



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GNRL OIL & GAS LIMITED (Incorporated in the Commonwealth of Bahamas)

### Opinion

I have audited the accompanying standalone financial statements of **GNRL OIL & GAS LIMITED (Incorporated in the Commonwealth of Bahamas)** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, and its loss, and its cash flows for the year ended on that date.

### Basis for Opinion

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

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

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



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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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



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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

### **Emphasis Matter Paragraph**

I draw your attention to the following matters in the Notes to the financial statements:

- 1) Note No. 1.1 regarding basis of preparation of Financial Statement in compliance with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014 and relevant provisions of Companies Act, 2013 availing relief, as an overseas subsidiary of an Indian company, from preparing Financial Statement in accordance with Indian Accounting Standards (Ind AS), as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of Companies Act, 2013 and other relevant provisions of the Act.

My opinion is not modified in respect of these matters.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, I give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, I report that:
  - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit, except for the financial information relating to two unincorporated joint venture for the year ended March 31, 2023 referred to in paragraph 2 under Emphasis Matter;
  - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20 to the financial statements.
  - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) 1) The management has represented that, to the best of its knowledge and belief, as disclosed in Note no 38 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
2) The management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 38 to the financial statement, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
3) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - (v) During the year company has not declared or paid any dividend so section 123 of Companies Act 2013 is not applicable.



## Other

- a) I have placed reliance on technical/ commercial evaluation by the management in respect of categorization of wells as exploratory, development and producing, allocation of costs incurred on them, treatment of capitalization, depletion of producing properties on the basis of the proved probable hydrocarbon reserves.
- b) As stated in notes forming part of Financial Statements (Note No. 1.7 and Note No. 27), the financial statements of the unincorporated joint ventures are prepared in accordance with the requirements prescribed by the respective Production Sharing Contracts of the unincorporated joint ventures. Hence, certain adjustments/disclosures required under the mandatory accounting standards and the Companies Act, 2013 have been made in these accounts to the extent of information available with the Company.
- c) The accounts include net Fixed Assets aggregating to Rs. 21,38,348.01 thousands, Current Assets aggregating to Rs. 7,68,895.74 thousands, liabilities aggregating to Rs. 1,97,401.75 thousands, income aggregating to Rs. 1,39,443.66 thousands and expenditure aggregating to Rs. 1,03,851.58 thousands relating to the Company's share in Six producing joint ventures, which have been incorporated on the basis of accounts of Six joint ventures, audited by other auditors.

**For, Nirav A Patel & Associates**  
Chartered Accountants  
(Firm Regn No: 135076W)



Place of Signature: Ahmedabad  
Date : 25/05/2023

**Nirav Patel**  
Proprietor  
Membership No: 151282  
UDIN : 23151282BGVXSM1496

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of my report of even date)

### (i) In respect of its fixed assets:

a. (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant & Equipment.

(B) According to the information and explanations given to us and on the basis of my examination of the records of the Company, the Company does not possess any Intangible Assets. Hence, paragraph 3(i)(a)(B) of the Order is not applicable.

b. Majority of the assets have been physically verified by the management according to a program designed to cover substantial items, which in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the fixed assets during the year, no material discrepancies between the book records and physical inventory were noticed on such verification.

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c. According to the information and explanations given to me and on the basis of my examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

d. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

e. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

### (ii) In respect of its Inventories:

a. As explained to me, inventory has been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable and no discrepancies were noticed.

b. According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not taken any working capital loans during any point of time of the year from banks or financial institutions. Hence, paragraph 3(ii)(b) of the Order is not applicable.

### (iii) In respect of Loans and Advances:

a. During the year the Company has not provided security or guarantee to companies, firms, Limited Liability Partnerships or any other parties. Further, during the year the Company has provided loans, and advances in the nature of loans as follows :



(Rs. in Thousands)

Particulars	Loans	Advances in the nature of Loan
<b>Aggregate amount provided during the year</b>		
- Subsidiaries	-	-
- Joint Venture	-	-
- Associate	-	-
- Others	1,885.64	-
<b>Balance outstanding as at Balance sheet date</b>		
- Subsidiaries	-	-
- Joint Venture	-	-
- Associate	-	-
- Others (including fellow subsidiary)	53,351.51	8.86

- b. During the year the Company has not provided security, however loan and advances granted in the nature of loan to companies, firms, Limited Liabilities Partnership or any other parties, further, during the year the investments made and guarantees provided to companies are not prejudicial to the Company's interest.
- c. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, as per the terms of loan, schedule of repayment of principal and payment of interest is not stipulated and hence we are unable to make specific comment on the regularity of repayment of principal and payment of interest amount in such cases.
- d. There is no overdue amount in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act, in accordance with the terms and conditions on which the loan has been granted.
- e. During the year no loans or advances in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f. Company has granted loan and advances in nature of loans whose agreement does not specify any terms or period of repayment, details of such loans are as follows:

(Rs. In Thousands)

Particulars	All Parties	Promoters	Related Parties
<b>Aggregate amount of loans/advances in nature of loans</b>			
- Repayable on Demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	47,973.37	-	47,973.37
<b>Total (A+B)</b>	47,973.37	-	47,973.37
Percentage of loans/advances in nature of loans to the total loans	-	-	100%



- (iv) In my opinion and according to the information and explanations given to me, the Company has prima facie complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In my opinion and according to the information and explanations given to me, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company. According to the information and explanations given to me, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any of the products of the Company.

**(vii) In respect of statutory dues:**

- a. According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to me, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.
- b. The disputed Statutory dues aggregating to Rs. 4,737.08 thousands that have not been deposited on account of disputed statutory matters pending before appropriate authorities are as under:

**(Rs. in Thousands)**

Name of the statute	Nature of dues	Amount under dispute not yet deposited As on 31.03.2023 (in Rs.)	Periods to which the amount Relates	Forum where the dispute is pending
Value Added Tax(Gujarat)	Value Added Tax including Penalty & interest as applicable.	2,197.32	FY 2008-09	Gujarat Value Added Tax Tribunal
Value Added Tax(Gujarat)	Value Added Tax including Penalty & interest as applicable.	2,539.76	FY 2009-10	Gujarat Value Added Tax Tribunal
<b>Total</b>		<b>4,737.08</b>		



- (iv) In my opinion and according to the information and explanations given to me, the Company has prima facie complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In my opinion and according to the information and explanations given to me, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company. According to the information and explanations given to me, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any of the products of the Company.

**(vii) In respect of statutory dues:**

- a. According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to me, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.
- b. The disputed Statutory dues aggregating to Rs. 4,737.08 thousands that have not been deposited on account of disputed statutory matters pending before appropriate authorities are as under:

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	<b>Total</b>	<b>4,737.08</b>		



- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- d. On an overall examination of the financial statements of the Company, no funds raised on short term basis have been used for long term purpose by the company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) a. The Company did not raise any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.
- b. The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a. Based on the audit procedures performed and representation obtained from management I report that, no case of material fraud by the Company or on the Company by its officers or employee has been noticed or reported during the year under audit.
- b. During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a)(b)(c) of the Order are not applicable to the Company.



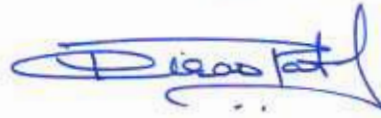
- (xiii) According to the information and explanations given to us and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) In my opinion and based on my examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (xv) According to the information and explanations given to us and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) a. The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- b. The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- d. According to the information and explanation given to us by the management, the company is not required to be registered with Reserve Bank of India.
- (xvii) The Company has not incurred any cash losses during the year and immediate preceding previous year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) The provision of Section 135 of the Companies Act, 2013 about the Corporate Social Responsibility (CSR) is not applicable to the Company. Thus the paragraph 3 (xx) of the Order is not applicable.

(xxi) As the company has presented its standalone financial statement including joint venture blocks since there is no unfavorable or qualified opinion given by any of the auditor of producing as well as non producing joint venture blocks accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company

**For, Nirav A Patel & Associates**  
Chartered Accountants  
(Firm Regn No: 135076W)



Place of Signature: Ahmedabad  
Date : 25/05/2023

**Nirav Patel**  
Proprietor  
Membership No: 151282  
UDIN: 23151282BGVXSM1496

## ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of **GNRL OIL & GAS LIMITED (Incorporated in the Commonwealth of Bahamas)** ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

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

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



I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Nirav A Patel & Associates**  
Chartered Accountants  
(Firm Regn No: 135076W)



Place of Signature: Ahmedabad  
Date : 25/05/2023

**Nirav Patel**  
Proprietor  
Membership No: 151282  
UDIN : 23151282BGVXSM1496

**GNRL OIL & GAS LIMITED**  
(Incorporated in the Commonwealth of the Bahamas with Limited Liability)  
**BALANCE SHEET AS AT 31<sup>st</sup> March, 2023**

Particulars	Note	As at 31 <sup>st</sup> March, 2023 ₹	As at 31 <sup>st</sup> March, 2022 ₹
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1.99	1.99
Reserves and Surplus	3	24,369.12	42,778.24
<b>Non Current Liabilities</b>			
Long Term Borrowings	4	8,12,865.43	7,10,844.35
Deferred Tax Liabilities (Net)	5	30,284.50	25,642.91
Other Long Term Liabilities	6	1,000.00	2,791.01
<b>Current Liabilities</b>			
Short Term Borrowings	7	38,314.87	38,146.59
Trade payables	8	38,855.94	18,802.82
Other Current Liabilities	9	2,654.68	2,549.90
Short Term provisions	10	5,892.76	1,473.56
<b>TOTAL</b>		<b>9,54,239.29</b>	<b>8,43,031.38</b>
<b><u>ASSETS</u></b>			
<b>Non-Currents Assets</b>			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	11	3,44,204.55	2,47,528.42
Capital Work in Progress	12	3,92,050.58	3,86,610.23
Long Term Loans & Advances	13	47,045.89	47,045.89
Other Non-Current Assets	14	10,974.00	10,689.31
<b>Current Assets</b>			
Inventories	15	39,193.62	32,304.74
Trade Receivables	16	14,585.58	64,507.82
Cash & Cash Equivalent	17	58,339.62	45,621.94
Short Term Loan and Advances	18	6,314.48	4,474.86
Other Current Assets	19	41,530.97	4,248.18
<b>TOTAL</b>		<b>9,54,239.29</b>	<b>8,43,031.38</b>
Notes forming part of Financial Statements	1 to 38		

As per my Independent Audit Report of even date attached

For, Nirav A Patel & Associates,  
Chartered Accountants  
(Firm Regn.No. 135076W)



NIRAV PATEL  
PROPRIETOR  
MEMBERSHIP NO. 151282

Date : 25/05/2023  
Place : Ahmedabad

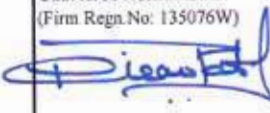


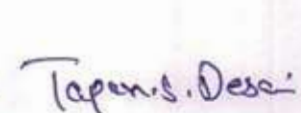
For and on behalf of Board of Directors





*Pranav Kapadia Tapan S. Desai*

(PRANAV KAPADIA)  
DIRECTOR  
(DIN: 00220246)

(TAPAN DESAI)  
DIRECTOR  
(DIN: 00283938)

Date : 25/05/2023  
Place : Ahmedabad

<b>GNRL OIL &amp; GAS LIMITED</b> (Incorporated in the Commonwealth of the Bahamas with Limited Liability) <b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> March, 2023</b>			
Particulars	Note	For the period ended 31 <sup>st</sup> March, 2023 ₹	For the period ended 31 <sup>st</sup> March, 2022 ₹
<b><u>INCOME</u></b>			
Revenue from Operations	21	1,33,087.40	88,582.23
Other Income	22	3,114.47	2,748.39
<b>Total Income</b>		<b>1,36,201.87</b>	<b>91,330.62</b>
<b><u>EXPENDITURE</u></b>			
Changes in Inventories of finished goods	23	67.54	(709.71)
Employee Benefits Expenses	24	26,724.81	19,358.04
Finance Costs	25	2,230.46	2,143.09
Depreciation, Depletion and Amortization	11	30,685.00	33,593.28
Other expenses	26	90,261.59	68,286.33
<b>Total Expenditure</b>		<b>1,49,969.40</b>	<b>1,22,671.04</b>
<b>Profit/ (Loss) Before Extraordinary Items</b>		<b>(13,767.53)</b>	<b>(31,340.41)</b>
<b>Extraordinary Items</b>		-	-
<b>Profit/ (Loss) After Extraordinary Items</b>		<b>(13,767.53)</b>	<b>(31,340.41)</b>
<b><u>TAX EXPENSES</u></b>			
Current Tax		-	-
Deferred Tax		4,641.59	(3,104.26)
(Excess) Short provision of Income Tax		-	-
<b>PROFIT/ (LOSS) FOR THE YEAR</b>		<b>(18,409.12)</b>	<b>(28,236.15)</b>
Earning Per Share - Basic/ Diluted (Face value \$ 1 per Share)	29	(3,68,182.32)	(5,64,727.20)
Notes forming part of Financial Statements	1 to 38.		
As per my Independent Audit Report of even date attached			
For, Nirav A Patel & Associates, Chartered Accountants (Firm Regn.No: 135076W)		For and on behalf of Board of Directors	
 <b>NIRAV PATEL</b> PROPRIETOR MEMBERSHIP NO: 151282		 <b>(PRANAV KAPADIA)</b> DIRECTOR (DIN: 00220246)	
		 <b>(TAPAN DESAI)</b> DIRECTOR (DIN: 00283938)	
Date: 25/05/2023 Place: Ahmedabad		Date: 25/05/2023 Place: Ahmedabad	

<b>GNRL OIL &amp; GAS LIMITED</b> (Incorporated in the Commonwealth of the Bahamas with Limited Liability) <b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022</b>		
Particulars	Year Ended 31 <sup>st</sup> March, 2023 ₹	Year Ended 31 <sup>st</sup> March, 2022 ₹
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period	(18,409.12)	(28,236.15)
Add : Income Tax	-	-
Deferred Tax	4,641.59	(3,104.26)
	(13,767.53)	(31,340.91)
Add : Depreciation, Depletion and Amortization	30,685.00	33,593.28
Financial Cost	2,230.46	2,143.09
Sundry Assets Written Off	721.94	-
	19,869.87	4,395.46
Less : Interest / Dividend Income	(2,357.38)	(2,531.50)
Changes in Liabilities due to Joint Venture	(2,291.01)	(19,247.07)
Changes in Liability due to Security Deposits	500.00	-
Add / Less : Working Capital Adjustments		
(Increase)/ Decrease in Current Assets	3,891.92	(30,738.64)
Increase / (Decrease) in Current Liabilities	24,577.09	5,733.42
	26,178.01	(44,252.29)
Less : Direct Tax Paid	909.66	(699.29)
Net Cash Flow from Operating Activities (A)	45,100.16	(43,087.13)
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Assets / CWIP including Joint Ventures (Net)	(1,33,523.43)	(10,672.34)
Security Deposit	(1,194.36)	(604.03)
Interest / Dividend Income	2,357.38	2,531.50
Net Cash Flow from Investing Activities (B)	(1,32,360.39)	(8,744.86)
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Secured/Unsecured Loans	1,02,021.08	46,942.10
Proceeds from Short term borrowing	168.28	(64.08)
Interest & Financing Charges Paid	(2,230.46)	(2,143.09)
Net Cash Flow from Financing Activities (C)	99,958.90	44,734.93
Net Increase/ (Decrease) in Cash and Cash equivalents (A+B+C)	12,698.67	(7,097.06)
Cash and Cash equivalents at the Beginning of the Year		
Cash on hand	17.00	4.28
Bank Balances	1,817.10	8,926.86
	1,834.09	8,931.15
Cash and Cash equivalents at the End of the Year		
Cash on hand	12.05	17.00
Bank Balances	14,520.70	1,817.10
	14,532.76	1,834.09
As per my Independent Audit Report of even date attached		
For, Nirav A Patel & Associates, Chartered Accountants (Firm Regn.No: 135076W)	For and on behalf of Board of Directors	
 <b>NIRAV PATEL</b> PROPRIETOR MEMBERSHIP NO: 151282 Date: 25/05/2023 Place: Ahmedabad	 <b>(PRANAV KAPADIA)</b> DIRECTOR (DIN: 00220246)	
	 <b>(TAPAN DESAI)</b> DIRECTOR (DIN: 00283938)	

**GNRL OIL & GAS LIMITED**  
(Incorporated in the Commonwealth of the Bahamas with Limited Liability)

**1. DESCRIPTION OF THE BUSINESS**

GNRL Oil & Gas Limited (the "Company") has a Indian Project Office Heramec Limited -IPO and the IPO is registered at Ahmedabad, India. The IPO has Exploration and production interest in Oil and Gas business and has entered into unincorporated joint ventures for development and production of hydrocarbons in India.

**SIGNIFICANT ACCOUNTING POLICIES**

**1) Basis of Preparation of Financial Statements**

The Financial Statements are prepared under the historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014, relevant provisions of Companies Act, 2013 "the 2013 Act", as applicable, and the guidance note issued by The Institute of Chartered Accountants of India for Oil and Gas Producing Activities and the practices prevalent in the industry in India. All income and expenditures having material bearing on the financial statements are recognized on accrual basis. Accounting Policies not specifically referred to otherwise are consistent with those used in the previous year. In applying the accounting policies consideration has been given to Prudence, Substance over Form and Materiality.

The Company is Wholly owned subsidiary of Gujarat Natural Resources Limited, a listed entity on Bombay Stock Exchange (Step up Holding Company). The said step up Holding Company is covered under the mandatory provisions of preparing Financial Statements in accordance with Indian Accounting Standards (Ind AS), as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

Further, in view of Management, as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of Companies Act, 2013 (the 'Act') as the Company is Overseas Subsidiary of Step up Holding Company, it is following under the relief that an overseas subsidiary of an Indian company is not required to prepare its stand-alone financial statements as per the Ind AS. Hence these financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014, relevant provisions of Companies Act, 2013 "the 2013 Act".

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

**2) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting policy requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues & expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of the financial statements. Differences between actual results and estimates are recognized in the periods in which the results are known/ materialize.

**3) Fixed Assets**

Fixed Assets other than producing properties are stated at cost of acquisition or construction less accumulated depreciation and impairment loss if any, including attributable interest and financial costs till such assets are ready for its intended use.

**4) Depreciation & Depletion**

4.1. Depreciation is provided on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

4.2 No depreciation/ depletion has been provided in the accounts of the Joint Ventures. However the depreciation/ depletion has been provided for by the Company in respect of its participating interest.



The depletion on producing properties has been calculated and provided, using the unit of production method as described in the Guidance Note on Accounting for Oil and Gas Producing Activities issued by ICAI, in proportion of oil and gas production achieved vis a vis the proved and probable reserves considering the estimated future expenditure (reviewed & revised) and other costs to be incurred on developing the reserves. Para 50 of the guidance note on Accounting for Oil and Gas producing activities under full cost method states that "Proved Oil and Gas" reserves for calculating depletion comprise developed and undeveloped oil and gas reserves estimated at the end of the period as increased by the production during the period

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

#### 5) Inventories

Inventories of crude oil in Joint Ventures are valued as per Crude Off take and Sale Agreement (COSA).

#### 6) Revenue Recognition

6.1. Company's share of Revenue from Joint Ventures is considered on the basis of Accounts submitted by Joint Ventures.

6.2. Sale of crude oil and gas produced from exploratory wells in progress is adjusted against expenditure incurred on such wells.

6.3. Profit Petroleum paid to MoPNG is subject to the approval of Director General of Hydrocarbon (DGH) and difference, if any, is accounted for in the period of settlement of such differences.

#### 7) Accounting for Oil and Gas Joint Ventures

The company follows Full Cost Method for accounting for its oil and gas activity and all costs incurred in prospecting, acquisition, exploration and development of blocks are accumulated considering the country as a cost center. However as a matter of policy, the company is writing off the balance of entire cost of the block which is permanently abandoned, in the year of abandonment. All Oil and Gas Joint Ventures are in the nature of Jointly Controlled Assets. Accordingly the financial statements of the Company reflect its share of assets, liabilities, income and expenditure of the Joint Venture operations which are accounted on the basis of available information on line by line basis with similar items in the Company's accounts to the extent of the participating interest of the Company and also as per the various joint venture agreements except in cases of abandonment, impairment, depletion and depreciation which are accounted as per the accounting policies of the Company.

The financial statements of the unincorporated joint ventures are prepared by the respective Operators in accordance with the requirements prescribed by the respective Production Sharing Contracts of the unincorporated joint ventures. Hence, certain adjustments/disclosures required under the mandatory Accounting Standards and the Companies Act, 1956 have been made in the financial statements of the Company only to the extent of information available with the Company. Such information may pertain to foreign exchange differences and details relating to fixed assets of respective unincorporated Joint Ventures, information relating to micro, small and medium enterprises, particulars of expenditure in foreign currency, particulars of earnings in foreign currency, particulars of CIF value of imports, transactions with related parties, details of leases, details of commitments and contingencies and information relating to consumption of stores and spares, capital stock and drilling tangibles.

#### 8) Income Tax and Deferred Tax

Tax Expense comprises of Current Tax and Deferred Tax. Provision for Current Tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment years after consideration of the applicable provisions of the Income Tax Act, 1961 including benefits, allowances and deductions admissible under the said Act.

Deferred tax is recognized subject to consideration of prudence in respect of deferred tax assets, on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or subsequently enacted up to balance sheet date. Deferred tax assets are reviewed at each balance sheet date to assets realization.

The Deferred Tax Asset is recognized and carried forward only to the extent that there is a virtual certainty of its realization supported by convincing evidence



**9) Foreign Currency Transactions**

9.1. All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

9.2. Monetary items denominated in foreign currency at the year end are restated at the rate of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is recognized in the profit and loss account during the year.

**10) Impairment**

As provided in the Guidance Note on Accounting for Oil & Gas Producing Activities, for the purpose of AS 28 on Impairment of Assets, each cost center used for depreciation / depletion purpose is treated as a Cash Generating Unit. An asset is considered as impaired in accordance with AS-28 when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and the value in use). In assessing the value in use, the estimated future cash flow expected from the continuing use of the asset and its ultimate disposal are discounted to their present value using a predetermined discount rate. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the profit and loss account.

**11) Earnings per share**

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity share holders of the company by the weighted average number of equity shares issued during the year. Diluted earnings per share is calculated by dividing net profit attributable to equity share holders (after adjustment for diluted earnings) by weighted average no. of equity shares outstanding during the year.

**12) Employee Benefits**

Gratuity and Leave Encashment liability which arises through companies share in unincorporated Joint Ventures, is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Gratuity scheme is maintained and administered by an insurer to which the trustees make periodic contributions. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation made at the end of each financial year. The actuarial valuation is done on projected unit credit method.

**13) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical valuation and past experience. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. No provision is recognized for liabilities whose future outcome cannot be ascertained with reasonable certainties. Such contingent liabilities are not recognized but are disclosed in the notes to the financial statements. Contingent liability is disclosed for (i) possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) present obligation arising from past events where it is not probable that an out flow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.

**14) Cash flow statements**

The Cash Flow statement is prepared by the "indirect method" set out in Accounting Standard 3 on "Cash Flow Statements" and presents the cash flow by operating, investing and financial activities of the company.

Cash and cash equivalents presented in the cash flow statements consist of cash on hand and demand deposit with banks.



2. SHARE CAPITAL.

Particulars	As at 31 <sup>st</sup> March, 2023 ₹	As at 31 <sup>st</sup> March, 2022 ₹
<b>Authorised Share Capital:</b> 50,00,000 equity shares of ₹1 each (P.Y. 50,00,000 equity shares of ₹1 each)	1,97,350.00	1,97,350.00
<b>Issued, Subscribed and Paid up share Capital:</b> 50 equity shares of ₹1 each (P.Y. 50 equity shares of ₹1 each)	1.99	1.99
<b>TOTAL</b>	<b>1.99</b>	<b>1.99</b>

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

EQUITY SHARE	2022-23		2021-22	
	No. of Shares	In ₹	No. of Shares	In ₹
At the beginning of the period	50	1.99	50	1.99
<b>Outstanding at the end of the period</b>	<b>50</b>	<b>1.99</b>	<b>50</b>	<b>1.99</b>

GNRL Oil & Gas (I) Private Limited holds 100% shares of the company.  
Details of share holders holding more than 5% share in the company

Name of Shareholders	2022-23		2021-22	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of ₹1 each fully paid GNRL Oil & Gas (I) Private Limited	50	100%	50	100%

**Terms /Rights attached to equity shares.**

The company has only one class of equity shares having a face value of ₹1 per share. Each holder of equity shares is entitled to one vote per share.

In the events of liquidation of the company, the holders of equity shares will be entitled to remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportions to the number of equity share held by the shareholders.

**Details of Shareholding of Promoters at the end of the year**

Shares held by Promoter at the end of the year				% change during the year
SN	Promoter Name	No. of Shares	% of Total Shares	
1	GNRL Oil & Gas (I) Private Limited	50	100%	Nil



### 3. Reserves And Surplus

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Capital Reserve	20,109.55	20,109.55
Securities Premium	81,998.11	81,998.11
Surplus/ (Deficit) in the Statement of Profit & Loss		
Balance as per last Balance Sheet	(59,329.41)	(31,093.05)
Add : Profit/ (Loss) for the Year	(18,409.12)	(28,236.36)
	(77,738.53)	(59,329.41)
Less : Appropriations		
Adjustment relating to Fixed Assets	-	-
Interim dividend (Interim dividends to be distributed to equity shareholders ₹ Nil/- per share) (in P.Y. ₹ Nil/- per share)	-	-
Net Surplus/ (Deficit) in the Statement of Profit & Loss	(77,738.53)	(59,329.41)
<b>TOTAL</b>	<b>24,369.12</b>	<b>42,778.24</b>

### 4. Long Term Borrowings

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Secured Borrowings		
HDFC Bank Car Loan (Refer Note No 4.1)	537.49	1,288.91
Unsecured Borrowings*		
Loans and Advances from Related Parties (Refer Note No 28)		
Heramec Oil & Gas (Singapore) Pte Ltd.	2,51,411.37	2,51,411.37
Gorlas Global Energy Pte	10,819.66	10,819.66
GNRL Oil & Gas (I) Pvt Ltd.	5,50,096.92	4,47,324.42
<b>TOTAL</b>	<b>8,12,865.43</b>	<b>7,10,844.35</b>

4.1 Maturity Profile and Rate of Interest on Secured Loan		
Particulars	Upto 1 year	
	1 to 5 years	
HDFC Bank Car Loan-Rate of interest @ 8.5%p.a. (Outstanding No. of Installments is 20 and Balance as on 31st March, 2023 is ₹ 1,288.91 thousands)	751.42	537.49
<b>Total</b>	<b>751.42</b>	<b>537.49</b>

\*The company has taken Inter Corporate Deposit (ICD) as unsecured loans at the interest rate of 0% to 24% p.a. on terms and conditions as agreed between management and parties. The repayment schedule for the same is not fixed and the amount is repaid depending on the liquidity and financial condition of the company. Accordingly, management is of the view that these loans are generally repayable after a period of 12 months.



5. Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
<b>Deferred Tax Liabilities</b>		
On excess of WDV as per Books over WDV as per IT	30,304.45	25,650.42
Others	-	-
<b>Total (A)</b>	<b>30,304.45</b>	<b>25,650.42</b>
<b>Deferred Tax Assets</b>		
On excess of WDV as per Books over WDV as per IT	-	-
Others	19.96	7.51
<b>Total (B)</b>	<b>19.96</b>	<b>7.51</b>
<b>Net Deferred Tax Liability (A-B)</b>	<b>30,284.50</b>	<b>25,642.91</b>

6. Other Long Term Liabilities

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
<b>Others</b>		
Security Deposit	1,000.00	500.00
From Joint Ventures	-	2,291.01
<b>TOTAL</b>	<b>1,000.00</b>	<b>2,791.01</b>

7. Short Term Borrowings

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
<b>Secured</b>		
HDFC Bank Car Loan (Refer Note No. 4.1)	751.42	690.40
IDBI Bank-OD (Refer Note No. 7.1)	37,563.45	37,456.19
<b>TOTAL</b>	<b>38,314.87</b>	<b>38,146.59</b>

7.1 The Company has taken Overdraft Facility from IDBI Bank against the lien of Fixed Deposit of Rs. 42,000 thousands.



8. Trade Payables

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Trade payables (Refer Note No 8.1)		
Trade Payables		
(a) Total outstanding dues of micro enterprise and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprise and small	38,855.94	18,802.82
<b>TOTAL</b>	<b>38,855.94</b>	<b>18,802.82</b>

8.1 The company has not received any Memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprise Development Act, 2006) claiming their status as micro, small and medium enterprise as on the Balance Sheet date. Consequently, the amount payable to micro, small and medium enterprises during the year is ₹ Nil (Previous year ₹ Nil).

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	35,917.72	779.21	1,366.02	792.99	38,855.94
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

9. Other Current Liabilities

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Other Payables		
Statutory Dues*	2,111.74	1,769.28
Others	542.94	780.63
<b>TOTAL</b>	<b>2,654.68</b>	<b>2,549.90</b>

\*It includes TDS payables and Duties & Taxes of Fields

10. Short Term Provisions

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Others		
Provision from Joint Ventures	5,620.96	1,210.76
Provision for Expenses	271.80	262.80
<b>TOTAL</b>	<b>5,892.76</b>	<b>1,473.56</b>



Note Forming Part of Financial Statements

Note - 11 : TANGIBLE FIXED ASSETS

Particulars	Building	Plant & Equipment	Producing Properties	Furniture & Fixtures	Vehicles	Office equipments	Computers	Air Conditioner	Cell phone instruments	Total
<b>Cost of assets</b>										
At 31 March 2021	3,592.19	16,207.94	6,34,325.29	1,095.14	4,317.48	357.59	1,602.57	578.14	633.58	6,62,709.94
Additions	-	35.12	5,490.05	41.82	-	.01	109.27	-	-	5,676.28
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	3,592.19	16,243.06	6,39,815.35	1,136.97	4,317.48	357.59	1,711.84	578.14	633.58	6,68,386.21
Additions	-	1,664.61	1,26,293.78	-	-	-	124.69	-	-	1,28,083.08
Disposal / Adjustment	2.85	87.22	627.58	-	-	-	4.22	-	08	721.94
At 31 March 2023	3,589.34	17,870.45	7,65,481.55	1,136.97	4,317.48	357.59	1,832.31	578.14	633.50	7,95,747.35
<b>Depreciation/ Depletion</b>										
At 31 March 2021	1,281.23	12,158.85	3,68,387.77	903.10	1,870.51	341.69	1,397.76	323.94	599.47	3,87,264.31
Charge for the year	320.06	427.99	31,889.32	48.89	759.28	.00	103.39	43.90	.65	33,593.69
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	1,601.29	12,586.83	4,00,277.09	951.99	2,629.79	341.69	1,501.15	367.84	600.12	4,20,857.80
Charge for the year	206.03	466.70	29,491.39	33.82	403.90	.00	51.18	31.98	-	30,685.00
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	1,807.32	13,053.53	4,29,768.48	985.81	3,033.69	341.69	1,552.33	399.82	600.12	4,51,542.80
<b>Net Block</b>										
At 31 March 2021	2,310.96	4,049.09	2,65,937.53	192.04	2,446.97	15.90	204.81	254.21	34.12	2,75,445.63
At 31 March 2022	1,990.90	3,656.23	2,39,538.26	184.97	1,687.69	15.90	210.69	210.31	33.47	2,47,528.42
At 31 March 2023	1,782.02	4,766.92	3,35,713.07	151.16	1,283.79	15.90	279.97	178.33	33.39	3,44,204.55



12. Capital Work In Progress

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
Tangible		
Capital work in progress	3,92,050.58	3,86,610.23
<b>TOTAL</b>	<b>3,92,050.58</b>	<b>3,86,610.23</b>

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,01,977.32	667.27	200.18	2,89,205.80	3,92,050.58
Projects temporarily suspended	-	-	-	-	-

13. Long Term Loans & Advances

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
Unsecured considered good unless otherwise stated		
Loans and advances to related parties (Refer Note No 28)		
Gujarat Natural Resources Limited	20,453.51	20,453.51
Other Loans & Advances		
Others	26,592.38	26,592.38
<b>TOTAL</b>	<b>47,045.89</b>	<b>47,045.89</b>

14. Other Non-Current Assets

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
Security Deposits	4,245.53	3,051.18
Advance Income Tax (net of provision)	6,728.47	7,638.13
<b>TOTAL</b>	<b>10,974.00</b>	<b>10,689.31</b>

15. Inventories

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
At lower of Cost or Net Realizable Value		
As certified by management		
Finished Goods of Oil	1,146.68	1,214.22
Stores, Spares, Tools etc.	38,046.94	31,090.52
<b>TOTAL</b>	<b>39,193.62</b>	<b>32,304.74</b>



16. Trade Receivables

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Secured, considered good		
More than Six Months	-	450.00
Others	-	-
	-	450.00
Unsecured, considered good		
More than Six Months	-	-
Others	14,585.58	64,057.82
	14,585.58	64,057.82
<b>TOTAL</b>	<b>14,585.58</b>	<b>64,507.82</b>

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed-Considered Good	14,585.58	-	-	-	-	14,585.58
(ii) Undisputed-Considered Doubtful	-	-	-	-	-	-
(iii) Disputed-Considered Good	-	-	-	-	-	-
(iv) Disputed-Considered Doubtful	-	-	-	-	-	-

17. Cash & Cash Equivalent

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
<b>A Cash &amp; Cash Equivalent</b>		
Balance with Banks - in Current accounts	14,520.70	1,817.10
Cash on Hand	12.05	17.00
	14,532.76	1,834.09
<b>B Other Bank Balance</b>		
Term Deposits with Bank for the period of more than three months but less than twelve months	43,806.87	43,787.85
	43,806.87	43,787.85
<b>TOTAL (A+B)</b>	<b>58,339.62</b>	<b>45,621.94</b>

18. Short Term Loans & Advances

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	₹	₹
Unsecured considered good unless otherwise stated		
Loans & Advances to related parties (Refer Note No 28)		
Gorlas Corporate Holdings Limited	-	41.27
Alkur Petroo Overseas Ltd	918.63	918.63
Other Loans & Advances		
Others	5,387.00	3,501.36
Advances to Employees	8.86	13.61
<b>TOTAL</b>	<b>6,314.48</b>	<b>4,474.86</b>



#### 19. Other Current Assets

Particulars	As at 31st March, 2023 ₹	As at 31st March, 2022 ₹
Other Current Assets - Fields	40,847.85	3,590.93
Other Current Assets - HO	283.12	257.25
Balance with Government Authorities	400.00	400.00
<b>TOTAL</b>	<b>41,530.97</b>	<b>4,248.18</b>

#### 20. Contingent Liabilities

- 20.1 The Company has given Bank Guarantees given/agreed in favor of Director General of Hydrocarbon, (DGH) New Delhi, India and the same is outstanding as on March 31, 2023 amounting to USD 8.11 thousands equivalent to ₹ 6,66,444. (Previous year: USD 8.81 thousands equivalent to ₹ 6,66,444). This guarantee represents the share of GNRL Oil & Gas Limited in respect of the total estimated annual expenditure as per Approved Work Program in the contract area during the development phase of the existing discoveries. This bank guarantee represents the 30% share of Participating Interest (PI) of GNRL Oil & Gas Limited.
- 20.2 The Company has received notice from VAT department on 08/12/2014 for non payment of VAT on Sludge Sale for the FY 2008-09 and FY 2009-10. Total demand raised by the department is of ₹ 2,397 thousands and ₹ 2,740 thousands for FY 2008-09 and FY 2009-10 respectively (Including Interest and penalty). The Company has filed appeal before Gujarat Value Added Tax Tribunal, against demand raised and paid advance payment of ₹ 400 thousands for granting appeal and stay against the recovery of the outstanding demand as per the order of the Gujarat Value Added Tax Tribunal dated 13/02/2015. Further on the same matter, the stay was granted by the way of order dated 03/03/2015, and the matter has been referred to the first appellant authority and it will have the liberty to decide the matter independently.

#### Contingent Liabilities of Joint Venture Fields

- 20.3 During the financial year 2011-2012 discovery of oil in TS#8 (Tarapur South#8) of CB-ON/2 field has been regularized and shall be governed by provisions of PSC for North Kathana Joint Venture as per the regularization order received from the Director General of Hydrocarbons, Ministry of Petroleum & Natural Gas, Govt. of India dated 15th February 2012. Based on the said order, the company has recognized asset (NK#5) and corresponding income on the basis of its participating interest in North Kathana PSC. In view of the same, the Company has not considered any liability towards the operator of CB-ON/2 under the said regularization order while consolidating the Joint Venture accounts on a line by line basis.
- 20.4 **Capital Commitment**  
Estimated amount of contracts remaining to be executed on capital account and not provided for:
- |                                    |       |
|------------------------------------|-------|
| i) In respect of Company -         | ₹ Nil |
| ii) In respect of Joint Ventures - | ₹ Nil |



21. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2023 ₹	For the year ended 31st March, 2022 ₹
<b>Sales of Products</b>		
Sale of Gas - Joint Ventures (Refer Note No 27.4)	48,685.38	35,556.82
Sale of Oil - Joint Ventures (Refer Note No 27.4)	84,128.45	52,206.98
<b>Other Operating Income</b>		
Other Operating Income	273.57	192.89
PSC Overheads Recovery (Net)	-	625.55
<b>TOTAL</b>	<b>1,33,087.40</b>	<b>88,582.23</b>

22. OTHER INCOME

Particulars	For the year ended 31st March, 2023 ₹	For the period ended 31st March, 2022 ₹
<b>Interest Income</b>		
Interest on Deposits	2,357.38	2,531.50
	<b>2,357.38</b>	<b>2,531.50</b>
<b>Other Non Operating Income</b>		
Interest on IT refund	170.51	52.67
Sundry Balance Written Back	-	108.35
Foreign Exchange Gain (Net)	586.57	55.87
	<b>757.09</b>	<b>216.89</b>
<b>TOTAL</b>	<b>3,114.47</b>	<b>2,748.39</b>

23. CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	For the year ended 31st March, 2023 ₹	For the period ended 31st March, 2022 ₹
<b>Finished Goods</b>		
At lower of Cost or Net Realizable Value		
Closing stock of Oil	1,146.68	1,214.22
Opening stock of Oil	1,214.22	504.51
<b>TOTAL</b>	<b>67.54</b>	<b>(709.71)</b>



24. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2023 ₹	For the period ended 31st March, 2022 ₹
Salaries, Wages & Allowances	25,099.13	17,891.40
Contribution to Provident Fund and Other Funds	1,404.65	1,281.28
Staff Welfare Expenses	221.03	185.36
<b>TOTAL</b>	<b>26,724.81</b>	<b>19,358.04</b>

\* With respect to Gratuity & Leave Encashment, the Company has taken actuarial valuation report for the year ended 31st March, 2023.

\*\* Previous year's figures have been regrouped, rearranged and reclassified wherever necessary, so as to confirm with the figures of actuarial valuation report.

**IX Investment details:**

The funds are managed by LIC and LIC has not provided break up of planned assets by investment type for the year 2022-23.

**X Expected Employers contribution for the next financial year:**

For the gratuity which are funded, Company is expecting to contribute the amount which can mitigate future liability through its unincorporated Joint Ventures. The estimate of future salary increase, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market. The above information is certified by the actuary. Gratuity is administered through duly constituted and approved independent trusts, also through Group gratuity scheme with Life Insurance Corporation of India.



Particular	Gratuity (Funded)			Leave Encashment (Non-funded)		
	2022-23	2021-22	2020-21	2022-23	2021-22	2020-21
<b>I Change in obligation during the year ended 31st March, 2023</b>						
1 Liability at the beginning of the year	7,043.37	6,047.73	5,570.78	2,001.69	1,813.51	1,443.88
2 Interest cost	427.67	370.89	362.94	129.53	112.11	93.85
3 Current service cost	647.56	565.95	545.72	252.80	238.41	256.74
4 Past service cost	-	-	-	-	-	-
5 Benefit Paid	(332.56)	(269.82)	(493.70)	(726.84)	(620.96)	(199.01)
6 Actuarial (gain) / Losses	(284.57)	328.62	61.99	821.06	458.61	218.05
7 Liability at the end of the year	7,501.47	7,043.37	6,047.73	2,478.24	2,001.69	1,813.51
<b>II Change in assets during the year ended 31st March, 2023</b>						
1 Plan assets at the beginning of the year	8,017.82	7,591.89	7,317.96	-	-	-
2 Expected return of plan assets	517.25	487.83	501.92	-	-	-
3 Contributions	949.43	211.79	293.78	-	-	-
4 Benefit paid	(332.56)	(269.82)	(493.70)	-	-	-
6 Actuarial gain / (Loss)	23.98	(3.88)	(28.06)	-	-	-
7 Expenses deducted from fund	-	-	-	-	-	-
8 Plan assets at the end of the year	9,175.91	8,017.82	7,591.89	-	-	-
<b>III Actual return on plan assets</b>						
1 Expected return of plan assets	517.25	487.83	501.92	-	-	-
2 Actuarial gain / (loss)	23.98	(3.88)	(28.06)	-	-	-
3 Actual return on plan assets	541.23	483.95	473.86	-	-	-
<b>IV Net asset / (liability) recognized in the Balance Sheet as at 31st March, 2023</b>						
1 Liability at the end of the year	7,501.47	7,043.37	6,047.73	2,478.24	2,001.69	1,813.51
2 Plan assets at the end of the year	(9,175.91)	(8,017.82)	(7,591.89)	-	-	-
3 Unrecognised Past Service Cost	-	-	-	-	-	-
4 Amount recognized in the Balance Sheet Accrued (Asset)/Liability	(1,674.44)	(974.45)	(1,544.17)	2,478.24	2,001.69	1,813.51
<b>V Expenses recognized in the Statement of Profit &amp; Loss account for the year ended 31st March, 2023</b>						
1 Current service cost	647.56	565.95	545.72	252.80	238.41	256.74
2 Interest cost	427.67	370.89	362.94	129.53	112.11	93.85
3 Expected return on plan assets	(517.25)	(487.83)	(501.92)	-	-	-
4 Actuarial (gain) / Losses	(308.55)	332.50	90.06	821.06	458.61	218.05
5 Past service cost vested	-	-	-	-	-	-
6 Past service cost Unvested	-	-	-	-	-	-
7 Total expenses	249.44	781.51	496.80	1,203.39	809.14	568.64
<b>VI Balance Sheet reconciliation</b>						
1 Opening net liability / (asset)	(974.45)	(1,544.17)	(1,747.19)	2,001.69	1,813.51	1,443.88
2 Expenses as above	249.44	781.51	496.80	821.06	809.14	568.64
3 Employer contribution	949.43	211.79	293.78	-	-	-
4 Benefit paid directly by the Company	-	-	-	(726.84)	(620.96)	(199.01)
5 Amount recognized in the Balance Sheet	(1,674.44)	(974.45)	(1,544.17)	2,095.91	2,001.69	1,813.51
<b>VII Actuarial assumptions</b>						
1 Discount rate	7.45%	6.90%	6.40%	7.40%	6.90%	6.40%
2 Rate of return on plan assets	7.45%	6.90%	6.40%	0.00%	0.00%	0.00%
3 Salary Escalation	4.00%	4.00%	0.00%	4.00%	4.00%	0.00%
<b>VIII Amount for the current period is as under</b>						
<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Gratuity(Funded)</b>						
Defined Benefit obligation	7,501.47	7,043.37	6,047.73	2,095.91	2,001.69	1,813.51
Plan asset	9,175.91	8,017.82	7,591.89	-	-	-
Surplus/(deficit)	1,674.44	974.45	1,544.17	(2,095.91)	(2,001.69)	(1,813.51)
Experience adjustment on plan liability	25.07	(580.25)	119.91	936.38	253.86	308.67
Actuarial Loss / (Gain) due to change in Actuarial Assumption	(309.64)	(251.62)	181.90	(115.31)	204.75	53.17
Experience adjustment on plan assets	(23.98)	3.88	28.06	-	-	-



25. FINANCE COSTS

Particulars	For the year ended 31st March, 2023 ₹	For the period ended 31st March, 2022 ₹
Interest Expenses	2,162.73	2,139.04
Interest on late payment of TDS	67.73	-
Bank Guarantees Commission Charges	-	4.05
<b>TOTAL</b>	<b>2,230.46</b>	<b>2,143.09</b>

26. OTHER EXPENSES

Particulars	For the year ended 31st March, 2023 ₹	For the period ended 31st March, 2022 ₹
<b>Expenses related to Production Activities</b>		
<b>Operating Fields</b>		
Bottom Hole Studies	23.22	-
Cess	1,366.77	2,030.44
Crop Compensation	88.14	-
Compressor Charges	591.28	599.58
Consultancy Charges	158.67	34.00
Consumables	2,168.52	549.74
Dead Rent	118.56	68.50
Effluent Treatment Service	12.57	-
ETP Rental	194.81	-
Electricity Charges	-	19.27
Field Personnel Cost	5,122.01	4,473.13
Flow Assurance Services	3,716.71	1,087.66
GST	-	4,608.90
Handling & Processing	9,468.72	4,775.48
Health & Safety & Environment Exp	2,655.09	2,782.36
Land Lease Rentals	3,945.44	2,808.06
Mining Lease Application Fees	416.00	-
Power & Fuel Charges	1,848.48	1,259.43
Production Facility	-	82.50
Rent, Rates & Taxes	822.99	530.57
Repairs & Maintenance Expenses	4,815.11	2,153.82
Royalty	812.24	614.78
Sampling Charges	3.71	-
Scrapping Charges	814.67	744.63
Security Service Charges	3,281.24	2,032.30
Service & Utility Cost	522.48	809.38
Site Office Cost	765.71	513.41
Slick Line Services	437.31	84.18
SRP Installation	293.23	346.50
Subscription Charges	-	255.34
Technical Consultancy Charges	-	63.75
Testing & Stimulation (PE)	-	5,934.52
Transportation Charges – Crude	4,255.17	2,544.85
Workover	14,515.06	7,570.01
<b>Non-operating Fields</b>		
<b>North Balol</b>		
- Profit Petroleum to Government	5,773.90	2,349.19
- Others Expense	7,298.33	5,646.31
<b>TOTAL (A)</b>	<b>76,306.12</b>	<b>57,372.56</b>



<b>Administrative Expenses</b>		
Bank Charges	37.49	72.33
Donation	3.00	3.00
Electrical Charges	213.24	136.83
Insurance	1,867.25	1,681.70
Postage, Telegrams & Telephones	279.31	273.69
Printing & Stationery	66.54	55.88
Professional & Consultancy Charges	2,302.44	2,182.93
Rent, Rates & Taxes	4,623.14	3,483.89
General & Administrative Exp. (Field & HO)	34.61	-
Security Charges	-	517.82
Technical Consultancy Charges	722.86	-
Traveling & Conveyance	844.99	273.82
Vehicle running Expenses	620.30	575.66
Payment to Auditors		
As Auditor	150.00	150.00
Other Services	60.00	70.00
	210.00	220.00
Sundry Balance Written Off / Back (Net)	343.08	-
Other expenses	1,787.22	1,436.21
<b>TOTAL (B)</b>	<b>13,955.47</b>	<b>10,913.77</b>
<b>TOTAL (A+B)</b>	<b>90,261.59</b>	<b>68,286.33</b>



**27. Interest in Joint Ventures**

The Indian Project office's current producing and active Exploration & Development activities relate to the following Fields:

**AS AN OPERATOR (5 FIELDS)**

- v Allora Field
- v Dholasan Field
- v Kanawara Field
- v North Kathana Field
- v Unawa Field

**AS A NON OPERATOR (3 FIELDS)**

- v North Balol Field

The unincorporated joint ventures relating to the above mentioned Fields were set up under the respective Production Sharing Contracts (PSCs)

entered into with the Government of India. The details of the participating interest as on March 31, 2023 are set out below:

Sl.No	Field-Location Status	Joint Venture Partners	Participating Interest (%)
1	Dholasan Field Onshore Development (Refer Note 27.1)	GNRL Oil & Gas Limited (Formerly Heramec Limited) (Operator)	100
2	Kanawara Field Onshore Development	1. Gujarat State Petroleum Corporation Ltd. 2. GNRL Oil & Gas Limited (Formerly Heramec Limited)	70 30
3	North Kathana Field Onshore Development (Refer Note 27.1)	GNRL Oil & Gas Limited (Formerly Heramec Limited) (Operator)	100
4	Allora Field Onshore Development (Refer Note 27.1)	GNRL Oil & Gas Limited (Formerly Heramec Limited) (Operator)	100
5	Unawa Field Onshore Development (Refer Note 27.1)	1. GNRL Oil & Gas Limited (Formerly Heramec Limited)	100
6	North Balol Field Onshore Development	1. Gujarat State Petroleum Corporation Ltd. 2. GNRL Oil & Gas Limited (Formerly Heramec Limited) 3. Hindustan Oil Exploration Company Limited *(Operator)	45 30 25

27.1 In taking up its share of balances of assets, liabilities, income and expenditure from the unincorporated joint ventures as at March 31, 2023, GNRL Oil & Gas Limited has applied its participating interest in the respective PSCs as per the prevailing amended terms.

27.2 Of the above, 6 fields/ blocks are in production, namely Unawa, North Balol, Dholasan, North Kathana, Kanawara and Allora, Net quantity of Company's interest (on gross basis) in proved developed reserves, based on revised estimate of management is as follows:

Particulars	Proved Developed Reserves (Oil) (Million MT)	Proved Developed Reserves (Gas) (Million Cubic Meter)
Beginning of the Period	7.72	409.46
Recoverable Reserves	0.71892	229.203
Additions	-	-
Deletions	-	-
Production	0.00242	3.692
Closing Balance for the year ended on 31.03.2023	0.7165	225.511

The Company's share of reserve as on 30th June, 2008 has been considered on the basis of the "Reserve" certification provided by M/s. Gaffney, Cline & Associates.



27.3 The financial statements of the Company reflect its share of Assets, Liabilities, Income and Expenditure of the Joint Venture operations which are accounted on a line to line basis with similar items in the Company's accounts to the extent of participating interest of the company as per the various joint venture agreements, in compliance of AS-27. The income and expenditure from Joint Ventures are disclosed separately in the Statement of Profit and Loss. The summary of the Company's share in Assets & Liabilities of Joint Ventures are as follow:

PARTICULARS	AS AT	AS AT
	31st March 2023	31st March 2022
	₹	₹
Fixed Assets	21,38,348.01	20,17,374.46
Current Assets	7,68,895.74	9,26,320.22
Current Liabilities	1,97,401.75	2,37,504.24

The Statement of Profit and Loss of the Company includes its share in Profit or Loss pertaining to the respective Joint Ventures. The summary of Statement of Profit and Loss for the year ended 31st March 2023 and 31st March 2022 is given as under:

Particulars	2022-23		2021-22	
	Aggregate of all JVs	GNRL's Share	Aggregate of all JVs	GNRL's Share
<b>INCOME</b>				
Sale of Crude Oil	1,21,360.90	84,128.45	82,314.98	52,206.97
Sale of Gas	1,62,284.61	48,685.38	1,18,522.72	35,556.82
Increase/ (Decrease) in Inventories	22,733.94	6,356.25	(201.59)	(201.59)
Other Income	695.67	273.57	1,291.78	958.24
<b>Total</b>	<b>3,07,075.12</b>	<b>1,39,443.65</b>	<b>2,01,927.89</b>	<b>88,520.94</b>
<b>EXPENDITURE</b>				
Production and Administrative Expenses	1,89,002.27	1,03,851.58	1,50,895.57	80,287.46
<b>Total Expenditure before Depreciation</b>	<b>1,89,002.27</b>	<b>1,03,851.58</b>	<b>1,50,895.57</b>	<b>80,287.46</b>
<b>PROFIT BEFORE DEPRECIATION</b>	<b>1,18,072.85</b>	<b>35,592.07</b>	<b>51,032.33</b>	<b>8,233.48</b>



28. Related Party Transactions

a. Names of related parties and description of relationship :

(i)	Holding Company	GNRL Oil & Gas (I) Private Limited
(ii)	Step up Holding Company	Gujarat Natural Resources Limited
(iii)	Subsidiaries	Nil
(iv)	Fellow Subsidiaries	1. Gorlas Corporate Holdings Ltd (Isle of Man) 2. Heramec Oil and Gas (Singapore) Pte Limited. 3. Alkor Petro Overseas Limited
(v)	Subsidiary of Fellow subsidiary	Gorlas Global Energy PLC
(vi)	Key Management Personnel	1. Pranav Tejpal Kapadia 2. Tapan Sureshsinhji Desai

b. Transaction for the year ended March 31, 2023 :

Particulars	For the year ended 31st March, 2023 ₹	For the year ended 31st March, 2022 ₹
<b>Advances (Taken)/ Repaid</b>		
1. Holding Company	(1,02,772.50)	(47,632.50)
<b>Expenditure</b>		
1. Remuneration to KMP	11,859.80	9,446.50
<b>Outstanding balance as at the Year end</b>		
<b>1. Amounts Payable</b>		
a) Holding Company	5,50,096.92	4,47,324.42
b) Fellow Subsidiaries	2,51,411.37	2,51,411.37
c) Subsidiary of Fellow Subsidiary	10,819.66	10,819.66
<b>2. Amounts Receivable</b>		
a) Fellow Subsidiaries	918.63	959.89
b) Step up Holding Company	20,453.51	20,453.51

29. Earnings per Share

Particulars	For the year ended 31st March, 2023 ₹	For the period ended 31st March, 2022 ₹
Profit/(Loss) as per statement of Profit & Loss ( ₹ )	(18,409.12)	(28,236.15)
Weighted Average number of Equity Shares of ₹1 each outstanding upto the period	50	50
Earnings per share Basic and Diluted ( ₹ )	(3,68,182.32)	(5,64,727.20)



30. Expenditure in Foreign Currency

PARTICULARS	For the year ended 31st March, 2023 ₹	For the year ended 31st March, 2022 ₹
i) Consultancy Expenses	332.51	124.20
<b>TOTAL</b>	<b>332.51</b>	<b>124.20</b>

31.1. Sales Turnover

Description	Quantity	Value in ₹
Crude Oil (MBBLs)	11.55	84,128.45
	P.Y. 8.79	P.Y. 52,206.98
Natural Gas (MM3)	2,201.70	48,685.38
	P.Y. 2,857.50	P.Y. 35,556.82

31.2 Opening and Closing Stock of Goods Produced & Traded

Description	Quantity	Value in ₹
Opening Stock		
Crude Oil (MBBL)	1.04	1,214.22
	P.Y. 0.86	P.Y. 504.51
Closing Stock		
Crude Oil (MBBL)	1.24	1,146.68
	P.Y. 1.04	P.Y. 1,214.22

31.3 Actual Production

Description	Unit	Actual Production for the Year
Crude Oil	MBBLs*	12.48
		P.Y. 9.59
Natural Gas	MM3*	2,210.13
		P.Y. 2,865.95

- \* MM3 - Thousand Cubic Meter
- \* MBBL - Thousand Barrels



32. CIF Value of Imports

PARTICULARS	For the year ended	For the year ended
	31st March, 2023	31st March, 2022
	₹	₹
i) Raw Materials	-	-
ii) Components and Spare Parts	-	-
iii) Capital Goods	-	-
<b>TOTAL</b>	-	-

33. Earnings in Foreign Currency

PARTICULARS	For the year ended	For the year ended
	31st March, 2023	31st March, 2022
	₹	₹
i) Earnings in Foreign Currency	-	-
<b>TOTAL</b>	-	-

34. The Company has not remitted any amount in foreign currency on account of dividend to non-resident shareholder during the current year.

35. Segment Reporting

The Company operates in one business segment i.e. the exploration, development and production of oil and gas based on the nature of products, the risks and returns, the organization structure and the internal financial reporting systems and extraction in one geographical location.

36. The company has sent request letter for balance conformation to the trade receivable, trade payables and loans and advances parties. These balances as stated in the balance sheet, are subject to adjustment of differences, if any, on receipt such confirmations from the parties.

37. Previous year's figures have been regrouped, restated, rearranged and reclassified wherever necessary, so as to confirm with the figures of Current year.



**38. Other Statutory Information:**

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.  
 (ii) The Company do not have any transactions with companies struck off except shown below:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ in thousands)	Relationship with struck off company, if any, to be disclosed
Gorlas Corporate Holdings Ltd. (late of Man)	Loans and Advances to related parties	41.27	Fellow Subsidiary Company

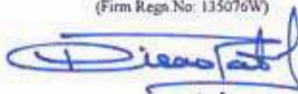
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.  
 (iv) There are no such title deeds of immovable property which are not held in the name of the company  
 (v) The company has not been declared wilful defaulter by any bank or any financial institution or other lender.  
 (vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.  
 (vii) During the year Company has not granted loan and advances in nature of loans repayable on demand & loans without specifying any terms or period.  
 (viii) The Company does not have any number of layers as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.  
 (ix) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
 (x) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
 (xi) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).  
 (xii) **Financial Ratios**

Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	1.87	2.48	(24.72)	N.A.
Debt-equity ratio	Total Debt	Shareholder's Equity	34.93	17.51	99.49	Due to increase in Long Term Borrowings during the year.
Debt service coverage ratio	Earnings available for debt service	Debt Service	2.76	0.78	254.73	Due to operating efficiency and increase in profitability.
Return on equity ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	(0.55)	(0.50)	10.48	N.A.
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	3.72	2.74	35.67	Due to increase in sales during the year.
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	3.36	1.88	78.57	Due to substantial increase in Sales and effective collection policy during the year.
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	-	-	-	N.A.
Net capital turnover ratio	Net Sales	Average Working Capital	1.62	1.08	49.46	Due to increase in sales during the year.
Net profit ratio	Net Profit	Net Sales	(0.14)	(0.32)	(56.92)	Due to increase in sales during the year.
Return on capital employed	Earning before interest and taxes	Capital Employed	(0.01)	(0.02)	(57.90)	Due to substantial increase in Capital Employed during the year.
Return on Investment	Change in Fair Value of Investments + Dividend	Investments	N.A.	N.A.	N.A.	N.A.

As per my Independent Audit Report of even date attached

For, Nirav A Patel & Associates,  
Chartered Accountants  
(Firm Regn.No: 135076W)

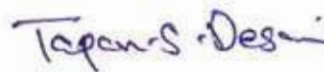
For and on behalf of Board of Directors



NIRAV PATEL  
PROPRIETOR  
MEMBERSHIP NO: 151282




(PRANAV KAPADIA)  
DIRECTOR  
(DIN: 00220246)



(TAPAN DESAI)  
DIRECTOR  
(DIN: 00283938)

Date: 25/05/2023  
Place: Ahmedabad

Date: 25/05/2023  
Place: Ahmedabad