-I under ESOP 2016 is based on the Exercise Price payable by such Eligible Employees under the ESOP 2008 that has been adjusted after taking into account the effect of the Share Exchange Ratio of 1:1 as mentioned above.
4. Upon such Revised Grant of Options-I to the Eligible Employees the Options Granted under the ESOP 2008 stand cancelled and the Eligible Employees shall continue to be bound by all the terms and conditions of the ESOP 2008 in addition to this ESOP 2016.

The Gujarat Gas Company Limited Employee Welfare Stock Option Trust ("ESOP 2008 Trust"). which has been formed and created vide execution of the Deed of Gujarat Gas Company Limited Employee Welfare Stock Option Trust dated 4 November 2008 has been renamed as Gujarat Gas Limited Employee Welfare Stock Option Trust ("ESOP 2016 Trust").The ESOP 2016 Trust is an irrevocable Trust that functions for the limited purpose of adopting the ESOP 2008 and ESOP 2016 and to hold the existing share inventory of the ESOP 2008 Trust for the benefit of Eligible Employees under ESOP 2016 and the balance to be appropriated in line with the SEBI Regulations.

The ESOP 2016 and the ESOP 2016 Trust are governed by the provisions of the Companies Act 1956 or the Companies Act 2013, as may be applicable and the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the SEBI (Share Based Employee Benefits) Regulation, 2014, as may be applicable.

The ESOP 2008 Trust had purchased out of the funds advanced by the Company, the shares equivalent to the number of options granted. IDBI Trusteeship Services Limited are the Trustees. The Trustees can sell the shares in the market as per the approved scheme and for the year ended on 31st March 2018, there are no purchases from the market.

The exercise price is calculated at 10% discount to the closing price of the shares on record date, being the date on which the grant of options were approved as per ESOP 2008. The graded vesting of options granted, over a period of 4 years from the date of grant is as follows:

% of Option Vested	Cumulative	Vesting Date
25%	25%	on expiry of two years from their Grant date ('First Vesting Date')
50%	75%	on expiry of three years from their Grant date ('Second Vesting Date')
25%	100%	on expiry of four years from their Grant date ('Third Vesting Date')

The options are to be exercised within a maximum period of 2 years from the date of vesting. Within the exercise period, the employee would have the option to either purchase the shares from the trust at the exercise price or to give a mandate of sale to the trust at the best available market price, in which event the difference between the net price realized on sale after taxes and charges and the Exercise Price will accrue as gains to the employee.

The employee share based payment plans have been accounted based on the Fair value method of accounting using the Black-Scholes Option Pricing Formula. There are no options outstanding as on 31 March 2019 and 31 March 2018.

In Case of Gujarat State Petronet Limited

ESOP 2010 Scheme:

During the Financial Year 2010-11, the Company instituted ESOP-2010. The Board of Directors and the Shareholders approved the plan in the meeting held on 23rd August 2010 and 27th October 2010 respectively, which provides for the issue of 21,28,925 equity shares to the employees of the company. The Compensation Committee administers ESOP-2010. These ESOPs are granted at an exercise price of ?75 per share to be vested over the period of five years and to be exercised within a period of ten years from the date of Grant. Set out below is a summary of options granted under the plan:

Particulars	31st March, 2019		31st March, 2018	
	Avg Exercise Price per share option (₹)	Number of options	Avg Exercise Price per share option (₹)	Number of options
Opening Balance	75	387,958	75	636,226
Granted during the year	75	-	75	-
Exercised during the year	75	(137,761)	75	(245,860)
Lapsed/cancelled during the year	75	(8,396)	75	(2,408)
Closing balance		241,801		387,958

Fair value of options granted

The fair value at grant date of options granted during the year ended 31 March 2019 was ₹ 72.45 per option (31 March 2018 - ₹ 72.45). The fair value at grant date is determined using the Binomial Model which takes into account the exercise price, the terms of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Expenses arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in the statement of profit and loss as part of employee benefit expenses were as follows:

(₹ in Lakhs)

Particulars	Mar-19	Mar-18
Employee option plan	(0.06)	(0.01)

Note 46

The management of the Company with the support from Government of Gujarat has completed the revival of the company by putting in place a Turnaround Plan/Financial Realignment Strategy. The Company has devised a detailed realignment plan to improve the financial and operating performance and which has been implemented in two phases as below.

a) As per the Debt Realignment Plan, the Company has sold its holding in Gujarat Gas Ltd to Gujarat State Petronet Ltd. during FY 2017-18r and realised an amount of ₹ 3,252.79 Crores. The Company's holding in Gujarat Gas Limited has been sold to Gujarat State Petronet Ltd (listed subsidiary of GSPC) through an on-market transaction. The share transfer has been effected in two tranche i.e. free-float shares on 26th March 2018 and lock-in shares on 28th March 2018. As on 31st March, 2018 the consideration for sale of first tranche of Gujarat Gas ltd. shares was received in FY 2017-18. The balance amount of consideration was received on 4th April,2018. Subsequent to the captioned sale, the Company does not hold any shares of GGL.The consideration received has been deployed to reduce the outstanding debt.

b) The Ministry of Corporate Affairs (MCA), vide order dated 25th April, 2019, has approved the Scheme of Arrangement between Gujarat State Petroleum Corporation Limited (GSPC), Gujarat State Investment Limited (GSIL) and GSPC NCD Holders. The scheme of arrangement has approved transfer of GSPC's obligation in form of Non-Convertible Debentures (NCD) amounting to ₹ 6,000 crores to GSIL in exchange of 749,06,36,704 fully paid equity shares of face value ₹ 1 each at fair value of ₹ 8.01 each (with premium of ₹ 7.01 per share)."The appointed date of the scheme is 1st April, 2018. The scheme has became effective upon filling of certified copy of the order with Registrar of Companies, Gujarat on 16th May, 2019. Following accounting treatments are given in the books of accounts:

(i) The Company has derecognized debenture obligation w.e.f. 1st April, 2018 and shares to be issued as consideration has been classified as "Financial Instrument in Equity Nature.

(ii) Authorised Share Capital of the Company, as approved in the scheme, is increased by the company during FY 2019-20.

(iii) 749,06,36,704 fully paid equity shares of face value ₹ 1 each at premium of ₹ 7.01 per share were issued to GSIL during FY 2019-20.

(iv) As the scheme of arrangement became effective from 1st April 2018 on filing on 16th May, 2019, GSPC has serviced half yearly interest on NCD cumulatively amounting to ₹ 571.50 crores, due on 30th June, 2018 and 31st December, 2018, for the period 1st January, 2018 to 30th June, 2018 and 1st July, 2018 to 31st December, 2018 respectively. The company has received ₹ 571.00 crores from GSIL as advance towards reimbursement of interest serviced to NCD holders. The company is awaiting final directives from Government of Gujarat for the settlemnet of amount received. Accordingly amount receivable from GSIL and advance received from GSIL has been shown under Advance recoverable and other current financial liabilities respectively on gross basis.

Note 47

Under Ind AS compliant Schedule III, the consolidated financial statements do not include notes such as quantitative information, forex earnings/expense, remuneration to auditors, corporate social responsibility, details required under MSME Act etc. which are not necessary to present true and fair view of the financial statements.

Note 48

In case of balances of Joint Arrangement parties, for cash call and other transactions and also in case of balances of other parties i.e. Trade Receivables, Trade Payables, Loans and Advances and other liabilities the company is in the process of reconciling it with the parties. Adjustments if any will be accounted on reconciliation/settlement of the same.

49.0 Transition to Ind AS

These financial statements of the Group for the year ended March 31, 2019 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Group has followed the guidance prescribed in Ind AS 101 First-Time Adoption of Indian Accounting Standards with April 01, 2017 as the transition date and Indian GAAP as the IGAAP.

The transition to Ind AS has resulted in changes in presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the standalone financial statements for the year ended March 31, 2019 and the comparative information.

49.1 First time adoption of Ind AS

An explanation of how transition from IGAAP to Ind AS has affected the group's financial position, financial performance and cash flows are set hereunder:

Exception to the retrospective application of other Ind AS

i Estimates

Group's estimates in accordance with Ind AS as at the date of transition to Ind AS (April 01, 2017) are consistent with the estimates made for the same date as per IGAAP.

ii **Classification of financial assets**

Under previous GAAP, investment in long term investments were carried at cost. Under Ind AS, the Group has opted to Fair Value these Investments Through Profit & Loss (FVTPL)/Other Comprehensive Income (FVTOCI). Accordingly, resulting fair value change of these Investments have been recognised in retained earnings as at the date of transition and subsequently in the Profit & Loss account/ OCI for the year ended 31st March, 2018.

49.2 Reconciliation between IGAAP and Ind AS

Reconciliation of Equity as previously reported under IGAAP to Ind AS **(₹ in Lakhs)**

Particulars	As at April 01, 2017
Equity as per IGAAP	319,245.86
Effect of measuring investment at fair value through profit and loss (gross)	-35,284.66
Deferred tax adjustment on fair valuation	16,975.78
Equity as per Ind AS	300,936.99

49.3 Reconciliation of Equity and Total Comprehensive Income for the year ended March 31, 2018

During the financial year 2018-19, GSIL has aquired control of GSPC under common control business combination transaction. Accordingly, the consolidated figures for the year ended 31.03.2018 includes IND AS financial statements of GSPC and its group entities and hence, reconciliation of Equity and Total Comprehensive Income for the year ended March 31, 2018 is not practicable.

49.4 Reconciliation of statement of cash flows

There are no material adjustments to the statement of cash flows as reported under IGAAP

49.5 Notes to Reconciliations

a Recognition of fair value gain on investments

Under Ind AS, investments are valued at fair value whereas in case of IGAAP, long term investments were valued at cost and current investments were valued at lower of cost or fair value.

b Deferred Tax

Under Ind AS, deferred tax is recognised on temporary differences whereas in case of IGAAP, deferred tax was recognised on timing difference. Accordingly, deferred tax on temporary differences on provision on standard assets and fair value gain on investments is recognised.

50. Additional information pursuant to Schedule III of Companies Act, 2013 for Consolidated Financial Statements for year ended 31.03.2019 (₹ in Lakhs)

Name of the entity in Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidat ed other comprehen sive income	Amount	As % of total compre hensive income	Amount
Parent Subsidiaries								
Indian								
1. Gujarat State Petroleum Limited	-15.52%	-95,496.00	67.20%	161821.16	7.77%	1,460.29	73.54%	163,281.45
Non-controlling Interests in all subsidiaries Associates (Investment as per the equity method)								
Associates								
Indian								
1. Gujarat Alkalies & Chemicals Ltd.	14.62%	89,963.32	6.37%	15,351.62	-18.71%	-3,516.09	5.33%	11,835.54
2. Gujarat Narmada Valley Fertilizers Co. Ltd	36.73%	226,008.38	8.99%	21,646.26	-9.45%	-1,776.47	8.95%	19,869.78
3. Gujarat State Fertilizers & Chemicals Co. Ltd.	6.53%	40,168.41	7.91%	19,051.83	-78.53%	-14,761.53	1.93%	4,290.31
4. Gujarat State Financial Services Ltd.	0.95%	5,869.23	2.63%	6341.91	-1.08%	-202.53	2.77%	6,139.38

Additional information pursuant to Schedule III of Companies Act, 2013 for Consolidated Financial Statements for year ended 31.03.2018 (₹ in Lakhs)

Name of the entity in Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidat ed other comprehen sive income	Amount	As % of total compre hensive income	Amount
Parent Subsidiaries								
Indian								
1. Gujarat State Petroleum Limited	-18.77%	-95,496.00	-129.80%	-26,577.30	87.73%	75260.24	45.81%	48,682.94
Associates								
Indian								
1. Gujarat Alkalies & Chemicals Ltd.	14.58%	74,150.59	58.06%	11,888.68	-0.65%	-555.66	10.66%	11,333.02
2. Gujarat Narmada Valley Fertilizers Co. Ltd	44.39%	225,804.94	112.09%	22,951.26	-1.33%	-1,143.32	20.52%	21,807.94
3. Gujarat State Fertilizers & Chemicals Co. Ltd.	5.82%	29,612.85	89.38%	18,301.35	14.26%	12,230.38	28.73%	30,531.73

51 Previous Year's figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

For Chandulal M. Shah
Firm's Registeration Number : 101698W
Chartered Accountants
B.M. Zinzuvadia
Partner
Membership No. : 109606
Place : Ahmedabad
Date: 03-10-2019

For and on behalf of board of directors of
Gujarat State Investments Limited

Managing Director | Director | Company Secretary | Chief Financial Officer

Place : Gandhinagar
Date : 03-10-2019