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

1 CORPORATE INFORMATION

Gujarat State Petronet Limited (GSPL or "The Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. GSPL is a Government Company u/s 2(45) of Companies Act, 2013. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The Company is primarily engaged in transmission of natural gas through pipeline on an open access basis from supply points to demand centers and to the end customers. Further, it is also engaged in generation of electricity through Windmills.

Authorization of financial statements

The Standalone Financial Statements were authorized for issue in accordance with a resolution passed in Board of Directors meeting held on 9th May 2019.

2.1 Significant Accounting Policies

(a) Basis of preparation

(i) The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act (as amended from time to time).

These financial statement have been prepared on accrual basis of accounting using historical cost convention except certain financial assets, financial liabilities and share based payment measured at fair value.

(ii) The preparation & presentation of financial statements requires management to make certain judgments, estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

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

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

- Useful lives of property, plant and equipment and intangible assets
- Identifying performance obligations under contracts with customer
- Timing of revenue recognition under contracts with customers
- Measurement of Defined Benefit Obligations
- Provisions and contingencies
- Expected credit loss for receivables and other financial assets
- Fair valuation of investments in equity instruments of unlisted companies
- Identification of investment properties
- Current tax and Deferred tax asset / liabilities recognition

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

(b) Property, plant and equipment

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

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

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

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its property, plant and equipment recognized as at 1st April, 2015 as the deemed cost.

(c) Intangible Assets

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

Intangible assets like software, licenses, Right-of-Use of land (ROU) and Right of Way (ROW) permissions which are expected to provide future enduring economic benefits are capitalized as intangible assets.

On transition to Ind AS, the Company had elected to carry forward the previous GAAP net carrying value of all its intangible assets recognized as at 1st April, 2015 as the deemed cost.

(d) Investment properties

Investment properties comprise portions of free hold or land held under finance lease and office buildings that are held for rental or for capital appreciation or both. An investment property generates cash flow largely independently of the other assets held by the company.

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

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

(e) Depreciation and Amortisation

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

City gas station, skids, pressure regulating stations, meters and regulators are depreciated unsing straight line method (SLM) over useful life of 18 years based on technical assessment made by technical expert and management.

The residual values are not more than 5% of the original cost of the item of property, plant and equipment.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Assets costing up to ₹5,000/- and books are depreciated fully in the year of purchase / capitalization.

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

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

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

(f) Investments in subsidiaries, joint venture and associates

Investments in subsidiaries, joint venture and associates are carried at cost less accumulated impairment losses, if any. Cost includes the purchase price and other costs directly attributable to the acquisition of investments. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, joint venture and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss. Further, under Ind AS 101, while transitioning to Ind AS from previous GAAP, the Company had elected to measure its existing investments in joint ventures and associates on the date of transition at the previous GAAP carrying value.

(g) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

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

(i) The Company's business model for managing the financial assets, and
(ii) The contractual cash flows characteristics of the financial asset.

A. *Financial assets measured at amortised cost*

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

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

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

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

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

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

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

(ii) The asset's contractual cash flows represent SPPI.

C. *Financial assets measured at fair value through profit or loss (FVTPL)*

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity instruments

All equity investments in scope of Ind AS 109 - Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has opted for 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.

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

Derecognition

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

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

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

a. The Company has transferred substantially all the risks and rewards of the asset, or

b. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instrument, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

(ii) Trade receivables or other financial assets that result from transactions that are within the scope of Ind AS 115

(iii) Lease Receivables.

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

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date adjusted appropriately to reflect the estimated expected losses.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss and financial liabilities measured at amortised cost as appropriate.

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

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

Subsequent measurement

A. Financial liabilities measured at amortised cost; or

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

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

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

Loan and borrowings

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

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

Derivatives

The Company uses derivative financial instruments such as cross currency interest rate swaps to hedge its foreign currency risks and interest rate risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Trade and other payables

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

Derecognition

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

Offsetting financial instruments

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

(h) Fair Value

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(i) Inventories

Inventories including stock of stores, spares, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost. Inventory of Gas held for sale under City Gas Distribution Network is valued at lower of weighted moving average cost and net realizable value.

(j) Employee Benefits

Short term employee benefits obligations:

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

Post-employment benefits and other long term employee benefits:

The Company has participated in- Group Gratuity scheme of HDFC Standard Life Insurance Company Limited / Life Insurance Corporation of India. It also contributes for post-retirement medical benefits. The liability in respect of gratuity and post-retirement medical benefits, being defined benefit schemes, payable in future, are determined by actuarial valuation carried out using projected unit credit method as on the balance sheet date and actuarial gains/(losses) after adjustment of planned assets are charged to the Other Comprehensive Income for the year. Moreover, the liability in respect of leave encashment being other long term employee benefits, payable in future, are also determined by actuarial valuation carried out using projected unit credit method as on the balance sheet date and actuarial gains/(losses) are charged as employee benefit expenses in the Statement of Profit and Loss for the year.

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

Share-based payments

Share-based compensation benefits are provided to employees via GSPL Employee Stock Option Scheme. The fair value of options granted under the GSPL Employee Option Plan is recognised as an employee benefit expenses with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

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

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

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

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

(k) Borrowing Cost

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

(l) Foreign Currency Transactions

Functional and presentation currency

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

Transactions and balances

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

(m) Revenue Recognition

Revenue from contracts with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. The Company assesses promises in the contract to identify separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the amount of consideration to which the Company expects to be entitled in exchange of service.

The transaction price includes Excise Duty, however it excludes amount collected on behalf of third parties such as Goods and Service Tax (GST), Value Added Tax (VAT) etc. which the Company collects on behalf of the government.

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

The Company recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis.

Revenue from sale of Compressed Natural Gas (CNG) is recognized at the point in time when control is transferred to the customer, generally on delivery of the gas to consumers from retail outlets.

Revenue from sale of electricity is recognised at the point in time when control is transferred to the customer, generally on delivery at metered/assessed measurements facility.

Other Income:

Interest income is recognised using effective interest rate (EIR) method. Dividend income is recognised, when the right to receive the dividend is established by the reporting date.

(n) Taxation

Income taxes

Provision for current tax is calculated on the basis of the Income tax law enacted or substantively enacted at the end of the reporting period.

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

Deferred Taxes

Deferred tax is provided, on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in standalone financial statements, using tax rates & laws that have been enacted or substantially enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable profits will be available to utilise the same.

Deferred tax is not recognised for all taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

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

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

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

(o) Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash-flow expected from the continuing use of the assets and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific of the assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(p) Earnings per Share

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

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

(q) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

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

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

(r) Leases

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

A lease is classified at the inception date as a finance lease or an operating lease.

As a lessee

Finance lease

Leases are classified as finance leases (including those for land), if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

At the commencement of the lease term, the Company recognises finance leases as assets and liabilities in its balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum ease payments, each determined at the inception of the lease. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Any indirect costs of the Company are added to the amount recognised as an asset.

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

Operating lease

Leases (including those for land) which are not classified as finance leases are considered as operating lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term unless either:

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

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

As a lessor

Finance lease

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

The Company a scheme of providing certain assets viz. mobiles, laptops, vehicles to their employees. Under the said scheme, the Company initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Company has derecognised the items of PPE given to employees & reclassified it as finance lease. The difference between the cost of the asset and present value (or absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

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

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

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

(s) Cash and cash Equivalents

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

(t) Statement of Cash Flows

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

The Company has provided disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

(u) Dividends

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorized and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(v) Event Occurring after Reporting Date

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

(w) Standard issued not yet effective

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30th March, 2019) which are effective for annual period beginning after 1st April, 2019. The Company intends to adopt these standards or amendments from the effective date.

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on equity or profit on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Amendments to existing Ind AS:

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

1. Amendment to Ind AS 12 Income Taxes
2. Amendment to Ind AS 19 Employee Benefits
3. Amendment to Ind AS 23 Borrowing Costs
4. Amendment to Ind AS 28 Investments in Associate and Joint Ventures
5. Amendment to Ind AS 103 Business Combinations
6. Amendment to Ind AS 109 Financial Instruments
7. Amendment to Ind AS 111 Joint Arrangements

3 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Land- Free Hold	9,962.26	146.37	-	10,108.63	-	-	-	-	10,108.63	9,962.26
Land- Lease Hold (Refer (i))	1,923.44	-	-	1,923.44	63.27	21.09	-	84.36	1,839.08	1,860.17
Building	18,123.02	3,792.49	-	21,915.51	3,734.16	1,483.36	-	5,217.52	16,697.99	14,388.86
Plant & Equipment	3,06,361.25	59,427.95	-	3,65,789.20	42,288.16	14,515.54	-	56,803.70	3,08,985.50	2,64,073.09
Communication Equipment	5,268.32	417.61	-	5,685.93	2,393.62	571.12	-	2,964.74	2,721.19	2,874.70
Electrical Installation & Equipment	7,800.50	2,312.29	0.82	10,111.97	4,091.89	1,064.66	0.65	5,155.90	4,956.07	3,708.61
Computers	238.85	124.58	0.03	363.40	148.99	67.69	-	216.68	146.72	89.86
Furniture & Fittings	569.61	29.48	-	599.09	318.84	67.83	-	386.67	212.42	250.77
Office Equipment	65.23	6.71	-	71.94	45.51	8.57	-	54.08	17.86	19.72
Vehicles	157.92	-	-	157.92	84.78	22.23	-	107.01	50.91	73.14
Books	23.59	-	-	23.59	23.59	-	-	23.59	-	-
Ship / Boat	6.33	-	-	6.33	3.17	0.65	-	3.82	2.51	3.16
Total Property, Plant and Equipment	**3,50,500.32**	**66,257.48**	**0.85**	**4,16,756.95**	**53,195.98**	**17,822.74**	**0.65**	**71,018.07**	**3,45,738.88**	**2,97,304.34**
Capital Work In Progress	-	-	-	-	-	-	-	-	41,935.79	89,591.60
Total	**3,50,500.32**	**66,257.48**	**0.85**	**4,16,756.95**	**53,195.98**	**17,822.74**	**0.65**	**71,018.07**	**3,87,674.67**	**3,86,895.94**
Previous Year	**3,38,698.54**	**11,824.13**	**22.35**	**3,50,500.32**	**35,839.87**	**17,358.64**	**6.51**	**53,195.98**	**3,86,895.94**	**3,71,496.01**

4 INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount	
	Cost As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	Balance As on 1-Apr-18	Additions/ Adjustments during the year	Deduction during the year	Balance As on 31-Mar-19	As on 31-Mar-19	As on 31-Mar-18
Computer software	268.29	48.98	-	317.27	169.83	50.96	-	220.79	96.48	98.46
Right of use / Right of way*	14,351.70	1,024.05	-	15,375.75	337.31	123.90	-	461.21	14,914.54	14,014.39
Total Intangible Assets	14,619.99	1,073.03	-	15,693.02	507.14	174.86	-	682.00	15,011.02	14,112.85
Previous Year	14,071.23	548.76	-	14,619.99	361.91	145.23	-	507.14	14,112.85	13,709.32

(i) Leased Assets

The land is obtained under finance lease and the lease term is generally more than 50 years.

(ii) Contractual Obligations

Refer Note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Right of Use

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

*Includes RoU of ₹ 9,915.26 Lacs (31st March 2018: ₹ 9,661.33 Lacs)

5. INVESTMENTS IN SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Quoted		
Investment in equity shares of subsidiary companies		
37,28,73,995 (31st March, 2018: 7,45,74,799) Fully Paid Up Equity Shares of ₹ 2 each of Gujarat Gas Limited (Note (i)) [w.e.f from 15th January, 2019, face value has been split from ₹ 10 to ₹ 2]	3,67,967.24	3,67,953.90
Unquoted		
Investments in equity shares of joint venture companies		
24,02,50,060 (31st March, 2018: 20,12,50,060) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Gasnet Limited	24,025.01	20,125.01
19,81,20,000 (31st March, 2018: 19,81,20,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPL India Transco Limited	19,812.00	19,812.00
Investment in equity shares of associate companies		
54,93,070 (31st March, 2018: 54,93,070) Fully Paid Up Equity Shares of ₹ 10 each of Sabarmati Gas Limited	6,739.70	6,739.70
Total	**4,18,543.95**	**4,14,630.61**
Aggregate value of quoted investments	**3,67,967.24**	**3,67,953.90**
Market value of quoted investment	**5,52,785.70**	**6,19,119.98**
Aggregate value of unquoted investments	**50,576.71**	**46,676.71**

(i) The Board of Directors of the Company, in their Board meeting held on 19 March 2018, approved the acquisition of 39,106,328 [before share split] equity shares (28.40% equity stake) of Gujarat Gas Limited (GGL) held by Gujarat State Petroleum Corporation Limited (GSPC). The acquisition was completed on 28 March 2018 through a block deal at the recognised stock exchange at the prevailing market price in compliance with the relevant regulatory provisions. Consequent to the acquisition, the Company holds 54.17% equity shares and voting rights in GGL.

6. INVESTMENTS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investment in unquoted equity shares of other companies measured at fair value through other comprehensive income (FVOCI)*		
2,50,00,000 (31st March, 2018: 2,50,00,000) Fully Paid Up Equity Shares of ₹ 10 each of GSPC LNG Limited	2,500.00	2,843.94
62,50,000 (31st March, 2018: 62,50,000) Fully Paid Up Equity Shares of ₹ 10 each of Gujarat State Energy Generation Limited	681.68	660.55
5,99,22,659 (31st March 2018: 8,730) Fully Paid Up Equity Shares of Rs. 10/- each of Swan LNG Private Limited	5,992.27	0.87
Total Non-Current Investments	**9,173.95**	**3,505.36**

(i) Investments measured at Fair Value Through Other Comprehensive Income (FVOCI) reflect investments in unquoted equity securities. Refer Note 41 for determination of their fair values.

* Refer note 41 - Financial instruments, fair values and risk measurement.

7. LOANS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Security deposit given (Unsecured - considered good)	1,696.85	1,234.01
Loans receivables		
Housing building advance to employees		
Secured, considered good	1,051.97	1,121.69
Other loans and advances to employees		
Unsecured, considered good**	38.28	44.92
Total Non-Current Loans	**2,787.10**	**2,400.62**
Current		
Security deposit given (Unsecured - considered good)	1.04	58.84
Loans receivables		
Housing building advance to employees		
Secured, considered good	91.07	85.45
Other loans and advances to employees		
Unsecured, considered good**	60.79	63.59
Total Current Loans	**152.90**	**207.88**

* Refer note 41 - Financial instruments, fair values and risk measurement

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

8. OTHER FINANCIAL ASSETS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Balance in escrow A/c-PNGRB [Incl. TD]	274.79	-
Fixed deposits with original maturity of more than 12 month	16.17	-
Receivable from employees (Secured - considered good)	28.10	81.50
Total Non-Current Other Financial Assets	**319.06**	**81.50**
Current		
Receivable from employees (Secured - considered good)	79.38	21.03
Derivative asset (i)	43.24	23.96
Advances for gratuity	-	68.47
Others	1,087.82	378.22
Total Current Other Financial Assets	**1,210.44**	**491.68**

* Refer note 41 - Financial instruments, fair values and risk measurement

(i) Derivative assets

The Company has entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk. Refer Note 41 for details.

9. OTHER ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Capital advances	236.77	221.32
Balances with Government Authorities	6,892.39	6,892.39
Advance income tax and TDS (net of provision)	569.22	2,362.20
Payment under protest	1.00	1.00
Prepaid expenses	1,147.69	345.73
Deferred employee cost	279.53	328.11
Total Non-Current Assets	**9,126.60**	**10,150.75**
Current		
Balances with Government Authorities	132.75	278.30
Prepaid expenses	306.37	182.62
Other advances	905.43	536.36
Deferred employee cost	221.56	227.62
Total Current Assets	**1,566.11**	**1,224.90**

10. INVENTORIES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Stores & spares	2,288.97	1,948.47
Gas for trading	2.78	0.36
Line pack gas	10,498.90	10,397.62
Total Inventories	**12,790.65**	**12,346.45**

***For mode of valuation, refer note 2 (i) of significant accounting policies**

11. TRADE RECEIVABLES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Unsecured, considered good**	20,809.82	12,351.51
Unsecured, considered doubtful	270.84	268.10
Less: Provision for doubtful debts	(270.84)	(268.10)
Total Trade Receivables	**20,809.82**	**12,351.51**

* Refer note 41 - Financial instruments, fair values and risk measurement

** Out of this, ₹ 10,726.00 Lacs are backed by bank guarantee.

(i) Trade receivables from related parties:

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade receivables from related parties	2,481.32	1,807.69

12. CASH AND OTHER BANK BALANCES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents		
Balances with banks		
In current accounts	1,991.57	2,250.21
Fixed deposit with original maturity of less than 3 months	5,009.68	-
Cash on hand	0.64	0.55
Total Cash and Cash Equivalents	**7,001.89**	**2,250.76**
Other Bank Balances		
Earmarked balances with banks		
Unpaid dividend account	110.13	85.38
Balance in escrow A/c-PNGRB [Incl. TD]	4,105.12	4,017.27
Fixed Deposit		
Margin money deposit - bank guarantee / letter of credit	36.41	25,876.66
With original maturity of more than 12 months	-	15.02
With original maturity of more than 3 months but less than 12 months	4,575.92	4,207.55
Total Bank Balance other than Cash and Cash Equivalents	**8,827.58**	**34,201.88**

* Refer note 41 - Financial instruments, fair values and risk measurement

13. EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount ₹ in Lacs
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1 April 2017	**70,00,00,000**	**70,000.00**
Increase/(decrease) during the year	-	-
As at 31st March, 2018	**70,00,00,000**	**70,000.00**
Increase/(decrease) during the year	-	-
As at 31st March, 2019	**70,00,00,000**	**70,000.00**

Particulars	Notes	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
Equity shares of ₹ 10/- each fully paid up			
As at 1 April 2017		**56,35,87,732**	**56,358.77**
Add: Equity shares allotted pursuant to Employee Stock Option Plan (ESOP)	44	2,45,860	24.59
As at 31 March 2018		**56,38,33,592**	**56,383.36**
Add: Equity shares allotted pursuant to Employee Stock Option Plan (ESOP)	44	1,37,761	13.78
As at 31 March 2019		**56,39,71,353**	**56,397.14**

Terms/Rights attached to Equity Shares

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

During the year ended 31st March, 2019, the amount of dividend per share recognised as distribution to equity shareholders is ₹ 1.75 per share (31st March 2018: ₹ 1.5 per share).

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

Details of shares held by parent company and ultimate parent company and their subsidiaries / associates (₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
21,23,05,270/- Equity Shares held by parent company - Gujarat State Petroleum Corporation Ltd. (As at 31st March, 2018: 21,23,05,270/-)	21,230.53	21,230.53

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
Number of Equity Shares		
Gujarat State Petroleum Corporation Limited	21,23,05,270	21,23,05,270
Gujarat Maritime Board	3,70,88,000	3,70,88,000
% Holding in Equity Shares		
Gujarat State Petroleum Corporation Limited	37.64%	37.65%
Gujarat Maritime Board	6.58%	6.58%

Detail of shares reserved for issue under Employee Stock Option Plan (ESOP)

For details of shares reserved for issue under the Employees Stock Option Plan (ESOP) 2010 of GSPL, please refer Note 44.

14. OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Share Application Money Pending Allotment	13.50	-
Securities Premium	41,515.16	41,337.88
General Reserve	272.30	272.30
Employees Stock Options Outstanding (Net)	175.20	269.01
Retained Earnings	4,76,017.28	4,08,013.90
Reserves representing unrealized gains/losses	10.50	227.57
Total Other Equity	**5,18,003.94**	**4,50,120.66**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Share Application Money Pending Allotment		
Opening balance	-	-
Add: Received during the period	13.50	-
Closing balance	**13.50**	**-**
Securities Premium Reserve		
Opening balance	41,337.88	41,062.39
Add: Addition during the Year	177.28	275.49
Closing balance	**41,515.16**	**41,337.88**
General Reserve		
Opening balance	272.30	272.30
Add: Addition during the Year	-	-
Closing balance	**272.30**	**272.30**
Employees Stock Options Outstanding (Net)		
Gross compensation for ESOPs granted	1,125.94	1,125.94
Less: Transferred to securities premium on exercise of ESOPs	599.55	511.82
Less: ESOP lapsed / cancelled	351.19	345.11
Closing balance	**175.20**	**269.01**

Refer Note 44 for details.

Particulars	As at 31st March, 2019	As at 31st March, 2018
Retained Earnings		
Opening balance	4,08,013.90	3,51,338.35
Add:		
Profit during the period	79,467.26	66,842.89
Remeasurement of post employment benefit obligation, net of tax	(180.75)	10.75
Less:		
Equity dividend	(9,867.91)	(8,456.51)
Tax on dividend	(1,415.22)	(1,721.55)
Closing balance	**4,76,017.28**	**4,08,013.90**
Reserves representing unrealized gains/losses		
FVOCI - Equity Investments		
Opening balance	227.57	179.70
Increase/(decrease) fair value of FVOCI equity instruments	(322.81)	20.08
Income tax on net fair value gain or loss	105.74	27.79
Closing balance	**10.50**	**227.57**

15. BORROWINGS*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loan from banks	15,238.99	13,141.52
Term loan from financial institutions	9,246.63	12,071.31
Unsecured		
Term loan from financial institutions	2,12,112.22	2,80,569.59
Total Borrowings (A)	**2,36,597.84**	**3,05,782.42**
Current Maturities of Borrowings**		
Secured		
Term loan from banks	2,994.96	2,957.16
Term loan from financial institutions	2,934.38	2,974.24
Unsecured		
Term loan from financial institutions	1,02,112.22	1,23,902.92
Current Maturities of Borrowings (B)	**1,08,041.56**	**1,29,834.32**
Non-Current Borrowings (A-B)	**1,28,556.28**	**1,75,948.10**

* Refer note 41 - Financial instruments, fair values and risk measurement

** Disclosed under 'Other Current Financial Liabilities' (Refer Note 16)

Term loan from banks and financial institutions are secured by first pari-passu charge on all Intangible and Tangible assets (except 36" pipeline from Hazira to Mora), Capital Work in Progress, operating cash flows, Book Debts and Other Movables of the Company.

For foreign currency loan, the Company has entered in to cross currency swap and interest rate swap in order to hedge its foreign currency risks in full.

Maturity Profile and Rate of Interest of Term Loans

Terms of repayment	No. of Installments due	Interest rate	Maturity	2018-19*		2017-18*	
				Non-current	Current	Non-current	Current
Quarterly installments	13	7.86%	Apr-22	6,328.13	2,812.50	9,140.63	2,812.50
Half yearly installments	3	1 Year GSEC + 2.175%	Aug-20	603.27	1,206.55	1,809.82	1,206.55
Quarterly installments	32	1 Year MCLR	Mar-27	11,664.00	1,668.00	8,433.33	1,666.67
Yearly installments	2	8.25%	Mar-21	93,333.33	93,333.33	1,56,666.67	1,23,333.33
Yearly installments	3	8.25%	Mar-22	16,666.66	8,333.33	-	-
Grand Total				**1,28,595.39**	**1,07,353.71**	**1,76,050.45**	**1,29,019.05**

* Represents cash outflows of principal amount outstanding as on the reporting date.

16. OTHER FINANCIAL LIABILITIES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Security deposit from customers	1,919.61	1,499.62
Total Non-Current Other Financial Liabilities	**1,919.61**	**1,499.62**
Current		
Current maturities of long term borrowings	1,08,041.56	1,29,834.32
Other payables (including for capital goods and services)		
Total outstanding dues of micro enterprises and small enterprises	625.34	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,614.82	9,322.09
Earnest money deposit	67.31	108.40
Security deposit from customers	1,610.14	1,468.37
Dividend payable / unclaimed	110.13	85.38
Imbalance, overrun & other charges - PNGRB	3,912.61	3,621.18
Total Current Other Financial Liabilities	**1,27,981.91**	**1,44,439.74**

* Refer note 41 - Financial instruments, fair values and risk measurement

(i) Security deposit from customers

The Company obtained security deposits from the customers under contractual terms which are repayable after fixed contract tenure.

17. PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Provision for employee benefits	**1,475.81**	**893.25**
	1,475.81	893.25
Other Provision		
Provision for decommissioning obligations	414.53	383.83
	414.53	**383.83**
Total Non-Current Provisions	**1,890.34**	**1,277.08**
Current		
Provision for employee benefits	266.62	103.22
Total Current Provisions	**266.62**	**103.22**

(i) Movements in Other Provisions

Particulars	Provision for decommissioning obligations	Total
At 1st April, 2018	383.82	383.82
Add: Unwinding of discounts (accounted as finance cost)	30.71	30.71
At 31st March, 2019	**414.53**	**414.53**

For movements in provisions for employee benefits, refer Note 43.

(ii) Provision for Decommissioning Obligations

Refer accounting policies 2 (q)

18 DEFERRED TAX LIABILITIES (Net)

(₹ in Lacs)

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Property, plant and equipment	53,299.04	50,494.19
Financial liabilities measured at amortised cost	1,063.22	596.04
Financial assets measured at amortised cost	301.73	-
Total Deferred Tax Liabilities (A)	**54,663.99**	**51,090.23**
Deferred Tax Assets		
Provisions for employee benefits	586.54	334.78
Financial liabilities measured at amortised cost	941.79	462.34
Financial assets measured at amortised cost	304.46	-
Investments in equity instruments measured at FVOCI	328.82	223.08
Provision for decommissioning obligations	144.85	134.12
Provisions - Others	94.64	93.69
Total Deferred Tax Assets (B)	**2,401.10**	**1,248.01**
Net Deferred Tax Liabilities (A-B)	**52,262.89**	**49,842.22**

(i) Movements in Deferred Tax Liabilities/(Assets)(net) (₹ in Lacs)

Particulars	Property, plant and equipment	Financial liabilities measured at amortised cost	Provisions for employee benefits	Investments in equity instruments measured at FVOCI	Financial assets measured at amortised cost	Provision for decommissioning obligations	Provisions - Others	Net Deferred Tax Liabilities
At 1 April 2017	**47,901.59**	**188.15**	**(300.05)**	**(195.29)**	**-**	**(116.29)**	**(289.01)**	**47,189.10**
Charged/(credited)								
- to profit or loss	2,592.60	(54.45)	(40.51)	-	-	(17.83)	195.32	2,675.13
- to other comprehensive income	-	-	5.78	(27.79)	-	-	-	(22.01)
At 31 March 2018	**50,494.19**	**133.70**	**(334.78)**	**(223.08)**	**-**	**(134.12)**	**(93.69)**	**49,842.22**
Charged/(credited)								
- to profit or loss	2,804.85	(12.27)	(154.68)	-	(2.73)	(10.73)	(0.95)	2,623.49
- to other comprehensive income	-	-	(97.08)	(105.74)	-	-	-	(202.82)
At 31 March 2019	**53,299.04**	**121.43**	**(586.54)**	**(328.82)**	**(2.73)**	**(144.85)**	**(94.64)**	**52,262.89**

(ii) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate: (₹ in Lacs)

Particulars	2018-19	2017-18
Accounting Profit before income tax expenses	1,20,278.39	1,01,081.20
Tax expenses at statutory tax rate of 34.944% (2017-18 - 34.608%)	**42,030.08**	**34,982.18**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Items having no tax consequences / others	582.56	1,347.40
Tax exempt income	-	(406.27)
Chapter VI deductions	(1,169.27)	(1,254.93)
Change in tax rate	-	481.41
Short/(Excess) provisions of tax - earlier years	(632.24)	(911.48)
Tax Expenses at effective income tax rate of 33.931% (2018-17: 33.872%)	**40,811.13**	**34,238.31**

(iii) Items of Other Comprehensive Income (₹ in Lacs)

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Changes in fair value of FVOCI equity instruments	(105.74)	(27.79)
Remeasurements of post-employment benefit obligations	(97.08)	5.78
Income tax charged to OCI	**(202.82)**	**(22.01)**

19. OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Revenue received in advance	2,462.99	1,151.92
Others	192.09	333.84
Total Non-Current Liabilities	**2,655.08**	**1,485.76**
Current		
Revenue received in advance	265.79	198.91
Statutory taxes payable	2,083.13	711.41
Others	328.68	10,987.83
Total Current Liabilities	**2,677.60**	**11,898.15**

20. TRADE PAYABLES*

(₹ in Lacs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Total outstanding dues of micro enterprises and small enterprises	346.62	1,502.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,037.71	352.09
Total Trade Payables	**2,384.33**	**1,854.78**

* Refer note 41 - Financial instruments, fair values and risk measurement

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

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount remaining unpaid at the end of the period	1,142.32	1,502.69
Interest due thereon remaining unpaid at the end of the period	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the period	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

21. REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	2018-19	2017-18
Revenue from contracts with customers		
Revenue from transportation of gas (net)	1,83,241.51	1,28,673.00
Revenue from sale of CNG (including excise duty)	59.03	-
Revenue from sale of electricity (net)	4,172.64	3,728.29
Other operating revenues		
Connectivity charges	252.52	773.50
Total Revenue from Operations	**1,87,725.70**	**1,33,174.79**

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	2018-19
Revenue as per contracted price	1,87,773.04
Adjustments	
Discounts	(47.34)
Revenue from contract with customers	**1,87,725.70**

22. OTHER INCOME

(₹ in Lacs)

Particulars	2018-19	2017-18
Dividend income	3,120.32	1,173.92
Other non-operating income	723.06	1,118.14
Interest income		
Fixed deposits with banks	1,958.93	4,880.73
Other interest income	133.81	173.81
Total Other Income	**5,936.12**	**7,346.60**

23. COST OF MATERIAL CONSUMED

(₹ in Lacs)

Particulars	2018-19	2017-18
Inventory at the beginning of the year	0.36	-
Add: Purchases during the year	30.55	0.36
Gas transportation charges	5.31	-
Less: Inventory at the end of the year	(2.78)	(0.36)
Total Cost of Material Consumed	**33.44**	**-**

24. EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Salaries and wages		
Salaries and allowances	5,100.04	3,492.86
Leave salary	252.64	159.23
Contribution to provident and other funds	950.46	495.79
ESOP compensation expenses	(6.08)	(1.13)
Staff welfare expenses	157.85	173.47
Total Employee Benefit Expenses	**6,454.91**	**4,320.22**

25. FINANCE COSTS

(₹ in Lacs)

Particulars	2018-19	2017-18
Interest on borrowings	21,632.27	3,152.62
Unwinding of discount on provisions	30.71	28.43
Unwinding of transaction costs incurred on borrowings	77.02	183.57
Other borrowing costs (includes bank charges etc.)	179.51	176.73
Total Finance Costs	**21,919.51**	**3,541.35**

The borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project(s). The weighted average rate of borrowings used for projects is 8.27% for FY 2018-19 [P.Y. : 8.90%].

26. DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Depreciation for property, plant and equipment	17,822.74	17,358.64
Amortisation for intangible assets	174.86	145.23
Total Depreciation and Amortisation Expenses	**17,997.60**	**17,503.87**

27. OTHER EXPENSES

(₹ in Lacs)

Particulars		2018-19	2017-18
Operation & Maintenance Expenses			
Maintenance contracts		1,847.41	1,879.23
Payment to outsourced persons		810.31	647.90
Security service charges		1,178.26	1,076.65
Land revenue		5.07	7.02
Power & fuel		821.42	794.40
Consumption of stores & spare parts		542.66	209.06
System usage gas		5,505.77	(202.77)
Repairs & maintenance - building		123.15	55.20
Repairs & maintenance - machinery		227.21	303.62
Other O&M expenses		976.30	554.69
O&M expenses - windmill		520.13	468.71
	(A)	**12,557.69**	**5,793.71**
Other Office & Administrative Expenses			
Advertisement & publicity expenses		100.80	96.04
Bandwidth & website maintenance charges		32.95	28.35
Business promotion		498.41	27.53
Loss on retirement of asset		78.13	-
Statutory audit fees		2.64	2.73
Donation & contributions (Refer Note (ii))		1,183.28	1,157.26
Legal & professional expenses		475.68	528.17
Provision for doubtful allowance / write off		3.51	-
Rent		234.54	172.24
Rate & taxes		67.18	55.96
Recruitment & training		48.02	49.89
Seminar & conference		48.85	16.77
Stationery & printing		20.78	28.44
Travelling expenses - directors		11.36	12.01
Travelling expenses - others		132.35	103.79
Postage, telephone & courier expenses		32.46	37.07
HSE expenses		112.05	100.44
Listing fee		14.92	15.80
Insurance expenses		304.86	298.19
Other administrative exp.		831.87	774.28
	(B)	**4,234.64**	**3,504.96**
Total Other Expenses	**(A+B)**	**16,792.33**	**9,298.67**

(i) Payment to Auditors* (₹ in Lacs)

Particulars	2018-19	2017-18
For statutory audit	2.64	2.40
For other services	2.61	2.26
For reimbursement of expenses	0.47	0.39
Total	**5.72**	**5.05**

***Excluding applicable taxes.**

(ii) Corporate Social Responsibility Expenses (₹ in Lacs)

Particulars	2018-19	2017-18
Gross amount required to be spent by the Company during the year	1,582.41	1,586.46
Amount spent during the year on (paid in cash) :		
Construction /acquisition of any asset	943.59	12.50
On purpose other than above	233.00	1,144.76
Amount spent during the year on (yet to be paid in cash) :		
Construction /acquisition of any asset	-	-
On purpose other than above	-	-
Total amount spend during the year	**1,176.59**	**1,157.26**

28. INCOME TAX EXPENSES

(₹ in Lacs)

Particulars	2018-19	2017-18
Current Tax Expenses		
Current tax on profits for the year	38,819.88	32,474.66
Adjustments for the current tax of prior periods	(632.24)	(911.48)
Total Current Tax Expenses	**38,187.64**	**31,563.19**
Deferred Tax Expenses		
Decrease/(Increase) in deferred tax assets	(950.27)	105.70
(Decrease)/Increase in deferred tax liabilities	3,573.76	2,569.43
Total Deferred Tax Expenses	**2,623.49**	**2,675.13**
Income Tax Expenses	**40,811.13**	**34,238.31**

Tax Items of Other Comprehensive Income (₹ in Lacs)

Particulars	2018-19	2017-18
Deferred Tax related to Items recognized in OCI During the Year;		
Changes in fair value of FVOCI equity instruments	(105.74)	(27.79)
Remeasurements of post-employment benefit obligations	(97.08)	5.78
Income tax charged to OCI	**(202.82)**	**(22.01)**

29. EARNING PER SHARE

(₹ in Lacs)

Particulars	2018-19	2017-18
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	79,467.26	66,842.89
Adjusted for the effect of dilution	79,467.26	66,842.89
Weighted average number of Equity Shares for:		
Basic EPS	56,39,05,634	56,37,44,897
Adjusted for the effect of dilution	56,40,46,400	56,39,81,524
Earnings Per Share (₹):		
Basic	14.09	11.86
Diluted	14.09	11.85

30. RECONCILIATION OF MOVEMENTS OF CASH FLOWS ARISING FROM FINANCING ACTIVITIES

(₹ in Lacs)

Particulars	Liabilities	Equity					
	Borrowings	Share Capital	Share application money	Security Premium Reserve	Employees Stock Options Outstanding	Retained earnings	Total
Balance as at 1 April 2017	**63,052.65**	**56,358.77**	**-**	**41,062.39**	**385.82**	**3,51,338.35**	**5,12,197.98**
Cash Flow from Financing Activities							
Proceeds from issue of Equity Share Capital including Share Premium	-	24.59	-	275.49	(115.68)	-	184.40
Proceeds from Long Term Borrowing	2,81,700.00	-	-	-	-	-	2,81,700.00
Repayment of Long Term Borrowings	(39,310.89)	-	-	-	-	-	(39,310.89)
Dividend (Including Corporate Dividend Tax) Paid	-	-	-	-	-	(10,178.06)	(10,178.06)
Interest & Financial Charges paid	(3,747.13)	-	-	-	-	-	(3,747.13)
Total Cash Flow from Financing Activities	**2,38,641.98**	**24.59**	**-**	**275.49**	**(115.68)**	**(10,178.06)**	**2,28,648.32**
Liability realted other changes	4,087.79	-	-	-	-	-	4,087.79
Equity realted other changes	-	-	-	-	(1.13)	66,853.64	66,852.51
Balance as at 31 March 2018	**3,05,782.42**	**56,383.36**	**-**	**41,337.88**	**269.01**	**4,08,013.90**	**8,11,786.60**
Cash Flow from Financing Activities							
Proceeds from issue of Equity Share Capital including Share Premium and Share application money pending allotment	-	13.78	13.50	177.28	(87.73)	-	116.83
Proceeds from Long Term Borrowing	29,900.00	-	-	-	-	-	29,900.00
Repayment of Long Term Borrowings	(99,020.39)	-	-	-	-	-	(99,020.39)
Dividend (Including Corporate Dividend Tax) Paid	-	-	-	-	-	(11,283.13)	(11,283.13)
Interest & Financial Charges paid	(22,989.13)	-	-	-	-	-	(22,989.13)
Total Cash Flow from Financing Activities	**(92,109.52)**	**13.78**	**13.50**	**177.28**	**(87.73)**	**(11,283.13)**	**(1,03,275.82)**
Liability realted other changes	22,924.94	-	-	-	-	-	22,924.94
Equity realted other changes	-	-	-	-	(6.08)	79,286.51	79,280.43
Balance as at 31 March 2019	**2,36,597.84**	**56,397.14**	**13.50**	**41,515.16**	**175.20**	**4,76,017.28**	**8,10,716.14**

31. CONTINGENT LIABILITIES & CONTINGENT ASSETS

(₹ in Lacs)

Sr No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A	**Claims against company not acknowledged as debts**		
1	By land owners seeking enhancement of compensation in respect of RoU acquired by the Company	2,121.11	2,178.59
2	By other parties including contractual disputes	18,145.07	22,628.09
3	Central Excise and Service Tax matters, the matters lying before: Applicable interest & penalty has also been demanded by Department.	35,767.24	35,785.14
4	Income tax matters:	121.58	306.92
The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required, while rest are disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.			
B	**Guarantees excluding financial guarantees**		
	Outstanding Bank Guarantees / Letter of Credits	2,24,916.17	2,82,109.20

C. Imbalance and overrun charges as per the 'Modalities of maintaining & operation of Escrow Account under the PNGRB (Access Code for Common or Contract Carrier Natural Gas Pipeline) Regulations, 2008' issued by PNGRB on 7th March 2011, collected for the period prior to 1st April 2011 amounting to ₹ 226.02 Lacs (net of taxes) has been deposited in Escrow Account under protest. However, the same is not recognised as liability as these guidelines are applicable w.e.f. 1st April 2011.

Contingent Assets

The Company is having certain claims, realisation of which is dependent on outcome of legal process being pursued. The management believe that probable outcome in all such claims are uncertain. Hence, the disclosure of such claims is not required in the financial statements.

32. COMMITMENTS

(₹ in Lacs)

Sr No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
A	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	5,218.35	1,197.31
B	**Other Commitments**		
	Investments in joint venture and other entities	1,72,515.72	1,82,407.12

33. EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Board of Directors ,in its meeting on 9th May 2019, have proposed a final dividend of ₹ 2.00 (P.Y.: ₹ 1.75) per equity share for the financial year ended on 31st March,2019. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 12,831.49 Lacs (including Dividend Distribution Tax) [P.Y.: ₹ 11,283.13 Lacs].

34. Previous year figures have been reclassified or regrouped wherever necessary. Refer Note 38 for reclassification of comparative information.

35. BORROWING COSTS CAPITALIZATION

(₹ in Lacs)

As per Indian Accounting Standard -23 "Borrowing Costs", the Company has capitalised the borrowing costs amounting to:

Particulars	2018-19	2017-18
Borrowing costs capitalised	1,185.19	975.23

36. There are no whole time / executive directors on the Board except Managing Director and joint Managing Director. They are not drawing any remuneration from the Company.

37. The balances of trade receivables, trade payables, loans & advances and deposits are subject to confirmation. Provision for all liabilities is adequate in opinion of the Company.

38. RECLASSIFICATION OF COMPARATIVE FIGURES

Certain reclassifications have been made to the comparative period's financial statements to:
- enhance comparability and ensure consistency with the current year's financial statements; and
- ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.

The Company believes that such presentation is more relevant for understanding of the Company's performance. However, this does not have any impact on the profit, equity and cash flow statement for the comparative period.

Items of balance sheet before and after reclassification as at 31 March 2018: (₹ in Lacs)

Sr. No.	Particulars	Before Reclassification	Reclassification	After Reclassification
1	**Security deposits reclassified from other financial assets to loans:**			
	Other financial assets			
	Non-current	1,315.51	(1,234.01)	81.50
	Current	550.52	(58.84)	491.68
	Loans			
	Non-current	1,166.61	1,234.01	2,400.62
	Current	149.04	58.84	207.88
2	Payment under protest reclassified to advance income tax and TDS (Net of provision):			
	Payment under protest (Note 9)			
	Non-current	1,124.12	(1,123.12)	1.00
	Advance income tax and TDS (Net of provision) (Note 9)			
	Non-current	1,239.08	1,123.12	2,362.20

Items of statement of profit and loss before and after reclassification as at 31 March 2018: (₹ in Lacs)

Sr. No.	Particulars	Before Reclassification	Reclassification	After Reclassification
1	**Gas transportation charges reclassified from other expenses to transmission expenses on the face of statement of profit and loss:**			
	Gas Transmission expenses (on the face of statement of profit and loss)	-	4,776.08	4,776.08
	Other expenses	14,074.75	(4,776.08)	9,298.67

39. SEGMENT INFORMATION

Segment information has been provided under the Notes to the Consolidated financial statements of the Company

40 RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

(a) Parent Entity

Gujarat State Petroleum Corporation Limited

(b) Subsidiary/Associate

Name of the entity#	Type
GSPL India Gasnet Limited	Joint Venture
GSPL India Transco Limited	Joint Venture
Gujarat Gas Limited ('GGL')	Subsidiary*
Sabarmati Gas Limited	Associate
Gujarat State Energy Generation Limited	Entities over which parent company exercise significant influence
GSPC LNG Limited	
Gujarat Pipavav Power Company Limited	Entities controlled by the parent company
Gujarat Info Petro Limited	

 # List of parties having transactions during the year

* The Board of Directors of the Company, in their Board meeting held on 19 March 2018, approved the acquisition of 39,106,328 (Before share split) equity shares (28.40% equity stake) of Gujarat Gas Limited (GGL) held by Gujarat State Petroleum Corporation Limited (GSPC). The acquisition was completed on 28 March 2018 through a block deal at the recognised stock exchange at the prevailing market price in compliance with the relevant regulatory provisions. Consequent to the acquisition, GSPL holds 54.17% equity shares and voting rights in GGL.

(c) Transactions with related parties:

(₹ in Lacs)

Particulars	Parent		Subsidiary		Joint Venture		Associate		Others/Key Managerial Pesonnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Gas Transportation Income	16,511.06	11,904.30	32,106.18	1,191.95	-	177.00	5,354.58	26,796.88	2,485.28	903.36	56,457.10	40,973.49
Other Income	1.52	-	178.06	1.99	200.01	189.02	37.56	201.60	-	0.15	417.15	392.76
Investments in equity shares	-	-	-	-	3,900.00	-	-	-	-	-	3,900.00	-
Dividend income	-	-	2,982.99	-	-	-	137.33	1,173.92	-	-	3,120.32	1,173.92
Services received	22.47	10.35	6.22	0.74	1.81	0.38	-	12.24	149.65	58.60	180.15	82.31
Reimbursement made for expenses	413.36	917.69	8.40	-	161.97	248.21	-	8.48	3.51	2.63	587.24	1,177.01
Reimbursement received for expenses	35.69	22.72	24.08	10.83	615.19	260.83	-	43.74	322.36	28.80	997.32	366.92
Purchase of Line Pack Gas	5,707.92	473.73	-	-	-	-	-	-	-	-	5,707.92	473.73
Dividend Paid	3,715.34	3,184.58	-	-	-	-	-	-	-	-	3,715.34	3,184.58
Acquisition of Additional Equity Stake	-	3,25,669.99	-	-	-	14,872.00	-	-	-	-	-	3,40,541.99
Gas transportation charges	-	-	-	-	2,424.34	-	-	-	-	-	2,424.34	-
Pipeline crossing charges paid	-	-	-	-	1.18	-	-	-	-	-	1.18	-
Purchase of Assets	12.11	-	197.07	152.58	0.61	-	-	-	0.03	-	209.82	152.58
Sale of Assets	-	-	-	-	99.87	1.04	-	-	-	-	99.87	1.04
Sale of Materials	-	-	-	-	22.87	0.29	-	30.81	-	-	22.87	31.10
Security deposits paid/released	-	-	24.18	-	1,016.96	-	4.00	32.00	-	-	1,045.14	32.00
Security deposits Received	-	-	274.00	-	-	-	258.00	84.00	0.15	-	532.15	84.00
Refundable Rent Deposit	-	3.41	-	-	-	-	-	-	-	-	-	3.41
Short term employee benefits	-	-	-	-	-	-	-	-	21.71	24.31	21.71	24.31
Contribution made to Employee Benefits Trusts	-	-	-	-	-	-	-	-	367.16	381.88	367.16	381.88
Purchase of trading gas	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Outstanding balances arising from sales/purchases of goods/services												
Corporate guarantee given	-	-	-	-	6,500.00	6,500.00	-	-	-	-	6,500.00	6,500.00
Bank Guarantee / Letter of Credit Taken			3,146.00	10,269.00			360.00	360.00				
Account Payable as at year end	296.37	751.15	186.04	361.63	346.37	13.43	68.00	120.79	60.17	45.30	956.95	1,292.30
Account Receivable / Deposit as at year end	1,004.37	424.25	1,208.67	1,187.28	-	42.52	-	-	277.48	153.64	2,490.52	1,807.69

* The above transactions are inclusive of all taxes, wherever applicable.

(d) Terms and conditions

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. All outstanding balances are unsecured.

Apart from the above transactions, the Company has also entered into certain transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

41. FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

(₹ in Lacs)

A. Financial instruments by category and their fair value

As at 31st March, 2019	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares - Unquoted	-	9,173.95	-	9,173.95	-	-	9,173.95	9,173.95
Loan								-
- Non-current	-	-	2,787.10	2,787.10	-	-	-	-
- Current	-	-	152.90	152.90	-	-	-	-
Trade Receivables	-	-	20,809.82	20,809.82	-	-	-	-
Cash and Cash Equivalents	-	-	7,001.89	7,001.89	-	-	-	-
Other Bank Balances	-	-	8,827.58	8,827.58	-	-	-	-
Other financial assets								
- Non-current	-	-	319.06	319.06	-	-	-	-
- Current	43.24	-	1,167.20	1,210.44	-	43.24	-	43.24
Total financial assets	**43.24**	**9,173.95**	**41,065.55**	**50,282.74**	**-**	**43.24**	**9,173.95**	**9,217.19**
Financial liabilities								
Non-current Borrowings	-	-	1,28,556.28	1,28,556.28	-	-	-	-
Other financial liabilities								
- Non-current	-	-	1,919.61	1,919.61	-	-	-	-
- Current	-	-	1,27,981.91	1,27,981.91	-	-	-	-
Trade Payables	**-**	**-**	**2,384.33**	**2,384.33**	**-**	**-**	**-**	**-**
Total financial liabilities	**-**	**-**	**2,60,842.13**	**2,60,842.13**	**-**	**-**	**-**	**-**

(₹ in Lacs)

As at 31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Investments								
- Equity Shares -Unquoted	-	3,505.36	-	3,505.36	-	-	3,505.36	3,505.36
Loan								-
- Non-current	-	-	2,400.62	2,400.62	-	-	-	-
- Current	-	-	207.88	207.88	-	-	-	-
Trade Receivables	-	-	12,351.51	12,351.51	-	-	-	-
Cash and Cash Equivalents	-	-	2,250.76	2,250.76	-	-	-	-
Other Bank Balances	-	-	34,201.88	34,201.88	-	-	-	-
Other financial assets								
- Non-current	-	-	81.50	81.50	-	-	-	-
- Current	23.96	-	467.72	491.68	-	23.96	-	23.96
Total financial assets	**23.96**	**3,505.36**	**51,961.87**	**55,491.19**	**-**	**23.96**	**3,505.36**	**3,529.32**
Financial liabilities								
Non-current Borrowings	-	-	1,75,948.10	1,75,948.10	-	-	-	-
Other financial liabilities								
- Non-current	**-**	**-**	**1,499.62**	**1,499.62**	**-**	**-**	**-**	**-**
- Current	**-**	**-**	**1,44,439.74**	**1,44,439.74**	**-**	**-**	**-**	**-**
Trade Payables	**-**	**-**	**1,854.78**	**1,854.78**	**-**	**-**	**-**	**-**
Total financial liabilities	**-**	**-**	**3,23,742.24**	**3,23,742.24**	**-**	**-**	**-**	**-**

*Investments in equity accounted investees and subsidiaries are carried at cost.

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

Types of inputs for determining fair value are as under:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

FVOCI in unquoted equity shares	**Valuation techniques:** Such investments are fair valued using appropriate valuation techniques as permitted under Ind AS 113. These have been summarised below: • Investment in equity shares of Gujarat State Energy Generation Limited has been fair valued using the Discounted Cash Flow method (DCF) (90% Weightage) and Net Asset Value Method (10% Weightage). Further, this investment was fair valued using the DCF method in the previous year. • Investment in equity shares of GSPC LNG Limited were fair valued using the Net Asset Value method (PY : DCF Method). • Investment was made in the equity shares of Swan LNG Pvt Ltd. in February 2018 and March 2019. Further payments will be made based on the agreed milestones as and when they are due. Management believes that there is no significant change in value of the investments. Accordingly, the investment is disclosed at the transaction price represented by the cash payment made on the date of acquisition. **Significant unobservable inputs** Future estimated cash flows, discount rate and provisional financial information. **Inter-relationship between significant unobservable inputs and fair value measurement** The estimated fair value would increase (decrease) if there is a change in estimated cash flows and discount rate used to determine the fair value and change in projected financial information.
Cross Currency Interest Rate Swaps	This instrument is valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The model incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads, interest rate curve.

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

iii) Level 3 fair values

Movements in the values of unquoted equity instruments for the period ended 31 March 2019 and 31 March 2018 is as below:

(₹ in Lacs)

Particulars	Amount
As at 1 April 2017	**3,484.41**
Acquisitions/ (disposals)	0.87
Gains/ (losses) recognised in other comprehensive income	20.08
Gains/ (losses) recognised in statement of profit or loss	-
As at 31 March 2018	**3,505.36**
Acquisitions/ (disposals)	5,991.40
Gains/ (losses) recognised in other comprehensive income	(322.81)
Gains/ (losses) recognised in statement of profit or loss	-
As at 31 March 2019	**9,173.95**

Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2019 and 31 March 2018.

Sensitivity analysis
Gujarat State Energy Generation Limited (GSEG)

A sensitivity analysis has been carried out to determine the impact on equity valuation of GSEG. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Increase in estimated cash flows by 5%	(41.50)	-
Decrease in estimated cash flows by 5%	41.49	-
Increase in adjusted net assets by 5%	-	33.03
Increase in discount rate by 0.5%	1.46	-
Decrease in discount rate by 0.5%	(1.48)	-

GSPC LNG Limited

A sensitivity analysis has been carried out to determine the impact of escalation in below parameter of GSPC LNG Limited on the valuation. The impact on account of change in inputs is as under:

Variation	Impact on other comprehensive income (₹ in Lacs)	
	2018-19	2017-18
Increase in net assets by 5%	125.00	-
Increase in total Opex by 5%	-	91.00
Decrease in net assets by 5%	(125.00)	-

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;

- Liquidity risk ; and

- Market risk

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the company along with relevant mitigation procedures adopted have been enumerated below:

Trade and other receivables

The Company's exposure to credit Risk is the exposure that Company has on account of services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's customer base are Industrial and Commercial.

Services are generally subject to security deposit and/or bank guarantee clauses to ensure that in the event of non-payment the company's receivables are not affected. The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

Age of Receivables **(₹ in Lacs)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Not Due	8,503.58	6,969.45
0-3 Months	-	-
3-6 Months	6,628.04	-
6-12 Months	569.14	0.29
1-3 years	-	58.52
> 3 years	5,379.90	5,591.35

The above receivables which are past due but not impaired are assessed on case-to-case basis. The instances pertain to third party customers which have a proven creditworthiness record. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired. The provision for impairment of trade receivables, movement of which has been provided below, is not significant / material. The concentration of credit risk is limited due to fact that the customer base is large and unrelated.

Movements in Expected Credit Loss Allowance

(₹ in Lacs)

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Balance at the beginning of the year	268.10	268.10
Movements in allowance:		
Additional provision	2.74	-
Closing balance	**270.84**	**268.10**

Additionally, the Company has written off trade receivables amounting to ₹ 0.78 Lac (PY : ₹ NIL) during the year.

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows: **(₹ in Lacs)**

Particulars	**Carrying amount**	
	31st March, 19	**31st March, 18**
India	20,809.82	12,351.51
Other regions	-	-
Total	**20,809.82**	**12,351.51**

Other financial assets

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

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.
- Investments are made in credit worthy companies.
- Derivative instrument comprises cross currency interest rate swaps where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.
- Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Government of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Company does not have exposure to any credit risk.
- Loan and advances to employees (for housing advances) are majorly secured in nature and hence the Company does not have exposure to any credit risk.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has practiced financial diligence and syndicated adequate liquidity in all business scenarios.

Financing arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lacs)

Particulars	**31st March, 2019**	**31st March, 2018**
Floating rate		
Expiring within one year (bank overdraft and other facilities)	-	74,900.00
Total	**-**	**74,900.00**

Further, the Company has also tied-up additional sources of liquidity to meet the liabilities during the respective annual years which has ensured that the Company has a clean track record with no adverse events pertaining to liquidity risk.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in Lacs)

31st March, 2019	Carrying amount	Contractual maturities		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	1,28,556.28	1,52,399.23	-	1,52,399.23
Non current financial liabilities	1,919.61	4,859.89	-	4,859.89
Current financial liabilities	1,27,981.91	1,27,981.91	1,27,981.91	-
Trade payables	2,384.33	2,384.33	2,384.33	-
Total	**2,60,842.13**	**2,87,625.36**	**1,30,366.24**	**1,57,259.12**

(₹ in Lacs)

31st March, 2018	Carrying amount	Contractual maturities		
		Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non current borrowings	1,75,948.10	2,50,950.45	-	2,50,950.45
Non current financial liabilities	1,499.62	3,022.91	-	3,022.91
Current financial liabilities	1,44,439.74	1,44,439.74	1,44,439.74	-
Trade payables	1,854.78	1,854.78	1,854.78	-
Total	**3,23,742.24**	**4,00,267.88**	**1,46,294.52**	**2,53,973.36**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.

Currency risk

The functional currency of the company is Indian Rupees and its revenue is generated from operations in India. It is exposed to foreign currency risk arising on the LIBOR linked floating rate external commercial borrowing (ECB) denominated in Japanese Yen. The ECB has been fully hedged through cross currency interest rate swap with all critical terms mirroring the underlying ECB. Accordingly, the foreign currency exposure has been completely hedged.

This aside, the Company does not have any derivative instruments used for any other purposes.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's portfolio of borrowings comprise of a mix of fixed rate and floating rate loans which are monitored continuously in the light of market conditions.

(₹ in Lacs)

Variable-rate instruments	**31st March,19**	**31st March,18**
Non current - Borrowings	1,22,244.03	1,66,851.03
Current portion of Long term borrowings	1,05,107.18	1,26,860.08
Total	**2,27,351.21**	**2,93,711.11**
Fixed-rate instruments	**31st March,19**	**31st March,18**
Non current - Borrowings	6,312.25	9,097.07
Current portion of Long term borrowings	2,934.38	2,974.24
Total	**9,246.63**	**12,071.31**

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. Since no interest rate exposure is perceived on fixed rate loans, the same have been excluded from the sensitivity analysis. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Lacs)

Particulars	**Profit or (Loss)**		**Equity (net of tax)**	
31st March, 2019	**50 bp Increase**	**50 bp decrease**	**50 bp Increase**	**50 bp decrease**
Non current - Borrowings	(611.22)	611.22	(397.64)	397.64
Current portion of Long term borrowings	(525.54)	525.54	(341.89)	341.89
Total	**(1,136.76)**	**1,136.76**	**(739.53)**	**739.53**
31st March, 2018				
Non current - Borrowings	(834.26)	834.26	(542.73)	542.73
Current portion of Long term borrowings	(634.30)	634.30	(412.65)	412.65
Total	**(1,468.56)**	**1,468.56**	**(955.38)**	**955.38**

42. CAPITAL MANAGEMENT

The Company defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The primary objective of the Company's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows. **(₹ in Lacs)**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Total Non-current liabilities	1,87,284.20	2,30,052.78
Less : Cash and bank balances	15,829.47	36,452.64
Adjusted net debt	**1,71,454.73**	**1,93,600.14**
Borrowings	2,36,597.84	3,05,782.42
Total equity	**5,74,401.08**	**5,06,504.02**
Adjusted net debt to adjusted equity ratio	**0.30**	**0.38**
Debt equity considering only borrowings as debt	**0.41**	**0.60**

43. DISCLOSURES FOR GRATUITY & LEAVE SALARY PROVISIONS AS PER INDIAN ACCOUNTING STANDARD - 19

Defined contribution plan:

Provident fund and superannuation fund benefits charged to Statement and Profit and Loss during the period are ₹ 328.73 and ₹ 168.26 respectively (PY: ₹ 216.39 and ₹ 83.92 respectively).

Defined benefit plans:

The Company has participated in Group Gratuity scheme of HDFC Standard Life Insurance Company Limited. The liability in respect of gratuity benefits, post retirement medical benefit scheme (PRMBS) & leave salary being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date. In arriving at the valuation for gratuity, medical benefits & leave salaries following assumptions were used:

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Type of fund	Funded	Unfunded	Funded	Funded	Unfunded	NA
Mortality	Indian Assured Lives Mortality (2006-08) Ult.			Indian Assured Lives Mortality (2006-08) Ult.		NA
Withdrawal rate	5% at younger age reducing to 1% at old age			5% at younger age reducing to 1% at old age		NA
Retirement Age	60 years			60 years		NA
Discount Rate	7.60%	7.60%	7.60%	7.60%	7.60%	NA
Rate of Return on Plan Assets	7.60%	0.00%	7.60%	7.60%	0.00%	NA
Salary escalation	7.00%	7.00%	0.00%	7.00%	7.00%	NA
Medical Inflation Rate	0.00%	0.00%	4.00%	0.00%	0.00%	NA

The following table sets out disclosures as required under Indian Accounting Standard 19 on "Employee Benefit". **(₹ in Lacs)**

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Table showing change in benefit obligation						
Opening defined benefit obligation	1,270.09	958.06	-	1,017.22	821.19	-
Transfer in obligation	53.82	84.10	-	2.13	-	-
Interest Cost	6.58	70.35	-	73.65	59.66	-
Current Service Cost	149.56	61.99	4.13	120.10	54.39	-
Benefit Paid	(77.50)	(38.80)	-	(33.88)	(22.36)	-
Past service cost *	334.21	-	70.67	72.13	-	-
Actuarial Loss / (gain) on Obligations	235.52	120.30	-	18.74	45.18	-
Liability at the end of the period	**1,972.28**	**1,256.00**	**74.80**	**1,270.09**	**958.06**	**-**

* For Gratuity, past service cost is in the current year is on account of change in gratuity ceiling from ₹ 20,00,000 to No ceiling.

Table showing change in Fair Value of Plan Assets						
Fair Value of Plan Assets at the beginning	1,338.56	-	-	971.41	-	-
Transfer in/(out) plan assets	53.82	-	-	2.13	-	-
Interest Income	104.51	-	0.54	70.26	-	-
Contributions	159.45	-	59.61	297.85	-	-
Benefit Paid	(64.27)	-	-	(38.36)	-	-
Actuarial gain /(loss) on Plan Assets	(42.31)	-	-	35.27	-	-
Fair Value of Plan Assets at the end of the period	**1,549.76**	**-**	**60.15**	**1,338.56**	**-**	**-**
Actual Gain / loss recognized						
Actuarial (gain) / loss on obligations						
Due to change in financial assumptions	-	-	-	(30.94)	(24.39)	-
Due to experience adjustments	235.52	120.30	-	49.68	69.57	-
Actuarial (gain) / loss on Plan Assets	42.31	-	-	(35.27)	-	-
Net Actuarial (gain) / loss recognized during year	**277.83**	**120.30**	**-**	**(16.53)**	**45.18**	**-**
Amount recognized in Balance Sheet						
Liability at the end of the period	1,972.28	1,256.00	74.80	1,270.09	958.06	-
Fair Value of Plan Asset at the end of the period	1,549.76	-	60.15	1,338.56	-	-
Net (Asset)/Liability recognized in Balance Sheet	**422.52**	**1,256.00**	**14.65**	**(68.47)**	**958.06**	**-**
Current liability / (asset)	166.54	49.60	1.22	(68.47)	64.81	-
Non-current liability / (asset)	255.98	1,206.40	13.43	-	893.25	-
Total Liability / (Asset)	**422.52**	**1,256.00**	**14.65**	**(68.47)**	**958.06**	**-**

(₹ in Lacs)

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Expense recognized						
Current Service cost	149.56	61.99	4.13	120.10	54.39	-
Interest cost	6.58	70.35	-	73.65	59.66	-
Interest income	(104.51)	-	(0.54)	(70.26)	-	-
Net Actuarial Loss / (gain) to be recognized	277.83	120.30	-	(16.53)	45.18	-
Past service costs	334.21	-	70.67	72.13	-	-
Net Expense recognized	**663.67**	**252.64**	**74.26**	**179.09**	**159.23**	**-**

Expected contribution:

The expected contribution during the next financial year are as under:

Particulars	2018-19			2017-18		
	Gratuity	Leave Salary	PRMBS	Gratuity	Leave Salary	PRMBS
Expected contribution during the next financial year (₹ in Lacs)	166.54	49.60	1.22	-	64.81	-
Average Outstanding Term of the Obligations (Years)	13.27	-	9.71	-	-	-
Composition of the plan assets						
Policy of insurance	100%	NA	NA	100%	NA	-
Bank balance	-	NA	100%	-	NA	-

Sensitivity Analysis:

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

(₹ in Lacs)

Gratuity	2018-19		2017-18	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: 0.5%)	1,854.74	2,100.78	1,197.30	1,349.54
Withdrawal rate - 10% (PY: 0%)	1,973.19	1,971.26	1,276.86	1,262.68
Salary growth rate - 0.5% (PY: 0.5%)	2,100.73	1,853.75	1,328.49	1,214.00
Leave salary	**2018-19**		**2017-18**	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: 0.5%)	1,178.83	1,340.66	900.91	1,020.78
Withdrawal rate - 10% (PY: 0%)	1,258.47	1,253.40	960.01	956.02
Salary growth rate - 0.5% (PY: 0.5%)	1,340.74	1,178.07	1,020.84	900.34
PRMBS	**2018-19**		**2017-18**	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5% (PY: NA)	68.05	82.42	-	-
Withdrawal rate - 10% (PY: NA)	73.40	76.23	-	-
Medical Inflation rate - 0.5% (PY: NA)	82.66	67.80	-	-

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

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

44. EMPLOYEE STOCK OPTION PLANS

ESOP 2010 Scheme:

During the Financial Year 2010-11, the Company instituted ESOP-2010. The Board of Directors and the Shareholders approved the plan in the meeting held on 23rd August 2010 and 27th October 2010 respectively, which provides for the issue of 21,28,925 equity shares to the employees of the company. The Compensation Committee administers ESOP-2010. These ESOPs are granted at an exercise price of ₹75 per share to be vested over the period of five years and to be exercised within a period of ten years from the date of Grant. Set out below is a summary of options granted under the plan:

Particulars	31st March, 2019		31st March, 2018	
	Avg Exercise Price per share option (₹)	Number of options	Avg Exercise Price per share option (₹)	Number of options
Opening Balance	**75.00**	**3,87,958**	**75.00**	**6,36,226**
Granted during the year	75.00	-	75.00	-
Exercised during the year	75.00	(1,37,761)	75.00	(2,45,860)
Lapsed/cancelled during the year	75.00	(8,396)	75.00	(2,408)
Closing balance		**2,41,801**		**3,87,958**

Fair value of options granted

The fair value at grant date of options granted during the year ended 31 March 2019 was ₹ 72.45 per option (31 March 2018 - ₹ 72.45). The fair value at grant date is determined using the Binomial Model which takes into account the exercise price, the terms of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Expenses arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in the statement of profit and loss as part of employee benefit expenses were as follows:

(₹ in Lacs)

Particulars	31st March, 19	31st March ,18
Employee option plan	(6.08)	(1.13)

45. The Company has maintained a separate escrow account as per PNGRB guidelines for modalities of maintaining and operation of escrow account for charges towards system indiscipline in terms of positive or negative imbalance or overruns. In this regard, since financial year 2011-12, amount recovered from customers is deposited in the said bank account and the amount invoiced (net of taxes) is recognized as liability.

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

47. Amount due for credit to Investor Education and Protection Fund is NIL (Previous year NIL).

48. Petroleum Natural Gas Regulatory Board (PNGRB) vide its order dated 27th September 2018 has issued tariff order for final initial unit tariff to be charged by the Company for High Pressure and Low Pressure natural gas transmission pipeline. The order is effective from 1st April 2018. Further, PNGRB vide its order dated 10th December, 2018 has issued finalized zonal tariff for the Company high pressure pipeline network. The Company has implemented the said orders during the year and accordingly the revenue is recognized as per Ind AS 115 - Revenue from Contracts with Customers.

49. Transition to Ind AS 115 - Revenue from Contracts with Customers

Effective April 1, 2018, the Company has applied Ind AS 115 ""Revenue from Contracts with customers"" using the modified retrospective method of adoption. As allowed under this method, the Company has applied the revenue standard only to contracts that were not completed as of April 1, 2018. Comparative prior period has not been adjusted. The effect on adoption of Ind AS 115 was insignificant on the Company's equity as on 1st April 2018 and 31st March 2019 as well as total comprehensive income for the year ended 31 March, 2019.

50 In the opinion of management, any of the assets other than property, plant and equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

As per our Report of even date attached

For Anoop Agarwal & Co.
Chartered Accountants
Firm Registration No. 001739C

For and on behalf of the Board of Directors,

M M Srivastava, IAS (Retd.)
Chairman
DIN : 02190050

Dr. J N Singh, IAS
Managing Director
DIN : 00955107

Chirag J Patel
Partner
Membership No.115637

Ajith Kumar T R
Chief Financial Officer

Reena Desai
Company Secretary

Place : Ahmedabad
Date : 9th May, 2019

Place : Gandhinagar
Date : 9th May, 2019