



A JOINT VENTURE OF
INDIANOIL, HINDUSTAN PETROLEUM
& BHARAT PETROLEUM

...Creating
New Energy Corridors
Opening Vistas for
growth...



**ANNUAL
REPORT**
2020

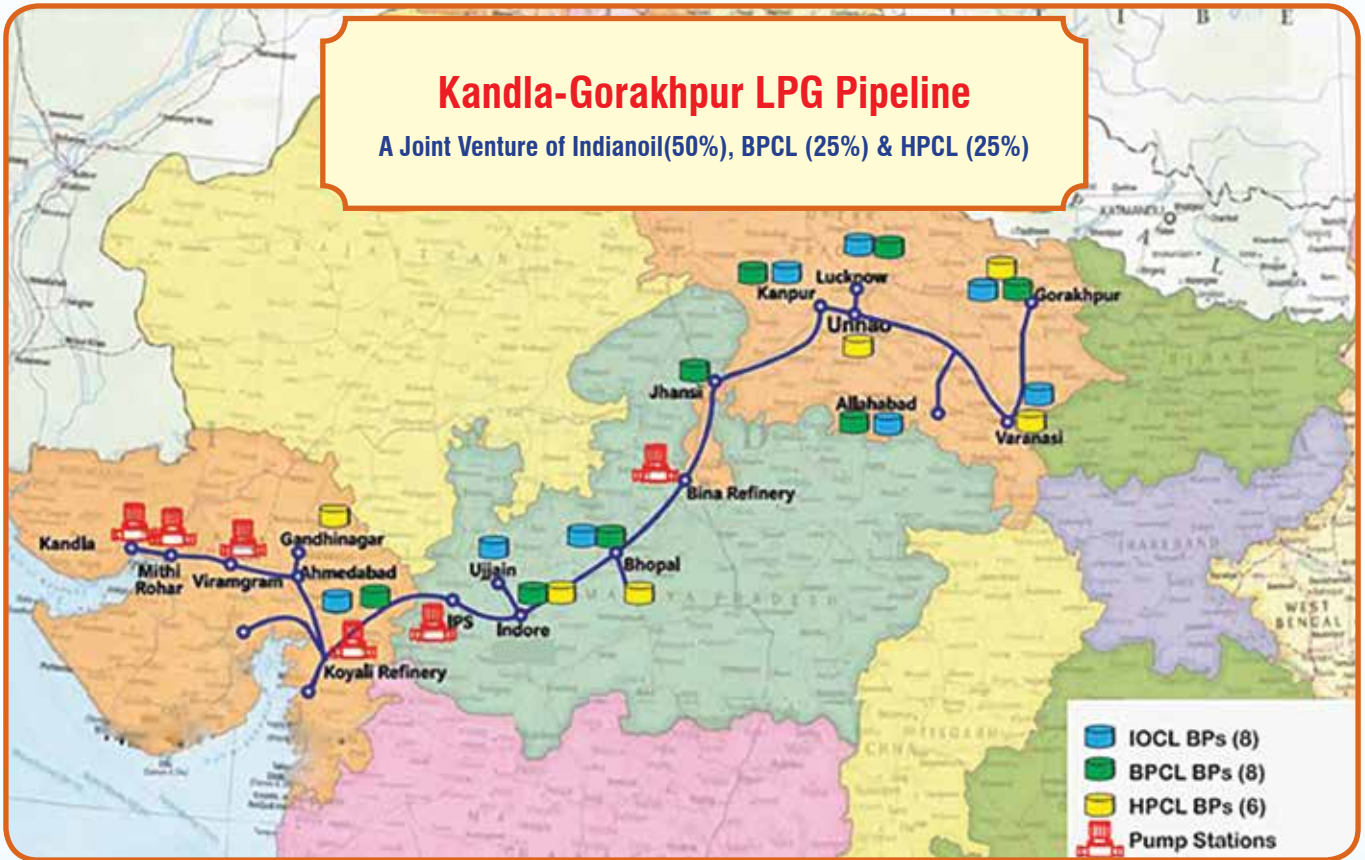
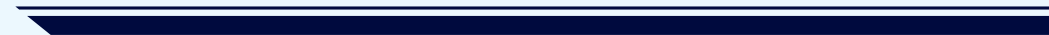


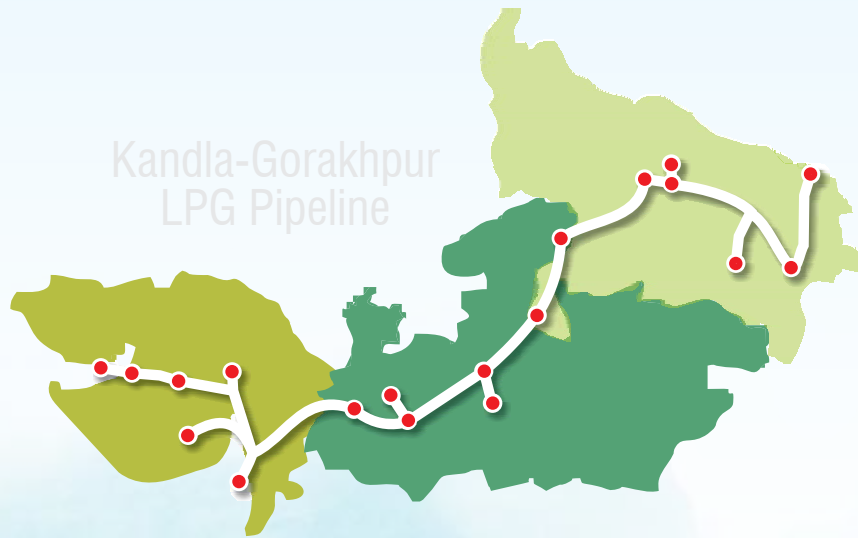
A JOINT VENTURE OF
INDIANOIL, HINDUSTAN PETROLEUM
& BHARAT PETROLEUM

ANNUAL REPORT 2020

Contents

Company Information	3
Chairman's Message	4
Board of Directors	6
AGM Notice	8
Board's Report	10
Annexure to Board's Report (MGT-9 & AoC-2)	16
Auditor's Report	23
C&AG Comments	31
Balance Sheet	32
Statement of Profit & Loss	33
Statement of Changes in Equity	36
Notes to Financial Statements	37





Company Information

Name: **IHB Private Limited**
CIN: **U60230GJ2019PTC109127**

Registered Office

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

Head Office

6th Floor, Indian Oil 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 Akshay Kumar Singh
Chairman

Shri Harendra Kumar Singh
Director

Shri Jayanthi Satya Prasad
Director

Shri Lakhpat Rai Jain
Director

Key Managerial Personnel

Shri Sanjay Kumar Jha
Chief Executive Officer

Shri R. Ramesh
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 Private 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



Shri A. K. Singh

It gives me immense pleasure to present the 1st Annual Report of your Company for the year 2019-20. On 3rd June 2019, the three flagship Oil Marketing Companies, IOCL, BPCL and HPCL came together to sign a Joint venture Agreement for laying longest LPG pipeline in the World. Synergy of strength of the three OMCs for taking up a mega pipeline project jointly was first of its kind, which led to incorporation of your Company IHB Private Limited on 9th July 2019.

Due to the push of Government of India for increasing penetration of LPG, particularly in rural India, demand of LPG in last 5 years has grown by more than 50%. However, indigenous supplies of LPG have increased by about 20% only during the similar period. Thereby, the gap between demand and supplies of LPG is progressively increasing year after year. India is currently importing about 14 MMTPA LPG and major volumes are handled on Western Coast. However, India has very limited LPG Pipeline infrastructure having a combined capacity of about 9.5 MMTPA against consumption of about 27 MMTPA. Major volumes of LPG are being moved through road which is expensive, hazardous and unreliable. Thus, there was a need of creating a robust infrastructure for transportation of the imported LPG to hinterland for ensuring reliable supplies and providing access to clean fuel by the masses.

The proposed Kandla-Gorakhpur LPG Pipeline would cross

through the three most populous states of India i.e. Gujarat, Madhya Pradesh and Uttar Pradesh having a combined LPG demand of about 7.5 MMTPA currently and which is about 27% of the India's demand. KGPL would be directly connected with 22 bottling plants in these 3 states (out of 45 BPs) and indirectly to another 22 bottling plants. Thereby, implementation of this prestigious pipeline to transport more than 25% of India's LPG demand through a single pipeline is not only fascinating but challenging too and as such its commissioning is being eagerly awaited.

Hon'ble Prime Minister of India, Shri Narendra Modi laid the foundation stone of the KGPL project at Gorakhpur on February 25, 2019. Within a short period of about 8 months since incorporation, your Company has made significant progress for timely implementation of the project such as completion of Detailed Engineering Survey of Pipeline route, submission of applications for permissions/clearances, appointment of competent authorities in the states etc. It is also a matter of great satisfaction that your Company has achieved financial closure of the project by signing Loan agreement with SBI led consortium of 5 banks at very competitive rates. Also, Purchase Orders for supply of Mainline Pipes have been awarded for a length of 2097 kms to Indian Vendors.



Laying of foundation stone of KGPL pipeline at Gorakhpur on 25.02.2019

Onset of Covid-19 pandemic during March 2020 did restrict movement of personnel in the field, impacting process of follow ups for Permissions/clearances. However, I am confident that your Company would be able to tide over this situation by recalibrating its implementation strategies. Your Company would seek support of promoter companies for deputation of adequate and experienced professionals in the Company during the project stage. We have also maintained excellent liasioning with respective State Governments, Statutory Authorities and departments of Central Government for ensuring requisite support. KGPL project is included as one of the major projects in National Infrastructure Pipeline (NIP) proposed to be completed in next 5 years and is a first-of-its-kind initiative to provide world-class infrastructure across the country and improve the quality of life for all citizens.

I am thankful to Government of India, especially Ministry of Petroleum & Natural Gas (MoP&NG), Petroleum and Natural Gas Regulatory Board (PNGRB), our Promoters, State Governments, various statutory and local authorities for their guidance and support in all our efforts. We look forward to their continued support in future as well. I would like to thank the bankers, employees and other stakeholders for their undaunted commitment and support. I would like to convey my sincere appreciation to the Board of Directors for their guidance and wise counsel. I look forward to your continued support for our shared vision to make clean and environment friendly fuel available to every domestic household of the country and create a world-class infrastructure in India within the committed schedule.

Akshay Kumar Singh
Chairman



Board of Directors



Shri Akshay Kumar Singh
Chairman

Shri Akshay Kumar Singh is the Chairman of IHB Private Limited since July 2019 and also Director (Pipelines) in Indian Oil Corporation Limited. Shri Singh joined the Board of Indian Oil Corporation Limited in August 2018.

Prior to his joining Board of Indian Oil Corporation Limited, Shri Singh was working in GAIL since 1985 and got elevated to the post of Executive Director

(Project). Shri Singh possesses extensive domain experience

and has made significant contributions in Petroleum & Natural Gas Sector during about 34 years career span. He has vast experience in executing very challenging, complex and large size Cross Country pipeline network of National importance within schedule time and cost. He also possesses extensive experience in the field of design engineering, planning, execution and O&M of hydrocarbon cross country pipeline system and process plants.

Shri Singh is a Mechanical Engineer and completed Engineering from MIT, Muzaffarpur (Bihar University). Shri Singh also completed Master's Degree in Turbo Machinery from South Gujarat University. Shri Singh with his rich experience brings fresh perspective and provide necessary guidance to IHBPL Board functioning.



Shri Harendra Kumar
Director

Shri Harendra Kumar Singh, a B.Sc. Engg. (Mechanical Engg.) Graduate from BIT Sindri, has over 34 years of vast experience in Conceptualization, Design, Engineering, Construction and Project Management of Oil & Gas pipelines including offshore crude handling involving Single Point Mooring facilities in challenging high sea conditions. His in-depth experience in bringing

innovative operation, maintenance and inspection techniques has immensely improved the reliability and longevity of IndianOil's extensive pipeline network of crude oil, petroleum products and gas pipelines spanning over 14800 Kms.

In his long career, Shri Singh is credited with IndianOil's foray from crude and product pipelines into new pipeline areas of LPG, Naptha and Natural Gas. His expertise in pipeline design and management has the knack of converting ideas into reality in shortest possible time.

He has been extensively trained on Design and Engineering of Gas Pipeline Project in Canada.

As Executive Director (Projects), he is currently heading the critical Projects Department of Pipelines Division of Indian Oil Corporation Limited covering all engineering wings including system design & gas projects under his ambit and is ably handling nearly 13 simultaneous projects of worth about INR 21000 Crores at present involving crude oil, petroleum products and gas pipelines as well as Project Management Consultancy works.



Shri Jayanthi Satya Prasad
Director

Shri Jayanthi Satya Prasad, is a Graduate in Mechanical Engineering, passed with distinction from Andhra University College of Engineering, Visakhapatnam, in the year 1983.

He had 35 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, Cross country Pipelines. He has played a key role in expansion of HPCL's Pipeline network expansion to around 3800 Km. in last 20 years and possesses deep understanding of Pipeline Industry, PNGRB Regulatory frame work, execution & operations of cross country Pipeline Networks. He is currently holding the position of ED-Projects & Pipelines in HPCL and is responsible for growth and safe operations of HPCL's Pipeline Business Unit.

He is also HPCL's nominated Board Member in it's Joint Venture Companies PMHBL, GIGL and GITL.



Shri Lakhpat Rai Jain
Director

Shri Lakhpat Rai Jain is a Mechanical Engineering Graduate from BITS Pilani of 1979-84 batch and has also completed Executive Management program from SPJIMR. Presently, he is heading Central Procurement Organizations of BPCL's Marketing Division as Executive Director (CPO). Prior to this posting, he was heading BPCL Pipelines entity as Chief General

Manager (Ops. & Projects) from April, 2016 to January, 2020, responsible for operating about 3000 K.M. pipeline network of BPCL, execution of ongoing greenfield Pipeline projects of about 700 k.m. and working on conceiving & carrying out pre-project activities of Prospective Pipeline Projects of about 1500 k.m. length.

Shri L. R. Jain has a total work experience of more than 35

years consisting of about 11 years' experience in a variety of challenging assignments and leadership positions in BPCL's pipelines entity.

He also has 5 years' experience in Retail POL Operations at senior management level, where he was responsible for Operations and Automation of retail supply locations. 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.

He is also a member of SCBT (Standing Committee of Board for Tenders) of NRL since August 2020.



AGM Notice

Notice is hereby given that the **1st (First) Annual General Meeting** of the Members of **IHB Private Limited** (hereinafter referred as "IHBPL") will be held on **Tuesday, the 24th Day of November, 2020 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 31st March, 2020 and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.
2. To authorize the Board of Directors to decide remuneration of the Statutory Auditors for the financial year 2020-21 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 2020-21".

BY ORDER OF THE BOARD OF DIRECTORS

Date: 27.10.2020
Place: Noida

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

Sd/-
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 May 5, 2020 read with Circulars dated April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and in compliance with the provisions of the Act, the 1st 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 1st 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 2019-20 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 2019-20 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. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
6. The facility for joining the meeting will open 15 minutes before the time scheduled to start the meeting i.e. 11:30 am 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.
7. 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.
8. 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
9. 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
10. The Chairman may decide to conduct a vote by show of hands unless a demand for poll is made by any member.
11. 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: 27.10.2020

Place: Noida

Registered office:C/O Indian Oil Corporation Ltd,
Sabarmati Terminal Nr D’ Cabin Sabarmati,
Ahmedabad - 380019 Gujarat.Sd/-
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 1st Board's Report on the business and operations of the Company, together with the Audited Financial Statements for the financial year ended March 31, 2020.

1. BACKGROUND OF COMPANY

Your Company is a Joint Venture of India's three flagship Oil & Gas Central Public Sector Undertakings viz. Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited and Bharat Petroleum Corporation Limited with equity participation in the ratio of 50:25:25.

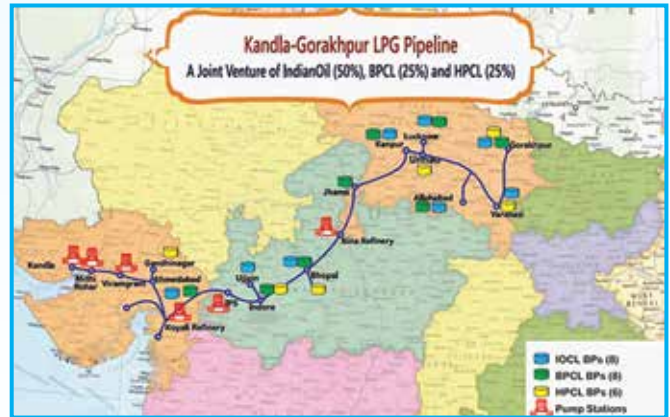
The Consortium of these three CPSUs had earlier participated in the Petroleum & Natural Gas Regulatory Board's (PNGRB) bidding process for laying of Kandla-Gorakhpur LPG pipeline and received PNGRB authorization on 31st December 2018. Subsequent to receipt of authorization, IHB Private Limited was incorporated on 9th July 2019 to construct, operate and manage approx. 2800 km long Kandla-Gorakhpur LPG Pipeline (KGPL) for meeting the LPG demand of the bottling plants *en-route* the pipeline in the States of Gujarat, Madhya Pradesh and Uttar Pradesh.



Signing of Joint Venture Agreement on 03.06.2019

The Pipeline is planned to meet the LPG requirement of 8 LPG bottling Plants of IOCL, 6 of HPCL and 8 of BPCL located in Gujarat, MP and UP. Upon commissioning, the pipeline would provide cost effective, reliable and environment friendly mode of LPG transportation to these bottling plants thus replacing existing road mode of LPG transportation. This pipeline, considered to be longest LPG pipeline in the World, would help in decongesting roads and provide a long-term optimal solution for positioning Bulk LPG to the three populous states of India.

2. PROJECT OVERVIEW



Pipeline Network of KGPL

The demand of LPG is increasing consistently in recent years. Due to Government of India's emphasis to make the clean and environmental friendly fuel available to every domestic household in the country, growth in LPG demand is expected to increase at much steeper rate in the coming years. LPG demand in India is expected to reach about 37 MMTPA by 2031-32, which is planned to be met through indigenous production and Imports.

Although indigenous supply of LPG is expected to increase in the short-term due to planned capacity augmentation and up gradation projects being implemented by refineries, it is still expected to fall short of the projected demand significantly in the short and long term.

Considering the gap in long-term LPG demand and supply from indigenous sources, increase in LPG imports would increase at vast coastlines of the country, which would be transported through Road and Pipelines transportation to various bottling plants for further supply.

Most of the LPG movement (around 65-70%) of bulk LPG from indigenous sources/ import locations to bottling plants is primarily being done by road at this point of time. Pipelines are the safest, environment friendly and economical means of transportation and thereby remain the most favourable transportation mode. Yet for transportation of LPG particularly from LPG import terminals to bottling plants, there are only 4 operational LPG pipelines presently with combined capacity of 7.43 MMTPA and another 4 LPG pipelines are under

implementation by Oil Marketing Companies (OMCs). Majority of these pipelines have been planned for linking the bottling plants in Southern and Eastern India and there is only one pipeline linking west coast of India to the northern states. Thus LPG bottling plants in Eastern Uttar Pradesh and Central India are not served by any existing as well as upcoming/proposed LPG pipelines.

The proposed Kandla-Gorakhpur LPG pipeline would meet the LPG demand of the three states (Gujarat, Madhya Pradesh and Uttar Pradesh) in the Northern and Western regions of the country, in most cost-effective and reliable manner and thus expected to give major boost to LPG availability in these states and thereby improve penetration. The Pipeline would source LPG from Import terminals at Kandla, Dahej and Pipavav on the western coast and also from two refineries namely IOCL Koyali and BOREL Bina in addition to import from Mundra Port, through Mundra-Mithirohar pipeline, at Mithi Rohar pump station of KGPL. Deliveries from this pipeline would cater to 22 LPG bottling plants en-route Gujarat, Madhya Pradesh and Uttar Pradesh.

The pipeline would be traversing through 45 districts of the three most populous states of India namely Gujarat, Madhya Pradesh and Uttar Pradesh. The pipeline would be touching 123 talukas and 2110 villages en-route and would cross about 5000 Express Highways/National & State Highways/District Roads. The Pipeline would be laid underneath about 2700 water bodies like Rivers/canals, 300 Railway crossings and other pipelines.

Salient details of the project

Length	2816 KM
System capacity	8.25 MMTPA
Estimated Capex	Rs. 10,088 crore
Delivery Locations	22
IndianOil (8)	Ahmedabad, Ujjain, Bhopal, Kanpur, Allahabad, Varanasi, Lucknow and Gorakhpur
HPCL (6)	Ahmedabad, Indore, Bhopal, Unnao, Varanasi, Gorakhpur
BPCL (8)	Ahmedabad, Indore, Bhopal, Jhansi, Kanpur, Allahabad, Lucknow and Gorakhpur

3. PHYSICAL PROGRESS

The total cost of laying Kandla-Gorakhpur LPG Pipeline

is approx. 10,088 crore. One-third of the Project cost is being met through equity contribution by promoters of your Company and balance two-third through debt. Your Company has tied up Rupee Term Loan agreement through a consortium of 5 banks led by State Bank of India. Financial closure of the project has been achieved. All Pre-project Activities including Detailed Engineering Survey, Revenue Survey, Cadastral Survey, Geo-technical Investigation and other technical studies have been completed.



Signing of Rupee Term Loan Agreement for KGPL on 13.03.2020

Environmental Impact Assessment & Risk Analysis is also completed. Competent Authority for acquisition of Right of Way has been appointed by respective State Governments to assist the Company. The Company has initiated activities for acquisition of Right of Way in the three states along with obtaining statutory permissions and clearances for which the Company has submitted the applications to concerned authorities.

Your Company has engaged IOCL for providing Engineering and Project Management Consultancy services. 76 officers have been deputed by Promoters at various project locations of KGPL, who have joined offices after taking necessary precautions in view of COVID-19 related restrictions.

Applications for all crossing permissions have been submitted to various authorities. Application for laying pipes in Forest Land and for Wildlife Clearance has been submitted which are in advanced stage of approval process at state level. Required study for CRZ clearance is also underway for getting the Environmental Clearance from Govt. of India for the project.

Competent Authority for all 3 states have been notified in Central Gazette and land schedule for 51% of ROU length has been sent to MOP&NG for publication of which 15% is



notified under Section 3(i) of the Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962 for which notice serving is under progress. Other statutory approvals like Petroleum and Explosives Safety Organisation (PESO), State Pollution Control Board for CTE clearance is underway.

Purchase Orders for supply of Mainline Pipes have been awarded for a total cost of INR 1842 Crores for a length of 2097 kms to Indian Vendors. Support agencies have been appointed to assist in Land Acquisition/ Procurement processes and work for identifying suitable land for Pumping Station, Pigging Station and Valve Locations is underway. Tender for laying Pipeline from Dumad to Gorakhpur, HDD Works and Composite Works for Pumping Stations have been floated and bids are under evaluation. Completion schedule, as per the PNGRB authorization, is 36 months from the date of authorization.

4. FINANCIAL PERFORMANCE

a. Financial Results

Particulars	(Rs.in Lakh) 31.03.2020
Total Income	53.07
Expenditure	573.34
Profit/ (loss) before taxes	(520.27)
Provision for Tax (including deferred and earlier period tax)	-
Profit/ (Loss) After Tax	(520.27)
Paid up Equity Share Capital	10,500
Net Worth	9,979.73
Earnings per share of Rs 10 each (figure in Rs)	(1.25)

b. Dividend

Your Company was incorporated during the financial year 2019-2020 and is in the process of establishing its commercial operations. Business operations are yet to begin. In view of this, your Company has not declared any dividend for the financial year 2019-2020.

c. Reserve

For the year 2019-20, your Company has not transferred any amount to the reserves of the Company.

5. SHARE CAPITAL

Your Company was incorporated with Authorised Share

Capital of 3364,00,00,000 out of which 5,00,00,000 was paid up. The Company made a further allotment of 10,00,00,000 (Ten Crore) Equity Shares of INR 10/- (Rupees Ten Only) each (at par) to Promoter Companies and the same were duly allotted on November 14, 2019. The Company's capital structure as on 31st March 2020 is follows:

Authorized Capital : Rs. 3364,00,00,000

Paid Up Capital : Rs. 105,00,00,000

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Directors

Your Company is managed by a highly experienced Board of Directors, which formulates strategies & policies and reviews its performance periodically. The Directors are nominated and appointed by promoter companies in accordance of the JV agreement executed among them.

Your Company was incorporated with the following four Directors (non-executive) and there was no change in composition of the Board for the year ended on 31st March, 2020:

Sr. No.	DIN	Name	Designation
1.	03579974	Shri Akshay Kumar Singh	Chairman
2.	07045323	Shri Harendra Kumar Singh	Director
3.	07673253	Shri Jayanthi Satya Prasad	Director
4.	08505199	Shri Lakshpat Rai Jain	Director

b. Key Managerial Personnel

In pursuance of the JV Agreement, your Company appointed Shri Sanjay Kumar Jha as the CEO, Shri Ramesh Ramasamy as the COO and Ms. June Fernandes as CFO of the Company.

Ms. June Fernandes ceased to be the CFO of the Company w.e.f. March 17, 2020 and Shri Joseph Kurian was appointed as the new CFO w.e.f. April 16, 2020.

Further Ms. Pallavi Tripathi was appointed as the Company Secretary w.e.f. 27th January, 2020.

c. Board Meetings and Attendance

During the financial year, 5 Board Meetings were held on the following dates:

25.07.2019	27.08.2019	14.11.2019
01.01.2020	28.02.2020	

All five Board meetings were attended by all the Directors.



Fifth Board meeting held on 28.02.2020 at Mumbai

The minimum and maximum gap between two Board meetings was 32 days and 78 days respectively.

7. 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.

8. BUSINESS RISK MANAGEMENT

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

9. EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return in **MGT-9** as part of this Board's Report is enclosed as **Annexure-A** and also placed at www.ihbl.in.

10. AUDIT

a. Statutory Auditors

M/s Purushottam Khandelwal & Co., Chartered Accountants was appointed as the first Auditor of your Company by the Comptroller & Auditor General (C&AG) of India for the financial year 2019-20. Further C&AG have re-appointed M/s Purushottam Khandelwal & Co., Chartered Accountants as the Statutory Auditor of your Company for financial year 2020-21.

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 this Report. There is no qualification in the Statutory Auditors Report or in the Comments of the C&AG on the Financial Statements of the Company.

11. DEPOSITS

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

12. 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.

13. CREDIT RATING

Your Company was assigned a Long-Term Issuer Rating of 'IND A+' by India Ratings and Research (Ind-Ra). The outlook of the rating is Stable. The instrument-wise rating action for your Company is as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Proposed loan	-	-	-	INR 67.25	Provisional IND A+/ Stable	Assigned

Ind-Ra has factored in strong sponsor support between IHB and its sponsors Indian Oil Corporation Ltd. (IOC; 'IND AAA'/Stable; holds 50% stake in IHB), Hindustan Petroleum Corporation Ltd (HPCL; 'IND AAA'/Stable; 25% stake) and Bharat Petroleum Corporation Ltd (BPCL; 25% stake), collectively referred to as Oil Marketing Companies (OMCs), while assigning the ratings.

14. SECRETARIAL STANDARDS

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

15. 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 has always been trying to keep itself technologically updated from time to time.

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

16. 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 is reviewed by the Nominated Director or Chairman of the Board as the case may be. No employee has been denied access to the Nominated Director. The policy on Vigil Mechanism can 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>.

17. 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.

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

The Company has provided a gender friendly work place with equal opportunity for men and women. During the year 2019-20, no complaint of sexual harassment was received directly or through promoter companies.

19. 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-B and are provided in the Company's financial statements in

accordance with the Indian Accounting Standards under note –18 of the Financial Statement.

20. 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 31st March, 2020:

- a. in the preparation of the annual accounts for the period ended March 31, 2020, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- b. 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;
- c. 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;
- d. the annual accounts have been prepared on a going concern basis; and
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

21. IMPACT OF COVID-19 ON THE COMPANY'S BUSINESS

In March 2020, the outbreak of COVID-19 was declared as a pandemic by the World Health Organization. The pandemic has forced a significant volatility in the global as well as Indian financial and economic activities and has forced many oil and gas companies to either stop or slow down their physical activities. In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, some of the business activities of the Company were temporarily disrupted.

However, the relaxations in the lockdown conditions have allowed the Company to resume its business activities

at various locations by following increased protocols to ensure safety of all personnel involved. Impact of Covid-19 is expected on the procurement/ industrial activities, raw material supplies, availability of manpower etc. Though the Company is putting its best efforts to complete the project as per the scheduled timelines, delays in some project implementation is predictable.

Further, there was no significant material impact on the financial position of the Company for the financial year 2019-20 on account of COVID-19 related restrictions.

22. GENERAL SHAREHOLDER INFORMATION

a. Name of the RTA:

Alankit Assignments Limited
Unit: IHB Private 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. ISIN of equity shares: INE0DFZ01010

c. Extra- Ordinary General Meeting:

One Extra-Ordinary General meeting was held on 03.02.2020 at Mumbai.

d. Annual General Meeting:

Day and Date	Time	Venue
24.11.2020	11:30 Hours	Video Conferencing

23. ACKNOWLEDGEMENT

Your Directors acknowledge with deep appreciation the valuable guidance and support extended by the Government of India, especially the Ministry of Petroleum & Natural Gas (MoP&NG), the Petroleum and Natural Gas Regulatory Board (PNGRB), the State Governments of Gujarat, Madhya Pradesh and Uttar Pradesh.

Your Directors' also take this opportunity to express their deep gratitude for the unstinted and uninterrupted support from the Promoter Companies i.e. Indian Oil Corporation Limited, Hindustan Petroleum Corporation Limited and Bharat Petroleum Corporation Limited.

Your Directors also wish to place on record their deep sense of appreciation for the dedicated services by the employees of the Company. The Directors also acknowledge the support of all Statutory & Local Authorities, Bankers, Media, Legal Counsels, Contractors, Vendors and Suppliers.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



(Akshay Kumar Singh)

Chairman

DIN: 03579974

Date: 26.10.2020

Place: Noida



Annexure to Board's Report (MGT-9 & AOC-2)

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

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	U60230GJ2019PTC109127
2	Registration Date	09-07-2019
3	Name of the Company	IHB Private Limited
4	Category/Sub-category of the Company	Private Limited Company
5	Address of the Registered office & contact details	C/o Indian Oil Corporation Limited, Sabarmati Terminal NR D' Cabin Sabarmati Ahmedabad GJ 380019 IN
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Land transport; Transport via pipelines	H2	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	"% of shares held"	"Applicable Section"
NIL					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	"No. of Shares held at the beginning of the year"				"No. of Shares held at the end of the year"				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/ HUF				0.00%				-	0.00%	0.00%
b) Central Govt				0.00%				-	0.00%	0.00%

Category of Shareholders	"No. of Shares held at the beginning of the year"				"No. of Shares held at the end of the year"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.		50,00,000	50,00,000	100.00%		10,50,00,000	10,50,00,000	100.00%	2000.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1):	-	50,00,000	50,00,000	100.00%	-	10,50,00,000	10,50,00,000	100.00%	2000.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Banks/FI									
e) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2):	-	-	-	0.00%	-	-	-	0.00%	0.00%
"Total shareholding of Promoter (A) = (A)(1) + (A)(2)"	-	50,00,000	50,00,000	100.00%	-	10,50,00,000	10,50,00,000	100.00%	2000.00%
B. Public									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		-	-	0.00%		0	-	0.00%	0.00%



Category of Shareholders	"No. of Shares held at the beginning of the year"				"No. of Shares held at the end of the year"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	0.00%
c) Others (specify)									
Sub-total (B)(2):	-	-	-	0.00%	-	-	-	0.00%	0.00%
"Total Public Shareholding (B)=(B)(1) + (B)(2)"	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	-	50,00,000	50,00,000	100.00%	-	10,50,00,000	10,50,00,000	100.00%	2000.00%

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Indian Oil Corporation Limited	25,00,000	50.00%	-	5,25,00,000	50.00%	-	2000.00%
2	Bharat Petroleum Corporation Limited	12,50,000	25.00%	-	2,62,50,000	25.00%	-	2000.00%
3	Hindustan Petroleum Corporation Limited	12,50,000	25.00%	-	2,62,50,000	25.00%	-	2000.00%
	Total	50,00,000	100.00%	-	10,50,00,000	100.00%	-	-

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

SI No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Name						
1	At the beginning of the year	09.07.2019	-	50,00,000	100%	50,00,000	100%
	Changes during the year	14.11.2019	Allotment of further shares	10,00,00,000	2,000%	10,50,00,000	100%
	At the end of the year	31.03.2020	-	10,50,00,000	100%	10,50,00,000	100%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and AD Rs):

SI No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Name	NIL			
	At the beginning of the year				
	Changes during the year				
2	Name				
	At the beginning of the year				
	Changes during the year				
	At the end of the year				

(v) Shareholding of Directors and Key Managerial Personnel:

SI. NO.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
NIL					

V. INDEBTEDNESS

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

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



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager	“Total Amount (Rs/Lac)”
	Name	NIL	
	Designation		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors

SI No.	Particulars of Remuneration	Name of Directors	Total Amount (Rs/Lac)
1	Independent Directors	NIL	
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

SI No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		CEO	CFO	CS	
	Name				
	Designation				
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	1,62,096.00	1,62,096.00
	Total	-	-	1,62,096.00	1,62,096.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



Annexure - B

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

(Akshay Kumar Singh)
Chairman
DIN: 03579974

Place: 26.10.2020
Date: Noida

Auditors' Report

The Members

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 2020 and the statement of Profit and Loss (including other comprehensive income) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, 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, 2020, 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.

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

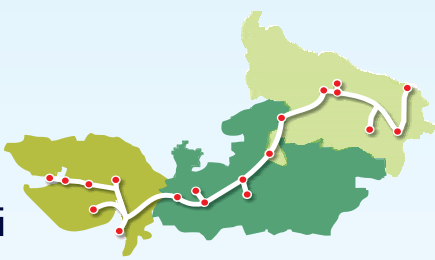
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 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)

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

Place : Ahmedabad
Date : 30th May, 2020
UDIN: 20120920AAAAAE2229



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 2020, we report the following:

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

The company doesn't have any fixed assets hence no physical verification is applicable.

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, 2020.

2. The company doesn't have any inventory; hence no physical verification is applicable.
3. No discrepancies are noticed as there is no inventory.
4. 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.
5. 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.
6. 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.
7. 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.

8. 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.
9. 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 2020, for a period of more than six months from the date they became payable.
10. 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.
11. 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.
12. 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.

13. 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.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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 : 30th May, 2020
UDIN: 20120920AAAAAE2229

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 loan hence it is not applicable to 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 2020

(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 31 March 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended as on 31st March 2020.

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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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)

Place : Ahmedabad
Date : 30th May, 2020
UDIN: 20120920AAAAAE2229

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

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 2020

The preparation of financial statements of IHB Private Limited for the year ended 31st March 2020 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 30th May 2020.

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 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

**Sd/-
(Tanuja Mittal)**
Principal Director of Commercial Audit,
Mumbai

Place: Mumbai
Dated : 26 August 2020



Balance Sheet as at 31st March 2020

(All amounts are in INR Lakh, unless otherwise stated)

	Particulars	Note	As at 31 March 2020
I	ASSETS		
	Non-current assets		
	Capital Work-in-Progress	4	1,979.08
	Financial assets		
	(i) Other financial assets	5	2,007.96
	Other Non-Current assets	6	1,366.43
	Total non-current assets		5,353.47
	Current assets		
	Financial assets		
	(i) Cash and cash equivalents	7	5,225.56
	(ii) Other financial assets	8	69.09
	Other current assets	9	643.85
	Total current assets		5,938.50
	Total Assets		11,291.97
II	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	10	10,500.00
	Other equity	11	(520.27)
	Total equity		9,979.73
	Liabilities		
	Current liabilities		
	Financial liabilities		
	(i) Other financial liabilities	12	874.79
	Other current liabilities	13	437.45
	Total current liabilities		1,312.24
	Total liabilities		1,312.24
	Total equity and liabilities		11,291.97

This is the balance sheet referred to in our report of even date.

The accompanying notes are an integral part of these standalone financial statements

1 to 21

FOR AND ON BEHALF OF THE BOARD

Sd/-
Akshay Kumar Singh
Chairman
Place: New Delhi
DIN: 03579974

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

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Mumbai

Sd/-
Pallavi Tripathi
Company Secretary
Place: New Delhi

Dated: 29.05.2020

IN TERMS OF OUR REPORT OF EVEN DATE ATTACHED

Sd/-
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 123825W

CA Prahlad Jhanwar
Partner
Membership No: 120920

Place: Ahmedabad
Dated: 30.05.2020
UDIN: 20120920AAAAAE2229

Statement of Profit & Loss for the year ended 31st March 2020

(All amounts are in INR Lakh, unless otherwise stated)

	Particulars	Note	For the year ended 31 March 2020
I	Revenue		
	Revenue from Operations		-
	Other Income	14	53.07
	Total Revenue (I)		53.07
II	Expenses		
	Employee Benefits Expense		-
	Finance costs		-
	Depreciation and amortisation expense		
	Other expenses	15	573.34
	Total expenses (II)		573.34
III	Profit/ (Loss) before tax (I - II = III)		(520.27)
IV	Tax expense: (IV)		-
	Current tax		-
	Fringe benefit tax		-
V	Profit/(Loss) for the year (III - IV = V)		(520.27)
	Attributable to:		
	Shareholders of the Company		
	Non-controlling Interests		(520.27)
	Profit/loss for the year		(520.27)
VI	Other comprehensive income (VI)		
	Items that will not be reclassified to the statement of profit and loss		-
	Remeasurement of post employment benefit obligation (net of tax)		
	Total other comprehensive income/ (expense) for the year, net of taxes (VI)		-
VII	Total comprehensive income/ (expense) for the year (V + VI = VII)		(520.27)
	Attributable to:		
	Shareholders of the Company		
	Non-controlling Interests		(520.27)
	Comprehensive Income/(loss) for the year		(520.27)
	Earnings/(loss) per equity share (INR)		(1.25)
	Basic and diluted (nominal value of shares INR 10 each)		

This is the Statement of Profit and Loss referred to in our report of even date.

The accompanying notes are an integral part of these standalone financial statements

1 to 21

FOR AND ON BEHALF OF THE BOARD

Sd/-
Akshay Kumar Singh
Chairman
Place: New Delhi
DIN: 03579974

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

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Mumbai

Sd/-
Pallavi Tripathi
Company Secretary
Place: New Delhi

Dated: 29.05.2020

IN TERMS OF OUR REPORT OF EVEN DATE ATTACHED

Sd/-
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 123825W

CA Prahlad Jhanwar
Partner
Membership No: 120920

Place: Ahmedabad
Dated: 30.05.2020
UDIN: 20120920AAAAAE2229



Cash Flow Statement for the year ended 31st March 2020

(All amounts are in INR lakh, unless otherwise stated)

	Particulars	For the year ended 31 March 2020
A.	Cash flows from operating activities	
	Profit/ (loss) before tax	(520.27)
	Adjustments for:	
	Depreciation and amortisation expense	-
	Finance costs	
	Interest income	(53.07)
	Operating cash flows before working capital changes	(573.35)
	(Increase) / Decrease in other financial assets	(77.05)
	(Increase) / Decrease in other assets	(643.85)
	Increase/ (Decrease) in trade payables	-
	Increase / (Decrease) in other financial liabilities	874.79
	Increase/ (Decrease) in provisions	
	Increase / (Decrease) in other liabilities	437.45
	Cash from operating activities	18.01
	Net income tax refund (paid)	
	Net cash generated from operating activities (A)	18.01
B.	Cash flows from investing activities	
	Acquisition of property, plant and equipment	-
	Capital work-in-progress	(1,979.08)
	Interest received	53.07
	Proceeds from / (investment in) deposits with banks	(2,000.00)
	Net cash generated used in investing activities (B)	(3,926.01)
C.	Cash flows from financing activities	
	Interest & Finance Cost paid	(1,366.43)
	Proceeds from/ (buy back) of Equity Shares	10,500.00
	Repayment of short term borrowings (net)	
	Proceeds from/ (repayment) of long term loans (net)	
	Net cash generated from/ (used in) financing activities (C)	9,133.57
	Net increase/ (decrease) in cash and cash equivalents (A + B + C)	5,225.56

(All amounts are in INR lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2020
Cash and cash equivalents at the beginning of the year	
Cash and cash equivalents at the end of the year	5,225.56
Components of cash and cash equivalents:	
Balances with banks in current Accounts	5,224.54
Deposits with original maturity of less than three months	-
Cheques on hand	-
Cash on hand	1.02
Bank overdraft	-
Total cash and cash equivalents (Note 7)	5,225.56

The accompanying notes are an integral part of these standalone financial statements

1 to 21

FOR AND ON BEHALF OF THE BOARD

IN TERMS OF OUR REPORT OF EVEN DATE ATTACHED

Sd/-
Akshay Kumar Singh
Chairman
Place: New Delhi
DIN: 03579974

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

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Mumbai

Sd/-
Pallavi Tripathi
Company Secretary
Place: New Delhi

Sd/-
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 123825W

Dated: 29.05.2020

CA Prahlad Jhanwar
Partner
Membership No: 120920

Place: Ahmedabad
Dated: 30.05.2020
UDIN: 20120920AAAAAE2229



Statement of Changes in Equity

for the year ended 31st March 2020

A. Equity Share Capital

(All amounts are in INR lakh, unless otherwise stated)

Particulars	Note	Amount
Balance as at 31 March 2019		-
Changes in equity share capital during the year ended 31 March 2020	10	10,500.00
Balance as at 31 March 2020		10,500.00

B. Other Equity

(All amounts are in INR lakh, unless otherwise stated)

Particulars	Reserves and Surplus	Total
	Retained earnings	
Balance as at 1st April 2019		
Profit/(Loss) for the year	(520.27)	(520.27)
Balance as at 31st March 2020	(520.27)	(520.27)

The accompanying notes are an integral part of these standalone financial statements

1 to 21

FOR AND ON BEHALF OF THE BOARD

Sd/-
Akshay Kumar Singh
Chairman
Place: New Delhi
DIN: 03579974

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

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Mumbai

Sd/-
Pallavi Tripathi
Company Secretary
Place: New Delhi

Dated: 29.05.2020

IN TERMS OF OUR REPORT OF EVEN DATE ATTACHED

Sd/-
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 123825W

CA Prahlad Jhanwar
Partner
Membership No: 120920

Place: Ahmedabad
Dated: 30.05.2020
UDIN: 20120920AAAAAE2229

Notes to the Financial Statement

for the year ended 31st March 2020

1. CORPORATE INFORMATION/ COMPANY OVERVIEW

“IHB Private Limited (“IHB” or “the company”) is a Private Limited Company domiciled in India and was incorporated on July 9th, 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.

The financial statements of the company for the year ended 31st March 2020 were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 29.05.2020.”

2. APPLICATION OF NEW INDIAN ACCOUNTING STANDARDS

2.1 All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparation of these Financial Statements.

3. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

3.1 Basis of preparation

(i) Compliance with Ind AS

“These financial statements have been prepared

in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 (‘the Act’) [Companies (Indian Accounting Standards) Rules, 2015, as amended by notification dated March 31, 2016] and other relevant provisions of the Act.

The financial statements are presented in Indian Rupees (INR) and all amounts disclosed in the financial statements and notes have been rounded off upto two decimal points to the nearest lakhs (as per the requirement of Schedule III), unless otherwise stated.

The company was incorporated on 9th July 2019, hence the financial statements relate to a period commencing from the date of incorporation to 31st March 2020.”

(ii) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. As the operating cycle cannot be identified in normal course due to special nature of industry, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(iii) Historical Cost Convention

The Financial statements have been prepared on a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities, except for the certain financial assets and liabilities (including derivative instruments) which are measured at fair value/ amortized cost.

3.2 Property, Plant & Equipment

(i) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Land and buildings



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land and land under perpetual lease are not depreciated.

Property, plant and equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation. All costs relating to acquisition of Property, Plant and equipments, till commissioning of such assets are capitalized.

- (ii) In the case of commissioned assets where final payment to the contractors is pending, capitalization is made on an estimated basis pending receipt of final bills from the contractors and subject to adjustment in cost and depreciation in the year of final settlement.
- (iii) The carrying amount of assets, including those assets that are not yet available for use, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, recoverable amount of asset is determined. An impairment loss is recognized in the statement of profit and loss whenever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized
- (iv) Stores & Spares which meet the definition of property, plant and equipment (whether as component or otherwise) and satisfy the recognition criteria, are capitalized as property, plant and equipment. All other repair and maintenance costs are recognized in the statement of profit and loss as and when incurred.

Depreciation/Amortization

“Depreciation on Tangible PPE (including

enabling assets) is provided in accordance with the manner and useful life as specified in Schedule II of the Companies Act, 2013. The depreciation has thus been provided on straight line method (SLM) on pro-rata basis over the useful lives of such assets.

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.

The asset’s useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.”

3.3 Intangible Assets

“Intangible assets like Right of Use (RoU), Software, Licenses which are expected to provide future enduring economic benefits are capitalized as Intangible Assets and are stated at their cost of acquisition less accumulated amortization and any accumulated impairment loss.

Intangible assets with finite lives are amortized over the useful life on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.”

Amortization

“Intangible assets comprising software and licenses are amortized on Straight Line Method (SLM) over the useful life from the date of capitalization which is considered not exceeding five years.

Right of Use (RoU) having definite life are amortised over the useful life from the date of capitalization. Right of use (ROU) having indefinite life (for which there is no foreseeable limit to the period over which they are expected to generate net cash flows given the fact that these rights can be used even after the life of respective pipelines) are not amortized, but are tested for impairment annually.

After impairment of assets, if any, amortization is provided on the revised carrying amount of the assets over its remaining useful life.”

3.4 Capital Work in Progress

- a) The capital work in progress includes Construction Stores including Material in Transit/ Equipment / Services, etc. received at site for use in the projects.
- b) 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.
- c) 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 inventory.
- d) All such expenses which are incurred during Construction Period, which are exclusively attributable to acquisition / construction of the asset, are capitalized at the time of commissioning of such assets.

3.5 Impairment of non-financial assets

The Carrying amount of cash generating unit are reviewed at each reporting date. In case there is any indication of impairment based on Internal / External factors, impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

3.6 Foreign currency translations

(i) Functional and presentation currency

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

(ii) Transactions and balances

Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

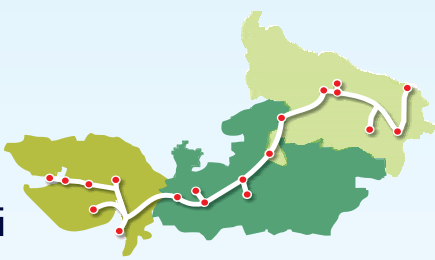
Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction and those which are measured at fair value are translated using the exchange rate at the date on which such fair value is determined.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company’s monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

3.7 Borrowing Cost

Borrowing cost of the funds specifically borrowed for the purpose of obtaining qualifying assets and eligible for capitalization along with the cost of the assets, is capitalized up to the date when the asset is ready for



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

its intended use after netting off any income earned on temporary investment of such funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as expense in the year of incurrence.

3.8 Government Grants

Government grants, including non-monetary grants at fair value, are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

3.9 Revenue Recognition

"Revenues are 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."

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.

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

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

3.10 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.

3.11 Taxes on Income

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred Tax Asset is recognized when it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

3.12 Provisions, Contingent Liabilities, Contingent Assets & Capital Commitments

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed in the notes unless the outflow of resources is considered to be remote. Contingent assets are neither recognized nor disclosed in the financial statements.

Estimated amount of contracts remaining to be executed on capital accounts are disclosed each case above 5 lacs.

3.13 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the payments, which are fixed or variable dependent on an index or a rate. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the lease asset. Service components are excluded from the lease liability.

The lease payments are discounted using an incremental borrowing rate at the lease

commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments to be split into an interest cost and a repayment of the lease liability.

“Lease assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

The lease assets are depreciated over the term of the lease contract on a straight-line basis.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).“

“The following factors are normally the most relevant:

- How the asset supports the direction of the company, from a strategic standpoint, location of the asset, timing of the option being exercisable
- If there are significant penalties to terminate (or not extend), the company is typically reasonably certain to extend (or not terminate)
- If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not terminate)“

Payments associated with short-term and low value leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

3.14 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

Presently the company has only one operating and reporting segment.

The operating segment's results are reviewed regularly by the committee consisting of Company's Chief Executive Officer and Chief Financial Officer who have been identified as the CODM, to assess the financial performance and position of the Company and make strategic decisions.

3.15 Liquidated damages

Amount recovered towards Liquidated Damages are adjusted/appropriated as and when the matter is settled.

3.16 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

3.17 Cash Flow Statement

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

3.18 Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding

during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential instruments into equity shares.

3.19 Fair Value Measurement

The Company measures financial instruments including derivatives and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.

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

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

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

3.20 Financial Instruments

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

A. Financial Assets

(i) 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.

(ii) Initial recognition and measurement

“Financial assets are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.”

(iii) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

(a) Financial assets carried at amortized cost

A financial asset other than derivatives and specific investments, is subsequently measured at amortized

cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset comprising specific investment is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(c) Financial assets at fair value through Statement of Profit and Loss (FVTPL)

A financial asset comprising derivatives which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Derecognition

A financial asset is primarily derecognized 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.



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

B. Financial Liabilities

(i) 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.

(ii) Initial recognition and measurement

“Financial Liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial Liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.”

(iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium

on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(b) Financial liabilities at fair value through Statement of Profit and Loss

Financial liabilities at fair value through Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category comprises derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

C. 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, to realize the assets and settle the liabilities simultaneously.

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

4. CAPITAL WORK-IN-PROGRESS

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 1 April 2019	Additions during the year	Disposals/ adjustments	As at 31 March 2020
Capital Work-in-Progress (Refer Note (i) below)		1,979.08		1,979.08
Less: Provision for capital work-in-progress				-
Total	-	1,979.08	-	1,979.08

Note (i): Construction Period Expenses pending Capitalisation

Particulars	Amount
Opening Balances	-
Expenditure during the year	
Manpower Expenses	85.46
Travelling & Conveyance	10.27
Bank Charges	34.72
Crossing Permissions	150.23
Fees & Charges -CA MP	3.75
Fees & Charges CA Staff (MP)	0.19
Miscellaneous Expenditure	1.38
Survey Expenses	1,693.07
Total	1,979.08

5. OTHER FINANCIAL ASSETS - NON CURRENT

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Bank deposits with original maturity of more than twelve months (under Bank Lien against Bank Guarantee)	2,000.00
Refundable Deposits	7.96
Total	2,007.96

6. OTHER NON-CURRENT ASSETS

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Finance Cost	1366.43
(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.)	
Total	1366.43



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

7. CASH AND CASH EQUIVALENTS

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Balances with banks	
'Balances With Bank - In Current Accounts	5,224.54
'Cash in Hand	1.02
Total	5,225.56

8. OTHER CURRENT FINANCIAL ASSETS

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Interest accrued on bank deposits	4.28
Refundable Deposits	50.65
Loans & Advances	14.16
Total	69.09

9. OTHER CURRENT ASSETS

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Unsecured, considered good	
Others	0.45
Balances with Statutory Authorities	643.40
Total	643.85

10. SHARE CAPITAL

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020	
	Number of Shares	Amount
Authorised		
i. Equity shares of INR 10 each	3,36,40,00,000	3,36,400.00
Issued, Subscribed and Paid-up		
Equity shares of INR 10 each, fully paid up in cash	10,50,00,000	10,500.00
	10,50,00,000	10,500.00
a Reconciliation of number of shares outstanding at the beginning and at the end of the year :		
Outstanding at the 31 March 2019		
Equity shares issued during the year in consideration for cash	10,50,00,000	10,500.00
Outstanding at the 31 March 2020	10,50,00,000	10,500.00
b Shareholders holding more than 5% shares in the company *		
Indian oil Corporation Ltd (IOCL)**	5,25,00,000	50.00%
Hindustan Petroleum Corporation Limited (HPCL)**	2,62,50,000	25.00%
Bharat Petroleum Corporation Limited (BPCL)**	2,62,50,000	25.00%

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

10. Share capital (contd.)

* 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).

c 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.

11. OTHER EQUITY

(All amounts are in INR Lakh, unless otherwise stated)

	Particulars	As at 31 March 2020
a. Retained earnings		
	Balance at the beginning of the year	
	Add: Profit/(Loss) for the year	(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	(520.27)
	Total other equity	(520.27)

12. OTHER CURRENT FINANCIAL LIABILITIES

(All amounts are in INR Lakh, unless otherwise stated)

	Particulars	As at 31 March 2020
	Deposits from vendors and others	54.47
	Other payables towards	
	Other liabilities	820.32
	(Payable to Related Parties- Rs. 575.45 lakhs)	
	Total	874.79

13. OTHER CURRENT LIABILITIES

(All amounts are in INR Lakh, unless otherwise stated)

	Particulars	As at 31 March 2020
	Liability for Statutory Payments	83.23
	Other Expenses	354.22
	(Provision for Amounts Payable to Related Parties- Rs. 353.56 lakhs)	
	Total	437.45



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

14. OTHER INCOME

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Interest income on	
Financial assets at amortised cost:	
Deposits with banks	53.07
Total	53.07

15. OTHER EXPENSES

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	As at 31 March 2020
Business Promotion	0.71
Fees and Taxes	10.56
Inauguration Exp	296.03
IT Expenses	1.83
Payment to Auditors	0.50
Preliminary Expenses written off	256.04
Printing and Stationary	0.62
Professional Expenses	5.83
Travelling Expenses	0.94
Communication Expenses	0.05
Courier Charges	0.02
Miscellaneous Expenses	0.16
Office Expenses	0.06
Total	573.34

16. This being the first balance sheet of the company since incorporation, preceeding year's comparable figures are hence not being available and thus not reported.

17. EARNINGS/ (LOSS) PER SHARE

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 number of equity shares outstanding during the year.

(All amounts are in INR Lakh, unless otherwise stated)

Particulars	Unit	For the year ended 31 March 2020
Profit/ (loss) after tax attributable to equity shareholders	(INR in lakh)	(520.27)
Weighted average number of equity shares outstanding during the year	(in number)	4,16,25,683
Nominal value per share	INR	10
Basic and diluted earnings/ (loss) per share	INR	(1.25)

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

18. RELATED PARTY TRANSACTIONS

a) List of related parties

I) Key Management Personnel

Designation	Name of Incumbent	DIN
Chairman and Director	Akshay Kumar Singh	3579974
Director	Harendra Kumar Singh	7045323
Director	Jayanthi Satya Prasad	7673253
Director	Lakhpat Rai Jain	8505199
Chief Executive Officer	S. K. Jha	-
Chief Operating Officer	R. Ramesh	-
Chief Financial Officer	June Fernandes (Ceased to be CFO w.e.f. 18 th March 20)	-
Company Secretary	Pallavi Tripathi	-

Note: Joseph Kurian, has been appointed as CFO w.e.f. 16.04.2020.

II) Promoters

- (i) Indian oil Corporation Ltd (IOCL)
- (ii) Hindustan Petroleum Corporation Limited (HPCL)
- (iii) Bharat Petroleum Corporation Limited (BPCL)

b) Transactions with related parties

(All amounts are in INR Lakh, unless otherwise stated)

	Name of Related Party	Nature of Transaction	Year ended 31 March 2020
(i) Issue of Equity Share Capital			
	Indian oil Corporation Ltd (IOCL)	Subscription of Equity Share Capital	5,250.00
	Hindustan Petroleum Corporation Limited (HPCL)	Subscription of Equity Share Capital	2,625.00
	Bharat Petroleum Corporation Limited (BPCL)	Subscription of Equity Share Capital	2,625.00
(ii) Services Received from:			
	Indian Oil Corporation Ltd (IOCL)	Deputation of Employees	53.22
	Hindustan Petroleum Corporation Limited (HPCL)	Deputation of Employees	32.75
	Bharat Petroleum Corporation Limited (BPCL)	Deputation of Employees	14.88
(iii) Reimbursements:			
	Indian Oil Corporation Ltd (IOCL)	Reimbursement of Expenses	2,791.42
(iv) Amounts Payable:			
	Indian Oil Corporation Ltd (IOCL)	Against Services Received	19.91
	Hindustan Petroleum Corporation Limited (HPCL)	Against Services Received	29.98
	Bharat Petroleum Corporation Limited (BPCL)	Against Services Received	13.62
	Indian Oil Corporation Ltd (IOCL)	Against Reimbursement of Expenses	806.91
	Indian Oil Corporation Ltd (IOCL)	Against Reimbursement of Security Deposit	58.60
(v) Amounts Recoverable:			
	Indian Oil Corporation Ltd (IOCL)	Security Deposit with Statutory Authorities	58.60

Terms and conditions of transactions with the related parties

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



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

19. AUDITOR'S REMUNERATION

(All amounts are in INR Lakh, unless otherwise stated)

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

Note: Fees are exclusive of applicable taxes wherever applicable.

20. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent liabilities

The company has given bank guarantee of Rs. 2000.00 lakhs as performance guarantee to Petroleum & Natural Gas Regulatory Board. The non fund based loan has been availed from State Bank of India for a period of 1 year and 9 months. Security of Rs. 2000.00 lakhs has been pledged with the bank in the form of fixed deposit.

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 Nil as on 31/03/2020

b) Other commitments : NIL

Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

21. 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.

(All amounts are in INR Lakh, unless otherwise stated)

As on 31 March 2020

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
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	-	-	-	-	-	-	-
Balances other than cash and cash equivalents	-	-	-	-	-	-	-
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



Notes to the Financial Statement for the year ended 31st March 2020 (Contd.)

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.

FOR AND ON BEHALF OF THE BOARD

Sd/-
Akshay Kumar Singh
Chairman
Place: New Delhi
DIN: 03579974

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

Sd/-
Joseph Kurian
Chief Financial Officer
Place: Mumbai

Sd/-
Pallavi Tripathi
Company Secretary
Place: New Delhi

Dated: 29.05.2020

IN TERMS OF OUR REPORT OF EVEN DATE ATTACHED

Sd/-
For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 123825W

CA Prahlad Jhanwar
Partner
Membership No: 120920

Place: Ahmedabad
Dated: 30.05.2020
UDIN: 20120920AAAAAE2229



A JOINT VENTURE OF
INDIANOIL, HINDUSTAN PETROLEUM
& BHARAT PETROLEUM

