



A JOINT VENTURE OF
INDIANOIL, HINDUSTAN PETROLEUM
& BHARAT PETROLEUM

IHB LIMITED

Surging ahead, Promising a better future...



2nd ANNUAL REPORT

2021



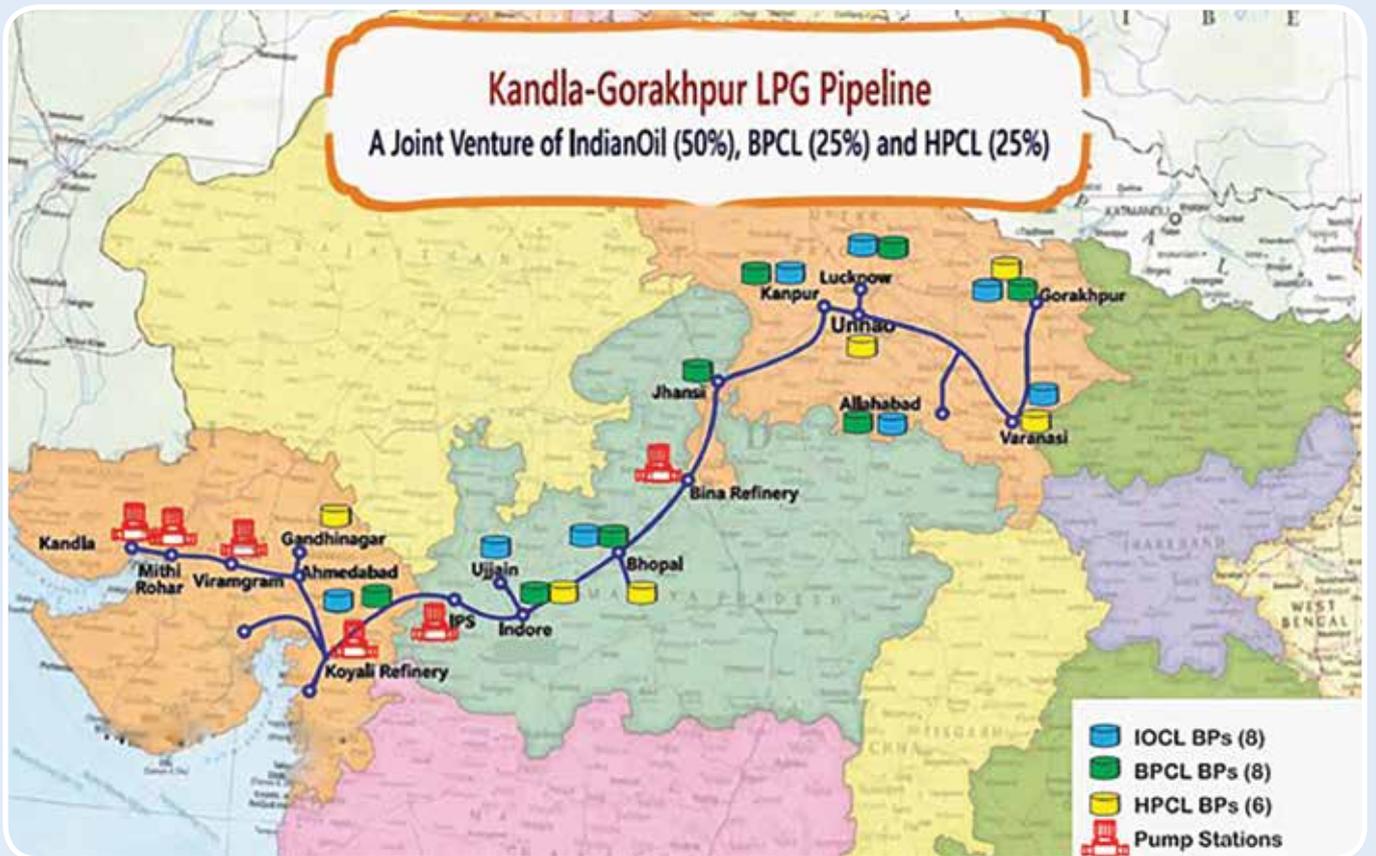
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Kandla-Gorakhpur LPG Pipeline

A Joint Venture of IndianOil (50%), BPCL (25%) & HPCL (25%)



Company Information

Name: **IHB Limited**
CIN: **U60230GJ2019PLC109127**

Registered Office

C/O Indian Oil Corporation Ltd, Sabarmati Terminal
Nr D' Cabin Sabarmati, Ahmedabad - 380019 Gujarat.

Head Office

6th Floor, IndianOil Bhavan, A-1, Udyog Marg, Sector-1,
Noida – 201301, Uttar Pradesh.

Website: www.ihbl.in | E-mail: info@ihbl.in | Phone: **0120-2448844; 2448888**

Board of Directors

Shri Govind Kottieth Satish
Chairman

Shri Dayanand Sadashiv Nanaware
Director

Shri Jayanthi Satya Prasad
Director

Shri Lakhpat Rai Jain
Director

Key Managerial Personnel

Shri Sanjay Kumar Jha
Chief Executive Officer

Shri Avinash Kansal
Chief Operating Officer

Shri Joseph Kurian
Chief Financial Officer

Ms. Pallavi Tripathi
Company Secretary

Bankers

State Bank of India | ICICI Bank

Statutory Auditors

M/s. Purushottam Khandelwal & Co.

Registrar and Transfer Agent

Alankit Assignments Limited

Unit: IHB Limited, Alankit Heights, 3E/7 Jhandewalan Extension, New Delhi - 110055,

Telephone: +91-11-42541234, 23541234 | Fax: +91-11-2355 2001

Email: info@alankit.com | Website: www.alankit.com



CHAIRMAN'S *Message*

On behalf of the Board of Directors of IHB Limited, it gives me immense pleasure to welcome you all at the 2nd Annual General Meeting of your Company.

The year 2020-21, which was the second year of existence of your Company, saw the beginning of realisation of the dream project, Kandla-Gorakhpur LPG Pipeline (the KGPL Project). Your Company has moved on the course of field implementation of the KGPL Project and is endeavouring to meet the timelines envisaged for the Project by the Government of India and the Promoter companies. The Kandla-Gorakhpur LPG pipeline is an instrument to deepen LPG penetration in the three States of Gujarat, Madhya Pradesh and Uttar Pradesh and would be a game changer in supply & distribution of LPG in the said three States. The KGPL Project, once commissioned, would bring huge relief to not only the pipeline users but also to the road and rail infrastructure in the three States.

The year 2020-21 started with the horrific outbreak of the COVID-19 pandemic in the country. However, despite the challenges, your Company recalibrated the implementation strategies and identified feasible project milestones, which could be taken up even with restrictions on movement of man & materials and physical interactions. Giving shape to the world's largest and most ambitious LPG pipeline project is no easy task, and it requires focussed attention and meticulous planning all the way. While the Project work till February 2020 was on track, onset of the pandemic thereafter slowed down activities, particularly those related to acquisition of Right of Way, obtaining statutory permissions & clearances, etc.

Due to the pandemic, countries all over the world were forced to close their borders and restrict movements and activities within, and India too was no exception to this. The stringent lockdown enforced in India in March 2020, which was subsequently extended till June 2020 to contain the virus and save human lives, brought all economic activities to a stand still. However, even under these challenging conditions, your Company remained resilient, doubling its efforts to put activities back on track and putting in best efforts to countervail the delay and reduce the impact caused by the pandemic on the Project.

It is my pleasure to inform you that during the year, your Company achieved financial closure of the Project and appointed IndianOil as the Engineering and Project Management Consultant for the Project. Your Company also obtained most of the statutory clearances and permissions for the Project by utilizing the online facilities available with various statutory authorities. Acquisition of Right of Way through notifications in the Govt. of India's Gazette was continued despite restricted access to the concerned Ministries and the Government Press. Your Company also placed all major purchase and work orders for the Project, and achieved financial commitment of more than 50% of the hard cost. The year also saw production of almost 50% of the mainline pipes in the mills, its transportation to field sites, and commencement of pipeline welding. Your Company successfully rolled out SAP and all financial and materials data have now migrated to SAP. For bringing transparency in the tendering procedures, your

Company got registered on the e-tender portals of National Informatics Centre and Government e-Marketplace. For bringing in transparent financial administration, your Company adopted its own Delegation of Power & Delegation of Authority and also approved permanent land acquisition procedures. These steps would for sure generate confidence among various stake holders of the Company about the business practices of the Company, besides the Company imbibing the culture of adopting best Corporate Governance practices from the formative years itself.

Let me take this opportunity to convey my sincere thanks and my deepest gratitude to the esteemed shareholders, my colleagues on the Board of IHB Limited and to all other stakeholders for their valuable and unstinted support, advice and cooperation as well as the trust placed in the Company, and we do look forward to the same in future too. Let me also thank the Ministry of Petroleum & Natural Gas, the Petroleum & Natural Gas Regulatory Board and various other Departments,

Statutory authorities and agencies of the Government of India and the State Governments of Gujarat, Madhya Pradesh and Uttar Pradesh for the whole-hearted co-operation and support extended by them to your Company at all times. Let me also place on record our sincere appreciation to all our vendors and service providers for their cooperation and diligence.

As I close, let me, on behalf of the entire Board of Directors, express sincere appreciation to all the employees of the Company for their exemplary contribution and hard work, which has contributed immensely in your Company delivering a successful year.

Best wishes

Sd-
Govind Kottieth Satish
Chairman

BOARD OF DIRECTORS



Shri Govind Kottieth Satish
Chairman

Shri Govind Kottieth Satish is the Director (Planning & Business Development) of Indian Oil Corporation Ltd. (IndianOil), India's flagship National Oil Company and one of the top Indian Corporate in the prestigious Fortune 'Global 500' listing of world's largest companies.

As the Director (Planning & Business Development), Shri Satish is in charge of IndianOil's Petrochemicals, Natural Gas, Exploration & Production, Alternate Energy & Sustainable Development, International Business and Explosives verticals, besides Corporate Planning.

A Graduate in Mechanical Engineering from the National Institute of Technology, Surat, and a Post-Graduate in Management from the Management Development Institute, Gurgaon, Shri Satish has over 38 years' experience in IndianOil in the areas of Marketing, Operations, Logistics, International Trade, Natural Gas, Petrochemicals, Exploration & Production, Alternate Energy and Human Resources.

Shri Satish is non-executive Chairman of Green Gas Ltd., which is engaged in City Gas Distribution (CGD) business in 4 Geographical Areas (GAs); IndianOil-Adani Gas Pvt. Ltd., which is engaged in CGD business in 19 GAs; IndianOil Total Pvt. Ltd., which is engaged in Bitumen Derivative business; IOT Biogas Pvt. Ltd., which is engaged in biofuel business. Besides, he is a Director on the Board of IndOil Montney Ltd., Canada, which is handling IndianOil's upstream business in Canada.

Shri Satish had earlier been the non-executive Chairman of IndianOil LNG Pvt. Ltd., which is operating an LNG Import Terminal near Chennai, besides having being IndianOil's nominee Director on the Boards of Petronet LNG Ltd., which operates the LNG Import Terminals at Kochi & Dahej; and GSPL India Gasnet Ltd. & GSPL India Transco Ltd., which are implementing cross-country natural gas pipelines in India.



Shri Dayanand Sadashiv Nanaware
Director

Shri Dayanand Sadashiv Nanaware is the Executive Director (Projects) of Indian Oil Corporation Limited. (IndianOil), India's flagship National Oil Company and one of the top Indian Corporates in the prestigious Fortune 'Global 500' listing of world's largest companies.

Shri Nanaware is a Mechanical engineer having more than 36 years' experience in construction, operations and maintenance of cross-country oil and gas pipelines. Before this he was heading Southern region Pipelines of IOCL covering Tamilnadu, Karnataka, Andhra Pradesh and Kerala. Shri Nanaware has an endearing experience in conceptualization of gas pipelines, offshore functions, operations & maintenance of large tank farms. During his tenure in the gas functions, IOCL for the first time ventured into submission of EOI and thereafter participation in PNGRB bidding process for natural gas pipelines of IndianOil. With the effort of team IOCL led by Shri Nanaware, IOCL was successful in obtaining PNGRB authorization for Ennore-Tuticorin GAS

Pipeline. Shri Nanaware also played a pivotal role in formation of JV companies GIGL and GITL and thereafter led the IOCL group in providing project management consultancy services to GIGL. He has also served as director on the Board of GIGL and GITL. Shri Nanaware is also Chairman of the Board of IGGL.



Shri Jayanthi Satya Prasad
Director

Shri Jayanthi Satya Prasad is the Executive Directors (Projects & Pipelines) of Hindustan Petroleum Corporation Limited. He is a Graduate, passed with distinction in Mechanical Engineering from Andhra University College of Engineering, Visakhapatnam, in the year 1983.

Shri Prasad has 37 years of experience in various executive positions of Hindustan Petroleum Corporation Ltd. His experience range includes Engineering, Construction, Maintenance & Operations of Marketing Terminals, LPG Installations and Cross country Pipelines. He has played a key role in expansion of HPCL's Pipeline network expansion to around 4000 Km. in last 20 years and possesses deep understanding of Pipeline Industry, PNGRB Regulatory frame work, execution & operations of cross country Pipeline Networks. As the ED-Projects & Pipelines in HPCL he is responsible for growth and safe operations of HPCL's Pipeline Business Unit.

Shri Prasad is also HPCL's nominated Board Member in its Joint Venture Companies PMHBL, GIGL and GITL.



Shri Lakhpat Rai Jain
Director

Shri Lakhpat Rai Jain is a Mechanical Engineer from BITS Pilani (1979-84 batch) and has also completed his Executive Management program from SPJIMR. Presently, he is heading Engineering and Projects (E&P) entity of BPCL's Marketing Division as Executive Director(E&P). E&P entity is the infrastructure developing arm of BPCL which caters to the SBU Infrastructural needs and executes capex to the tune of 12000 Cr. every year.

Prior to this posting he was heading Central Procurement Organizations of BPCL's Marketing Division as Executive Director (CPO) from January 2020 to February 2021. Responsible for procurement of about Rs. 8000 Cr. worth Non-Hydrocarbon Goods and services including Ethanol.

Shri L. R. Jain has a total work experience of more than 36 years consisting of about 11 years' experience in a variety of challenging assignments and leadership positions in BPCL's pipelines entity. He has vast experience in operating about 3000 K.M. pipeline network of BPCL

pipelines and executing pipeline projects. Further he has 5 years' experience in Retail POL Operations at senior management level, where he was responsible for Operations and Automation of 80 retail supply locations across the country. He played key role in coordinating implementation of MBLAL recommendations across the Retail SBU of BPCL.

He has rich project experience of about 19 years' in executing Oil Industry Marketing Projects viz. POL depots/ Terminals, Cryogenic Propane /Butane handling facilities, LPG Bottling plants, Aviation stations and cross country Pipelines. He has been involved in many grass root projects of BPCL, viz. first fully automated Aviation terminal of BPCL at Palam Airport, LPG Bottling plant at Piyala (largest plant of BPCL), Aviation station at Suratgarh and construction & commissioning of Mumbai-Manmad-Manglya Pipeline (600 k.m.), Coastal Terminal at Ennore and LPG Import terminal at Haldia.

NOTICE OF 2ND (SECOND) ANNUAL GENERAL MEETING

Notice is hereby given that the **2ND (Second) Annual General Meeting** of the Members of IHB Limited (hereinafter referred as "IHL") will be held on **Saturday, the 21st Day of August, 2021 at 1130 Hours through Video Conferencing** to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended on 31.3.2021 and the Report of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.
2. To authorize the Board of Directors to decide remuneration of the Statutory Auditors for the financial year 2021-22 in terms of the provisions of Section 142 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and to pass the following resolution, with or without modification, as an Ordinary Resolution:
"RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the remuneration of the Statutory Auditors as appointed by the Comptroller & Auditor General of India for the financial year 2021-22".

AS SPECIAL BUSINESS:

3. **Appointment of Shri Govind Kottieth Satish as Director:**

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT Shri Govind Kottieth Satish (DIN 06932170), who was appointed as an Additional Director under Section 161 of Companies Act 2013 with effect from 15.2.2021 and holds office up to the 2nd Annual General Meeting, be and hereby appointed as a Director of the Company, liable to retire by rotation."

4. **Appointment of Shri Dayanand Sadashiv Nanaware as Director:**

To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT Shri Dayanand Sadashiv Nanaware (DIN 07354849), who was appointed as an Additional Director under Section 161 of Companies Act 2013 with effect from 15.2.2021 and holds office up to the 2nd Annual General Meeting, be and hereby appointed as a Director of the Company, liable to retire by rotation".

BY ORDER OF THE BOARD OF DIRECTORS

Date: 30.7.2021

Place: Noida

Registered office:

C/O Indian Oil Corporation Ltd,
Sabarmati Terminal Nr D' Cabin Sabarmati,
Ahmedabad - 380019 Gujarat.

Sd/-
(Pallavi Tripathi)
Company Secretary

Note:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular dated 5.5.2020 read with Circulars dated 8.4.2020, 13.4.2020 and 13.1.2021 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and in compliance with the provisions of the Companies Act, 2013 the 2nd AGM of the Company is being conducted through VC/OAVM Facility, without physical presence of members at a common venue. The deemed venue for the 2nd AGM shall be the Registered Office of the Company.
2. Attendance of members through Video Conferencing shall be counted for the purpose of quorum.
3. In line with the MCA Circulars, the Notice calling the AGM and Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2020-21 will also be made available on the Company’s website at www.ihbl.in.
4. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. Further in terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice. However, in pursuance of Section 112 and 113 of the Companies Act, 2013, representatives of the members may be appointed for the purpose of participation and voting in the meeting through Video Conferencing.
5. The facility for joining the meeting will open 15 minutes before the time scheduled to start the meeting i.e. 1115 hours and will not be closed till the expiry of 15 minutes after such scheduled time. Link for joining the meeting through video Conferencing/Other Audio Visual Mode for the AGM will be shared separately 48 hours prior to the meeting.
6. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, are requested to send the signed copy of the nomination letter in advance.
7. The participants attending the meeting through Video Conferencing are allowed to pose questions concurrently or they can submit their questions in advance at the Email address i.e. cs@ihbl.in.
8. During the meeting held through Video Conferencing, where a poll on any item is required, the members shall cast their vote on the resolutions only by sending emails through their registered email addresses which are registered with the Company. The said emails shall only be sent to the email address i.e. cs@ihbl.in.
9. The Chairman may decide to conduct a vote by show of hands unless a demand for poll is made by any member.
10. Since the AGM will be held through VC/OAVM, the route map is not annexed with the Notice.

BY ORDER OF THE BOARD OF DIRECTORS

Date: 30.7.2021
Place: Noida

Registered office:

C/O Indian Oil Corporation Ltd,
Sabarmati Terminal Nr D’ Cabin Sabarmati,
Ahmedabad - 380019 Gujarat.

Sd/-
(Pallavi Tripathi)
Company Secretary

EXPLANATORY STATEMENTS FOR THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

FOR ITEM NO. 3: APPOINTMENT OF SHRI GOVIND KOTTIETH SATISH AS DIRECTOR

Shri Govind Kottieth Satish was nominated as a non-executive Director on the Board of the Company by Indian Oil Corporation Limited (IOCL) vide their letter dated 4.2.2021. In terms Section 161(1) of the Companies Act, 2013, Board appointed Shri Govind Kottieth Satish as an Additional Director (Non-Executive) of the Company w.e.f. 15.2.2021.

BRIEF RESUME:

Shri Govind Kottieth Satish is the Director (Planning & Business Development) of Indian Oil Corporation Ltd. (IndianOil), India's flagship National Oil Company and one of the top Indian Corporate in the prestigious Fortune 'Global 500' listing of world's largest companies.

As the Director (Planning & Business Development), Shri Satish is in charge of IndianOil's Petrochemicals, Natural Gas, Exploration & Production, Alternate Energy & Sustainable Development, International Business and Explosives verticals, besides Corporate Planning.

A Graduate in Mechanical Engineering from the National Institute of Technology, Surat, and a Post-Graduate in Management from the Management Development Institute, Gurgaon, Shri Satish has over 38 years' experience in IndianOil in the areas of Marketing, Operations, Logistics, International Trade, Natural Gas, Petrochemicals, Exploration & Production, Alternate Energy and Human Resources.

Shri Satish is non-executive Chairman of Green Gas Ltd., which is engaged in City Gas Distribution (CGD) business in 4 Geographical Areas (GAs); IndianOil-Adani Gas Pvt. Ltd., which is engaged in CGD business in 19 GAs; IndianOil Total Pvt. Ltd., which is engaged in Bitumen Derivative business; IOT Biogas Pvt. Ltd., which is engaged in biofuel business. Besides, he is a Director on the Board of IndOil Montney Ltd., Canada, which is handling IndianOil's upstream business in Canada.

Shri Satish had earlier been the non-executive Chairman of IndianOil LNG Pvt. Ltd., which is operating an LNG Import Terminal near Chennai, besides having being IndianOil's nominee Director on the Boards of Petronet LNG Ltd., which

operates the LNG Import Terminals at Kochi & Dahej; and GSPL India Gasnet Ltd. & GSPL India Transco Ltd., which are implementing cross-country natural gas pipelines in India.

He does not hold, together with his relatives, two percent or more of the total voting power in the Company.

None of the Directors, Key Managerial Personnel(s) of the Company and/ or their relatives except Shri Satish, is concerned or interested, financially or otherwise, in the resolution set forth in Item No. 3 of the Notice.

The Board of Directors considers that in view of the background and experience of Shri Govind Kottieth Satish, it would be in the interest of the Company to appoint him as a Director of the Company.

The Board recommends the above resolution for your approval.

FOR ITEM NO. 4: APPOINTMENT OF SHRI DAYANAND SADASHIV NANAWARE AS DIRECTOR

Shri Dayanand Sadashiv Nanaware was nominated as a non-executive Director on the Board of the Company by Indian Oil Corporation Limited (IOCL) vide their letter dated 4.2.2021. In terms Section 161(1) of the Companies Act, 2013, Board appointed Shri Dayanand Sadashiv Nanaware as an Additional Director (Non-Executive) of the Company w.e.f. 15.2.2021.

BRIEF RESUME:

Shri Dayanand Sadashiv Nanaware is the Executive Director (Projects) of Indian Oil Corporation Ltd. (IndianOil), India's flagship National Oil Company and one of the top Indian Corporates in the prestigious Fortune 'Global 500' listing of world's largest companies.

Shri Nanaware is a Mechanical engineer having more than 36 years' experience in construction, operations and maintenance of cross-country oil and gas pipelines. Before this he was heading Southern region Pipelines of IOCL covering Tamilnadu, Karnataka, Andhra Pradesh and Kerala. Shri Nanaware has an endearing experience in conceptualization of gas pipelines, offshore functions, operations & maintenance of large tank farms. During his tenure in the gas functions, IOCL for the first time ventured into submission of EOI and thereafter participation in PNGRB bidding process for natural

gas pipelines of IndianOil. With the effort of team IOCL led by Shri Nanaware, IOCL was successful in obtaining PNGRB authorization for Ennore-Tuticorin GAS Pipeline. Shri Nanaware also played a pivotal role in formation of JV companies GIGL and GITL and thereafter led the IOCL group in providing project management consultancy services to GIGL. He has also served as director on the Board of GIGL and GITL.

He does not hold, together with his relatives, two percent or more of the total voting power in the Company.

None of the Directors, Key Managerial Personnel(s) of the

Company and/ or their relatives except Shri Nanaware, is concerned or interested, financially or otherwise, in the resolution set forth in Item No. 4 of the Notice.

The Board of Directors considers that in view of the background and experience of Shri Dayanand Sadashiv Nanaware, it would be in the interest of the Company to appoint him as a Director of the Company.

The Board recommends the above resolution for your approval.

BY ORDER OF THE BOARD OF DIRECTORS

Date: 30.7.2021

Place: Noida

Registered office:

C/O Indian Oil Corporation Ltd,
Sabarmati Terminal Nr D' Cabin Sabarmati,
Ahmedabad - 380019 Gujarat.

Sd/-
(Pallavi Tripathi)
Company Secretary

BOARD'S REPORT

It gives me immense pleasure in presenting before you, on behalf of the Board of Directors of your Company, the 2nd Board's Report on the business and operations of the Company, together with the Audited Financial Statements for the financial year ended 31.03.2021.

1. PERFORMANCE HIGHLIGHTS

The year 2020-21 was the year of transition of your Company, from a newly born Company to the nurturing stage wherein the Company is expected to not only strengthen its roots but also to grow. Critical activities for establishing the Company as well as the Kandla Gorakhpur LPG Pipe Line Project (the KGPL Project or the Project) viz. achieving financial closure, establishing pipeline route, collating inputs for tendering, launching of Company website, adoption of SAP etc. were completed during the 1st year of the Company. Thereby, the first year focused on getting the basic infrastructure up and running to give life to the ambitious Kandla Gorakhpur Pipeline (KGPL) Project. The second year of evolution of the Company, was slated to be utilized for adding to the foundation layers and to reach to a stage wherein field construction activities could begin.

During the year 2020-21, the Company took up implementation on ground level of the 2800km long KGPL Project from the LPG import terminals on the Western Coast of India to Gorakhpur, Uttar Pradesh. Field offices were established and manpower to support the Project execution was appointed at these offices. Project implementation activities were kick-started with the appointment of Indian Oil Corporation Limited (IOCL) as the Engineering & Project Management Consultant (EPMC), for the Project. The EPMC has also opened their offices at various field locations for ensuring smooth project implementation.

Construction of the longest LPG Pipeline of the world is expected to be a challenging and mammoth task. Onset of Covid-19 pandemic from March 2020 onwards posed another set of challenges in implementation of the Project as various manufacturing/industrial activities and critical resources were getting adversely impacted. Realizing the limitations and possibilities, the Company immediately

shifted focus on online processes like tendering of materials and works, submission of online applications for clearances & permissions, digital notification of Right of Way (RoW) etc. Thus, after relaxation from June 2020 onwards, the Company reached to the stage of conclusion of tenders for long-lead items and appointment of EPMC etc. With the pro-active support of MoP&NG and Govt. Press, Gazette Notifications of RoW acquisition could be done only by sending digital records and that too in urgent category.

Field implementation of the Project has commenced in all the 3 States viz. Gujarat, Madhya Pradesh and Uttar Pradesh. For effective project management, monitoring and control, construction work has been segregated in various groups. For mainline laying works, the construction activities are divided into 18 groups (Groups 1-18) i.e. 7 each in Gujarat (1076 km) and Uttar Pradesh (1108 km) and 4 in Madhya Pradesh (618 km). For major Horizontal Directional Drilling (HDD) works, the Project is divided into 8 groups (Groups A to H). The Project is being implemented through 10 Field Offices i.e. 3 in Gujarat, 2 in Madhya Pradesh and 5 in Uttar Pradesh. Offices in Ahmedabad, Bhopal and Lucknow are designated as Central Construction Office (CCO), which works under the supervision of the Head Office of the Company situated at Noida.

During the reporting period, release of purchase orders for long lead items (including for supply of about 2400 km mainline pipes), award of work orders for mainline laying, HDD works, pump station construction etc. was done. Supply of mainline pipes as per schedule was ensured and substantial progress on acquisition of RoW and grant of clearances / permissions could be achieved. Field construction works including welding/laying of pipeline in 10 groups commenced during the year and construction works are in full swing. Field offices of the Company at various locations in Gujarat, Madhya Pradesh and Uttar Pradesh for overseeing the construction works in the respective states are operational.

Despite Covid-19 related restrictions, your Company was able to commence key project implementation activities. Following major milestones were achieved during the year 2020-21:

- i. **Appointment of Engineering & Project Management Consultant:** Your Company has appointed Pipelines Division of IOCL as the Engineering & Project Management Consultant of the Project.
- ii. **Establishment of field offices and deputation of manpower:** 10 construction offices (3 in Gujarat, 2 in Madhya Pradesh and 5 in Uttar Pradesh) in field locations were established. A total of 77 officers have been deputed by Promoters at various project locations of your Company, who have joined offices after taking necessary precautions in view of COVID-19 related restrictions.



Inauguration of CCO Ahmedabad Office

- iii. **Acquisition of Right of Way (RoW):** With the nomination of Competent Authorities (CA) by the State Governments, the Company pursued for their Gazette Notification by the Central Government. However, with the emergence of Covid-19 in March 2020, the notification of 34 CAs in Gazette could be published by June 2020 only. Process of RoW acquisition commenced immediately thereafter and up to 691 km of RoW has been acquired through notifications under Section 6(1) of the Petroleum and



Public hearing at Madhya Pradesh

Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962.



Objection hearing at Madhya Pradesh



ROU Survey Work

- iv. **Receipt of mainline pipes:** During the FY, with award of purchase orders to various mainline pipe suppliers, 1602 km mainline pipes were received at the pipe stockpile locations, which is about 57% of total requirement.
- v. **Mainline laying work:** Mainline construction work was commenced in all three States with commencement of mainline laying at Kheda District of Gujarat on 10.2.2021, at Sehore District of Madhya Pradesh on 16.2.2021 and Unnao District in Uttar Pradesh on 2.3.2021.



Bhoomi Pujan on 02.03.2021 for Mainline Work Commencement (Unnao District)

vi. **Statutory Permissions & Clearances:**

- Consent to Establish (CTE) clearances for the States of Madhya Pradesh and Uttar Pradesh were obtained on 5.12.2020 and 15.12.2020 respectively, and the CTE clearance for Gujarat except for the Kandla-Viramgam section was obtained on 22.10.2020. CTE for Kandla-Viramgam section was also obtained on 29.01.2021.
 - Stage-1 Forest clearance for Gujarat was received for all 22 divisions and Stage-2 for Sanand-Dahej-Dumad section. In Madhya Pradesh, Stage-1 clearance was received for one division and is expected soon for other divisions. Proposal for forest clearance in Uttar Pradesh is under approval by the Nodal Officer.
 - The Project has a scope of obtaining Crossing Permissions for 4335 utilities viz. railway lines, highways, rivers, pipeline of other operators, water bodies, other roads etc. Crossing permissions for 2597 utilities (60%) have been received.
 - Online application for approval of the Petroleum and Explosives Safety Organization (PESO) for pre-construction activities for laying mainline and branch lines was submitted on 6.10.2020. Necessary clarifications have been provided to PESO and clearance is expected shortly.
- vii. **SAP Implementation:** Your Company has taken a major leap by successfully migrating its accounting from Tally to the state-of-the-art SAP software, which was successfully rolled out in February 2021.
- viii. **Adoption of E-tender through NIC Portal:** For improving transparency in tendering practices, your Company has got

registered at Government of India's National Informatics Centre (NIC) portal and all tenders above the value of Rs. 5.0 Lakh are mandatorily being floated through E tender. First tender through the portal for hiring of vehicles for Gujarat State was floated on 19.2.2021.

- ix. **Registration in Government e-Marketplace Portal:** Government e-Marketplace or GeM Portal is an e-market for different goods & services procured by Government Organisations / Departments / PSUs. GeM portal is designed to facilitate online purchases of goods and services by ministries/departments and entities belonging to the Central and State Governments to ensure transparency in public procurement system. Being a joint venture of three PSUs, your Company has successfully registered on the GeM Portal during the year.
- x. **Company's own Delegation of Authority/Delegation of Power:** For efficient conduct of the business during implementation of the Project by delegating certain powers and authorities to officers on deputation in the Company, your Company approved and adopted own Policy on Delegation of Authority/Delegation of Power on 24.12.2020.
- xi. **Land Acquisition Procedure:** For bringing efficiency and transparency in permanent land acquisition by the Company, your Company adopted Permanent Land Acquisition Procedure on 20.1.2021.



Identification for SV/IPS land at Madhya Pradesh at SV 32

- xii. The State wise progress of the Pipeline is furnished below:

A. GUJARAT

In Gujarat, KGPL is originating from LPG import terminals at Kandla, Dahej and Pipavav and enters Jhabua district of Madhya Pradesh after traversing through the 15 districts of Gujarat and connects to 3 bottling plants *en-route*.

a. Basic details:

Length	1076 Kms
Districts	15
No. of bottling plants	3: HPCL Gandhinagar, IOCL Sanand, BPCL Hariyala
Construction Offices	3
Central Construction Office	Ahmedabad

b. RoW Acquisition Status:

Scope (km)	Notification under Sec 3(1) km*	Notification under Sec 6(1) km*
1076	820	172

*The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962.

c. Statutory Clearance Status:

Consent To Establish	Received
Forest Clearances	Received
Wild Life Clearances	Received
Costal Regulatory Zones	Under receipt
Environmental Clearance	Under receipt
Crossing Permissions	27.2%



Commencement of Welding in Group-6 in the presence of Director, IHB on 02.03.2021

d. Status of construction works:

No. of Groups	Mainline works:	HDD:
		7
Receipt of Mainline Pipes	253 Km	
RoU opening	62 Km	
Stringing	46 Km	
Welding	44 Km	



Mainline Welding in Progress

B. MADHYA PRADESH (M.P)

Length of KGPL in Madhya Pradesh (M. P.) is 618 Km which enters M. P. in Jhabua District from Gujarat and exits the State after traversing through 12 Districts to enter into Laitpur District of Uttar Pradesh. 6 bottling plants in M. P. are being connected with KGPL.

a. Basic details:

Length	618 Km
Districts	12
No. of bottling plants	(6) BPCL Indore, HPCL Indore, IOCL Ujjain, IOCL Bhopal, BPCL Bhopal, HPCL Bhopal.
Construction Offices	2
Central Construction Office	Bhopal

b. RoW Acquisition Status:

Scope	Notification under Reg. 3(1)*	Notification under Reg. 6(1)*
618	618	195

*The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962.

c. Statutory Clearance Status:

Consent To Establish	Received
Forest Clearances	Received
Crossing Permissions	84.8%

d. Status of construction works:

No. of Groups	Mainline works:	HDD:
		4
Receipt of Mainline Pipes	297 Km	
RoU opening	98 Km	
Stringing	81 Km	
Welding	67 Km	



Mainline welding at Ch: 94.60KM, Grp-11



Pipe lowering commenced in MP on 21st April 2021 at Ch: 448KM, Group-9

C. UTTAR PRADESH (U. P.)

Length of KGPL in Uttar Pradesh (U. P.) is 1108 Km, which enters in Lalitpur District and crosses through 18 districts before terminating at Gorakhpur. 13 bottling plants are being connected in U. P.

a. Basic details:

Length	1108 Km
Districts	18
No. of bottling plants	(13) BPCL Jhansi, IOCL Kanpur, BPCL Kanpur, HPCL Unnao, IOCL Lucknow, BPCL Lucknow, IOCL Allahabad, BPCL Allahabad, IOCL Varanasi, HPCL Varanasi, IOCL Gorakhpur, BPCL Gorakhpur, HPCL Gorakhpur
Construction Offices	5
Central Construction Office	Lucknow

b. RoW Acquisition Status:

Scope	Notification under Reg. 3(1)*	Notification under Reg. 6(1)*
1108	1106.1	324

*The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962.

c. Statutory Clearance Status:

Consent To Establish	Received
Forest Clearances	Application under processing
Crossing Permissions	76.6%

d. Status of construction works:

No. of Groups	Mainline works:	HDD:
		7
Receipt of Mainline Pipes	633 Km	
RoU opening	111 Km	
Stringing	66 Km	
Welding	52 Km	

2. FINANCIAL PERFORMANCE

a. Financial Results

(Rs. in Lakh)

Particulars	31.3.2021	31.3.2020
Total Income	999.44	53.07
Expenditure	333.55	573.34
Profit/ (Loss) before Tax	665.89	(520.27)
Provision for Tax (including deferred tax)	43.87	-
Profit/ (Loss) After Tax	622.02	(520.27)
Paid up Equity Share Capital	1,65,800.00	10,500.00
Net Worth	1,65,901.75	9,979.73
Earnings per share of Rs 10 each (in Rs)	0.13	(1.25)

b. Dividend

Your Company is in process of physically implementing the Project scheme as sanctioned by the PNGRB. Commercial business operations are yet to begin. In view of this, your Company has not declared any dividend for the financial year 2020-2021.

c. Reserve

For the year 2020-2021, your Company has not transferred any amount to the reserves.

3. SHARE CAPITAL

During the year under review, the Company has allotted 155,30,00,000 equity shares of Rs. 10 each aggregating to Rs. 1553 Cr. on rights basis to meet fund requirements for implementing the Project. The equity shares under Rights issue were allotted in two tranches on 3.12.2020 and 13.1.2021 for Rs. 290 Cr. and Rs. 1263 Cr. respectively.

The capital structure of the Company as on 31.3.2021 is as follows:

Authorized Capital:	Rs. 3364,00,00,000
Paid Up Capital:	Rs. 1658,00,00,000

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Directors

Your Company is managed by highly experienced Board of Directors, which formulates strategies & policies for the Company. As per Articles of Association (AOA) of the Company, the number of Directors shall not be less than four and not more than twelve. The Directors are nominated and appointed by promoter companies in accordance of the JV Agreement executed among them.

Present composition of the Board of Directors of the Company is as follows:

Sr. No.	DIN	Name	Designation
1.	06932170	Shri Govind Kottieth Satish	Chairman (w.e.f. 15.2.2021)
2.	07354849	Shri Dayanand Sadashiv Nanaware	Director (w.e.f. 15.2.2021)
3.	07673253	Shri Jayanthi Satya Prasad	Director
4.	08505199	Shri Lakhpat Rai Jain	Director

Shri Akshay Kumar Singh has ceased to be the Chairman of the Board with effect from 4.2.2021 consequent upon his resignation from IOCL. The Board places on record its sincere appreciation for his leadership and his contribution to the Company during his tenure.

Shri Harendra Kumar Singh has ceased to be a Director with effect from 4.2.2021 consequent upon his superannuation from the services of IOCL. The Board places on record its sincere appreciation for his contribution during his tenure.

b. Key Managerial Personnel

In pursuance of the JV Agreement, your Company has appointed Shri Sanjay Kumar Jha as the CEO, Shri Ramesh Ramasamy as the COO, Shri Joseph Kurian as CFO and Ms. Pallavi Tripathi as the Company Secretary of the Company.

Shri Joseph Kurian was appointed as the CFO w.e.f. 16.4.2020.

No other changes in KMP took place during the financial year 2020-21.

c. Board Meetings and Attendance

During the financial year, 8 Board meetings were held on the following dates:

29.5.2020	03.9.2020	14.10.2020
9.11.2020	24.12.2020	28.1.2021
15.2.2021	18.3.2021	-

The minimum and maximum gap between two Board meetings was 17 days and 86 days respectively.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THIS REPORT.

No material changes were reported between the end of the financial year and date of this report.

6. BUSINESS RISK MANAGEMENT

The Board of Directors and Senior Management of your Company reviews every transaction before it takes place and ensures that all requisite measures have been taken to minimize the risks involved.

7. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of the Companies Act, 2013, the Annual Return of the Company in Form MGT-7 is placed on the website of the Company at www.ihbl.in.

8. AUDIT

a. Statutory Auditors

M/s Purushottam Khandelwal & Co., Chartered Accountants were appointed as the Statutory Auditors, for the year 2020-21, by the Comptroller & Auditor General (C&AG) of India under the provisions of Section 139 of the Companies Act, 2013.

b. Statutory Auditors' Report and C&AG Comments

The Report of the Statutory Auditor and Comments of the Comptroller & Auditor General of India (C&AG) forms part of the Annual Report. Consecutively for the second year, the Auditor has submitted 'NIL' report and there is no qualification in the Auditors Report or in the Comments of the C&AG Auditors on the Financial Statements of the Company.

9. DEPOSITS

Your Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, during the financial year ended 31.3.2021.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Your Company has not provided any loans & advances or given any guarantees or invested in any securities in terms of Section 186 of the Companies Act, 2013 during the financial year ended 31.3.2021.

11. CREDIT RATING

Your Company was assigned a Long-Term Issuer Rating of 'IND A+' by India Ratings and Research (Ind-Ra).

12. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

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

Your Company has incorporated necessary means for implementation of energy conservation measures in the Project design itself including procurement of high efficiency pumping units with Variable Frequency Drives.

- Your Company always tries to keep itself technologically updated from time to time.
- There was no foreign exchange earnings and outgo during the year under review.

14. VIGIL MECHANISM

The objective of the Vigil Mechanism is to ensure maintenance of the highest level of integrity throughout the Company. With this objective, the Company has framed a Vigil Mechanism Policy wherein the Directors and Employees are free to report any improper activity resulting in violation of laws, rules, regulations or code of conduct by any of the employees to the Nominated Director or Chairman of the Board, as the case may be.

Any complaint received under this mechanism would be reviewed by the Nominated Director or Chairman of the Board as the case may be. During the financial year ended 31.3.2021, no employee has been denied access to the Nominated Director. The policy on Vigil Mechanism may be accessed on the Company's website at the link <https://www.ihbl.in/public/assets/themes/theme-1/images/approved-policy-on-vigil-mechanism.pdf>.

15. INTERNAL FINANCIAL CONTROLS

The Company has aligned its current system of internal financial control with the requirement of Companies Act, 2013 and has adequate internal controls for ensuring orderly and efficient conduct of its business. During the year, no reportable material weakness in the design or operation was observed.

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

Your Company believes in fostering a healthy working atmosphere for all its employees without any discrimination and has provided a gender neutral work place with equal opportunity for men and women. The manpower currently engaged for day to day operation of the business has been deputed by the Promoter Companies, which has extensive mechanism for addressing and mitigating complaints related to sexual harassment at workplace and the same is being extended to all the employees on deputation.

During the year 2020-21, no complaint of sexual harassment was received directly or through Promoter Companies.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188

All the related party transactions entered during the year were in the ordinary course of business and on an arm's length basis. The required information on transactions with related parties in accordance with Section 134(3) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in form AOC-2 is placed at Annexure-I and are provided in the Company's financial statements in accordance with the Indian Accounting Standards under note-22 of the Financial Statement.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm in respect of the audited Annual Accounts for the financial year ended 31.3.2021:

- in the preparation of the annual accounts for the period ended 31.3.2021, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- such accounting policies have been selected and applied consistently (except for changes in Accounting Policies as disclosed in the Notes to Accounts to the Financial Statements) and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

19. GENERAL SHAREHOLDER INFORMATION

a. Name of the RTA:

Alankit Assignments Limited
 Unit: IHB Limited
 Alankit Heights, 3E/7 Jhandewalan Extension
 New Delhi - 110055,
 Telephone: +91-11-42541234, 23541234;
 Fax: +91-11-2355 2001
 Email: info@alankit.com; Website: www.alankit.com

b. Name of the Depository:

National Securities Depository Limited (NSDL)
 Trade World, A Wing, 4th Floor, Kamala Mills Compound,

Lower Parel, Mumbai – 400013
Telephone: +91-022-2499 4200
Toll free (Investor Helpline):
1800 1020 990/ 1800 224 430
Email: info@nsdl.co.in; Website: www.nsdl.co.in

c. ISIN of equity shares:

INE0DFZ01010

d. Extra- Ordinary General Meeting:

One Extra-Ordinary General Meeting was held on 19.3.2021 through video-conferencing.

e. Annual General Meeting for the financial year 2020-21:

Day and Date	Time	Venue
21.8.2021	11:30 Hours	Video Conferencing

- f. Your Company was converted in a “Public” company from private company w.e.f. 6.4.2021.

20. ACKNOWLEDGEMENT

Your Directors recognize with profound appreciation, the significant direction and backing provided out by the Government of India, particularly the MoP&NG, the PNGRB, the State Governments of Gujarat, Madhya Pradesh and Uttar Pradesh.

Your Directors additionally offer their profound thanks for the unstinted and continuous help from the Promoter Companies i.e. Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited and Bharat Petroleum Corporation Limited.

Your Directors likewise wish to put on record their heartfelt appreciation for the devoted administration by the workforce of the Company. The Directors likewise recognize the help of all Statutory and Local Authorities, Bankers, Media, Legal Counsels, Contractors, Vendors and Suppliers.

FOR AND ON BEHALF OF THE BOARD

Place: 30.7.2021
Date: Noida

sd/-
(Govind Kottieth Satish)
Chairman
DIN: 06932170

Annexure - I

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Details of contracts or arrangements or transactions not at Arm's length basis: NIL

FOR AND ON BEHALF OF THE BOARD

Place: 30.7.2021
Date: Noida

sd/-
(Govind Kottieth Satish)
Chairman
DIN: 06932170

INDEPENDENT AUDITOR'S REPORT

To,

**The Members of
IHB Private Limited**

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of **IHB Private Limited**, which comprise the balance sheet as at 31st March 2021 and the statement of Profit and Loss (including other comprehensive income) and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2021, and its profit/loss and other comprehensive, and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw attention to Note 28 of the Statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company is dependent on future developments, which remain uncertain.

Our opinion is not modified in respect of this matter.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

FOR, PURUSHOTTAM KHANDELWAL & CO.

Chartered Accountants

(FRN No. 123825W)

Place : Ahmedabad
Date : 28th April, 2021
UDIN: 21120920AAAAAI8396

Sd/-
CA Prahlad Jhanwar
(Partner)
(Membership No. 120920)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31st March 2021, we report the following:

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

As explained to us, physical verification of major fixed assets has been conducted by the management at appropriate intervals. In our opinion, the programme is reasonable having regard to the size of the Company and the nature of the fixed assets. According to information and explanations given to us, no material discrepancies have been reported on such verification.

According to the information and explanations given to us and the records examined by us and based on examination of registered sale deeds, transfer deeds, conveyance deeds provided to us, we report that there is no transfer of immovable property and therefore there is no immovable property existed as on 31st March, 2021.

2. The company doesn't have any inventory; hence no physical verification is applicable. No discrepancies are noticed as there is no inventory.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act with respect to the loans given and investments made. Further, there are no loans, guarantees and security given in respect of which provisions of section 185 and 186 of the Act are applicable.
5. In our opinion, and according to the information and explanations given to us, the Company has not accepted

deposits therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company

6. The Central Government has prescribed the maintenance of cost records under Section 148 of the Act. The maintenance of Cost record u/s 148(1) of the Act is not applicable to the company.
7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Goods and Services tax, duty of Customs, duty of Excise, Value added tax, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Goods and Services tax, duty of Customs, duty of Excise, Value added tax, Cess and other material statutory dues were in arrears as at 31st March 2021, for a period of more than six months from the date they became payable.

8. In our opinion and according to the information and explanations given to us, the company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence, reporting under clause (viii) of CARO 2016 is not applicable to the company.
9. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers

- or employees has been noticed or reported during the course of our audit.
11. Since the Company is a Private limited Company, Provision of clause (xi) of Paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
 12. Since the Company is not a Nidhi company, Provision of clause (xii) of Paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
 13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of all transactions have been disclosed Financial Statements as required by the applicable Indian accounting standards.
 14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
 15. According to the information and explanations given to us and based on our 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 to the Company.
 16. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR, PURUSHOTTAM KHANDELWAL & CO.
Chartered Accountants
(FRN No. 123825W)

Place : Ahmedabad
Date : 28th April, 2021
UDIN: 21120920AAAAAI8396

Sd/-
CA Prahlad Jhanwar
(Partner)
(Membership No. 120920)

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARA 2 UNDER "OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE)

Sl. No.	Direction	Action taken	Impact on financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Company has outsourced the accounting work, who is uses tally for accounting, and do not process any accounting transaction outside the IT system	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated	The company has not taken any disbursement against its term loan facility. Hence it is not applicable to the Company.	NIL
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	No funds has received / receivable for specific schemes from central/ state agencies to company.	NIL

ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

31ST MARCH 2021

(REFERRED TO IN OUR REPORT OF EVEN DATE)

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

OPINION

We have audited the internal financial controls over financial reporting of IHB Private Limited as at 31st March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended as on 31st March 2021.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, 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.

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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's

internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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:

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATION 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.

FOR, PURUSHOTTAM KHANDELWAL & CO.
Chartered Accountants
(FRN No. 123825W)

Sd/-
CA Prahlad Jhanwar
(Partner)
(Membership No. 120920)

Place : Ahmedabad
Date : 28th April, 2021
UDIN: 21120920AAAAAI8396

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IHB PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2021

The preparation of financial statements of IHB Private Limited for the year ended 31st March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28th April 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of IHB Private Limited for the year ended 31st March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

FOR AND ON BEHALF OF THE
COMPTROLLER & AUDITOR GENERAL OF INDIA



(C. M. Sane)

Director General of Commercial Audit,
Mumbai

Place: Mumbai

Dated : 15 July 2021

BALANCE SHEET AS AT 31ST MARCH 2021

₹ in Lakhs

S. No.	Particulars	Note No.	As at 31 st March 2021	As at 31 st March 2020
I.	ASSETS			
1.	Non-Current Assets			
	(a) Property, Plant & Equipment	2	25.68	
	(b) Capital Work in Progress	3	97,080.65	1,979.08
	(c) Intangible Assets	4	1,304.27	
	(d) Intangible Assets Under Development	4.1	0.14	
	(e) Financial Assets:			
	(i) Other Financial Assets	5	3,021.64	2,007.96
	(f) Deferred Tax Assets (net)	6	63.71	
	(g) Other Non-Current Assets	7	1,598.20	1,366.43
	Total Non-Current Assets		1,03,094.29	5,353.47
2.	Current Assets			
	(a) Inventories			
	(b) Financial Assets:			
	(i) Cash and Cash Equivalents	8	1,01,701.64	5,225.56
	(ii) Other Financial Assets	9	160.03	69.09
	(c) Current Tax Assets (net)	15.1		5.31
	(d) Other Current Assets	10	1,914.76	638.54
	Total Current Assets		1,03,776.43	5,938.50
	TOTAL ASSETS		2,06,870.72	11,291.97
II.	EQUITY AND LIABILITIES			
	Equity			
	a) Equity Share Capital	11	1,65,800.00	10,500.00
	b) Other Equity	12	101.75	(520.27)
			1,65,901.75	9,979.73
	Liabilities			
1.	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Lease Liabilities	13	26.30	
	Total Non-Current Liabilities		26.30	

₹ in Lakhs

S. No.	Particulars	Note No.	As at 31 st March 2021	As at 31 st March 2020
2.	Current Liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	14	11,298.12	874.79
	(b) Other Current Liabilities	15	29,640.71	437.45
	(c) Current Tax Liabilities (net)	15.1	3.84	
	Total Current Liabilities		40,942.67	1,312.24
	TOTAL EQUITY AND LIABILITIES		2,06,870.72	11,291.97

Significant Accounting Policies

1

Notes forming part of Financial Statements

2 to 29

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED
For Purushottam Khandelwal & Co.

Chartered Accountants

FRN: 123825W

Sd/-
G. K. Satish
Chairman
Place: New Delhi
DIN: 06932170

Sd/-
S. K. Jha
Chief Executive Officer
Place: Noida
Date: 24.04.2021

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Noida
Date: 26.04.2021

Sd/-
Pallavi Tripathi
Company Secretary
Place: Noida
Date: 26.04.2021

Sd/-
CA Prahlad Jhanwar
Partner
Membership No: 120920

Dated: 28.04.2021

Place: Ahmedabad
Dated: 28.04.2021
UDIN: 21120920AAAAA18396

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH 2021

₹ in Lakhs

S. No.	Particulars	Note No.	Year Ended 31 st March 2021	Year Ended 31 st March 2020
I	Revenue From Operations		-	-
II	Other Income	16	999.44	53.07
III	TOTAL INCOME		999.44	53.07
IV	EXPENSES			
	Cost of Material Consumed			
	Purchases of Stock-in-Trade			
	Changes in inventories of Finished goods, Stock-in-Trade and Work-in-Progress			
	Employee Benefits Expenses	17	225.89	
	Finance Cost	18	0.15	
	Depreciation and Amortization Expense	2	3.38	
	Other Expenses	19	104.13	573.34
	TOTAL EXPENSES (IV)		333.55	573.34
V	Profit / (Loss) before exceptional items and tax (III - IV)		665.89	(520.27)
VI	Exceptional Items		-	-
VII	Profit / (Loss) before tax (V-VI)		665.89	(520.27)
VIII	Tax Expense	20		
	(1) Current Tax		107.58	
	(2) Deferred Tax		(63.71)	
			43.87	-
IX	Profit / (Loss) for the year (VII-VIII)		622.02	(520.27)
X	Other Comprehensive Income			
	i) Items that will not be reclassified to profit & loss account			
	(a) Remeasurement of defined benefit plans		-	-
	(b) Income tax relating to items that will not be reclassified to profit & loss account"		-	-
	Total Other Comprehensive Income (X)		-	-

₹ in Lakhs

S. No.	Particulars	Note No.	Year Ended 31 st March 2021	Year Ended 31 st March 2020
XI	Total Comprehensive Income for the Year (IX+X) Comprising Profit/ (Loss) and Other Comprehensive Income for the Year		622.02	(520.27)
XII	Earnings per equity share (₹)			
	(1) Basic		0.13	(1.25)
	(2) Diluted		0.13	(1.25)
	Face Value per Equity Share (₹)		10.00	10.00

The accompanying notes form integral part of financial statements

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED
For Purushottam Khandelwal & Co.

Chartered Accountants
FRN: 123825W

Sd/-
G. K. Satish
Chairman
Place: New Delhi
DIN: 06932170

Sd/-
S. K. Jha
Chief Executive Officer
Place: Noida
Date: 24.04.2021

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Noida
Date: 26.04.2021

Sd/-
Pallavi Tripathi
Company Secretary
Place: Noida
Date: 26.04.2021

Sd/-
CA Prahlad Jhanwar
Partner
Membership No: 120920

Dated: 28.04.2021

Place: Ahmedabad
Dated: 28.04.2021
UDIN: 21120920AAAAA18396

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH 2021

₹ in Lakhs

Sr. No.	Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
A.	Cash Flow From Operating Activities		
	Profit Before Tax	665.89	(520.27)
	Adjustment For:		
	Interest Income on Bank FDs	(997.96)	(53.07)
	Depreciation	3.38	-
	Interest	0.15	-
	Operating Profit before working capital changes	(328.54)	(573.34)
	(Increase)/Decrease Trade Receivables	-	-
	(Increase)/Decrease in Other assets	(1,345.62)	(643.85)
	Increase/(Decrease) in Trade Payables		-
	Increase/(Decrease) in Other Financial Liabilities	30.53	1.87
	Income Tax (net)		-
	Increase/(Decrease) in Other Current Liability	(222.36)	83.89
	Net cash flow from Operating Activities	(1,865.98)	(1,131.43)
B	Cash Flow From Investing Activities		
	Interest Received	918.39	48.79
	Investment in CWIP	(55,840.41)	(766.76)
	Investment in Tangible/Intangible Assets	(1,095.91)	-
	Deposits other than FD	(391.88)	(58.61)
	Investment in Fixed Deposit	(543.43)	(2,000.00)
	Net cash flow from Investing Activities	(56,953.24)	(2,776.58)
C	Cash Flow From Financing Activities		
	Proceeds from Share capital	1,55,300.00	10,500.00
	Finance cost - Term Loan	(3.34)	(1,366.43)
	Lease Liability - Principal Portion	(1.21)	
	Finance Cost - Lease	(0.15)	
	Net cash flow from Financing Activities	1,55,295.30	9,133.57

₹ in Lakhs

Sr. No.	Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
	Net increase in cash and cash equivalents (A+B+C)	96,476.08	5,225.56
	Cash and cash equivalents at the beginning of the year	5,225.56	-
	Cash and cash equivalents at the end of the year	1,01,701.64	5,225.56

The accompanying notes form integral part of financial statements

Note:

- 1). The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'
- 2). Refer Note No. 8 for Cash and Cash Equivalents

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**AS PER OUR REPORT OF EVEN DATE ATTACHED
For Purushottam Khandelwal & Co.**

Chartered Accountants
FRN: 123825W

Sd/-
G. K. Satish
Chairman
Place: New Delhi
DIN: 06932170

Sd/-
S. K. Jha
Chief Executive Officer
Place: Noida
Date: 24.04.2021

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Noida
Date: 26.04.2021

Sd/-
Pallavi Tripathi
Company Secretary
Place: Noida
Date: 26.04.2021

Sd/-
CA Prahlad Jhanwar
Partner
Membership No: 120920

Dated: 28.04.2021

Place: Ahmedabad
Dated: 28.04.2021
UDIN: 21120920AAAAA18396

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2021

₹ in lakhs

A. EQUITY SHARE CAPITAL	As at 31 st March 2021		As at 31 st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	10,50,00,000.00	10,500.00	-	-
Changes during the year				
- Shares issued to Promoter companies (Refer Note No.11)	1,55,30,00,000.00	1,55,300.00	10,50,00,000.00	10,500.00
Balance at the end of the reporting period	1,65,80,00,000.00	1,65,800.00	10,50,00,000.00	10,500.00

₹ in lakhs

B. OTHER EQUITY	Reserve and Surplus	Total
	Retained Earnings	
Balance as on 31 st March 2019	-	-
Profit / (Loss) for the year	(520.27)	(520.27)
Balance as on 31 st March 2020	(520.27)	(520.27)
Profit / (Loss) for the year	622.02	622.02
Balance as on 31 st March 2021	101.75	101.75

The accompanying notes form integral part of financial statements

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED
 For Purushottam Khandelwal & Co.
 Chartered Accountants
 FRN: 123825W

Sd/-
G. K. Satish
 Chairman
 Place: New Delhi
 DIN: 06932170

Sd/-
S. K. Jha
 Chief Executive Officer
 Place: Noida
 Date: 24.04.2021

Sd/-
Joseph Kurian
 Chief Financial Officer
 Place: Noida
 Date: 26.04.2021

Sd/-
Pallavi Tripathi
 Company Secretary
 Place: Noida
 Date: 26.04.2021

Sd/-
CA Prahlad Jhanwar
 Partner
 Membership No: 120920

Dated: 28.04.2021

Place: Ahmedabad
 Dated: 28.04.2021
 UDIN: 21120920AAAAA18396

NOTES TO THE FINANCIAL STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2021

CORPORATE INFORMATION

IHB Private Limited (“IHB” or “the company”) is a Private Limited Company domiciled in India and was incorporated on July 09th, 2019. IHB Private Limited is a Joint Venture Company of Three PSUs i.e. Indian Oil Corporation Limited (IOCL) having 50% equity in the company, Hindustan Petroleum Corporation Limited (HPCL) having 25% equity in the company and Bharat Petroleum Corporation Limited (BPCL) having 25% equity in the company. The registered office of the Company is located at C/o Indian Oil Corporation Ltd., Sabarmati Terminal NR D’ Cabin Sabarmati, Ahmedabad, Gujarat, India. The company has been incorporated to Lay, Build, Construct, Operate or Expand Petroleum and Petroleum Products Pipelines including LPG Pipeline from Kandla (Gujarat) to Gorakhpur (Uttar Pradesh) with Additional Feeder Lines and Associated Branch Lines known as Kandla-Gorakhpur Pipeline (KGPL), any other future pipeline projects and developing infrastructure for implementation of all such projects.

Effective from 06.04.2021, the name of the Company has been changed from ‘IHB Private Limited’ to ‘IHB Limited’ pursuant to its conversion from a private company to public company.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation: The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company’s presentation and functional currency is Indian Rupees (INR). All figures appearing in the financial statements are rounded to the nearest lakhs except where otherwise indicated.

The company was incorporated on 9th July 2019, hence the comparative financial statements of previous year relate to a period commencing from the date of incorporation to

31st March 2020.

Authorization of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 24th April 2021.

1.1 Use of Judgement and Estimates

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories;
- Measurement of recoverable amounts of Cash-Generating Units;
- Provisions including loss allowances;
- Evaluation of recoverability of Deferred Tax Assets; and
- Contingencies.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

any future periods affected.

1.2 Property, Plant and Equipment

- 1.2.1. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.2.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.2.3. Direct expenses incurred during construction period on capital projects are capitalized. Expenditure incurred on enabling assets are capitalized.
- 1.2.4. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.2.5. Expenditure on assets, other than plant and machinery, not exceeding threshold limit are charged to revenue.
- 1.2.6. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventoried on procurement and charged to Statement of Profit and Loss on consumption.
- 1.2.7. An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is derecognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain

or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognized.

1.3 Depreciation/Amortization

Depreciation on Property, Plant and Equipment (including enabling assets) has been provided on straight line method (SLM) on pro-rata basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%) as specified in Schedule II of Companies Act 2013.

- 1.3.1. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2. Items of Property Plant & Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition.
- 1.3.3. The property, plant and equipment acquired under finance leases and other leasehold improvements are depreciated over the assets' useful life or over the shorter of the assets' useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.
- 1.3.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition/deletion.
- 1.3.6. The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

financial year end and changes, if any, are accounted in line with revisions to accounting estimates.

1.44. Capital Work in Progress (CWIP)

- 1.4.1. The capital work in progress includes Construction Stores including Material in Transit/Equipment/Services, etc received at site for use in projects.
- 1.4.2. Crop compensation is accounted for under Capital Work in Progress on the basis of actual payments/estimated liability, as and when work commences where ROU is acquired.
- 1.4.3. Expenditure incurred during the period of construction including all direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated, on a systematic basis, to the respective property, plant and equipment. Capital work-in-progress includes capital stores.
- 1.4.4. Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.
- 1.4.5. Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously are charged to revenue.
- 1.4.6. Financing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized on quarterly basis up to the date of capitalization.

1.5. Intangible Assets

- 1.5.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.
- 1.5.2. Intangible assets like ROU, Software, Licenses etc which are expected to provide

future enduring economic benefits are capitalized as intangible assets.

- 1.5.3. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortized, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life is recognized in the Statement of Profit and Loss.
- 1.5.4. Expenditure incurred for creating / acquiring other intangible assets above threshold limit from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with a finite life are reviewed at each year end. The amortization expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, is recognized in the Statement of Profit and Loss.

1.6. Investment Property

- 1.6.1. Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

- 1.6.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Statement of Profit and Loss.

1.7. Borrowing costs

- 1.7.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.7.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.
- 1.7.3. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.8. Non-current assets/Disposal Group held for sale

- 1.8.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 1.8.2. Non-current assets classified as held for sale are measured at the lower of carrying

amount and fair value less costs to sell (upto 5% of the acquisition value).

- 1.8.3. The disposal group classified as held for sale, are measured at the lower of carrying amount and fair value less costs to sell.
- 1.8.4. Property, Plant and Equipment and Intangible assets classified as held for sale are not depreciated or amortized.

1.9. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

Company shall reassess whether a contract is, or contains, a lease if the terms and conditions of the contract are changed.

1.9.1. As a Lessee

At the commencement date, company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets, small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term if the interest rate implicit in the lease is not readily determinable. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

1.9.2. As a Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

1.9.2.1. Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Company shall recognize assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

1.9.2.2. Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Company shall recognize lease payments from operating leases as income on systematic basis in the pattern in which benefit from the use of the underlying asset is diminished.

1.10. Impairment of Non-financial Assets

1.10.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

1.10.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.11. Inventories

1.11.1. Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Stores and spares are determined on weighted average basis.

1.11.2. Obsolete, slow moving, surplus and defective stocks are identified at the time

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

of physical verification of stocks and where necessary, provision for loss is made for such stocks.

1.12. Revenue Recognition

1.12.1. Revenue is recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product which is at the point of transfer of possession to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

1.12.2. Revenue is measured at the transaction price of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and sales tax / VAT etc. Any retrospective revision in prices is accounted for in the year of such revision.

1.12.3. Revenue from rendering of services is recognized when agreed performance obligation has been fulfilled.

1.12.4. Interest income and expenses are reported on an accrual basis using the effective interest method.

Any upfront fees earned by the Company with no identifiable performance obligation are recognized as revenue on a systematic basis over the period of the Contract.

Where the Company acts as an agent on behalf of a third party, the associated income is recognized on a net basis.

1.12.5. Interest income is recognized using Effective Interest Rate (EIR) method.

1.12.6. Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated

with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.12.7. Income from sale of scrap is accounted for on realization.

1.13. Classification of Income / Expenses

1.13.1. Income / expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.13.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

1.13.3. Deposits placed with Government agencies / local authorities which are perpetual in nature are charged to revenue in the year of payment.

1.14. Employee Benefits

All employees of the company are arranged on deputation from Parent companies on fixed term basis. Claims raised by the parent companies in respect of such employees deputed to the company is considered as an employee benefit.

1.15. Foreign Currency Transactions

1.15.1. The Company's financial statements are presented in INR (Indian Rupees), which is also the Company's functional currency.

1.15.2. Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

or translation of monetary items are recognized in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

1.15.3. Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.15.4. Both monetary and non-monetary foreign currency items which are measured at fair value are translated using the exchange rate at the date on which such fair value is determined.

1.16. Government Grants

1.16.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.16.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.16.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.17. Provisions, Contingent Liabilities, Contingent Assets and Capital Commitments

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

1.17.2. The expenses relating to a provision (Above a threshold limit) is presented in the Statement of Profit and Loss net of reimbursements, if any.

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

1.17.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.17.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.17.6. A contingent asset is disclosed where an inflow of economic benefits is probable.

1.17.7. Estimated amount of contracts remaining to be executed on capital account are considered for disclosure.

1.17.8. Contingent liabilities, Contingent assets and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.18. Fair Value measurement

1.18.1. The Company measures certain financial instruments at fair value at each reporting date.

1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.18.3. Fair value is the price that would be received

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.18.5. While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

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

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

Level 3: Inputs for the assets or liability that are not based on observable market data

(unobservable inputs)

1.18.6. When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.18.7. If there is no quoted prices in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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

1.19. Financial Assets

1.19.1. Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through Statement of Profit and Loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

1.19.2. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognized when they

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.19.3. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Financial Assets at amortized cost

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

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in

the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

Financial Assets at Fair value through Other Comprehensive Income (FVOCI)

A financial asset is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive Income.

Financial Assets at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization at amortized cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Corporation decides to classify the same either as FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognized in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

1.19.4. De-recognition

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

The rights to receive cash flows from the asset have expired, or

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

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

On de-recognition, any gains or losses on all debt instruments (other than debt

instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19.5. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on receivables from customers are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.20. Financial Liabilities

1.20.1. Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through Statement of Profit and Loss. Such liabilities, including derivatives shall be subsequently measured at fair value

1.20.2. Initial recognition and measurement

Financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.20.3. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held- for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Statement of Profit and Loss.

Financial Liabilities at amortized cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the effective interest rate (“EIR”) method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.20.4. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition

of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

1.21. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.22. Taxes on Income

1.22.1. Current Tax

Income tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.22.2. Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.23. Earnings per share

- 1.23.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.
- 1.23.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.24. Segment Reporting

- 1.24.1. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Presently the company has only one operating and reporting segment i.e. Transportation of LPG through pipeline.
- 1.24.2. The operating segment's results are reviewed regularly by the committee consisting of Company's Chief Executive Officer and Chief Financial Officer who been identified as the CODM, to assess the financial performance and position of the Company and makes strategic decisions.

1.25. Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Corporation's normal operating cycle (considered as 12 months) and other criteria set out in Schedule III (Division II) of Companies Act, 2013.

1.26. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheques and drafts on hand, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

1.27. Cash Flows

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

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

1.28. The Corporation has adopted materiality threshold limits in the preparation and presentation of financials statements as given below:

Threshold Item	Accounting Policy Reference	Unit	Threshold Limit Value
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.2.5	Rs.	1,000
Capitalization of spare parts meeting the definition of Property, Plant and Equipment in each case	1.2.6	Rs. Lakhs	1
Depreciation at 100 percent in the year of acquisition	1.3.2	Rs.	5,000
Income / expenditure (net) in aggregate pertaining to prior year(s)	1.13.1	Rs. Crore	10
Prepaid expenses in each case	1.13.2	Rs. Lakhs	5
Liability for unmeasured expenses (Provisional Liability- For Each PO)	1.17.2	Rs. Lakhs	1
Disclosure of Contingent liabilities, Contingent Assets and Capital Commitments in each case	1.17.8	Rs. Lakhs	5

2. NEW STANDARDS/AMENDMENTS AND OTHER CHANGES EFFECTIVE APRIL 1, 2020

The Ministry of Corporate Affairs (MCA) has issued the **Companies (Indian Accounting Standards) Amendment Rules, 2020** dated 24th July 2020. The rules are effective from the date of publication in the Official Gazette of India i.e. 24th July 2020. All amendments are effective

for periods beginning 1st April 2020 or later.

- Ind AS 103 (Business Combinations): Have defined “business” in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.
- Ind AS 107 (Financial Instruments: Disclosures): Disclosures for uncertainty arising from interest rate benchmark reform.
- Ind AS 109 (Financial Instruments): Temporary exceptions from applying specific hedge accounting requirements.
- Ind AS 116 (Leases): Due to the pandemic COVID-19 – Related Rent concession, a clarification has been provided on accounting of Rent concessions, whether to treat as a lease modifications or not.
- Ind AS 1 and Ind AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors): Change/modification in the definition of “Material”.
- Ind AS 10 (Events after the Reporting Period): Definition for non – adjusting events and its effective date of application.
- Ind AS 34 (Interim Financial Reporting): Consequential of the above amendments.
- Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): Consequential amendment and accounting of restructuring plan.

None of the above amendments are expected to have any material effect on the Company’s financial statements.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing Indian Accounting Standards. There is no such notification by MCA in this regard which would have been applicable from April 01, 2021.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 2 : PROPERTY, PLANT & EQUIPMENT

₹ in lakhs

Particulars	Gross Block					Depreciation				Net Block	
	As at 1 st April 2020	Additions during the year	Acquisition from AUC	Sales / Disposals during the year	As at 31 st March 2021	Upto 31 st March 2020	For the year	Deductions / Reclassifications during the year	Upto 31 st March 2021	As at 31 st March 2021	As at 31 st March 2020
Computer	-	0.20	-	-	0.20	-	0.01	-	0.01	0.19	-
Furniture & Fixtures	-	0.21	-	-	0.21	-	0.00	-	0.00	0.20	-
Office Equipments	-	0.36	-	-	0.36	-	0.15	-	0.15	0.21	-
ROU Assets - Office Building (Note 25)	-	30.86	-	-	30.86	-	5.79	-	5.79	25.07	-
Total	-	31.64	-	-	31.64	-	5.96	-	5.96	25.68	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-

NOTE 3 : CAPITAL WORK IN PROGRESS

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Capital Work in Progress		
Tangible Assets under erection/construction	1,398.83	-
Capital Goods/Stores in stock including those lying with contractors	81,772.30	-
Construction Period Expenses pending allocation		
Opening Balance	1,979.08	-
Add : Net Expenditure during the year (Note 3.1)	11,930.44	1,979.08
	13,909.52	1,979.08
TOTAL	97,080.65	1,979.08

Note 3.1 : Construction Period Expenses (Net) during the year

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Bank charges	1.93	34.72
Finance Cost - Others	32.45	-
Communication expenses	3.37	-
Crossing Permissions	1,415.42	150.23
EPMC	8,146.26	-
Fees & Charges - CA / CA Staff	80.62	3.94
Finance Cost - ROU Asset	0.63	-
Manpower Expenses	1,495.52	85.46

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

Note 3.1 : table (contd.)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Miscellaneous	4.85	1.38
Others	6.28	-
Project Office Expenses	7.15	-
Printing and Stationary	12.02	-
Rent / Hire charges	236.83	10.27
Survey Expenses	570.96	1,693.08
Travelling and conveyance	22.34	-
Total Expenditure	12,036.64	1,979.08
Less : Recoveries	106.20	-
Net Expenditure during the year	11,930.44	1,979.08

NOTE 4 : INTANGIBLE ASSETS

₹ in lakhs

Particulars	Useful Life (No. of Years)	Gross Block				Amortization				Net Block	
		As at 1 st April 2020	Additions during the year	Disposals/ Deductions / Transfers / Reclassifications	As at 31 st March 2021	Upto 31 st March 2020	For the year	Disposals/ Deductions / Transfers / Reclassifications	Upto 31 st March 2021	As at 31 st March 2021	As at 31 st March 2020
ROW - Land	Indefinite	-	1,128.80	-	1,128.80	-	-	-	-	1,128.80	-
Computer Software	5	-	178.44	-	178.44	-	2.97	-	2.97	175.47	-
		-	-	-	-	-	-	-	-	-	-
Total		-	1,307.24	-	1,307.24	-	2.97	-	2.97	1,304.27	-
Previous Year											

Note 4.1 : Intangible Assets Under Development

₹ in lakhs

Particulars	Gross Amount			
	As at 01.04.2020	Additions	Capitalizations as Intangible Assets / Deletions	As at 31.03.2021
Trademark	-	0.14	-	0.14
Total	-	0.14	-	0.14
Previous Year	-	-	-	-

There are no internally generated intangible assets

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 5 : OTHER FINANCIAL ASSETS - NON CURRENT

(Unsecured, considered good unless otherwise stated)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Bank Deposits *	2,543.43	2,000.00
Other Deposits	374.31	7.96
Interest accrued on Bank Deposits	103.90	
Total	3,021.64	2,007.96

* Under Lien with Bank, Local & Government Authorities

NOTE 6 : DEFERRED TAX ASSETS (NET) - NON CURRENT

Deferred tax balances consist of the following:

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
(i) Deferred tax assets :		
Preliminary expenses	71.23	
Lease R.O.U Depreciation and Finance cost	0.02	
A	71.25	
(i) Deferred tax liabilities :		
Depreciation	7.53	
B	7.53	
Deferred Tax Assets (A-B)	63.71	-

NOTE 7 : OTHER NON CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Finance Cost **	1,369.77	1,366.43
Prepaid Expenses	228.33	-
Advance to Competent Authority, Madhya Pradesh	0.10	-
Total	1,598.20	1,366.43

** Borrowing cost incurred for availing the term loan facility. The facility agreement was signed, in March 2020, with a consortium of banks (State Bank of India is the lead banker) for an amount of Rs. 6,724.74 crores for which no drawdown was made during the year. This cost will be amortized over the period of loan after the drawdown has been made.

NOTE 8 : CASH AND CASH EQUIVALENTS

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Balances with Banks		
In Current A/c	4,696.93	5,224.54
In Fixed Deposits	97,000.00	-
Cash in Hand	0.13	1.02
Imprest	4.58	-
Total	1,01,701.64	5,225.56

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 9 : OTHER FINANCIAL ASSETS - CURRENT

(Unsecured, considered good unless otherwise stated)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Interest accrued on Bank Deposits	83.85	4.28
Bank Deposits	-	-
Other Deposits	76.18	50.65
Loans and Advances	-	14.16
Total	160.03	69.09

NOTE 10 : OTHER CURRENT ASSETS

(Unsecured, Considered good unless otherwise stated)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Prepaid Expenses	29.03	0.45
Balance with Statutory Authorities	1,876.53	638.09
Mat Credit Entitlement	3.57	-
Income Tax Refund due	5.63	-
Total	1,914.76	638.54

NOTE 11 : EQUITY SHARE CAPITAL

₹ in lakhs

Particulars	As at 31 st March 2021		As at 31 st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Authorised :				
Equity shares of INR 10 each	3,36,40,00,000.00	3,36,400.00	3,36,40,00,000.00	3,36,400.00
Issued, Subscribed and Paid up Capital :				
Equity shares of INR 10 each , fully paid up in cash	1,65,80,00,000.00	1,65,800.00	10,50,00,000.00	10,500.00
Reconciliation of number of shares outstanding at the beginning and at the end of the year :				
Opening Balance	10,50,00,000.00	10,500.00	-	-
Shares issued during the year	1,55,30,00,000.00	1,55,300.00	10,50,00,000.00	10,500.00
Closing Balance	1,65,80,00,000.00	1,65,800.00	10,50,00,000.00	10,500.00
Shareholders holding more than 5% shares in the company*				
Indian Oil Corporation Ltd (IOCL)**	82,90,00,000.00	50.00%	5,25,00,000.00	50.00%

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

Note 11 : table (contd.)

₹ in lakhs

Particulars	As at 31 st March 2021		As at 31 st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Hindustan Petroleum Corporation Limited (HPCL)**	41,45,00,000.00	25.00%	2,62,50,000.00	25.00%
Bharat Petroleum Corporation Limited (BPCL)**	41,45,00,000.00	25.00%	2,62,50,000.00	25.00%

* The above information is furnished as per the shareholder's register as at the year end.

** These companies are classified as Promoters of IHB Private Limited (IHB).

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE 12 : OTHER EQUITY

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Retained Earnings		
Balance at the beginning of the year	(520.27)	-
Add: Profit/(Loss) for the year	622.02	(520.27)
Items of other comprehensive income/ (expense) recognised directly in retained earnings	-	-
Remeasurement of post employment benefit obligation, net of tax	-	-
Balance at the end of the year	101.75	(520.27)
Total	101.75	(520.27)

NOTE 13 : LEASE LIABILITIES

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Lease Liabilities*	26.30	-
Total	26.30	-

NOTE 14 : OTHER CURRENT LIABILITIES - FINANCIAL

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Deposits from vendors and others	70.41	54.47
Other Liabilities *	11,227.71	820.32
Total	11,298.12	874.79
* Payable to Related Parties	669.08	575.45
* Payable to MSME	31.40	-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 15 : OTHER CURRENT LIABILITIES

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Statutory Liabilities	200.68	83.23
Other Expenses**	29,440.03	354.22
Total	29,640.71	437.45
** Payable to Related Parties	1,839.09	353.56

Note 15.1 : Current Tax Liabilities (Net)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Provision for current tax	111.15	-
Less : TDS Receivable	68.88	-
Less : TCS Receivable	38.43	-
Total	3.84	-

Note 15.1 : Current Tax Assets (Net)

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
TDS Receivable	-	5.31
Total	-	5.31

NOTE 16 : OTHER INCOME

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Interest on Bank Deposits	997.96	53.07
Interest on Income Tax Refund	0.32	-
Gain on Foreign Currency Transaction and Translation	1.16	-
Total	999.44	53.07

NOTE 17 : EMPLOYEE BENEFITS EXPENSE

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Deputation manpower cost	225.89	-
Total	225.89	-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 18 : FINANCE COST

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Interest - Lease	0.15	-
Total	0.15	-

NOTE 19 : OTHER EXPENSES

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Bank Charges	0.05	-
Business Promotion	-	0.71
Communication Expenses	0.17	0.05
Courier Charges	0.04	0.02
Fees, Rates and Taxes	18.70	10.56
Inauguration Expense	-	296.03
IT Expenses	2.93	1.83
Miscellaneous Expenses	-	0.15
Office Expenses	0.26	0.06
Payment to Auditors	0.50	0.50
Preliminary Expenses written off	-	256.04
Printing & Stationery	1.86	0.62
Professional Exp	14.73	5.83
Rent/Hire Charges-Office Premises	61.72	-
Rent/Hire Charges-Vehicle	1.33	-
Technical & Consultancy Fees	0.74	-
Travelling and Conveyance	1.10	0.94
Total	104.13	573.34

NOTE 20 : TAX EXPENSE

Amount recognised in Statement of Profit and Loss

₹ in lakhs

Particulars	As at 31 st March 2021	As at 31 st March 2020
Current Tax Expense		
Current Year	111.15	-
MAT Credit Entitlement recognised	(3.57)	-
	107.58	
Deferred Tax		
Deferred Tax Assets		
Preliminary Expenses	71.23	-
Lease R.O.U Depreciation and Finance cost	0.02	-
Deferred Tax Liabilities		
Depreciation	7.53	-
Deferred tax asset (net)	63.71	-
Tax expense recognised	43.87	-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

Note 20 : table (contd.)

Reconciliation of effective tax rate

₹ in lakhs

Particulars	2020-21		2019-20	
	%	₹ in lakhs	%	₹ in lakhs
Profit before tax		665.89		(520.27)
Tax as per Corporate tax rate	27.82%	185.25	27.82%	Nil
Tax effect of :				
Non deductible expense	0.39%	2.61	-	-
Other deductions	-1.52%	(10.09)	-	-
Business loss of earlier year set off	-10.60%	(70.58)	-	-
Deferred tax assets (net)	-9.57%	(63.71)		
Others	0.06%	0.40		
Income Tax Expense	6.59%	43.87	-	-

NOTE 21 : EARNING PER SHARE

₹ in lakhs

Basic and diluted earnings/ (loss) per share

Basic and diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity shareholders of the Company by the weighted average of number of equity shares outstanding during the year.

Particulars	Unit	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Profit/ (loss) after tax attributable to equity shareholders	(INR in lakh)	622.02	(520.27)
Weighted average number of equity shares outstanding during the year	(in number)	46,94,49,315.00	4,16,25,683.00
Nominal value per share	INR	10.00	10.00
Basic and diluted earnings/ (loss) per share	INR	0.13	(1.25)

NOTE 22 : RELATED PARTY TRANSACTIONS

a) List of related parties			
I Key Management Personnel			
	Designation	Name of Incumbent	DIN
	Chairman and Director	Govind Kottieth Satish (w.e.f 15.02.2021)	06932170
	Chairman and Director	Akshay Kumar Singh (upto 03.02.2021)	03579974
	Director	Dayanand Sadashiv Nanaware (w.e.f 15.02.2021)	07354849
	Director	Harendra Kumar Singh (upto 03.02.2021)	07045323
	Director	Jayanthi Satya Prasad (w.e.f 09.07.2019)	07673253
	Director	Lakhpat Rai Jain (w.e.f 09.07.2019)	08505199
	Chief Executive Officer	S.K.Jha	-

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

Note 22 : table (contd.)

	Chief Operating Officer	R Ramesh	-
	Chief Financial Officer	Joseph Kurian (w.e.f 16.04.2020)	-
	Company Secretary	Pallavi Tripathi	-
II	Promoters		
	(i) Indian oil Corporation Ltd (IOCL)		
	(ii) Hindustan Petroleum Corporation Limited (HPCL)		
	(iii) Bharat Petroleum Corporation Limited (BPCL)		

b) The nature wise transactions with Promoters are as follows:

₹ in lakhs

Particulars	For the Year ended 31 st March 2021	For the Year ended 31 st March 2020
Subscription received of Equity Share Capital	1,55,300.00	10,500.00
SAP Implementation Service	210.56	
Receiving of Services	9,612.59	
Interest Income	2.28	
Management Contracts (Employees on deputation/ consultancy services)	2,031.26	100.85
Lease Rental & other Charges paid	201.16	
Deposit given	67.06	
Reimbursement of Expenses	495.36	2,791.42
Receivables as at year end*	125.66	58.60
Payables as at year end*	2,508.17	929.01

* The outstanding balances are unsecured and are settled in cash.

Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.

NOTE 23 : AUDITOR'S REMUNERATION

₹ in lakhs

Particulars	For the Year ended 31 st March 2021	For the Year ended 31 st March 2020
Statutory audit fee	0.50	0.50
Certification charges	-	-
Reimbursement of expenses	-	-
Others	-	-
Total (A)	0.50	0.50
Other services	-	-
Tax audit fee	-	-
Total (B)	-	-
Total (A + B)	0.50	0.50

Note: Fees are exclusive of applicable taxes wherever applicable.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 24 : CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabilities

“The company has given bank guarantees of Rs. 2111.38 lakhs as performance guarantee for pipeline laying permissions. These guarantees are secured by fixed deposit (from SBI) of equivalent amount which carry lien.”

B. Commitments

a) Capital commitments

i. “The estimated amounts of contracts remaining to be executed on capital account and not provided for in relation to execution of works and purchase of equipment are **3516.88 crores** as on 31.03.2021.”

b) Other commitments : NIL

NOTE 25 : LEASE

A. Leases as Lessee

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) included in Property, Plant and Equipment (Note No. 2):

₹ in lakhs

Particulars	Gross Block				Depreciation			Net Block
	Opening Balance	Additions during the year	Reclassifications / Deductions	As at 31 st March 2021	For the year	Reclassifications / Deductions	Upto 31 st March 2021	As at 31 st March 2021
ROU Assets - Office Building Gujarat	-	1.15	-	1.15	0.40	-	0.40	0.75
ROU Assets - Office Building Madhya Pradesh	-	29.72	-	29.72	5.39	-	5.39	24.33
Total	-	30.87	-	30.87	5.79	-	5.79	25.08

b) The following Lease expenses have been incurred

₹ in lakhs

Particulars	2020-21
Interest on Lease Liabilities	0.78
Expenses relating to short term leases	158.04
Expenses relating to leases of low value items (not included in measurement of lease liabilities)	5.11
Total	163.93
Note: Amount transferred to CWIP.	101.44

c) Total Cash outflow for leases during FY 2020-21 ₹ 40.62 lakhs

d) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

As at 31.03.2021	Contractual cash flows			
	Upto 1 Year	1-3 years	3-5 years	Total
Cash Outflows	20.41	5.89		26.30

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 26 : FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i) As at 31st March 2021

₹ in lakhs

Particulars	Carrying value				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Other financial assets			3,021.64	3,021.64				
Current								
Cash	-	-	0.13	0.13	-	-	-	
Cash Equivalents								
----Balances With Bank	-	-	4,696.93	4,696.93	-	-	-	
----Deposits with original maturity of less than 3 months	-	-	97,000.00	97,000.00	-	-	-	
----Others			4.58	4.58				
Other financial assets	-	-	160.03	160.03	-	-	-	
Total	-	-	1,04,883.31	1,04,883.31				
Financial liabilities								
Non-current								
Lease Liabilities			26.30	26.30				
Current								
Other current financial liabilities	25.37	-	11,272.75	11,298.12	25.37	-	-	25.37
Total	25.37	-	11,299.05	11,324.42				

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

ii) As at 31st March 2020

₹ in lakhs

Particulars	Carrying value				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Other financial assets			2,007.96	2,007.96				
Current								
Cash	-	-	1.02	1.02	-	-	-	
Cash Equivalents								
----Balances With Bank	-	-	5,224.54	5,224.54	-	-	-	
----Deposits with original maturity of less than 3 months	-	-	-	-	-	-	-	
----Others			-	-				
Other financial assets	-	-	69.09	69.09	-	-	-	
Total	-	-	7,302.61	7,302.61				
Financial liabilities								
Current								
Other current financial liabilities	-	-	874.79	874.79	-	-	-	
Total	-	-	874.79	874.79				

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk - Foreign exchange ; and
- Market risk - Interest rate

Risk management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to

set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the Management periodically to reflect changes in market conditions and the Company's activities.

NOTE 27 :

"As on 31.03.2021, Rs. 1128.89 lakhs have been disbursed to Competent Authorities for ROW payment, out of which Rs. 1043.36 lakhs is lying in their designated bank account, pending disbursement."

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021 (CONTD.)

NOTE 28 : COVID 19 IMPACT:

“As per Management’s assessment, there is no significant impact of COVID 19 on its financial position as on 31.03.2021. The management does not see any risks in the company’s, ability to continue as a going concern, quality of assets or ability to settle its liabilities as and when they fall due.

The management expects the project schedule to be impacted in 2021-22 due to the following:

- Impact on delivery schedule of the items due to restriction in movement or partial lockdown.
- Impact on completion schedule of works due to movement restrictions/risk of migration of ground force.
- Impact of Working capital availability with suppliers/contractors of the Company.
- Impact on Right of Way acquisition due to non-availability of Competent Authority and their staff on sickness grounds.

- Anticipated delays in processing various approval for pipeline laying by State Governments due to the preoccupations of the State Govt with the health emergency.

However, Management will not be able to quantify the period of delay or quantum of cost overrun on account of COVID-19 at this stage.”

NOTE 29 : OTHER DISCLOSURES:

- There is no significant subsequent events that would require adjustments or disclosures in the Financial Statements as on the Balance Sheet Date except already disclosed in Financial Statement.
- Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation. Figures in brackets indicate deductions.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
G. K. Satish
Chairman
Place: New Delhi
DIN: 06932170

Sd/-
S. K. Jha
Chief Executive Officer
Place: Noida
Date: 24.04.2021

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Noida
Date: 26.04.2021

Sd/-
Pallavi Tripathi
Company Secretary
Place: Noida
Date: 26.04.2021

Dated: 28.04.2021

AS PER OUR REPORT OF EVEN DATE ATTACHED
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 123825W

Sd/-
CA Prahlad Jhanwar
Partner
Membership No: 120920

Place: Ahmedabad
Dated: 28.04.2021
UDIN: 21120920AAAAA18396



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INDIANOIL, HINDUSTAN PETROLEUM
& BHARAT PETROLEUM

