

PRADEEP KUMAR GOYAL & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To

The Members of Pilot Pipelines Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Pilot Pipelines Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity 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 standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 thereunder, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 skepticism throughout the audit. We are also:

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 [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.61]

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(f) 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.

(g) 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".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Pradeep Kumar Goyal & Associates

Chartered Accountants

(Firm's Registration No. 031270N)

Signature

(Pradeep Goyal)

Proprietor

Membership No. 096865



Place of Signature: Delhi

Date: 20th June 2020

UDIN- 20096865AAAAI4858

Annexure-A to the Independent Auditors' Report Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

According to the information and explanations given to us:-

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

(b) The Fixed Assets have been physically verified by the management in a phased manner designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) 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) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.



- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;



- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

Pradeep Kumar Goyal & Associates

Chartered Accountants

ICAI FRN 031270N



Pradeep Goyal

Proprietor

Membership number 096865

Place: Delhi

Dated: 20.06.2020

Annexure-B to the Independent Auditors' Report Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

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

We have audited the internal financial controls over financial reporting of Pilot Pipelines Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For and on behalf of

Pradeep Kumar Goyal & Associates

Chartered Accountants

ICAI FRN 031270N



Pradeep Goyal

Proprietor

Membership number 096865

Place: Delhi

Dated: 20.06.2020

PILOT PIPELINES PRIVATE LIMITED

Significant Accounting Policies- Standalone Financial Statements For the year 2019-20

NOTE-1: SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL INFORMATION

Pilot Pipelines Private Limited ("the company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The company is engaged in business of infrastructure development having ongoing projects across the length and breadth of the country.

B. SIGNIFICANT ACCOUNTING POLICIES

[Forming part of the Standalone financial statements for the year ended 31st March 2020]

a) FIRST TIME ADOPTION OF IND AS

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April 2018 with comparatives being restated. In accordance with the Ind AS 101 First time adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of the standalone financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of shareholders' equity as at March 31st, 2019 and April 1st, 2018 and of the comprehensive net income for the year ended March 31st, 2019.

These standalone financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules 2015 read with section 133 of the Companies Act, 2013

Exemptions available under Ind AS 101:

- The Companies has elected to continue with the carrying value of all of its Property, Plant & Equipment as recognized in the standalone financial statements as at the date of transition of Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition.
- The Company has adopted to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 and therefore has measured such investments in its separate opening Ind AS balance sheet at carrying amount as per Indian GAAP at the date of transition in accordance with Ind AS 101.



PILOT PIPELINES PRIVATE LIMITED

Significant Accounting Policies- Standalone Financial Statements For the year 2019-20

(b) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(c) Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain financial assets & liabilities and defined benefit plans which have been measured at fair value amount. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which has been taken as 12 months. Company's standalone financial statements are presented in Indian Rupees, which is also its functional currency. The statements of cash flows have been prepared under indirect method.

(d) Property, plant and equipment

All items of Property, plant and equipment are stated at cost, net of trade discount, rebates and recoverable taxes less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Diminishing balance method of depreciation have been used to allocate the depreciable amount of an asset on a systematic basis over its useful life. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Gains or losses arising from de-recognition of fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. The Company has elected to continue with the carrying value of all of its property, plant and equipment at the transition date and use that carrying value as the deemed cost of the property, plant and equipment. Gains or losses arising from de-recognition of property, plant & equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.



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Significant Accounting Policies- Standalone Financial Statements For the year 2019-20

(e) Lease hold improvements

Leasehold improvements are carried at historical cost. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Depreciation on leasehold improvements are provided using straight line method based on management estimate of useful life of the assets. Gains or losses arising from de-recognition of leasehold improvements are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(f) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Intangible assets are amortized using straight line method based on management estimate of useful life of the assets.

(g) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usages.

(h) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

PILOT PIPELINES PRIVATE LIMITED

Significant Accounting Policies- Standalone Financial Statements For the year 2019-20

(i) Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.

(j) Impairment of property, plant and equipment and intangible assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Others assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(k) Contingencies /Provisions

Provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made



PILOT PIPELINES PRIVATE LIMITED

Significant Accounting Policies- Standalone Financial Statements For the year 2019-20

(l) Employee Benefits Expense

Short Term Employee Benefits obligation

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. These benefits include compensated absences and performance incentives

Other long-term Employee Benefit obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees up to the end of the reporting period.

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the eligible employees in accordance with the payment of Gratuity act, 1972. The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligations are calculated at the end of the reporting period by actuaries using the projected unit credit method. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(m) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognized in Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

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

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Deferred tax : Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone 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.

(n) Foreign Exchange Transaction and translation

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(o) Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers", with effect from April 01, 2018 using the cumulative effect method whereby the effect of applying this standard is recognized at the date of initial application (i.e. April 01, 2018). There is no impact on adoption of Ind AS 115.

Revenue from contract with customer is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes or amounts collected from customers in its capacity as agent.

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The specific recognition criteria from various stream of revenue is described below:

(i) Sale of Goods

Revenue from the sale of goods is recognized when the control of the goods has been passed to the customer as per the terms of agreement and there is no continuing effective control or managerial involvement with the goods.

(ii) Rendering of Services

Revenue from services rendered is recognized when the work is performed and as per the terms of agreement.

(iii) Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iv) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Profit or Loss on Sale of Investment

Profit or Loss on sale of investment is recognized on the contract date.

(p) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

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The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(q) Financial Instruments

Financial Assets

Measurement - At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction cost that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed off in the statement of profit or loss. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debts investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the assets is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Investment - The Company account for its investments in subsidiaries, associates and joint venture at cost and all other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in Other Comprehensive Income.

Impairment of financial assets - The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables Company applies simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Financial liabilities

- Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

- Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.



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For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short

Derecognition of financial instruments -The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(r) Earning per Share

Basic earnings per share is calculated by dividing the profit attributable to owners 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. The Company did not have any potentially dilutive securities in any of the years presented.

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

(s) Costs and expenses are recognized when incurred and have been classified according to their nature.

(t) Use of estimates and judgements

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.



PILOT PIPELINES PRIVATE LIMITED

Significant Accounting Policies- Standalone Financial Statements For the year 2019-20

(u) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.



- 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.



PILOT PIPELINES PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

Figures in Rs.

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 01st April, 2018
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	46858447	45340459	50231495
Total Non-current assets		46858447	45340459	50231495
Current assets				
Inventories	3	909693	-	-
Financial Assets				
- Trade receivables	4	13565296	17951726	20803805
- Cash and cash equivalents	5	2120732	780081	3218837
- Loans	6	400000	-	-
- Other Financial Assets	7	180403	179394	193557
Current Tax Assets (Net)	8	569834	1106174	92948
Other current assets	9	1013670	2611769	5847527
Total Current assets		18759628	22629144	30156674
Total Assets		65618075	67969603	80388169
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	10	5000000	5000000	5000000
Other Equity	11	(29709621)	(10487433)	4742638
Total Equity		(24709621)	(5487433)	9742638
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
- Borrowings	12	1805094	7805875	23271171
Deferred tax liabilities (net)	13	1160214	1160214	1160214
Total Non-current liabilities		2965308	8966089	24431385
Current liabilities				
Financial Liabilities				
- Borrowings	14	69259033	40932350	25282575
- Trade payables	15	3502452	2406300	5115695
- Other financial liabilities	16	13518607	20940775	15730784
Other current liabilities	17	1082296	211522	85093
Total current liabilities		87362388	64490947	46214147
Total Equity and Liabilities		65618075	67969603	80388170
Significant Accounting Policies				
See accompanying notes to the financial statements				

In terms of our annexed report of even date

For Pradeep Kumar Goyal & Associates

Chartered Accountants

FRN No. 031270N

Pradeep Goyal

Proprietor

Membership No 09685

Date : 20th June, 2020

Place: Delhi



For and on behalf of the Board

Akash Jain

Director

DIN : 0049303



Piyush Jain

Director

DIN : 0049319

PILOT PIPELINES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Figures in Rs.

Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
INCOME			
Revenue From Operations	18	21666742	24116100
Other income	19	53670	-
Total Income		21720412	24116100
EXPENSES			
Cost of materials consumed	20	7142055	4982871
Other Operating Expenses	21	9675156	12429622
Employee benefits expense	22	9932735	6516321
Finance costs	23	5591980	7085915
Depreciation and amortisation expense	2	5348925	4891036
Other expenses	24	3251750	3440405
Total expenses		40942600	39346171
Profit/ (loss) before tax		(19222188)	(15230071)
Tax expense			
a) Current tax	25	-	-
c) Deferred tax	25	-	-
Profit/(Loss) for the year		(19222188)	(15230071)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the year		(19222188)	(15230071)
Earnings per equity share of face value of Rs. 10 each			
a) Basic (Rs.)	26	(38)	(30)
b) Diluted (Rs.)	26	(38)	(30)
Significant Accounting Policies			
See accompanying notes to the financial statements			

In terms of our annexed report of even date

For Pradeep Kumar Goyal & Associates

Chartered Accountants

FRN No. 031270N


Pradeep Goyal
Proprietor
Membership No 09685



For and on behalf of the Board


Akash Jain
Director
DIN : 0049303




Piyush Jain
Director
DIN : 0049319

Date : 20th June, 2020

Place: Delhi

PILOT PIPELINES PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Balance at the beginning of the reporting period	Changes during the year	Balance at the end of reporting period
As at 01-04-2018	500,000	5,000,000	-	5,000,000
As at 31-03-2019	500,000	5,000,000	-	5,000,000
As at 31-03-2020	500,000	5,000,000	-	5,000,000

B. OTHER EQUITY

	Reserves & Surplus		Total
	Security Premium Reserve	Retained Earnings	
AS ON 31ST MARCH, 2019			
Balance at the beginning of the reporting period i.e. 1st April, 2018	2000000	2742638	4742638
Total Comprehensive Income for the year		(15230071)	(15230071)
Dividends			
Tax on dividend			
Transfer to / (from) retained earnings			
Balance at the end of the reporting period i.e. 31st March, 2019	2000000	(12487433)	(10487433)
AS ON 31ST MARCH, 2020			
Balance at the beginning of the reporting period i.e. 1st April, 2019	2000000	(12487433)	(10487433)
Total Comprehensive Income for the year		(19222188)	(19222188)
Dividends			
Tax on dividend			
Transfer to / (from) retained earnings			
Balance at the end of the reporting period i.e. 31st March, 2020	2000000	(31709621)	(29709621)

In terms of our annexed report of even date

For Pradeep Kumar Goyal & Associates

Chartered Accountants

FRN No. 031270N

Pradeep Goyal

Proprietor

Membership No 09685



For and on behalf of the Board

Akash Jain

Director

DIN : 0049303



Piyush Jain

Director

DIN : 0049319

Date : 20th June, 2020

Place: Delhi

PILOT PIPELINES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE ACCOUNTING YEAR ENDED 31ST MARCH, 2020

Particulars	For the period ended 31.03.2020		For the period ended 31.03.2019	
A. Cash flow from Operating Activities :				
Net Profit before tax as per statement of Profit and Loss		(19,222,188)		(15,230,071)
Adjustment for				
(Profit)/Loss on sale of Property, Plant and Equipment	-		-	
Depreciation and amortisation expenses	5,348,925		4,891,036	
Finance Cost	5,591,980		7,085,915	
Interest received	(53,670)		-	
Operating profit before working capital changes		(8,334,953)		(3,253,120)
(Increase)/Decrease in Trade Receivables	4,386,430		2,852,079	
(Increase)/Decrease in Financial Assets	(401,009)		14,163	
Increase/(Decrease) in Non Financial Assets	1,598,099		3,235,758	
(Increase)/Decrease in inventories	(909,693)		-	
Increase/(Decrease) in Trade Payables	1,096,152		(2,709,393)	
Increase/(Decrease) in Financial liabilities	(765,050)		1,036,316	
Increase/(Decrease) in Non Financial liabilities	870,774	5,875,703	126,429	4,555,351
Cash generated from operations		(2,459,250)		1,302,232
Tax Paid	536,340	536,340	(1,013,226)	(1,013,226)
Net cash from operating activities		(1,922,910)		289,006
B. Cash flow from investing activities				
Interest received	53,670		-	
Payments for purchase of property, plant and equipment	(6,866,913)		-	
Net cash from Investing Activities	(6,813,243)	(6,813,243)	-	-
C. Cash flow from Financing Activities				
Proceeds/(Repayment) from/of Long Term Borrowings (Net)	(12,657,899)		(11,291,621)	
Proceeds/(Repayment) from/of Short Term Borrowings (Net)	28,326,683		15,649,775	
Payment of Interest	(5,591,980)		(7,085,915)	
Net cash from Financing Activities		10,076,804		(2,727,762)
Net cash flows during the year (A+B+C)		1,340,651		(2,438,756)
Cash and cash equivalents (Opening balance)		780,081		3,218,837
Cash and cash equivalents (Closing balance)		2,120,732		780,081

Notes to cash flow statement:

- Figures in brackets indicate cash out flows.
- Interest paid relates to the charge of the year and is considered part of operating activities.
- Bank borrowings have been grouped as part of financing activities.
- Figures have been rounded off to the nearest of Rupee Lacs.

In terms of our annexed report of even date

For Pradeep Kumar Goyal & Associates

Chartered Accountants
FRN No. 031270N


Pradeep Goyal
Proprietor
Membership No 09685



For and on behalf of the Board


Akash Jain
Director
DIN : 0049303


Piyush Jain
Director
DIN : 0049319



Date : 20th June, 2020

Place: Delhi

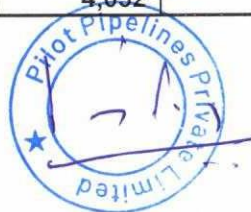
PILOT PIPELINES PRIVATE LIMITED

Notes to Financial Statements for 31 March 2020

NOTE 2

PROPERTY, PLANT AND EQUIPMENT

Description	Plant & Equipment	Furniture & Fixtures	Computers & Computer System	Total
Gross carrying Amount				
As at 01 April 2018	56,992,305	-	129,491	57,121,796
Additions	-	-	-	-
Disposals/Adjustments	-	-	-	-
As at 31 March 2019	56,992,305	-	129,491	57,121,796
Additions	6,828,963	4,950	33,000	6,866,913
Disposals/Adjustments	-	-	-	-
As at 31 March 2020	63,821,268	4,950	162,491	63,988,709
Accumulated depreciation				
As at 01 April 2018	6,826,355	-	63,946	6,890,301
Depreciation for the year	4,849,637	-	41,399	4,891,036
Disposal/Reversal	-	-	-	-
As at 31 March 2019	11,675,992	-	105,345	11,781,337
Depreciation for the year	5,318,803	918	29,204	5,348,925
Disposal/Reversal	-	-	-	-
As at 31 March 2020	16,994,795	918	134,549	17,130,262
Net Carrying Amount				
Net block as at 1 April 2018	50,165,950	-	65,545	50,231,495
Net block as at 31 March 2019	45,316,313	-	24,146	45,340,459
Net block as at 31 March 2020	46,826,473	4,032	27,942	46,858,447



PILOT PIPELINES PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31, 2020

Particulars	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
3 INVENTORIES			
Consumables	909,693	-	-
Total	909,693	-	-
Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of scrap, which is valued at net realisable value.			
Carrying amount of inventories are hypothecated as security for borrowings			
4 TRADE RECEIVABLES			
(Unsecured and considered good)	13,565,296	17,951,726	20,803,805
5 CASH AND CASH EQUIVALENTS			
- Cash in hand	390,755	703,115	2,184,974
- Balances with Bank	1,729,977	76,966	1,033,863
Total	2,120,732	780,081	3,218,837
6 LOANS			
(Unsecured and considered good)			
Other Advances	400,000	-	-
7 OTHER FINANCIAL ASSET (CURRENT)			
Security Deposit	75,000	-	-
Advance recoverable in cash or in kind	75,747	167,175	113,714
Advance against Expenses	29,656	12,219	79,843
Total	180,403	179,394	193,557
8 CURRENT TAX ASSET (NET)			
Advance Tax & TDS	694,742	1,231,082	694,128
Less : Prov. For Tax	(124,908)	(124,908)	(601,180)
Total	569,834	1,106,174	92,948
9 OTHER CURRENT ASSETS			
Balance with Government Authorities	941,962	941,962	4,417,417
Prepaid Expenses	52,821	-	-
Others	18,887	1,669,807	1,430,110
Total	1,013,670	2,611,769	5,847,527

10 EQUITY SHARE CAPITAL

Authorised Capital

5,00,000 equity shares of Rs. 10/- each

(Previous year 5,00,000 equity shares of Rs.10/- each)

Issued, Subscribed & Paid up Capital

5,00,000 equity shares of Rs. 10/- each

(Previous year 5,00,000 equity shares of Rs.10/- each)

The details of Shareholders holding more than 5% shares :

	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Akash Jain	-	-	50,000	10	50,000	10
Vikas Kucheria	-	-	175,000	35	175,000	35
South West Pinnacle Exploration Limited	500,000.00	100	275,000	55	275,000	55
Total	500,000.00	100	500,000	100	500,000	100

The reconciliation of the number of shares outstanding is set out below

	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Equity Shares at the beginning of the year	500,000	500,000	500,000
Add : Shares issued	-	-	-
Less : Shares bought back	-	-	-
Equity Shares at the end of the year	500,000	500,000	500,000

Note: Pilot Pipelines Private Limited becomes the wholly owned subsidiary of South West Pinnacle Exploration Limited w.e.f 05th July 2019.



Rights, preference and restrictions attached to shares

11 OTHER EQUITY

Security Premium

As per last Balance Sheet	2,000,000	2,000,000	2,000,000
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Retained Earnings

Balance at the beginning of the year	(12,487,433)	2,742,638	1,235,287
--------------------------------------	--------------	-----------	-----------

Add: Profit for the year	(19,222,188)	(15,230,071)	1,507,351
--------------------------	--------------	--------------	-----------

Total	(31,709,621)	(12,487,433)	2,742,638
-------	--------------	--------------	-----------

Total	(29,709,621)	(10,487,433)	4,742,638
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Nature and purpose of reserves :

Securities Premium - Securities Premium Reserve was created consequent to issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013

12 BORROWINGS

From Non Banking Finance Companies

Secured	1,805,094	7,805,875	23,271,171
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[All loans are guaranteed by promoter directors]

Total	1,805,094	7,805,875	23,271,171
-------	-----------	-----------	------------

13 DEFERRED TAX LIABILITIES (NET)

At the start of the year	1,235,148	1,235,148	188,704
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Charge / (Credit) to statement of Profit & Loss	-	-	1,046,444
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At the end of the year	1,235,148	1,235,148	1,235,148
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Less : MAT Adjustment	74,934	74,934	74,934
-----------------------	--------	--------	--------

Net DTL	1,160,214	1,160,214	1,160,214
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As at

Charge/(Credit)
to Total

As at

Component of deferred tax liabilities / (Assets)

31.03.2019

Comprehensiv
e Income

31.03.2020

Deferred tax liabilities / (Assets) in relation to

Property, Plant and Equipment	1,235,148	-	1,235,148
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	1,235,148	-	1,235,148
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14 BORROWINGS - CURRENT

From Other Parties	69,259,033	40,932,350	25,282,575
--------------------	------------	------------	------------

Inter-Corporate Loans- Unsecured

[Guaranteed by directors]

Total	69,259,033	40,932,350	25,282,575
--------------	-------------------	-------------------	-------------------

15 TRADE PAYABLES

Micro, Small and Medium Enterprises (Refer Note No. 27)

Others	3,502,452	2,406,300	5,115,695
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Total	3,502,452	2,406,300	5,115,695
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16 OTHER FINANCIAL LIABILITIES

Current maturity of long term debts *	12,847,033	19,504,151	15,330,476
---------------------------------------	------------	------------	------------

Employee Benefits Payable	486,797	1,071,184	400,308
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Other Payables	184,777	365,440	-
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Total	13,518,607	20,940,775	15,730,784
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17 OTHER CURRENT LIABILITIES

Payable in respect of statutory dues	1,082,296	211,522	85,093
--------------------------------------	-----------	---------	--------

Total	1,082,296	211,522	85,093
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Particulars

For the year ended
31.03.2020

For the year
ended

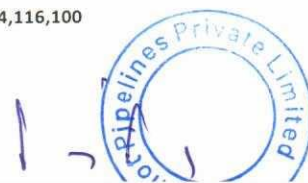
18 REVENUE FROM OPERATIONS

Sale of Services	21,666,742	24,116,100
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Other operating revenues	-	-
--------------------------	---	---

Total	21,666,742	24,116,100
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19 OTHER INCOME



Interest Income	53,670	-
Total	53,670	-
20 COST OF MATERIALS CONSUMED		
Consumables	7,142,055	4,982,871
21 OTHER OPERATING EXPENSES		
Contact Cost for Various Services	6,875,434	8,498,373
Hire Charges	2,294,339	2,140,178
Miscellaneous Expenses	505,383	1,791,071
Total	9,675,156	12,429,622
22 EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	8,572,774	5,163,766
Staff welfare expenses	1,359,961	1,352,555
Total	9,932,735	6,516,321
23 FINANCE COST		
Interest	5,591,980	7,085,915
Total	5,591,980	7,085,915
24 OTHER EXPENSES		
Business Development Expenses	50,597	113,000
Electricity & Water Charges	171,874	14,364
Insurance Charges	103,640	208,231
Legal, Professional & Consultancy Charges	646,660	202,677
Travelling & Conveyance Expenses	862,142	2,276,723
Audit Fee	50,000	313,364
Miscellaneous Expenses	1,366,836	312,046
Total	3,251,750	3,440,405
PAYMENT TO AUDITORS (EXCLUSIVE OF GST AND SERVICE TAX) AS :		
Audit Fees	50,000	313,364
Total	50,000	313,364
25 TAXATION		
Income tax recognised in Statement of Profit and Loss		
a) Current tax	-	-
b) Deferred tax	-	-
Total income tax expenses recognised in the current year	-	-
26 EARNING PER SHARE (EPS)		
Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in lacs)	(19,222,188)	(15,230,071)
No. of Shares used as denominator for calculating EPS	500,000	500,000
Basic and Diluted Earning per share (Rs)	(38)	(30)
Face Value per equity share (Rs.)		
27 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 :	31.03.2020	31.03.2019
(i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-



(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

28 Fair value measurement hierarchy

	31.03.2020		31.03.2019		01.04.2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
At amortised Cost						
Trade Receivables	13,565,296.00	13,565,296	17,951,726	17,951,726	20,803,805	20,803,805
Cash and Bank Balances	2,120,731.65	2,120,732	780,081	780,081	3,218,837	3,218,837
Loans	400,000.00	400,000	-	-	-	-
Other financial assets	180,403.00	180,403	179,394	179,394	193,557	193,557
Financial Liabilities						
- Borrowings	71,064,126.50	71,064,127	48,738,224	48,738,224	48,553,746	48,553,746
- Trade payables	3,502,452.47	3,502,452	2,406,300	2,406,300	5,115,695	5,115,695
- Other financial liabilities	13,518,606.99	13,518,607	20,940,775	20,940,775	15,730,784	15,730,784

Financial risk management

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

i. Credit risk - Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.

a. Trade receivables - The Company has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.

b. Financial instruments and cash deposits - Company periodically reviews the credit risk arising from balances / deposits with banks, other financial assets and current investments, if any, and manage the same accordingly.

ii. Liquidity risk

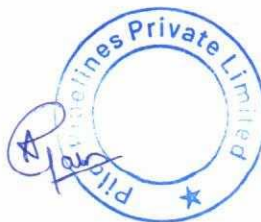
Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company's monitors rolling forecasts of its liquidity requirements to

	31.03.2020			31.03.2019		
Particulars	Carrying Amount	Less than 1 year	More than 1 year	Carrying Amount	Less than 1 year	More than 1 year
Current Financial Liabilities						
Borrowings	69,259,033	69,259,033	-	40,932,350	40,932,350	-
Trade Payables	3,502,452	3,502,452	-	2,406,300	2,406,300	-
Other Financial Liabilities	13,518,607	13,518,607	-	20,940,775	20,940,775	-
Total	86,280,092	86,280,092	-	64,279,425	64,279,425	-
Non-Current Financial Liabilities						
Borrowings	1,805,094	-	1,805,094	7,805,875	-	7,805,875
Total	1,805,094	-	1,805,094	7,805,875	-	7,805,875

iii. Market risk

Market risk is the risk that the fair value of the future cash flows may fluctuate because of fluctuation in currency rates and interest rates.

a) Currency risk The company has very nominal Foreign exchange exposure towards both imports and exports which works as a natural hedging many a times. Besides, to mitigate/ manage the exchange risk involved in these international transactions, the company also has a dedicated Treasury department which, after analysing the market situation and in consultation with FX dealers, recommends the management on hedging alternatives from time to time. Need based decisions are taken on the basis of prevailing market situation.



b) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

c) Commodity risk

Not Applicable

Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds. The Company's adjusted net debt to equity position was as follows:

	31.03.2020	31.03.2019	(Rs. in lacs) 31.03.2018
Long term Borrowings	1,805,094	7,805,875	23,271,171
Current maturities of Long term debt	12,847,033	19,504,151	15,330,476
Short term Borrowings	69,259,033	40,932,350	25,282,575
Less : Cash and Cash Equivalents	2,120,732	780,081	3,218,837
Net debt	86,031,891	69,022,456	67,103,059
Total Equity	(24,709,621)	(5,487,433)	9,742,638
Gearing Ratio	(3)	(13)	7

29 Events after the reporting period

30 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors in meeting.

31 FIRST TIME IND AS ADOPTION RECONCILIATIONS

31.1 Reconciliation of Total Equity as at 31st March, 2019 and 1st April, 2018

	As at 31st March, 2019	As at 1st April, 2018
Equity as reported under previous GAAP	(10,487,433)	4,742,638
Equity under Ind AS	(10,487,433)	4,742,638

31.2 Reconciliation of Total Comprehensive Income for the year ended 31st March, 2019

Profit after Tax reported under previous GAAP	(15,230,071)
Add : Reclassification of actuarial gains/losses, arising in respect of employee benefit schemes, to other comprehensive income	
Tax on above adjustment	
Total	(15,230,071)
Other comprehensive income/(expenses) for the year (net of tax)	
Total Comprehensive Income reported under Ind AS	(15,230,071)

32 Related Party Disclosure

As per Ind AS-24, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:-

a) Key Management Personnel (KMP) :

Akash Jain
Piyush Jain
Vikas Kucheria

a) Holding company :

Southwest Pinnacle Exploration Limited

Particulars	Related party	
	Holding Company	Key Management Personnel
Transactions during the year :		
Remuneration		2,651,612
		(PY.Nil)
Unsecured Loan taken	39,102,693	12,980,000
	(PY.Nil)	(PY 20,750,000)



Unsecured Loan Repaid	1,000,000	21,530,000
	(PY.Nil)	(PY 91,00,000)
Balances at Year End :		
Unsecured Loans	38,102,693	3,100,000
	(PY.Nil)	(PY.11,650,000)

33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) :

Nil

34 SEGMENT REPORTING

Not applicable

35 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

36 Amendment to the Standards that are not yet effective and have not been adopted by the company.

37 The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

In terms of our annexed report of even date

For Pradeep Kumar Goyal & Associates

Chartered Accountants

FRN No. 031270N

Pradeep Goyal

Proprietor

Membership No 09685

Date : 20th June, 2020

Place: Delhi

For and on behalf of the Board

Akash Jain

Director

DIN : 0049309

Prakash Jain

Director

DIN : 0049319

