



**PURBA BHARATI GAS PRIVATE LIMITED**  
**A Joint Venture Company of AGCL, GAIL Gas Ltd & OIL**  
**FIRST ANNUAL REPORT 2019-20**



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## Chairman's Message



Dear Stakeholders,

My heartiest greetings to you on my personal behalf and on behalf of Purba Bharati Gas People. It is my pleasant duty to present to you the 1st Integrated Annual Report of your Company for the year ended 31st March, 2020 focussing on the performance highlights of the year and the high-growth agenda lined up for the future. It gives me great pleasure to welcome you to the 1st Annual General Meeting of Pubra Bharati Gas Private Limited. On November 19, 2020, your Company completed one year of its establishment.

Joint Venture of Assam Gas Company Ltd.(AGCL), Oil India Ltd.(OIL) and GAIL Gas Ltd.(GGL), the Company was granted authorization for development of City Gas Distribution Network in the Geographical Areas(GA) of Cachar-Hailakandi-Karimganj Districts (GA-9.02) and Kamrup-Kamrup Metropolitan Districts (GA-9.03) in September,2018 under 9th round of CGD bidding by Petroleum and Natural Gas Regulatory Authority(PNGRB). The authorisation is valid for 25 years.

The scenario in the CGD Sector is fast changing with 53% of the total geographical area under CGD network and entry of new players in this sector, particularly after the 10th round of bidding conducted by Petroleum and Natural Gas Regulatory Board(PNGRB), covering 70% of the country's total population.

Our endeavour at PBGPL, with our dynamic work-force is for a meticulously planned investment to create the required infrastructure in order to maximise the number of beneficiaries in our allotted area of operation.

As I conclude, I wish to thank all our stakeholders for their unrelenting support and goodwill that has motivated us to aspire, plan and pursue our vision with focused attention as a team. My job has been made easier with my fellow Directors on PBGPL Board, who have infused dynamism and brought so much on the table. Thank you very much for your unrelenting support and cooperation. I also wish to express my thankfulness to Government of Assam, MOPNG, Petroleum & Natural Gas Regulatory Board, Oil India Limited, Assam Gas Company Limited, GAIL Gas Limited who often lent support and direction in steering the Company ahead. Last but not the least, I wish to thank you all for the encouragement and confidence reposed in the Company's Management.

**Gokul Chandra Swargiyari**  
**Chairman**

## BOARD OF DIRECTORS



**Gokul Chandra  
Swargiyari  
(Chairman)**



**Sudish Kumar  
Singh  
(Director)**



**Kapil Kumar Jain  
(Director)**



**Aditya Kumar  
Sharma  
(Director)  
(From 19.11.2019  
upto 02.11.2020)**



**Vijay Kumar  
Lakshmipathy  
(Director)  
(w.e.f 02.11.2020)**



**Abhijit Baruah  
(CEO)  
(w.e.f 06.03.2020)**



**Chinmay Kumar Sarma  
(COO)**



**Atul Kumar Agarwal  
(CFO)**

- **Practicing Company Secretary : M/s Biman Debnath & Associates, Guwahati**
- **Statutory Auditors: M/s B K Bansal & Co., Guwahati**
- **Internal Auditors: M/s Anupam Baruah & Co., Guwahati**
- **Bankers: State Bank of India, G.S Road, Bhangagarh, Guwahati, Assam,781005**
- **Registered Office: C/o M/s Boraj Infrastructures Pvt Ltd, Boraj Arcade, Opp. Hanuman Mandir, Lachit Nagar, G.S Road, Guwahati, Kamrup, Assam-781007**

## MAJOR EVENTS OF THE COMPANY



Hon'ble Prime Minister Shri Narendra Modi laid the Foundation Stones of City Gas Distribution (CGD) Projects in GA9.02 and GA9.03 in a public function held on 9th Feb,2019 in North Guwahati.





The Joint Venture Agreement was signed amongst AGCL, OIL and GAIL Gas to form a Joint Venture Company for development of City Gas Distribution Network in Kamrup & Kamrup Metropolitan Districts and Cachar, Hailakandi & Karimganj Districts on 11th July, 2019 at Assam Secretariat in Guwahati in the august presence of Assam Industry and Commerce Minister Shri Chandra Mohan Patowary and other distinguished guests.



First Board Meeting of PBGPL held on 18th December, 2019



Inauguration of Steel Pipe Laying in Silchar



DPNG Forms Distribution

## Notice to the Members

Notice is hereby given that the **1<sup>st</sup> Annual General Meeting** of the Members of **Purba Bharati Gas Private Limited** ("PBGPL") will be held at a shorter notice through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at the Registered Office of the Company, Monday, the 21<sup>st</sup> day of December, 2020 04.00 P.M to transact the following business as:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31<sup>st</sup> March,2020 and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.
2. To note the appointment of M/S Debashis Mitra & Associates, Chartered Accountants, Guwahati as the Statutory Auditor of the Company as appointed by the Comptroller & Auditor General of India (C & AG ) for the Financial Year 2020-21 and to authorize the Board of Directors to fix their remuneration.

By Order of the Board of Directors  
**Purba Bharati Gas Private Limited**

Sd/-

**Gokul Chandra Swargiyari**

Chairman

DIN: 08545385

Date: 15.12.2020

Place :Guwahati



**Note:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such a proxy need not be a member of the Company. Proxies, in order to be valid and effective, must be delivered at the Registered Office of the company duly filled, stamped & signed not later than 48 hours before the commencement of the meeting. As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
2. Attendance Slip has been attached to this Annual Report, members/proxies are requested to fill it and submit it at the venue of the AGM. Body Corporate shareholders are required to attach a certified copy of a Board Resolution who is/are authorised to attend and vote on the behalf of the Body Corporate Shareholder.
3. Explanatory statements are annexed to the Notice of Annual General Meeting of the Company pursuant to Section 102 of the Companies Act, 2013 relating to the Business set out above hereto.
4. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
5. The Annual Report duly circulated to the members of the Company, is available on the Company's website at [www.pbgpl.com](http://www.pbgpl.com)
6. Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Annual Report of the Company has been sent through email to those members whose email id is registered with the Company.
7. Link for joining the meeting shall be mailed separately.

By Order of the Board of Directors  
**Purba Bharati Gas Private Limited**

Sd/-  
**Gokul Chandra Swargiyari**

Chairman  
DIN: 08545385

## **DIRECTORS' REPORT**

**To**  
**The Shareholders,**  
**Purba Bharati Gas Private Limited (PBGPL)**  
**Guwahati**

Your Directors take pleasure in presenting the 1<sup>st</sup> (First) Annual Report of **Purba Bharati Gas Private Limited (PBGPL)** along with audited financial statements for the financial year ended 31st March, 2020.

### **1. FINANCIAL PERFORMANCE**

PBGPL is incorporated on 19th November, 2019 as a Joint Venture company of three PSUs i.e. Assam Gas Company Limited (AGCL), GAIL Gas Limited (GGL) and OIL India Ltd (OIL) for the development of the City Gas Distribution sector in the State of Assam and has the immense potential to become a lead player in this field in the region.

The Company is still in the process of completing its pre-project activities. The summarized financial results of the Company for the year ended 31st March, 2020 is given below :

### **2. FINANCIAL RESULTS**

<i><b>Particulars</b></i>	<i><b>Current Year 19.11.2019-31.03.2020 (INR)</b></i>
Revenue from Operations ( Not yet started)	-
Other Income (Interest on FD)	39,95,356.66
Total Expenses	3,12,60,432.78
Total Profit/ (Loss)	(2,72,65,076.12)
Tax Expense	58,26,208.89
Other Comprehensive Income/(Expenses), net of tax	-
<b>Total Profit/(Loss) for the period</b>	<b>(2,14,38,867.23)</b>
Earnings per share (INR)	(0.21)

### **3. DIVIDEND**

Since the Company has incurred loss during the current financial year as company is in the project phase, the Board is not recommending any Dividend for the year ending on 31st March, 2020.

### **4. SHARE CAPITAL:**

PBGPL was incorporated on 19.11.2019 with initial Authorised Share Capital of INR 500.00 Crores (Five Hundred Crore Only) divided into 50.00 crore (Fifty Crore) Equity Shares of INR 10 (Rupees Ten) each.

The initial subscribed capital of the Company was INR 100.00 Crores (Rupees Hundred Crores) i.e. INR 26.00 Crores each (Rupees Twenty-six Crores) from Oil India Limited and GAIL Gas Limited and INR 48.00 Crores (Rupees Forty-eight Crores) from Assam Gas Company Limited as Joint Venture Partners. The amount was duly received and INR 100.00 Crores (One Hundred Crore) Equity Shares of INR 10.00 (Rupees Ten) each were issued to each of the JV Partners (along with their nominees).

## **5. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **5.1 On Incorporation**

PBGPL was incorporated on 19.11.2019 with the following four Directors (Non Executive):

Sl No.	Name of the Director	Parent Organization	Designation in PBGPL
1	Shri Gokul Chandra Swargiyari	AGCL	Chairman cum Director
2	Shri Aditya Kumar Sharma	AGCL	Director
3	Shri Kapil Kumar Jain	GGL	Director
4	Shri Sudish Kumar Singh	OIL	Director

### **5.2 Changes during the Financial Year under Review**

During the year under review, there were no changes in the composition of Board of Directors of the Company.

### **5.3 Key Managerial Personnel**

- i) Shri Abhijit Baruah, DGM, AGCL has been nominated by AGCL as the Chief Executive Officer of the Company on 06.03.2020.
- ii) Apart from the designated KMPs defined under Companies Act, 2020 Shri Chinmay Kumar Sarma, DGM, OIL has been nominated by OIL as the Chief Operating Officer of the Company w.e.f. 06.03.2020 have also joined during the year under review.

### **5.4 Changes in Board of Director and KMP between the end of the FY under review and till the date of this Report**

There were changes in the composition of Board of Directors of the Company between the end of the year under review and the date of this report.

- i) Shri Aditya Kumar Sharma, Director has been ceased from the Board of Directors w.e.f. 02.11.2020.
- ii) Shri Vijay Kumar Lakshmipathy, CFO of AGCL was appointed as the Nominee Director of Purba Bharati Gas Private Limited w.e.f. 02.11.2020.

iii) Shri Atul Kumar Agarwal has appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 02.11.2020.

iv) The Company is in the process of appointment of a Whole time Company Secretary pursuant to Section 203 of the Companies Act, 2013

### **5.5 Board Meetings and Attendance**

During the reporting financial year under review, 2 (Two) Board Meetings were held on the following dates : -

Directors Present			Date of Board meeting	
Name	DIN	Designation	18.12.2020	06.03.2020
Shri Gokul Chandra Swargiyari	08545385	Chairman	Attended	Attended
Shri Aditya Kumar Sharma	07285877	Director	Attended	Attended
Shri Kapil Kumar Jain	05244878	Director	Attended	Attended
Shri Sudish Kumar Singh	08291743	Director	Attended	Attended

### **5.6 Disclosure of Interest by Director:**

Your Directors has followed the Corporate Ethics and under Section 184(1) of the Companies Act, 2013 has given the notice to the Company disclosing their interest in Companies and firm in which they and their relatives are interested or concerned. None of the directors are disqualified and they also confirmed their eligibility under Section 164 of the Companies Act, 2013.

### **5.7 Statement on Compliances of applicable Secretarial Standards issued by the ICSI:**

Your Directors hereby confirm that during the year, the Company has been compliant with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## **6. PRE-PROJECT WORK, FUTURE OUTLOOK AND ASPECTS**

Joint Venture of Assam Gas Company Ltd.(AGCL), Oil India Ltd.(OIL) and GAIL Gas Ltd.(GGL) was granted authorization for development of City Gas Distribution Network in the Geographical Areas(GA) of Cachar-Hailakandi-Karimganj Districts (GA-9.02) and Kamrup-Kamrup Metropolitan Districts (GA-9.03) in Sept,2018 under 9<sup>th</sup> round of CGD bidding by Petroleum and Natural Gas Regulatory Authority(PNGRB). The authorisation is valid for 25 years.



Hon'ble Prime Minister Shri Narendra Modi laid the Foundation Stones of City Gas Distribution (CGD) Projects in GA9.02 and GA9.03 in a public function held on 9<sup>th</sup> Feb,2019 in North Guwahati.

The Joint Venture Agreement was signed amongst AGCL, OIL and GAIL Gas to form a Joint Venture Company for development of City Gas Distribution Network in Kamrup & Kamrup Metropolitan Districts and Cachar, Hailakandi & Karimganj Districts on 11th July,2019 at Assam Secretariat in Guwahati in the august presence of Assam Industry and Commerce Minister Shri Chandra Mohan Patowary and other distinguished guests. The JV Agreement was signed by Shri A K Sharma, Managing Director, AGCL, Shri S K Singh, OIL's Executive Director(BD), and Shri A K Jana, CEO, GAIL Gas.

Purba Bharati Gas Pvt. Ltd (PBGPL) was incorporated on 19<sup>th</sup> Nov,2019 as a joint venture company of AGCL, OIL and GGL to implement the City Gas Distribution Projects for supplying Natural Gas to Domestic, Commercial, Industrial & Automobile Sectors in these GAs. PNGRB has amended the grant of authorisation of GA9.02 and GA9.03 from the Consortium to PBGPL in June,2020.

### **Project Activities**

M/s Mecon Ltd was appointed as EPMC ( Engineering and Project Management Consultant) for implementation of CGD Network in GA-02 and GA-03. M/s Mecon Ltd prepared the Detailed Feasibility Report for both the GAs. M/s Mecon was also engaged as the Engineering and Project Management Consultant (EPMC). SBI Cap has been appointed to prepare the Financial Appraisal Report of the projects and tie-up the loan for financial closure of the project. Since, the zero date of start of the project is not finalized due to non allocation of gas and lack of connectivity of pipeline, therefore Financial Appraisal Report has not been finalized.

Coated carbon steel line pipe of 5 Km length was procured to install in the first phase of steel pipeline in 2019. The steel pipe laying work started near ONGC's gas collecting station (GCS) at Dhanehari near Silchar(GA9.02) on 22 Dec,2019. So far laying of 2.44 km of steel pipeline has been completed. Polyethylene(PE) Pipe laying from Dhanehari to Sonai area started in July,2020 to provide gas connections to 300 households considering sourcing of gas from ONGC GCS. A well-attended public meeting was organized on 18th of October, 2020 at Sonai on the occasion of form distribution ceremony to DPNG customers, which was graced by MP, Silchar, Hon'ble Deputy Speaker of Assam Legislative Assembly and DC, Cachar.

Also, on 21st October, 2020 the successful commencement of drawal of gas from the Dhanehari GCS of ONGC was done in a 3.60 Kms section of 90 mm MDPE pipeline at Sonai. So far 14.4 Km PE pipe laying work completed and 60 nos. Domestic Pipe Natural Gas (DPNG) registration done. The progress in Ready for Conversion (RFC) Connections is 18 nos.

For GA9.03, the gas will be sourced from Barauni-Guwahati Gas Pipeline (BGGPL) which is under construction by GAIL and BGGPL is expected to complete by Dec,2021. Construction of Gas infrastructure is under planning and procurement stage for GA9.03.

MoPNG has recently nominated GAIL to allocate domestic gas for domestic PNG and CNG to both the GAs and the company is continuously following up with GAIL to allocate the gas to the company.

### **Minimum Work Programme**

The overall project comprising the CNG & PNG facilities including laying of main steel grid and MDPE Network is envisaged to be implemented in 25 years in different Phases taking into account year-wise planning of infrastructure development in line with growth in demand for

CNG and PNG in various segments. The first phase of the project shall be to create infrastructure in line with commitments made to PNGRB for the GA.

The **Minimum Work Program (MWP)** till 8<sup>th</sup> year as per authorisation is as follows :

GA	8 <sup>TH</sup> Year Cumulative Steel Pipelines (Inch-Km)	8 <sup>TH</sup> Year Cumulative PNG connections (Numbers)	8 <sup>TH</sup> Year Cumulative CNG Stations (Numbers)
GA-9.02	751	95,001	21
GA-9.03	961	3,21,001	51

Company is taking steps for meeting the minimum work program as per grant of authorization and is committed to meet the MWP targets.

### **Gas Demand**

The gas demand for first 5 years is 0.14 MMSCMD in GA9.02 and 0.31 MMSCMD in GA9.03. The total households in GA9.02 and GA9.03 are 7.17 Lakhs and 5.96 Lakhs respectively as per census of 2011 and total vehicles in GA9.02 and GA9.03 are 0.94 Lakhs and 3.78 Lakhs respectively in year 2017-18. There is good scope in both the GAs to establish a profitable business venture.

### **7. HSE POLICY, O&M AND C&P POLICY, CNG POLICY:**

The Company has adopted its HSE policy, Procurement Policy, Standard Operating Policy, Maintenance Policy and CNG Retail outlet Policy for smooth running of the operation, between the end of the financial year and date of this report.

### **8. CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of section 135 of the Companies Act, 2013 read with Rule 3 of Companies (Corporate Social Responsibility Policy) Rules, 2014 regarding constitution of Corporate Social Responsibility Committee is not applicable to the Company as:-

- The Net worth of the Company is less than Rs. 500 Crore and
- The Turnover of the Company is less than Rs. 1000 Crore
- The Net Profit of the Company is less than Rs. 5 Crore, during the year under review.

However, contribution for CSR activities shall be considered, at the appropriate stage of the project.

### **9. PARTICULARS OF INVESTMENTS MADE AND LOANS/GUARANTEE GIVEN BY THE COMPANY**

Apart from depositing the funds in the Fixed Deposits with Bank, the Company has not made any type investment or given loans / guarantees during the year under review.

### **10. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

#### **11. BUSINESS RISK MANAGEMENT:**

Although the company has not yet adopted any specific risk management policy as on date, the Board of Directors of the company deliberates on threats, risks and concerns which in the opinion of the Board may threaten the continuation of its business or pose threat in its existence. The Board reviews the means adopted by the company to mitigate the risk from time to time.

#### **12. AUDIT:**

##### **Statutory Auditors**

M/s B K Bansal & Co. (FRN 317113E) were appointed as the Statutory Auditors of your Company by the Comptroller & Auditor General of India (C&AG) for the financial year 2019-20.

C&AG has further appointed M/s Debashis Mitra & Associates as the Statutory Auditor of the Company for the FY 2020-21.

##### **Internal Auditor**

M/s Anupam Baruah & Co., Chartered Accountant was appointed as the Internal Auditor to look into the accounts of the Company and other statutory compliance for the Financial Year 2019-20.

##### **Auditors' Report:**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments. The C&AG has given Nil comments on annual accounts of the Company. Thus, the Report of the Statutory Auditor and the C&AG does not call for any management reply.

#### **13. EXTRACT OF ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report is enclosed as **ANNEXURE I**

An extract of the annual return is placed on the website of the Company at [www.pbgpl.com](http://www.pbgpl.com)

#### **14. DEPOSITS:**

The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 73 read with Companies (Acceptance of Deposits) Rules, 2014, during the financial year ended 31st March, 2020.

#### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company has not provided Loans & Advances or given any guarantees falling under the purview of section 186 of the Companies Act, 2013.

#### **16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

##### **A. Conservation of energy –**

- i. the steps taken or impact on conservation of energy;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

- ii. the steps taken by the company for utilising alternate sources of energy;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

- iii. the capital investment on energy conservation equipment;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

##### **B. Technology absorption –**

- i. the efforts made towards technology absorption;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- a. the details of technology imported;



Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

b. the year of import;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

c. whether the technology been fully absorbed;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

iv. The expenditure incurred on Research and Development.

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

**C. Foreign exchange earnings and Outgo –**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows;

There was no foreign exchange earnings and outgo during the year under review

**17. INTERNAL FINANCIAL CONTROLS**

The Company has put in place adequate internal financial controls with reference to financial statements considering the present state of affair of the company and no reportable material weaknesses were observed.

**18. HUMAN RESOURCES:**

Your Company is committed to operational excellence and increased productivity through optimum utilization of human resources. The company recognizes the need for strategic and customer centric HR initiatives through development of HR strategy aligned to the overall organizational goal. It has continued to enable its employees to work in a conducive environment, leveraging technology to ease its operations.

During the year, company also hired technical and non technical manpower deputed from JV Partners and is also in the process of hiring contract employees. The company is also in the process of framing HR Policy.

**19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has provided a gender friendly work place with equal opportunity for men and women. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in force to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints therewith or incidental thereto. Presently, no women employee is posted at any office of the company. During the year 2019-20, no complaint of sexual harassment was received by the Company. The Company is in the process for constituting an internal complaint committee for redressal of complaints.

**20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transaction with related parties which were in conflict with the Company's interest. All related party transactions are negotiated on an arm's length basis, and are intended to further the Company's interests. Relevant information on related party transactions in Form AOC-2 is provided as **Annexure II** to the Director's Report

Your Directors draw attention of the members to Note 14 to the Standalone Financial Statement which sets out related party disclosures.

**21. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts for the financial year ending March 31, 2020 on a going concern basis; and

- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

## **22. ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their deep gratitude to the Government of Assam, MOPNG, Petroleum & Natural Gas Regulatory Board, Oil India Limited, Assam Gas Company Limited, GAIL Gas Limited and the employees including those who are on deputation from all JV Partners as well as other outsourced personnel for the untiring efforts without whom it would not have been possible for the Company to operate in its pre-project activities smoothly and safely.

Your Directors acknowledge the role played by all other agencies, contractors and suppliers including their employees in its success.

The Directors are grateful for all the assistance, guidance and support received from Task Force Members, JV Partners nodal officers, various Government Departments & agencies.

**For Purba Bharati Gas Private Limited**

**Sd/-**

**(Gokul Chandra Swargiyari)**

**Chairman**

**DIN: 08545385**

**Date : 08/12/2020**

**Place : Guwahati**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2020**

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	U40200AS2019PTC019678
2	Registration Date	19.11.2019
3	Name of the Company	PURBA BHARATI GAS PRIVATE LIMITED
4	Category/Sub-category of the Company	Company Limited by shares Non-Government Company
5	Address of the Registered office & contact details	C/O M/S BORAJ INFRASTRUCTURES PVT LTD, BORAJ ARCADE, OPP HANUMAN MANDIR, LACHIT NAGAR, G.S ROAD, GUWAHATI Kamrup AS 781007 IN. Contact No: 9859867976
6	Email	Abaruah2008@rediffmail.com
7	Website	<a href="http://www.pbgpl.com">www.pbgpl.com</a>
8	Whether listed company	No
9	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

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)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	As the Company has just started the commercial operations therefore there is no revenue at this stage		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE					

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 19-November-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF		-	-	0.00%		-	-	0.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.		100000000	100000000	100.00%	-	100000000	100000000	100.00%	0.00%
e) Banks / FI				0.00%				0.00%	0.00%
f) Any other				0.00%				0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	100000000	100000000	100.00%	-	100000000	100000000	100.00%	0.00%
<b>(2) Foreign</b>									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	-	100000000	100000000	100.00%	-	100000000	100000000	100.00%	0.00%



<b>B. Public</b>									
<b>1. Institutions</b>									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%		-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%		-	-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Total Public (B)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%				0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	100000000	100000000	100.00%	-	100000000	100000000	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year (as on 19.11.2019)			Shareholding at the end of the year (as on 31.03.2020)			% change in shareholding 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	Assam Gas Company Limited	4,80,00,000	48.00%	-	4,80,00,000	48.00%		0.00%
2	GAIL Gas Ltd	2,60,00,000	26.00%	-	2,60,00,000	26.00%		0.00%
3	Oil India Ltd	2,60,00,000	26.00%	-	2,60,00,000	26.00%		0.00%
	<b>Total</b>	<b>10,00,00,000</b>	<b>100.00%</b>	<b>-</b>	<b>10,00,00,000</b>	<b>100.00%</b>		<b>0.00%</b>

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

There were no changes in the promoters shareholding during the year

**(iv) Shareholding Pattern of top ten Shareholders : Nil***(Other than Directors, Promoters and Holders of GDRs and ADRs): Not applicable as all shares are held by Promoters and Directors***(v) Shareholding of Directors and Key Managerial Personnel: NIL**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1							
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			-	0.00%	-	0.00%

**V. INDEBTEDNESS**

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	-	(Rs/Lac)
	Designation	-	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors	-	-	-	-
	Fee for attending board committee	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name	Shri Abhijit Baruah	Shri Chinmay Kumar Sarma	
	Designation	Chief Executive Officer	Chief Operating Officer		
1	Gross salary			-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,67,595.00	9,26,309.00	-	15,93,904
	(b) Value of perquisites u/s 17(2) Income-			-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-	-
2	Stock Option			-	-
3	Sweat Equity			-	-
4	Commission			-	-
	- as % of profit - others, specify			-	-
5	Others, please specify			-	-
	<b>Total</b>	<b>6,67,595.00</b>	<b>9,26,309.00</b>	<b>-</b>	<b>15,93,904</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For Purba Bharati Gas Private Limited

Sd/-  
(Gokul Chandra Swargiyari)  
Chairman

**Annexure - II**

**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

Name (s) of the related party & nature of relationship	Nature of contracts /arrangements /transaction	Duration of the contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
Assam Gas Company Limited (Joint Venture of PBGPL)	Availing of Services	Ongoing transaction	Operational Expenses : INR 22,57,544/-	18.12.2019	Nil
Assam Gas Company Limited (Joint Venture of PBGPL)	Availing of Services	Onetime transaction	Pre-incorporation Expenses : INR 2,76,,15,180/-	18.12.2019	Nil
Assam Gas Company Limited (Joint Venture of PBGPL)	Availing of Services	Ongoing transaction	Capital Work in Progress: INR 7,17,94,,400/-	18.12.2019	Nil
Assam Gas Company Limited (Joint Venture of PBGPL)	Availing of Services	Ongoing transaction	Purchase of Fixed Assets :- INR 1,72,180/-	18.12.2019	Nil
Assam Gas Company Limited (Joint Venture of PBGPL)	Availing of Services	Ongoing transaction	Security Deposits for premises :- INR 2,82,000/-	18.12.2019	Nil
GAIL Gas Limited (Joint Venture of PBGPL)	Availing of Services	Onetime transaction	Pre-incorporation Expenses : INR 1,66,582/-	18.12.2019	Nil
Oil India Limited (Joint Venture of PBGPL)	Availing of Services	Ongoing transaction	Operational Expenses : INR 9,26,309/-	18.12.2019	Nil
Oil India Limited (Joint Venture of PBGPL)	Availing of Services	Onetime transaction	Pre-incorporation Expenses : INR 2,19,315/-	18.12.2019	Nil
Oil India Limited (Joint Venture of PBGPL)	Availing of Services	Ongoing transaction	Capital Work in Progress: INR 48,95,,570/-	18.12.2019	Nil

[AGCL, GAIL & OIL are considered as Related Party as per Clause (viii) (C) of Section 2 sub section (76) of Companies Act, 2013.]

**For Purba Bharati Gas Private Limited**

Sd/-  
**(Gokul Chandra Swargiyari)**  
**Chairman**  
**DIN: 08545385**

**Date : 08/12/2020**  
**Place : Guwahati**





कार्यालय, महालेखाकार (लेखा परीक्षा), असम,  
बेलतला, गुवाहाटी - 781 029

SPEED POST

OFFICE OF THE ACCOUNTANT GENERAL (AUDIT),  
ASSAM, MAIDAMGAON, BELTOLA, GUWAHATI-781 029

No. AMG-III(PSU)/BS/2-3/2020-21/440

Date : 06 /11/2020

To,

The Managing Director,  
Purba Bharati Gas Private Limited,  
C/O M/S Boraj Infrastructures Pvt. Ltd.  
Boraj Arcade, Opposite Hauman Mandir,  
Lachit Nagar, GS Road,  
Guwahati-781007.

09 NOV 2020

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Purba Bharati Gas Private Limited for the year 2019-20.

Sir,

I am to forward herewith the comments of the Comptroller and Auditor General of India under Section 143 (6)(b) of the Companies Act, 2013 on the accounts of **Purba Bharati Gas Private Limited** for the year ended 31 March 2020 for placing them before the Annual General Meeting of the Company.

The date of adoption of accounts in the Annual General Meeting of the Company may please be intimated.

Five copies of the printed Annual Report of the Company, when ready, may please be sent to this office.

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

This issues with the approval of Principal Accountant General.

Enclosure: As stated.

Yours faithfully,

Deputy Accountant General,  
(AMG-III)

**REGISTERED**

Memo No. AMG-III(PSU)/ BS/2-3/2020-21/

Date : /11/2020

Copy forwarded for information and necessary action to:

1. The Additional Chief Secretary, Government of Assam, Public Enterprises Department, 'Janta Bhawan,' C Block, 3rd Floor, Dispur, Guwahati-781006.

-Sd-

Deputy Accountant General,  
(AMG-III)



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

The preparation of financial statements of **Purba Bharati Gas Private Limited** for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor/Auditors 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 **18 June 2020**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Purba Bharati Gas Private Limited** for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

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

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

**Place: Guwahati  
Date: 06 /11/2020**

  
**Principal Accountant General (Audit), Assam**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF PURBA BHARATI GAS PRIVATE LIMITED**

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

##### **Opinion**

We have audited the accompanying Ind AS financial statements of PURBA BHARATI GAS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

### **Management's Responsibility for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 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 the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We give in 'Annexure-A' a detailed description of Auditor's responsibilities for Audit of the Financial Statements

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has does not have any pending litigations which impacts its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For B K BANSAL & COMPANY**  
**Chartered Accountants**  
**(Firm's Registration No. 317113E)**

Sd/-  
**Saloni Bansal**  
**Partner**  
**(Membership No. 309738)**  
**Guwahati, June 18, 2020**  
**UDIN: 20309738AAAAAD6550**

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON EVEN DATE OF THE FINANCIAL STATEMENTS OF PURBA BHARATI GAS PRIVATE LIMITED FOR THE PERIOD ENDED MARCH 31, 2020**

**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 scepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For B K BANSAL & COMPANY**  
**Chartered Accountants**  
**(Firm's Registration No. 317113E)**

Sd/-  
**Saloni Bansal**  
**Partner**  
**(Membership No. 309738)**

**Guwahati, June 18, 2020**  
**UDIN: 20309738AAAAAD6550**



**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON EVEN DATE OF THE FINANCIAL STATEMENTS OF PURBA BHARATI GAS PRIVATE LIMITED FOR THE PERIOD ENDED MARCH 31, 2020**

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of Independent Auditor’s report)

i. In respect of the Company’s fixed assets:

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

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of records examined by us the company does not have any immovable properties.

ii. The Company does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured to the companies, firms, LLPs or to other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clause 3 (iii) (a) to (c) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance to the provisions of Sections 185 of the Act and the company has not made any investments through more than two layers of investment in accordance to the provisions of Sections 186 of the Act. Accordingly, reporting under clause 3 (iv) of the Order is not applicable to the Company.

v. The Company has not accepted deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory

dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration though the provisions of section 197 read with Schedule V to the Act are applicable to the company.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For B K BANSAL & COMPANY**  
**Chartered Accountants**  
**(Firm's Registration No. 317113E)**

Sd/-  
**Saloni Bansal**  
**Partner**  
**(Membership No. 309738)**

**Guwahati, June 18, 2020**  
**UDIN: 20309738AAAAAD6550**

## **ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT ON EVEN DATE OF THE FINANCIAL STATEMENTS OF PURBA BHARATI GAS PRIVATE LIMITED FOR THE PERIOD ENDED MARCH 31, 2020**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of Independent Auditor’s report)

### **Report on the Internal Financial Controls Over Financial Reporting 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 PURBA BHARATI GAS PRIVATE LIMITED (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 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 Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## **Meaning of Internal Financial Controls over Financial Reporting**

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

## **Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For B K BANSAL & COMPANY**  
**Chartered Accountants**  
**(Firm's Registration No. 317113E)**

Sd/-  
**Saloni Bansal**  
**Partner**  
**(Membership No. 309738)**

**Guwahati, June 18, 2020**  
**UDIN: 20309738AAAAAD6550**

**PURBA BHARATI GAS PRIVATE LIMITED**  
**Boraj Arcade, Opp. Hanuman Mandir, Lachit Nagar, G. S. Road, Guwahati**  
**CIN - U40200AS2019PTC019678**

**BALANCE SHEET as on 31st March 2020**

PARTICULARS	NOTES	As at 31 March 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5	1,55,936.73
Capital work-in-progress	6	7,66,89,969.59
Deferred tax assets (Net)	7	58,26,208.89
Other non-current assets		-
<b>Current assets</b>		
Financial assets		
- Current investments - Fixed Deposit at State Bank of India		99,85,00,000.00
- Trade and other receivables		-
- Cash and cash equivalents	8	14,99,930.69
- Short term loans and advances		-
- Other Financial Assets - Interest Accrued on Fixed Deposit		35,96,000.66
Other current assets	9	6,81,356.00
<b>TOTAL ASSETS</b>		<b>1,08,69,49,402.56</b>
<b>Equity</b>		
Equity Share capital	10	1,00,00,00,000.00
Other equity #		
- Retained earnings		(2,14,38,867.23)
<b>Current liabilities</b>		
Financial liabilities		
- Short term borrowings		-
- Trade and other payables		-
- Other financial liabilities		-
Other current liabilities	11	10,83,88,269.79
<b>TOTAL</b>		<b>1,08,69,49,402.56</b>
<b>Notes to the financial statements</b>	<b>1 to 21</b>	

As per our report of even date attached

*For B K Bansal & Company*  
*Chartered Accountants*  
 Firm Regd. No.: 317113E

*For and on behalf of the Board of Directors*  
 Purba Bharati Gas Private Limited  
 CIN - U40200AS2019PTC019678

**Saloni Bansal**  
*Partner*  
 Membership No.: 309738

Place: Guwahati  
 Date: 18th Day of June, 2020

UDIN - 20309738AAAAAD6550

**Gokul Chandra Swargiyari**  
*Director*  
 DIN: 08545385

Place: Guwahati  
 Date: 18th Day of June, 2020

**Abhijit Baruah**  
*Chief Executive Officer*

Place: Guwahati  
 Date: 18th Day of June, 2020

**Aditya Kumar Sharma**  
*Director*  
 DIN : 07285877

Place: Guwahati  
 Date: 18th Day of June, 2020

**Chinmay Kr. Sarma**  
*Chief Operating Officer*

Place: Guwahati  
 Date: 18th Day of June, 2020

**PURBA BHARATI GAS PRIVATE LIMITED**  
**Boraj Arcade, Opp. Hanuman Mandir, Lachit Nagar, G. S. Road, Guwahati**  
**CIN - U40200AS2019PTC019678**

**STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2020**

PARTICULARS	Notes	For the year ended 31 March 2020
<b>Other income - Interest on Fixed Deposit</b>		39,95,356.66
<b>Total revenue</b>		39,95,356.66
<b>Expenses</b>		
Employee benefit expense		15,93,903.86
Depreciation and amortisation expense		16,243.27
Other expense	12	2,96,50,285.65
<b>Total expenses</b>		3,12,60,432.78
<b>Profit/ (loss) before tax</b>		(2,72,65,076.12)
<b>Tax expense</b>		
a) Current tax		58,26,208.89
b) Deferred tax		
<b>Profit/ (loss) for the period</b>		(2,14,38,867.23)
<b>Other comprehensive income</b>		-
<b>Total comprehensive income for the period</b>		(2,14,38,867.23)
<b>Earnings per equity share (for continuing operations)</b>		
a) Basic	13	(0.21)
b) Diluted		(0.21)
<b>See accompanying notes to the financial statements</b>		

As per our report of even date attached

*For B K Bansal & Company*  
*Chartered Accountants*  
*Firm Regd. No.: 317113E*

*For and on behalf of the Board of Directors*  
*Purba Bharati Gas Private Limited*  
*CIN - U40200AS2019PTC019678*

**Saloni Bansal**  
*Partner*  
*Membership No.: 309738*

**Gokul Chandra Swargiyari**  
*Director*  
 DIN: 08545385

**Aditya Kumar Sharma**  
*Director*  
 DIN : 07285877

Place: Guwahati  
 Date: 18th Day of June, 2020

Place: Guwahati  
 Date: 18th Day of June, 2020

Place: Guwahati  
 Date: 18th Day of June, 2020

UDIN - 20309738AAAAAD6550

Abhijit Baruah  
 Chief Executive Officer  
 Place: Guwahati  
 Date: 18th Day of June, 2020

Chinmay Kr. Sarma  
 Chief Operating Officer  
 Place: Guwahati  
 Date: 18th Day of June, 2020

**PURBA BHARATI GAS PRIVATE LIMITED**  
**Statement of changes in equity for the period ended 31st March 2020**

Equity share capital	No. of Shares	Amount in Rs.
Equity shares of Rs.10 each subscribed and fully paid during the year	10,00,00,000.00	1,00,00,00,000.00

Particulars	Reserves and Surplus			Other Comprehensive Income			Total
	Equity Component of Compound Financial Instrument	General Reserve	Retained Earnings	FVTOCI Reserve	FVTOCI Reserve on Equity Instruments	Others	
Loss for the period			(2,14,38,867.23)				(2,14,38,867.23)
Other Comprehensive Income							
Total	-	-	(2,14,38,867.23)	-	-	-	(2,14,38,867.23)
Transaction with owners in capacity as owners							
Issue of Convertible Preference Shares							
Employee Stock Exchange Option							
Exercise of Share Options							
Forfeiture of Share Options							
Balance as on 31st March 2020	-	-	(2,14,38,867.23)	-	-	-	(2,14,38,867.23)



**PURBA BHARATI GAS PRIVATE LIMITED**  
**Boraj Arcade, Opp. Hanuman Mandir, Lachit Nagar, G. S. Road, Guwahati**  
**CIN - U40200AS2019PTC019678**

<b>STATEMENT OF CASH FLOWS</b>	
<b>PARTICULARS</b>	<b>For the year ended 31 March 2020</b>
<b>Cash flows from operating activities</b>	
Cash receipts from customers	-
Cash paid to suppliers and employees	-
Cash generated from operations	-
Interest paid	-
Income taxes paid	-
Dividends paid	-
Other Charges Paid	(69.31)
<b>Net cash from operating activities</b>	<b>(69.31)</b>
<b>Cash flows from investing activities</b>	
Business acquisitions, net of cash acquired	-
Purchase of property, plant and equipment	-
Purchase of intangible assets	-
Proceeds from sale of equipment	-
Proceeds from sale of intangibles	-
Acquisition of investments	(99,85,00,000.00)
Investment income	-
<b>Net cash used in investing activities</b>	<b>(99,85,00,000.00)</b>
<b>Cash flows from financing activities</b>	
Proceeds from issue of share capital	1,00,00,00,000.00
Proceeds from long-term borrowings	-
Payment of long-term borrowings	-
<b>Net cash used in financing activities</b>	<b>1,00,00,00,000.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>14,99,930.69</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>14,99,930.69</b>

## **PURBA BHARATI GAS PRIVATE LIMITED**

**Notes forming part of the Financial Statements for the period ended March 31<sup>st</sup>, 2020  
(Amount in INR, unless otherwise stated)**

### **1. General Information**

Purba Bharati Gas Private Limited (the 'Company') is a private limited company domiciled in India was incorporated on 19<sup>th</sup> November 2019 under the provisions of the Companies Act, 2013 applicable in India. It's registered and principal office of business is located at C/O M/S Boraj Infrastructures Pvt Ltd, Boraj Arcade, Opp Hanuman Mandir, Lachit Nagar, G.S Road, Guwahati, Dist. Kamrup (M) - 781 007. The company is primarily engaged in the business of selling Compressed Natural Gas (CNG) & Piped Natural Gas (PNG). The company maintains its books of accounts at the registered address.

### **2. Significant accounting policies**

Significant accounting policies adopted by the Company are as under:

#### **2.1 Basis of presentation of Financial Statements:**

##### **(a) Statement of Compliance with Ind AS:**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 (the Act) (as amended from time to time), Guidance Note on Accounting for Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

##### **(b) Basis of measurement:**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. It is held primarily for the purpose of being traded;

- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty Deferred tax assets and liabilities are classified as non-current only. . The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and Companies (Indian Accounting Standards) Amendment Rules, 2016.

##### **(c) Use of estimates and judgments:**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and

reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

## 2.2 Property, plant and equipment

Property, Plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Indirect taxes attributable to the respective assets are added to cost of assets as the same is ineligible for input tax credit under relevant statute.

For oil and gas assets a successful efforts based accounting policy is followed. Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the statement of profit and loss. All costs incurred after the technical feasibility and commercial viability of producing hydrocarbons has been demonstrated are capitalised within property, plant and equipment - development/producing assets on a field-by-field basis. Subsequent expenditure is capitalised only where it either enhances the economic benefits of the development/ producing asset or replaces part of the existing development/ producing asset. Any remaining costs associated with the part replaced are expensed. Net proceeds from any disposal of development/producing assets are credited against the previously capitalised cost. A gain or loss on disposal of a development/producing asset is recognised in the statement of profit and loss to the extent that the net proceeds exceed or are less than the appropriate portion of the net capitalised costs of the asset.

In case of other assets, the initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

### Depreciation and useful life

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Property, Plant and Equipment	Useful Life
Building	30 to 60 years
Plant & Machinery	10 to 40 years
Furniture & Fixtures	8 to 10 years
Vehicles	8 to 10 years
Office Equipment	3 to 10 years
Computers	3 years

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis. An asset's carrying amount is written down

immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### **2.3 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised over their estimated useful life on a straight line basis. Software is amortised over the estimated useful life ranging from 0-5 years

### **2.4 Revenue Recognition**

#### **Sale of goods**

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer.

There are no sales made during the period covered under this financial year.

#### **Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits 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 receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### **2.5 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.

#### **Current Tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company has no current tax.

#### **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets

and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 tax assets and tax liabilities are offset where the entity 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.

## **2.6 Assets classified as held for sale**

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such assets or disposal groups are classified only when both the conditions are satisfied –

1. The sale is highly probable, and
2. The asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Noncurrent assets or disposal group are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Upon classification, non-current assets or disposal group held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets which are subject to depreciation are not depreciated or amortized once those classified as held for sale.

## **2.7 Provisions and Contingent Liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

## **2.8 Cash and cash equivalents**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

## 2.9 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

### a) Financial assets

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

#### i) Classification of financial assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

ii) A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated 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 the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. All other financial assets are classified as measured at FVTPL.

### iii) Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

### iv) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

## **a) Financial Liabilities**

Financial liabilities are classified as measured at amortised cost or 'FVTPL'. A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the

Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- It forms part of a contract containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### Offsetting financial instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle financial asset and liability on a net basis or realise the asset and settle the liability 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 Company or the counterparty.

## 2.10 Employee Benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

### a) Short-term employee benefits

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

### b) Post-employment benefits

#### i. Defined contribution plan

Employee Benefit under defined contribution plans comprises of Contributory provident fund, Post Retirement benefit scheme, Employee pension scheme, composite social security scheme etc. is recognized based on the undiscounted amount of obligations of the Company to contribute to the plan. The same is paid to a fund administered through a separate trust.



## ii. Defined benefit plan

Defined benefit plans comprising of gratuity, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligations which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Other long-term employee benefit comprises of leave encashment towards un-availed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted. Re-measurements of leave encashment towards un-availed leave and compensated absences are recognized in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

### **2.11 Contributed Equity**

Equity Shares are classified as equity share capital. Company has issued letter of offers for Rights issue of equity shares to its Promoter companies towards adjustment of approved expenses as per JV agreement.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares are recognized as a deduction from equity, net of any tax effects.

### **2.12 Earnings per Share**

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

## **3. Estimates and Assumptions**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### **3.1 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial

statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### **4. Standards (including amendments) issued but not yet effective**

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are discussed below. The company intends to adopt these standards, if applicable, when they become effective.

##### **Ind AS 116 – Leases**

On March 30<sup>th</sup> 2019, Ministry of Corporate Affairs ('MCA') has notified the Ind AS 116, Leases. This standard sets out the principles for the recognition, measurement, presentation and disclosure of Leases. The objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The effective date for adoption of IND AS 116 is financial periods beginning on or after April 1<sup>st</sup> 2019. The company currently does not have any leasing arrangements and hence, this standard is not applicable to the company.

NOTES TO FINANCIAL STATEMENTS

Note : 5 - Property, plant and equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as on 19th November 2019	Additions	Disposals/ Reversal	Balance as at 31st March 2020	Balance as on 19th November 2019	Charged during the Period	Reversals/ Pre operative Period	Balance as at 31st March 2020	Balance as at 31st March 2020	Balance as at 31st March 2019
Furniture & Fixtures	-	1,72,180	-	1,72,180	-	16,243		16,243	1,55,937	-
<b>Total (a)</b>	-	<b>1,72,180</b>	-	<b>1,72,180</b>	-	<b>16,243</b>	-	<b>16,243</b>	<b>1,55,937</b>	-

**Note : 6****Capital Work In Progress**

<b>Particulars</b>	<b>As at 31 March 2020</b>
(a) KAMRUP	
Advt Expenses for Tender	568744.00
Bank Guarantee Fees	7494569.20
Bid Application Fees	1700000.00
Consultancy Fees	1050200.00
DFR Fees	2643200.00
Salary of Seconded Employees	5902540.80
(b) CACHAR	
Advt Expenses for Tender	513844.00
B.G. Commision	7494569.20
Bid Application Fees	1700000.00
Consultancy Fees	1714540.00
Cost of Materials	37228271.00
DFR Fees	2643200.00
Licence Fees	74003.00
ROU Charges by PWD	724000.00
Salary of Seconded Employees	5238288.39
<b>Total</b>	<b>76689969.59</b>

**Note : 7****Deferred Tax Asset**

<b>Particulars</b>	<b>As at 31 March 2020</b>
Difference between net book value of Depreciable Assets	
- Depreciation as per Companies Act, 2013	16243.27
- Depreciation as per Income Tax Act, 1961	8609.00
Deferred Tax Asset	7634.27
Differnce in Treatment of Preliminary & Pre-Operative Expenses	
- Amount debited to Profit & Loss Account under AS26	28001076.84
- Amount allowable under Section 35D (2) of Income Tax Act, 1961	5600215.37
	22400861.47
Total Deferred Tax Asset	<b>22408495.74</b>
<b>Provision for Deferred Tax Asset</b>	<b>5826208.89</b>

**Note : 8****Cash & Bank Balances:**

<b>Particulars</b>	<b>As at 31 March 2020</b>
<b>(a)</b> Balances with banks	
- State Bank of India Account No. 39114698203	1499930.69
- State Bank of India Account No. 39114564880	0
<b>(b)</b> Cash in hand	0
<b><i>Total</i></b>	<b>1499930.69</b>

**Note : 9****Other Current Assets:**

<b>Particulars</b>	<b>As at 31 March 2020</b>
Income Tax Deducted at Source	399356.00
Security Deposit for Premises	282000.00
<b><i>Total</i></b>	<b>681356.00</b>

**Note : 10**  
**EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2020	
	No. of shares	Rs.
<b>Authorised</b>		
50,00,00,000 Equity shares of Rs. 10 each	50,00,00,000	5,00,00,00,000
<b>Issued, Subscribed and Fully Paid Up :</b>		
10,00,00,000 Equity shares of Rs. 10 each	10,00,00,000	1,00,00,00,000
<b>Total</b>		<b>1,00,00,00,000</b>

**a. Reconciliation of equity shares outstanding at the beginning and at the end of the period**

Particulars	As at March 31, 2019	
	No. of shares	Rs.
At the beginning of the year	-	-
Increase / decrease during the year	10,00,00,000	1,00,00,00,000
<b>At the end of the year</b>	<b>10,00,00,000</b>	<b>1,00,00,00,000</b>

**b. Terms/ rights attached to Equity shares**

The Company has only one class of equity shares having par value of Rs.100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them.

**c. Details of shareholders holding more than 5% shares in the company**

Particulars	As at March 31, 2020	
	No. of shares	% holding
Assam Gas Company Limited	4,80,00,000	48%
GAIL Gas Limited	2,60,00,000	26%
Oil India Limited	2,60,00,000	26%
	<b>10,00,00,000</b>	<b>100%</b>

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares, unless stated otherwise.

**Note : 11**

**Other Current Liabilities :**

Particulars	As at 31 March 2020
(a) Amount reimbursable to Promoters	
- Assam Gas Company Limited	102121304.14
- GAIL Gas Limited	166582.00
- Oil India Limited	6041193.65
(b) Audit Fees Payable	35400.00
(c) Internal Audit Fees Payable	23790.00
<b>Total</b>	<b>108388269.79</b>

**Note : 12**  
**Other Expenses**

<b>Particulars</b>	<b>As at 31 March 2020</b>
	<b>Amount (Rs.)</b>
Auditors Remuneration	35,400.00
Bank Charges & Commission	69.31
Internal Auditor's Fees	23,790.00
Legal and Prtofessional Fees	61,683.00
Office Expense	3,36,918.50
Power & Fuel	62,481.00
Preliminary Expenses Written Off	2,80,01,076.84
Rent	6,13,396.00
Security Charges	1,00,800.00
Travelling & Conveyance	4,14,671.00
<b>Total</b>	<b>2,96,50,285.65</b>

**13. Basic Earning/(Loss) per share ('EPS')**

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

<b>Particulars</b>	<b>For the year ended March 31, 2020 Rs.</b>
Net profit/(loss) for calculation of basic and diluted EPS (Rs.)	(2,14,38,867)
Total number of equity shares outstanding at the end of the year	10,00,00,000
Weighted average number of equity shares in calculating basic and diluted EPS	10,00,00,000
<b>Basic and diluted EPS (Rs.)</b>	<b>(0.21)</b>

#### 14. Related Party Disclosures: 31<sup>st</sup> March 2020

- A. Names of related parties and descriptions of relationship as identified and certified by the Company.

Promoter Company

Assam Gas Company Ltd.

GAIL Gas Ltd.

Oil India Ltd.

Key Management Personnel (KMP)

Abhijit Baruah (CEO)

Chinmay Sarma (COO)

Gokul Chandra Swarglyari (Director)

Kapil Kumar Jain (Director)

Aditya Kumar Sharma (Director)

Sudish Kumar Singh (Director)

- B. Details of transactions with related parties in the ordinary course of business for the period ended on 31<sup>st</sup> March, 2020.

(a) Promoter Company Assam Gas Company Ltd.

Operational Expenses	22,57,544
Pre-incorporation Expenses	2,76,15,180
Capital Work in Progress	7,17,94,400
Purchase of fixed assets	1,72,180
Security Deposit for premises	<u>2,82,000</u>
Total	<u>10,21,21,304</u>

(b) Promoter Company – GAIL Gas Ltd.

Pre-incorporation Expenses	<u>1,66,582</u>
Total	<u>1,66,582</u>

(c) Promoter Company – Oil India Ltd.

Operational Expenses	9,26,309
Pre-incorporation Expenses	2,19,315
Capital Work in Progress	<u>48,95,570</u>
Total	<u>60,41,194</u>

- C. Amount due to related parties

Promoter Company – Assam Gas Company Lt	10,21,21,304
Promoter Company – GAIL Gas Ltd.	1,66,582
Promoter Company – Oil India Ltd.	60,41,194

- D. Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free.



## 15 Segment Reporting

The Company is primarily engaged in segment of city gas distribution and hence there is no separate reportable segment as per IND AS 108 as prescribed by India Accounting Standards specified under section 133 of Companies Act, 2013 read with Companies (Accounts) Rules 2014 issued by the Central Government.

## 16. Contingent Liabilities and Commitments

Contingent liabilities

Bank guarantee to PNGRB was arranged by the Promoter- Assam Gas Company Ltd. on behalf of the Joint Venture formed earlier, and not the Company, for an amount of Rs. 66,00,00,000/-. This bank guarantee is yet to be converted to the name of the Company and as such, there is no concurrent liability in respect of the Company as on March, 31, 2020.

## 17. Fair values of financial assets, and financial liabilities.

The fair value of other financial assets cash and equivalents, including fixed deposits and other current liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

Effective interest rate (EIR) of non-current financial assets is not calculated as the company does not have any non-current financial assets during the period.

Financial assets that are neither past due nor impaired include cash and cash equivalents, short term fixed deposits, security deposits and other current assets.

## 18. Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2 – Inputs other than quoted prices included within level 1 that are for the asset or liability, either directly (i.e. at prices) or indirectly ( i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs), No financial assets/liabilities have been fair valued.

The following table presents fair value hierarchy of assets and liabilities measured at a fair value on recurring basis.

Fair value management hierarchy for assets:

Fair value management hierarchy for liabilities:

Particulars	31 <sup>st</sup> March, 2020 Amount in Rs.
(a) Financial assets measured at amortized costs	
Cash and Cash Equivalents	14,99,931
Short Term Fixed Deposits	99,85,00,000
Other financial assets	35,96,001
(b) Financial liabilities measured at amortized cost	
Amount payable to Promoters	10,83,29,080

The carrying amount cash and cash equivalents, short term fixed deposits, other financial assets and amount payable to promoters are considered to be same as their values. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including and counter party credit risk.

## 19. Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantee to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

a) Market risk –

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk. Financial instruments affected by market risk include deposits.

The company does not have any long term interest bearing securities or any borrowing during the period. Hence, the company does not any market risk related to interest.

b) Credit risk –

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The company limits its exposures to credit risk of cash held with banks by dealing with highly rate banks and retaining sufficient balances in the bank accounts required to meet a month's operational costs. The management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The company does not foresee any credit risks on deposits with regulatory authorities.

c) Liquidity risk –

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

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2020	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Other Financial Liabilities	46,87,890	10,36,41,189		

## 20. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company has not distributed any dividend to its shareholders. The Company in the current period has not borrowed any debts.

21. As the Company is incorporated on 19<sup>th</sup> November 2019, comparative figures are not available. Further, Statement of Profit and Loss Account is prepared from the date of incorporation to 31<sup>st</sup> March 2020.

**For B K BANSAL & COMPANY**  
Chartered Accountants  
(Firm's Registration No. 317113E)

*For* and on behalf of the Board of Directors  
**Purba Bharati Gas Private Limited**  
CIN - U40200AS2019PTC019678

Saloni Bansal  
Partner  
(Membership No. 309738)

Gokul Chandra Swargiyari  
Director  
DIN: 08545385

Aditya Kumar Sharma  
Director  
DIN: 07285877

Guwahati  
June 18, 2020  
UDIN: 20309738AAAAAD6550

Guwahati  
June 18, 2020

Guwahati  
June 18, 2020

Abhijit Baruah  
Chief Executive Officer

Chinmay Kr. Sarma  
Chief Operating Officer

Guwahati  
June 18, 2020

Guwahati  
June 18, 2020

## Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN U40200AS2019PTC019678 Ph : 9859867976

Website [www.pbgpl.com](http://www.pbgpl.com) Email : [Abaruah2008@rediffmail.com](mailto:Abaruah2008@rediffmail.com)

Registered Office: C/o M/s Boraj Infrastructures Pvt Ltd, Boraj Arcade, Opp Hanuman Mandir, Lachit Nagar, G.S Road, Guwahati Kamrup, Assam- 781007

Name of the Member(s) :	
Registered Address:	
E-mail Id :	Folio No . :
DP ID :	CLIENT ID :

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company. Hereby appoint

Name :	E-mail Id:
Address:	
Signature :	

or failing him

Name :	E-mail Id:
Address:	
Signature :	

or failing him

Name :	E-mail Id:
Address:	
Signature :	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1<sup>st</sup>AnnualGeneral Meeting of Purba Bharati Gas Private Limited, to be held at a shorter notice through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) on Monday, the 21<sup>st</sup> day of

December, 2020 at 04.00 P.M and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

SI No.	Resolutions
	<b>ORDINARY BUSINESS</b>
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31 <sup>st</sup> March,2020 and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon
2.	To authorize the Board of Directors to decide remuneration / fees of the Statutory Auditors of the Company, appointed by the Comptroller & Auditor General of India for the financial year 2020-21.

Signed this \_\_\_\_ day of \_\_\_\_\_ 20\_\_

Affix  
Revenue  
Stamp

.....  
Signature of Member

.....  
Signature of First Proxy Holder

.....  
Signature of Second Proxy Holder

.....  
Signature of Third Proxy Holder

**CIN** U40200AS2019PTC019678

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

# ATTENDANCE SLIP

(To be handed over at the entrance of the Venue of the meeting room)

**1<sup>st</sup>Annual General Meeting of Purba Bharati Gas Private Limited  
Held at a shorter notice through Video Conferencing (VC)/Other Audio-Visual Means  
(OAVM) on Monday, the 21st day of December, 2020 at 04.00 P.M**

Full name of the member (in Blocks Letters)	
Member's Folio No	
CLIENT ID *	
DP ID *	
No. of shares held	
Email ID	
Name of Proxy (To be filled in, if the proxy attends instead of the member)	

I hereby record my presence at the 1<sup>st</sup>Annual General Meeting of Purba Bharati Gas Private Limited held at a shorter notice through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) on Monday, the 21st day of December, 2020 at 04.00 P.M.

(Member's /Proxy's Signature)