

26<sup>th</sup> December, 2023

To,  
Corporate Relations Department  
BSE Limited  
2<sup>nd</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai-400 001.

To,  
Corporate Relations Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C-1, Block-G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051.

**SCRIP CODE : 532760**

**SYMBOL: DEEPENR**

**Sub: Notice of the Meeting of the unsecured creditors of Deep Energy Resources Limited convened as per directions of Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") in the matter of the Composite Scheme of Arrangement amongst Deep Energy Resources Limited ("Company" or "Transferor Company 1"), Savla Oil and Gas Private Limited ("SOGPL" or "Transferor Company 2") and Prabha Energy Private Limited ("PEPL" or "Transferee Company") and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, and other applicable laws including the rules and regulations ("Scheme")**

Dear Sir/Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), and further, to our letter dated 14<sup>th</sup> December, 2023 informing directions given by the Hon'ble National Company Law Tribunal ("NCLT") in the Company Application no. C.A.(CAA)/51(AHM)2023 and Comp. App./18(AHM)2023 for convening meetings of unsecured creditors of the Company through Video Conference ("VC")/Other Audio-Visual Means ("OAVM"), please find enclosed herewith the copy of the Notice of NCLT convened meeting of the unsecured creditors on Monday, 29<sup>th</sup> January, 2024 at 12.00 p.m. IST, through VC / OAVM for the purpose of considering, and, if thought fit, approve, with or without modification(s), the arrangement embodied in the Scheme.

As per the directions of the NCLT, a Meeting of the unsecured creditors of the Company is being convened through VC/OAVM mode, in compliance with the provisions of the Companies Act, 2013 ('Act') and related Rules, read with the applicable general circulars issued by the Ministry of Corporate Affairs, Regulation 44 and other provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable SEBI Circulars and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India.

We hereby enclose a copy of the Notice convening the Meeting along with the Statement under Section(s) 102, 230(3) and 232(1) and other applicable provisions of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI Listing Regulations and applicable SEBI Circulars (together referred to as 'Notice'). The Notice and related Annexures are available on the website of the Company at [www.deepenergy.ooo](http://www.deepenergy.ooo).

The Notice of the Meeting along with Annexures is being sent ONLY through electronic means to the unsecured creditors whose names appears in the record of the Company on Friday, 01<sup>st</sup> December, 2023.

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad – 380 058  
Tel : 02717-298510 Fax : +91 2717 298520 E-Mail- info@deepenergy.ooo Website: www.deepenergy.ooo  
CIN : L63090GJ1991PLC014833

In compliance with the provisions of the Companies Act, 2013 read with the relevant rules made there under and SEBI Listing Regulations, the Company is providing e-voting (including remote e-voting and e-voting at the meeting) facility to its unsecured creditors, to exercise their right to vote on the resolution forming part of the Notice of NCLT convened Meeting. The Company has availed the services of Link Intime India Private Limited (LI IPL), to provide the facility of casting votes by unsecured creditors using remote e-voting /e-voting system as well as to enable the unsecured creditors of the Company to attend and participate in the Meeting through VC/OAVM.

In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 read with Regulation 44 of SEBI Listing Regulations, the Company has fixed Friday, 01<sup>st</sup> December, 2023 as the cut-off date to determine the entitlement of the unsecured creditors to cast their vote electronically in respect of the businesses to be transacted as per the Notice and to attend the meeting.

The below is the calendar of the events for e-voting:

1.	Cut-off date to record the entitlement of the shareholders to cast their vote electronically.	Friday, 01 <sup>st</sup> December, 2023
2.	Date and time of commencement of voting through electronic means.	Thursday, 25 <sup>th</sup> January, 2024 at 09:00 am IST (0900 hours)
3.	Date and time of end of voting through electronic means.	Sunday, 28 <sup>th</sup> January, 2024 at 05:00 pm IST (1700 hours)

The detailed instructions for joining the Meeting through VC/OAVM, manner of casting vote through remote e-voting/e-voting and registration of e-mail address of the unsecured creditors for the Meeting are provided in the Notice.

A copy of the said Notice is available on the website of the Company at [www.deepenergy.000](http://www.deepenergy.000) and on the website of Link Intime India Private Limited (agency for providing the Remote e-voting facility) at <https://instavote.linkintime.co.in>, Additionally, the Notice is also available on the website of the stock exchanges where equity shares of the Company are listed i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com), and that of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in).

You are requested to take the same on your record.

Thanking You,  
Yours faithfully,

**For, Deep Energy Resources Limited**

**Divyeshkumar Senjaliya**  
**Company Secretary & Compliance Officer**  
**Membership No.: A60456**



**NOTICE-UNSECURED CREDITORS**

**DEEP ENERGY RESOURCES LIMITED**

CIN: L63090GJ1991PLC014833

**Regd. Office:** 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli,  
Ahmedabad – 380058, Phone: 02717- 298510, Fax: 02717-298520

**E-mail:** [info@deepenergy.ooo](mailto:info@deepenergy.ooo), **Website** – [www.deepenergy.ooo](http://www.deepenergy.ooo)

**MEETING OF THE UNSECURED CREDITORS**

**OF**

**DEEP ENERGY RESOURCES LIMITED**

(convened pursuant to the order dated 08<sup>th</sup> November, 2023

passed by the Hon'ble National Company Law Tribunal (“NCLT”), Ahmedabad Bench in

C.A.(CAA)/51(AHM) 2023 read with the Order dated 05<sup>th</sup> December, 2023 and Corrigendum Order dated 12<sup>th</sup>  
December, 2023 passed by the NCLT, in Comp. App./18(AHM) 2023)

**MEETING DETAILS**

<b>Day</b>	<b>Monday</b>
<b>Date</b>	<b>29<sup>th</sup> January, 2024</b>
<b>Time</b>	<b>12:00 pm IST (1200 hours)</b>
<b>Mode</b>	<b>Through video conferencing/other audio-visual means</b>
<b>Cut-off date for sending notice to unsecured creditors</b>	<b>Friday, 01<sup>st</sup> December, 2023</b>
<b>Cut-off date for e-voting</b>	<b>Friday, 01<sup>st</sup> December, 2023</b>
<b>Remote e-voting start date and time</b>	<b>Thursday, 25<sup>th</sup> January, 2024 at 09:00 am IST (0900 hours)</b>
<b>Remote e-voting end date and time</b>	<b>Sunday, 28<sup>th</sup> January, 2024 at 05:00 pm IST (1700 hours)</b>

**INDEX**

Sr. No.	Contents	Page No.
1.	Notice of the Meeting of the unsecured Creditors of Deep Energy Resources Limited under Section(s) 230 to 232 of the Companies Act, 2013 ( <b>"Act"</b> ) and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ( <b>"CAA Rules"</b> ) ( <b>"Notice"</b> ).	1-9
2.	Statement under Section(s) 102, 230 to 232 and other applicable provisions of the Act and Rule 6 of the CAA Rules, SEBI (Listing Obligations and Disclosure Requirements), 2015 read with applicable SEBI Circulars ( <b>"Statement"</b> ).	10-59
<b>Annexures</b>		
3.	<b>Annexure-1</b> Composite Scheme of Arrangement of <b>Deep Energy Resources Limited ("DERL" or "Company" or "Transferor Company 1")</b> , <b>Savla Oil and Gas Private Limited ("SOGPL" or "Transferor Company 2")</b> and <b>Prabha Energy Private Limited ("PEPL" or "Transferee Company")</b> and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, and other applicable laws including the rules and regulations ( <b>"Scheme"</b> )	60-117
4.	<b>Annexure-2</b> Copy of unaudited standalone financial statements of DERL for half year ended as on 30 <sup>th</sup> September, 2023 unaudited financial results (standalone and consolidated) of DERL for half year ended as on 30 <sup>th</sup> September, 2023 and audited standalone and consolidated financial statements of DERL for financial year ended as on 31 <sup>st</sup> March, 2023.	118-216
5.	<b>Annexure-3</b> Copy of unaudited standalone financial statements of SOGPL for half year ended as on 30 <sup>th</sup> September, 2023 and audited standalone and consolidated financial statements of SOGPL for financial year ended as on 31 <sup>st</sup> March, 2023.	217-282
6.	<b>Annexure-4</b> Copy of unaudited standalone financial statements of PEPL for half year ended as on 30 <sup>th</sup> September, 2023 and audited standalone financial statements of PEPL for financial year ended as on 31 <sup>st</sup> March, 2023.	283-340
7.	<b>Annexure-5</b> Valuation report dated 15 <sup>th</sup> September, 2022 issued by ICON Valuation LLP, Registered Valuer (Registration No. IBBI/RV-E/06/2019/107) ( <b>"Valuation Report"</b> ), in respect of the proposed amalgamation of DERL and SOGPL into PEPL under the Scheme	341-377
8.	<b>Annexure-6</b> Fairness opinion dated 15 <sup>th</sup> September, 2022 on the Valuation Report by Vivro Financial Services Private Limited, a SEBI registered Merchant Banker (Merchant Banker SEBI Registration Number INM000010122) ( <b>"Fairness Opinion"</b> ).	378-390
9.	<b>Annexure-7</b> A copy of the no complaints report submitted by DERL, dated 20 <sup>th</sup> December, 2022 and 06 <sup>th</sup> December, 2022, to BSE and NSE, respectively.	391-396
10.	<b>Annexure-8</b> Copies of the no-objection/ no adverse observations letter dated 23 <sup>rd</sup> August, 2023, received from NSE.	397-399
11.	<b>Annexure-9</b> Copies of the no-objection/ no adverse observations letter dated 23 <sup>rd</sup> August, 2023, received from BSE.	400-402
12.	<b>Annexure-10</b> Separate note in respect of details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against DERL, SOGPL and PEPL and its promoters and directors.	403-405



13.	<b>Annexure-11</b> Order dated 08 <sup>th</sup> November, 2023 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT"), in C.A.(CAA)/51(AHM) 2023 read with the Order dated 05 <sup>th</sup> December, 2023 and Corrigendum Order dated 12 <sup>th</sup> December, 2023 passed in Comp. App./18(AHM) 2023 by the NCLT	406-437
14.	<b>Annexure-12</b> Copy of summary of Valuation Report including basis of such valuation report of the registered valuer	438-440
15.	<b>Annexure-13</b> Copy of the report adopted by the Board of Directors of DERL in its meeting held on 15 <sup>th</sup> September, 2022 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	441-444
16.	<b>Annexure-14</b> Copy of the report adopted by the Board of Directors of SOGPL in its meeting held on 15 <sup>th</sup> September, 2022 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	445-448
17.	<b>Annexure-15</b> Copy of the report adopted by the Board of Directors of PEPL in its meeting held on 15 <sup>th</sup> September, 2022 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013	449-452
18.	<b>Annexure-16</b> Abridged prospectus of SOGPL as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.	453-462
19.	<b>Annexure-17</b> Abridged prospectus of PEPL as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.	463-472



**FORM NO. CAA. 2**

**[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
AHMEDABAD BENCH  
C.A.(CAA)/51(AHM)2023 read with Comp. App./18(AHM) 2023**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Deep Energy Resources Limited;

And

In the matter of Savla Oil and Gas Private Limited;

And

In the matter of Prabha Energy Private Limited;

And

In the matter of Composite Scheme of Arrangement between Deep Energy Resources Limited and Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors;

**Deep Energy Resources Limited, a }  
company incorporated under the }  
provisions of the Companies Act, 1956 and }  
now deemed to be incorporated under the }  
Companies Act, 2013 and having its }  
registered office at 12A & 14, Abhishree }  
Corporate Park, Ambli Bopal Road, Ambli, }  
Ahmedabad - 380058, Gujarat, India. }**

...Transferor Company 1/ Applicant Company



**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF  
DEEP ENERGY RESOURCES LIMITED**

To,

**All the unsecured creditors of Deep Energy Resources Limited:**

**NOTICE** is hereby given that by an order dated 08<sup>th</sup> November, 2023, in Application No. C.A. (CAA) / 51(AHM) 2023 read with Order dated 05<sup>th</sup> December, 2023 and Corrigendum Order dated 12<sup>th</sup> December, 2023 respectively in Comp. App./18(AHM) 2023 (“**Order**”), the Hon’ble National Company Law Tribunal, Ahmedabad Bench (“**NCLT**”) has directed a meeting to be held of the unsecured creditors of Deep Energy Resources Limited (“**DERL**” / “**Transferor Company 1**” or “**Company**”) for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement between Deep Energy Resources Limited (“**DERL**”), Savla Oil and Gas Private Limited (“**SOGPL**”) and Prabha Energy Private Limited (“**PEPL**”) and their respective shareholders and creditors (“**Scheme**”) pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the Order of the Hon’ble NCLT and as directed therein further, this Notice is hereby given that a meeting of the unsecured creditors of DERL will be held on Monday, 29<sup>th</sup> January, 2024 at 12:00 PM IST (1200 hours) through Video Conference (“**VC**”)/Other Audio-Visual Means (“**OAVM**”) (“**Meeting**”) in compliance with the applicable provisions of the Companies Act, 2013 (“**Companies Act**”); and General Circulars No. 14/2020 dated 08<sup>th</sup> April 2020; No. 17/2020 dated 13<sup>th</sup> April 2020; No. 20/2020 dated 05<sup>th</sup> May 2020; No. 22/2020 dated 15<sup>th</sup> June 2020; No. 33/2020 dated 28<sup>th</sup> September 2020; No. 39/2020 dated 31<sup>st</sup> December 2020; No. 10/2021 dated 23<sup>rd</sup> June 2021; No. 20/2021 dated 8<sup>th</sup> December 2021; No. 03/2022 dated 5<sup>th</sup> May 2022; No. 11/2022 dated 28<sup>th</sup> December 2022 and No. 09/2023 dated 25<sup>th</sup> September 2023 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the “**MCA Circulars**”), read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022, SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11<sup>th</sup> July, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07<sup>th</sup> October, 2023 issued by the Securities and Exchange Board of India (“**SEBI**”) (“**SEBI Circular**”) and the unsecured creditors of the Company are requested to attend the Meeting. At the Meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

***“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications issued thereunder (including any statutory modification or re-enactment thereof) as may be applicable issued by the Ministry of Corporate Affairs, Section 2(1B) of the Income-Tax Act, 1961, the Securities and Exchange Board of India Act, 1992 and the regulations made thereunder including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with the Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023 and duly amendment thereof from time to time and other applicable circulars issued by the Securities and Exchange Board of India from time to time, the no adverse observations letter(s)/No-objection letter(s) issued by BSE Limited and the National Stock Exchange of India Limited, respectively, both dated 23<sup>rd</sup> August 2023, and subject to the provisions of the memorandum of association and articles of association of Deep Energy Resources Limited and subject to the approval of Hon’ble National Company Law Tribunal, Ahmedabad Bench (“**Hon’ble Tribunal**”/“**NCLT**”) and subject to such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such consents,***



*approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Composite Scheme of Arrangement between Deep Energy Resources Limited and Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors ("Scheme") the draft of which was circulated along with this Notice, as enclosed with this notice of the meeting, be and is hereby approved.*

**RESOLVED FURTHER THAT** *the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever, which may be required and/or imposed by the NCLT or tribunals while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected or incidental thereto, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper without being required to seek any further approval of the unsecured creditors to the end and intent that the unsecured creditors shall be deemed to have given their approval thereto expressly by authority under the aforementioned and this resolution and the Board be and is hereby further authorized to execute such further deeds, documents and writings that maybe considered necessary, make necessary filings and carry out any or all activities for the purpose of giving effect to these resolutions and implementation of the arrangement."*

**TAKE FURTHER NOTICE** that since this Meeting is held, pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars, through VC/OAVM, physical attendance of the unsecured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the unsecured creditors will not be available for the present Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate unsecured creditor may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such unsecured creditor sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting.

**TAKE FURTHER NOTICE** that each unsecured creditor can opt for only one mode of voting i.e., either E-voting at the Meeting or through Remote E-voting. In case of unsecured creditor cast votes by Remote E-voting, as aforesaid, the concerned unsecured creditor will nevertheless be entitled to attend the Meeting and participate in the discussions in the Meeting but will not be entitled to vote again during the Meeting. In case of unsecured creditor exercising their right to vote via both modes, i.e., casting of vote by Remote E-voting and at the Meeting, then vote cast through Remote E-voting shall prevail over voting by the said unsecured creditor at the Meeting and the vote cast at the Meeting shall be treated as invalid. Once the vote on a resolution is cast by unsecured creditor, the unsecured creditor shall not be allowed to change it subsequently. The instructions for E-voting at the Meeting and Remote E-voting are appended to the notice. In case of Remote E-voting, the votes should be cast in the manner described in the instructions during the Remote E-voting Period.

**TAKE FURTHER NOTICE** that

- a) in compliance with the provisions of (i) MCA Circulars; (ii) Sections 108 and 230 of the Companies Act read with the rules framed thereunder; (iii) Regulation 44 and other applicable provisions of the



Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and (iv) Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023, the Company has provided the facility of voting by remote e-voting and e-voting at the Meeting so as to enable the unsecured creditors to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by unsecured creditors of Company to the Scheme shall be carried out only through remote e-voting and e-voting at the Meeting;

- b) in compliance with the aforesaid MCA Circulars, Circular issued by Securities and Exchange Board of India and the Order passed by NCLT, (a) the aforesaid Notice, (b) the Scheme, (c) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, and (d) the enclosures as indicated in the Index (collectively referred to as “**Particulars**”), are being sent through electronic mode to those unsecured creditors whose e-mail IDs are registered with the Company in accordance with the applicable provisions of law. Accordingly, the aforesaid Particulars are being sent to all the unsecured creditors whose names appear in the record of the Company on Friday, 01<sup>st</sup> December, 2023. The voting rights of the unsecured creditors shall be in proportion to the value of their debts as per the records of the Company as on Friday, 01<sup>st</sup> December, 2023 (“**Cut-Off Date**”). The unsecured creditors, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system during the Meeting. A person who is not an unsecured creditor of the Company as on the Cut-off Date, should treat the notice for information purpose only;
- c) the unsecured creditors may note that the aforesaid Particulars will be available on Company’s website [www.deepenergy.ooo](http://www.deepenergy.ooo), websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in>. The copy of the notice can be obtained by emailing the Company Secretary of the Company at [cs@deepenergy.ooo](mailto:cs@deepenergy.ooo);
- d) copies of the aforesaid Particulars can be obtained free of charge, between 10:30 a.m. to 12:30 p.m. on all working days, at the registered office of Company, up to the date of the Meeting, at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380058, Gujarat, India.;
- e) Company has extended the remote e-voting facility for its unsecured creditors to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting at the Meeting are appended to the Notice. The unsecured creditors, opting to cast their votes by remote e-voting and voting during the Meeting through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions from Thursday, 25<sup>th</sup> January, 2024 at 09:00 a.m. IST (0900 hours) to Sunday, 28<sup>th</sup> January, 2024 at 05:00 p.m. IST (1700 hours);
- f) the NCLT has appointed Mr. Rajasekhar V.K., Advocate, to be the Chairman of the Meeting including for any adjournment or adjournments thereof;
- g) one independent director of the Company and the auditor (or his authorized representative who is qualified to be an auditor) of Company shall be attending the Meeting through VC/OAVM;
- h) Mr. Gaurav Vesasi, Practicing Company Secretary (Membership No. F7544 & C.P. No. 21460) has been appointed as the scrutinizer to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner;



- i) the scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairman/any authorized person as appointed by the Chairman of the Meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting will be announced not later than two working days from the conclusion of the meeting. The results, together with the scrutinizer's report, will be displayed at the registered office of Company, on the website of Company, [www.deepenergy.ooo](http://www.deepenergy.ooo) and on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in>, besides being communicated to BSE Limited and the National Stock Exchange of India Limited. The results of the Meeting will be reported by the Chairman to the NCLT within three days from the conclusion of the meeting.
- j) the Scheme, if approved at the Meeting, will be subject to the subsequent approval of NCLT; and
- k) a copy of the explanatory statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, the Scheme and the other enclosures as indicated in the Index are enclosed.

The Scheme shall be considered approved if it is approved by requisite majority of unsecured creditors in accordance with the provisions of Sections 230 to 232 of the Act and the SEBI Listing Regulations read with the SEBI Master Circular.

In accordance with the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) read with MCA Circulars and clarification/guidance on applicability of Secretarial Standards – 1 and 2 dated 15<sup>th</sup> April, 2020, issued by the ICSI, the proceedings of the Meeting shall be deemed to be conducted at the registered office of the Company which shall be the deemed venue of the Meeting. Since the Meeting will be held through VC/OAVM, the Route Map is not annexed to this notice.

**Sd/-**  
**Rajasekhar V.K.**  
**Advocate**  
**Chairman appointed for the Meeting**

Dated this 26<sup>th</sup> December, 2023

Registered office: 12A & 14, Abhishree Corporate  
Park, Ambli Bopal Road, Ambli,  
Ahmedabad -380058, Gujarat,  
India.





**NOTES:**

1. **General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting**
  - (a) Pursuant to the Order passed by the NCLT read with the MCA Circulars and Circulars issued by SEBI, Meeting of the unsecured creditors of the Company will be held through VC/OAVM following the operating procedures (with appropriate modifications, if required) set out in the Circulars.
  - (b) Since, the Meeting is being held pursuant to the Order passed by the NCLT and MCA Circulars through VC/OAVM, physical attendance of the unsecured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the unsecured creditors will not be available for the Meeting. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate unsecured creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting, provided that such shareholder sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, on its behalf. The scanned image of the above mentioned documents should be in the name format "DEEPENR". The said resolution/authorization shall be sent to the scrutinizer by email through his registered email id address to gaurav@ravics.com and to the Company at cs@deepenergy.ooo, before the VC/OAVM Meeting or before the remote e-voting, as the case may be. The corporate unsecured creditors can also upload documents in Link Intime e-voting system for verification by scrutiniser.
  - (c) The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Company located at, 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380058, Gujarat, India
  - (d) The quorum of the Meeting of the unsecured creditors of the Company shall be 5 (five). The unsecured creditors attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act. In case the quorum is not present at the Meeting, then the Meeting shall be adjourned half an hour. Thereafter, the unsecured creditors present and voting shall be deemed to constitute the quorum in terms of the Order.
  - (e) Link Intime India Private Limited (e-voting agency) will provide the facility for voting by the unsecured creditors through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting during the Meeting.
  - (f) All the documents referred to in the accompanying explanatory statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. The unsecured creditors seeking to inspect copies of the said documents may send an email at [cs@deepenergy.ooo](mailto:cs@deepenergy.ooo). Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the unsecured creditors at the registered office of the Company between 10.30 a.m. to 12.30 p.m. on all working days up to the date of the Meeting. A recorded transcript of the Meeting shall also be made available on the website of DERL.
  - (g) The Notice convening the Meeting will be published through advertisement in (i) Business Standard (Ahmedabad Edition) in English language; and (ii) translation thereof in Jai Hind (Ahmedabad edition), in Gujarati language.



**2. THE INTRUCTIONS OF UNSECURED CREDITORS FOR REMOTE E-VOTING AND E-VOTING DURING MEETING AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. In compliance with the provisions of section 108 of the Companies Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Circulars issued by MCA and SEBI and pursuant to the order of NCLT, the Transferor Company 1 is pleased to provide to its unsecured creditors facility to exercise their right to vote on the resolution proposed to be considered at the Meeting by electronic means and the business would be transacted through e-voting services arranged by Link Intime India Private Limited (LIPL). The unsecured creditors may cast their votes remotely, using an electronic voting system (“remote e-voting”) on the dates mentioned in the notice.
2. Unsecured Creditors can join the meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. A person whose names is recorded in the list of the unsecured creditors of Transferor Company 1 as on the Cut-off date i.e. Friday, 01<sup>st</sup> December, 2023 shall be entitled to avail the facility of remote e-Voting as well as e-Voting system on the date of the meeting.
4. The remote e-voting period commences on Thursday, 25<sup>th</sup> January, 2024 [9:00 a.m. IST (0900 hours)] and ends on Sunday, 28<sup>th</sup> January, 2024 [5:00 p.m. IST (1700 hours)]. The remote e-voting module will be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast by the unsecured creditor, he/she/it will not be allowed to change it subsequently. During this period, unsecured creditor of the Transferor Company 1, as on Friday, 01<sup>st</sup> December, 2023, i.e., Cut-Off Date, may cast their vote by remote e-voting. A person who is not an unsecured creditor as on the Cut-Off Date should treat this Notice for information purpose only.
5. **Information and other instruction relating to remote e-voting and e-voting are as under:**

**Section A: Remote e-Voting process**

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
  - A. User ID:**  
Enter Event no. + Folio No. (Reference Number) provided to you on your registered email address.
  - B. PAN:**  
Enter your 10-digit Permanent Account Number (PAN) (Creditors who have not updated their PAN with the Company shall use the sequence number provided to you, if applicable.)
  - C. DOB/DOI:**  
Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with the Company - in DD/MM/YYYY format)
  - D. Bank Account Number:**  
Enter your Bank Account Number (last four digits), as recorded with the Company.

*\* Creditors who have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*





- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

**Cast your vote electronically:**

1. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
2. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
3. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
4. E-voting page will appear.
5. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
6. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

**Section B: Process of e-voting during Meeting**

During the voting session **Creditors** may click the voting button which is appearing on the right-hand side of your VC meeting screen. Once the electronic voting is activated by the scrutinizer during the meeting, **Creditors** can cast the vote as under:

1. On the VC page, click on the link for e-Voting “Cast your vote”
2. Enter your Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Creditors, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Creditors who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

**6. Process and manner for attending the Meeting through InstaMeet for Creditors:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

- A. **Demat Account No. or Folio No:** Enter your Folio No. (Reference Number) provided to you on your registered email address.
- B. **Certificate No.:** Enter your Certificate No. provided to you on your registered email address. (non- mandatory)
- C. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Creditors who have not updated their PAN with the Company shall use the sequence number provided to you, if applicable.)
- D. **Mobile No.:** Enter your mobile number.



**E. Email ID:** Enter your email id, as recorded with the Company.

► Click “Go to Meeting” (You are now registered for InstaMeet, and your attendance is marked for the meeting).

**Instructions for Creditors to Speak during the General Meeting through InstaMeet:**

1. Creditors who would like to speak during the meeting must register their request 3 days in advance with the company on the e-mail id provided in the Notice.
2. Creditors will get confirmation on first cum first basis depending upon the provision made by the client.
3. Creditors will receive “speaking serial number” once they mark attendance for the meeting.
4. Creditors may also ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Creditors are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Creditors are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Creditors connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case Creditors have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**Helpdesk:**

Creditors facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Creditors member, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, members can login any number of time till they have voted on the resolution(s) for a particular “Event”.



**FORM NO. CAA. 2**

**[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
AHMEDABAD BENCH  
C.A.(CAA) / 51(AHM)2023 read with Comp. App./18(AHM) 2023**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Deep Energy Resources Limited;

And

In the matter of Savla Oil and Gas Private Limited;

And

In the matter of Prabha Energy Private Limited;

And

In the matter of Composite Scheme of Arrangement between Deep Energy Resources Limited and Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors;

**Deep Energy Resources Limited, a }  
company incorporated under the }  
provisions of the Companies Act, 1956 and }  
now deemed to be incorporated under the }  
Companies Act, 2013 and having its }  
registered office at 12A & 14, Abhishree }  
Corporate Park, Ambli Bopal Road, Ambli, }  
Ahmedabad - 380058, Gujarat, India. }**

... Transferor Company 1/ Applicant Company



**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Pursuant to the Order dated 08<sup>th</sup> November, 2023 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT"), in C.A.(CAA)/51(AHM) 2023 read with the Order dated 05<sup>th</sup> December, 2023 and Corrigendum Order dated 12<sup>th</sup> December, 2023 respectively passed by the NCLT, in Comp. App./18(AHM) 2023 ("**Order**"), a meeting of the unsecured creditors of Deep Energy Resources Limited ("**DERL**") is being convened through Video Conference ("**VC**")/Other Audio-Visual Means ("**OAVM**"), on Monday, 29<sup>th</sup> January, 2024 at 12:00 p.m. IST (1200 hours), for the purpose of considering, and if thought fit, approving, with or without modification(s), the Composite Scheme of Arrangement between Deep Energy Resources Limited ("**DERL**"), Savla Oil and Gas Private Limited ("**SOGPL**") and Prabha Energy Private Limited ("**PEPL**") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "**Act**"), and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements And Amalgamations) Rules, 2016 ("**Scheme**"). DERL, SOGPL and PEPL are together referred to as the "**Companies**" or "**Parties**", as the context may admit. A copy of the Scheme, which has been, *inter alios*, approved by the Committee of Independent Directors, Audit Committee and the Board of Directors of DERL at their respective meetings, all held on 15<sup>th</sup> September, 2022 is enclosed as **Annexure-1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. The Scheme, inter alia, provides for:
  - (a) amalgamation of DERL and SOGPL with PEPL, with effect from the Appointed Date, i.e. 01<sup>st</sup> April, 2022, pursuant to the provisions of Sections 230 to 232 and/or other applicable provisions of the Act and in compliance with Section 2(IB) of the IT Act (as defined in the Scheme);
  - (b) issuance and allotment of PEPL Bonus Shares (as defined in the Scheme) by way of a bonus issue by the PEPL and sub-division of the equity shares of the PEPL;
  - (c) conversion of PEPL into public company;
  - (d) re-classification of Promoters Seeking Reclassification (as defined in the Scheme) from 'Promoter and Promoter Group' category to 'Public' category in PEPL; and
  - (e) listing of equity shares of the Transferee Company on the Stock Exchanges.
3. In terms of the Order, the quorum for the said meeting shall be 5 (Five). Unsecured Creditors attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Further in terms of the Order, in case the quorum as noted above for this meeting is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum.
5. Further in terms of the Order, NCLT has appointed Mr. Rajasekhar V.K., Advocate, to be the Chairman of the meeting including for any adjournment or adjournments thereof.
6. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**").
7. As stated earlier, NCLT by its Order has, inter alia, directed that a meeting of the unsecured creditors of DERL shall be convened through VC/OAVM, on Monday, 29<sup>th</sup> January, 2024 at 12:00 p.m. IST (1200 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme ("**Meeting**"). Unsecured Creditor would be entitled to vote either through remote e-voting or e-voting at the Meeting.



8. The Scheme shall be considered approved if it is approved by requisite majority of unsecured creditors in accordance with the provisions of Sections 230 to 232 of the Act and the SEBI Listing Regulations read with the SEBI Master Circular.
9. If the entries in the records/registers of DERL in relation to the number or value, as the case may be, of the unsecured creditors are disputed, the Chairman of the Meeting shall determine the number or value, as the case may be, for the purposes of the said Meeting.

#### Particulars of DERL

10. DERL was incorporated on 01<sup>st</sup> January, 1991 under the name and style of Deep Roadways Private Limited, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956 and now deemed to be incorporated under the Act. Its name was changed to Deep Industries Private Limited; and thereafter the word Private was deleted by the virtue of the company being a Deemed Public Limited Company under the provisions of section 43A(1B) of the Companies Act, 1956 on 6<sup>th</sup> February, 1997. The company became a Public Limited Company with effect from 2<sup>nd</sup> May, 2002 and a fresh certificate of incorporation, consequent to change of name, was issued in the name of Deep Industries Limited on 2<sup>nd</sup> May, 2002. Pursuant to the scheme of demerger, the name was changed to Deep Energy Resources Limited. The Corporate Identification Number of DERL is L63090GJ1991PLC014833. The Permanent Account Number of DERL is AAACD6915E. The equity shares of DERL are listed on the BSE Limited and the National Stock Exchange of India Limited ("Stock Exchanges"). DERL is the holding company of PEPL.
11. The Registered Office of DERL is situated at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058, India. There has been no change in the registered office address of DERL in last five (5) years. The e-mail address of DERL is [info@deepenergy.ooo](mailto:info@deepenergy.ooo).
12. The objects for which DERL has been established are set out in its Memorandum of Association.
13. The main objects of DERL were as follows:  
"III.  
[A]  
1. To provide latest equipments like Air Compressor, Gas Compressor, rigs and other equipments, efficient services like operation and maintenance, man power deployment and execution of turnkey projects related to oil gas sector on charter hire basis and carry on business of transport operators, cartegers and haulage contractors, garage proprietors, owners, charterers and lessors of road vehicles of every description and to act as carriers of goods by road, rail, water, air cartage contractors, forwarding, transporting and commission agents, custom agents, wharfingers, cargo superintendents, packers, warehouseman, store-keeper and job-masters and carry on any where in India and out of India the business of running of transportation of all kinds on such lines/routes as the Company may deem fit and to transport all types of goods and generally to carry on the business of the common carriers. To carry on all or any of the business of prospecting, exploring, developing, opening and working mines, drilling and sinking shafts or wells and to pump, refine, raise, dig and quarry coal bed methane, minerals, ores, gases such as methane gas i.e. CH<sub>4</sub>."  
"[B]  
10. *To amalgamate, enter into partnership or into any arrangements for sharing profits or losses, union of interest, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to give or accept by way of consideration for any of the acts or things aforesaid or properties acquired, any shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received*".
14. The main objects of DERL were amended on 29<sup>th</sup> September, 2022 and as on the 01<sup>st</sup> December, 2023 the same are as follows:  
"III.  
[A]  
1. *To provide latest equipments like Air Compressor, Gas Compressor, rigs and other equipments, efficient services like operation and maintenance, man power deployment and execution of turnkey projects related to oil gas sector on charter hire basis and carry on business of transport operators, cartegers and haulage contractors, garage proprietors, owners, charterers and lessors of road vehicles of every description and to act as carriers of goods by road, rail, water, air cartage contractors, forwarding, transporting and commission agents, custom agents, wharfingers, cargo superintendents,*



packers, warehouseman, store-keeper and job-masters and carry on any where in India and out of India the business of running of transportation of all kinds on such lines/routes as the Company may deem fit and to transport all types of goods and generally to carry on the business of the common carriers. To carry on all or any of the business of prospecting, exploring, developing, opening and working mines, drilling and sinking shafts or wells and to pump, refine, raise, dig and quarry coal bed methane, minerals, ores, gases such as methane gas, i.e. CH<sub>4</sub>.

2. To carry on business of conventional and unconventional oil and/ or gas and / or CBM and / or shale and / or hydrocarbons comprising of any or all of exploration, production, development, marketing, transportation, operation and to carry on business of providing and operating ships, vessel, rigs, structure, machineries, equipments and personnel required for on shore and off shore drilling, oil/gas/CBM/Shale/hydrocarbons field services such as mud engineering, mud logging, cementing, hydro-fracturing, work-over, testing, wire line logging inspection, repairs and reconditioning of tubular, oil/gas exploration, production, development, transportation, storing and handling oil for oil and natural gas industry in India or in any part of the World individually or as joint venture with Indian or international collaboration both technical and financial.
3. To carry on the business as traders, exporters, importers, dealers, consignors and consignees of all classes of gases and petroleum products and by products, petrochemicals, fuel, oil, crude including natural gases, bio gases, hydrogenated gases and other hydrocarbons for industrial and domestic applications and compressing natural gases, bio gases, hydrogen, nitrogen and other gases, petroleum products or kindred substances or any compounds thereof by any process and of buying, selling or applying such gases, substances and compounds or any of them to such purposes as the Company may from time to time think desirable "

- “[B]
10. To amalgamate, enter into partnership or into any arrangements for sharing profits or losses, union of interest, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to give or accept by way of consideration for any of the acts or things aforesaid or properties acquired, any shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received”.
  15. DERL is incorporated with the object of carrying out the business of conventional and unconventional oil and/or gas and/or CBM and/or shale and/or hydrocarbons comprising of any or all of exploration, production, development, marketing and transportation operations.
  16. The Authorised, Issued, Subscribed and Paid-up Share Capital of DERL as on 01<sup>st</sup> December, 2023 was as follows:

Particulars	Amount (in Rupees)
<b>Authorized Share Capital</b>	
3,20,00,000 equity shares of INR 10 each	32,00,00,000
<b>Total</b>	<b>32,00,00,000</b>
<b>Issued, subscribed and Paid-up Share Capital</b>	
3,20,00,000 equity shares of INR 10 each	32,00,00,000
<b>Total</b>	<b>32,00,00,000</b>

17. The details of Promoters and Promoter Group of DERL as on 01<sup>st</sup> December, 2023 was as follows:

No.	Name	Address
1	Dharen Shantilal Savla	36, Basant Bahar Bunglows, Bopal, Nr. Basant Bahar Gymkhana, Ahmedabad-380058, Gujarat.



2	Priti Paras Savla	B-No 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat
3	Mita Manoj Savla	35, Basant Bahar Bungalows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.
4	Shail M Savla	35, Basant Bahar, Nr Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat
5	Rupesh Kantilal Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
6	Avani Dharen Savla	36 Basant Bahar Bungalows, Nr Basant Bahar Gymkhana, Ambli, Bopal, Ahmedabad-380058, Gujarat.
7	Manoj Shantilal Savla	35, Basant Bahar Bungalows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.
8	Paras Shantilal Savla	B-No, 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat.
9	Prabhaven Shantilal Savla	35, Basant Bahar Bungalows, Opp Sterliang City, Daskroi, Bopal, Ahmedabad-380058, Gujarat.
10	Shantilal Murjibhai Savla	35 Basant Bahar Bungalows, Opp Sterling City Club, Bopal Daskroi, Ahmedabad-380058, Gujarat.
11	Sheetal Rupesh Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
12	Aarav Rupesh Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
13	Rupesh Savla Family Trust (through Trustees - Rupesh Savla and Sheetal Savla)	11 Viram Mansion, Plot No 449, Mahila Ashram, King Circle Matunga, Mumbai- 400019, Maharashtra.
14	Shantilal Savla Family Trust (through Trustees - Manoj Savla and Paras Savla)	12A, 3rd Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat
15	Savla Oil and Gas Private Limited	14 Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat
16	Horn Ok Please Financial Services Pvt Ltd (Formerly known as Horn Ok Please Transport Pvt Ltd)	13, Krishna Co. Op. H.S.L. Opp. Ellisbridge Jimkhana, Ellisbridge-Ahmedabad - 380006, Gujarat.

18. The details of Directors of DERL as on 01<sup>st</sup> December, 2023 was as follows:

No.	Name	Address	DIN
1	Shail Manoj Savla	35, Basant Bahar, Nr Basant Bahar, Gymkhana, Bopal, Ahmedabad-380058, Gujarat	08763064





2	Prem Singh Mangatsingh Sawhney	B-902, Devraj Towers, Judges Buglow Road, Nr. Pride Hotel, Bodakdev, Ahmedabad-380054, Gujarat.	03231054
3	Vishal Gautambhai Palkhiwala	B/307 Parshwa Tower, Near Shyamal Char Rasta Satellite, Ahmedabad-380015, Gujarat	09695011
4	Shaily Jatin Dedhia	12, Mahavir Bhavan, Vallabh Baug Lane, Damji Shamji Shah Chowk, Ghatkopar East, Rajawadi, Mumbai-400077, Maharashtra.	08853685
5	Navin Chandra Pandey	West Wind Premises, B.J. Road, Band Stand, Near Band Stand, Bandra, Mumbai-400050, Maharashtra.	08252350
6	Priyanka Kishorbhai Gola	92-H, Popatpara, Street No-14, Popatpara Main Road, Rajkot-360001, Gujarat	09384530

19. Copy of unaudited standalone financial statements of DERL for half year ended as on 30<sup>th</sup> September, 2023, unaudited financial results (standalone and consolidated) of DERL for half year ended as on 30<sup>th</sup> September, 2023 and audited standalone financial statements and consolidated financial statements of DERL for financial year ended as on 31<sup>st</sup> March, 2023 are enclosed as **Annexure-2**.

#### Particulars of SOGPL

20. SOGPL was incorporated on 07<sup>th</sup> October, 2009 as Savla Oil and Gas Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956 and now deemed to be incorporated under the Act. The Corporate Identification Number of SOGPL is U11200GJ2009PTC058263. The Permanent Account Number of SOGPL is AANCS4300H.
21. The registered office of SOGPL is situated at 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058, India. There has been no change in the registered office address of SOGPL since last five (5) years. The e-mail address of SOGPL is savla\_manoj@yahoo.co.in.
22. The objects for which SOGPL has been established are set out in its Memorandum of Association. The main object of SOGPL is as follows:

“III.

[A]

1. *To carry on the business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, Coal Bed Methane (CBM), Coal Mine Methane (CMM), shale gas and natural gas and all other petroleum / hydrocarbon products including those resulting from the manufacture and treatment of the same and to take on lease, purchase or otherwise acquire oil and gas wells / fields / blocks, whether solely or in collaboration or partnership with others and to construct, buy, sell, give / take on hire, hire purchase equipment and provide services for above and to lay, design, develop, construct, fabricate, install, operate and maintain oil and gas processing / liquification /re-gasification plants, metering station / compression / pumping facilities, distribution centers, installation including gas storages, city gas distribution, CNG stations, retail outlets, pipeline network, machinery apparatus, pipes, valves, fittings, meters and allied accessories necessary.”*

[B]

6. *To enter into partnership or any arrangement for sharing or pooling profits, amalgamations, union of interest, co-operation, joint venture, reciprocal concessions or to amalgamate with any person or company carrying on or engaged in or about to carry on or engaged in any business, undertaking or transactions which this company is authorised to carry on or engaged in any business, undertaking or transactions which may seem capable of being carried on or conducted, so as directly or indirectly, to benefit the company.”*

There has been no change in the main object clause of SOGPL since incorporation.





23. SOGPL is incorporated with the object of carrying out business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, coal bed methane, coal mine methane, shale gas and natural gas and all other petroleum / hydrocarbon products including those resulting from the manufacture and treatment of the same.

24. The Authorised, Issued, Subscribed and Paid up Share Capital of SOGPL as on 01<sup>st</sup> December, 2023 was as follows:

<b>Particulars</b>	<b>Amount (in Rupees)</b>
<b>Authorized Share Capital</b>	
72,28,100 equity shares of INR 10 each	7,22,81,000
15,00,000 preference shares of INR 10 each	1,50,00,000
<b>Total</b>	<b>8,72,81,000</b>
<b>Issued, subscribed and Paid-up Share Capital</b>	
65,42,643 equity shares of INR 10 each	6,54,26,430
<b>Total</b>	<b>6,54,26,430</b>

25. The details of Promoters and Promoter Group of SOGPL as on 01<sup>st</sup> December, 2023 was as follows:

<b>No.</b>	<b>Name</b>	<b>Address</b>
1	Paras Shantilal Savla	B-No, 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat.
2	Manoj Shantilal Savla	35, Basant Bahar Bungalows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.
3	Dharen Shantilal Savla	36, Basant Bahar Bungalows, Bopal, Nr. Basant Bahar Gymkhana, Ahmedabad-380058, Gujarat.
4	Rupesh Kantilal Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
5	Priti Paras Savla	B-No 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat
6	Shail Manoj Savla	35, Basant Bahar, Nr Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat
7	Avani Dharen Savla	36 Basant Bahar Bungalows, Nr Basant Bahar Gymkhana, Ambli, Bopal, Ahmedabad-380058, Gujarat.
8	Sheetal Rupesh Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.



9	Aarav Rupesh Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
10	Mita Manoj Savla	35, Basant Bahar Bungalows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.
11	Shanil Paras Savla	35, Basant Bahar 1, Nr. Basant Bahar Gymkhana, Bopal, Daskroi, Ahmedabad-380058, Gujarat
12	Vidhi Shail Savla	35, Basant Bahar, Near Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat
13	Rupesh Savla Family Trust (through Trustees - Rupesh Savla and Sheetal Savla)	11 Viram Mansion, Plot No 449, Mahila Ashram, King Circle Matunga, Mumbai-400019, Maharashtra.
14	Shantilal Savla Family Trust (through Trustees - Manoj Savla and Paras Savla)	12A, 3rd Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad-380058, Gujarat
15	Horn Ok Please Financial Services Pvt Ltd (Formerly known as Horn Ok Please Transport Pvt Ltd)	13, Krishna Co. Op. H.S.L. Opp. Ellisbridge Jimkhana, Ellisbridge-Ahmedabad - 380006, Gujarat.

26. The details of Directors of SOGPL as on 01<sup>st</sup> December, 2023 was as follows:

No.	Name	Address	DIN
1.	Rupesh Kantilal Savla	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad - 380006, Gujarat	00126303
2.	Parasbhai Shantilal Savla	B-No 37, Basant Bahar-1, Bopal, Ahmedabad -380058, Gujarat.	00145639
3.	Manoj Shantilal Savla	35, Basant Bahar Bungalows, Nr. Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat	01529306

27. Copy of unaudited standalone financial statements of SOGPL for half year ended as on 30<sup>th</sup> September, 2023 and audited standalone and consolidated financial statements of SOGPL for financial year ended as on 31<sup>st</sup> March, 2023 are enclosed as **Annexure-3**.

**Particulars of PEPL**

28. PEPL was incorporated on 05<sup>th</sup> August, 2009 as Prabha Energy Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956 and now deemed to be



incorporated under the Act. The Corporate Identification Number of PEPL is U40102GJ2009PTC057716. The Permanent Account Number of PEPL is AAFCP1327H. DERL is the holding company of PEPL.

29. The registered office of PEPL is situated at 12A, Abhishree Corporate Park, Opp. Swagat BTRS Bus Stop, Ambli Bopal Road, Bopal, Ahmedabad, Gujarat – 380058, India. There has been no change in the registered office address of PEPL in last five (5) years. The e-mail address of PEPL is [info@prabhaenergy.com](mailto:info@prabhaenergy.com).

30. The objects for which PEPL has been established are set out in its Memorandum of Association.

31. The main object of PEPL were as follows:

“III.

(A)

1. *To generate electrical power by conventional and non-conventional methods including biomass, natural gas, nuclear, waste, thermal, solar, hydel, geohydel, wind and tidal waves and to promote, own, acquire, erect, construct, establish, maintain, improve, manage, operate, alter, carry on, control, take on hire / lease power plants, co-generation, power plants, wind mills, energy conservation projects, power houses, power mills, transmission and supply of electrical energy and buy, sell, supply, exchange, market, function as a licensee and deal in electrical power, energy to the state electricity board, state government, appropriate authorities, licences, specific industrial units and other consumers for industrial, commercial, agricultural, households and any other purpose in India and elsewhere in any area to be specific by the state government, central government, local authority, state electricity board and any other competent authority in accordance with the provisions of Indian Electricity Act, 1910 and / or Electricity (supply) Act, 1948 or any statutory modifications or enactments thereof and rules made thereunder and to carry on business of purchasing / trading of certified emission / reduction (aviation through CDM i.e. Clean Development Mechanism). In addition to this company will also carry out all or any of the activities of prospecting, exploring, developing conventional and nonconventional energy business.*

2. *To carry on the business of conventional and unconventional oil and/or gas and/or CBM and/or shale and/or hydrocarbons comprising of any or all of exploration, production, development, marketing, transportation, operations and to carry on business of providing and operating ships, vessels, rigs, structures, machineries, equipments and personnel required for on shore and off shore drilling, oil/gas/CBM/shale/hydrocarbons field services such as mud engineering, mud logging, cementing, hydro-fracturing, work-over, testing, wire line logging inspection, repairs and reconditioning of tubular, oil/gas exploration, production, development, transportation, storing and handling of oil for oil and natural gas industry in India or in any part of the World individually or as joint venture with Indian or International collaboration both technical and financial.*

“(B)

6. *To enter into partnership or any arrangement for sharing or pooling profits, amalgamations, union of interest, co-operation, joint venture, reciprocal concessions or to amalgamate with any person or company carrying on or engaged in or about to carry on or engaged in any business, undertaking or transactions which this company is authorised to carry on or engaged in any business, undertaking or transactions which may seem capable of being carried on or conducted, so as directly or indirectly, to benefit the company.”*

32. The main object of PEPL were amended on 18<sup>th</sup> June, 2022 and as on the 01<sup>st</sup> December, 2023 the same are as follows:

“III.

(A)

1. *To generate electrical power by conventional and non-conventional methods including biomass, natural gas, nuclear, waste, thermal, solar, hydel, geohydel, wind and tidal waves and to promote, own, acquire, erect, construct, establish, maintain, improve, manage, operate, alter, carry on, control, take on hire / lease power plants, co-generation, power plants, wind mills, energy conservation projects, power houses, power mills, transmission and supply of electrical energy and buy, sell, supply, exchange, market, function as a licensee and deal in electrical power, energy to the state electricity board, state government, appropriate authorities, licences, specific industrial units and other consumers for industrial, commercial, agricultural, households and any other purpose in India and elsewhere in any area to be specific by the state government, central government, local authority, state electricity board and any other competent authority in accordance with the provisions of Indian Electricity Act, 1910 and / or Electricity (supply) Act, 1948 or any statutory modifications or enactments thereof and rules made thereunder and to carry on business of purchasing / trading of*



certified emission / reduction (aviation through CDM i.e. Clean Development Mechanism). In addition to this company will also carry out all or any of the activities of prospecting, exploring, developing conventional and nonconventional energy business.

2. To carry on the business of conventional and unconventional oil and/or gas and/or CBM and/or shale and/or hydrocarbons comprising of any or all of exploration, production, development, marketing, transportation, operations, trading in Natural Gas and Crude Oil and to carry on business of providing and operating ships, vessels, rigs, structures, machineries, equipments and personnel required for on shore and off shore drilling, oil/gas/CBM/shale/hydrocarbons field services such as mud engineering, mud logging, cementing, hydro-fracturing, work-over, testing, wire line logging inspection, repairs and reconditioning of tubular, oil/gas exploration, production, development, transportation, storing and handling of oil for oil and natural gas industry in India or in any part of the World individually or as joint venture with Indian or International collaboration both technical and financial.”

“(B)

6. To enter into partnership or any arrangement for sharing or pooling profits, amalgamations, union of interest, co-operation, joint venture, reciprocal concessions or to amalgamate with any person or company carrying on or engaged in or about to carry on or engaged in any business, undertaking or transactions which this company is authorised to carry on or engaged in any business, undertaking or transactions which may seem capable of being carried on or conducted, so as directly or indirectly, to benefit the company.”
33. PEPL is incorporated with an object for carrying out the business of activities of oil and gas, coal bed methane, shale, hydrocarbon, on shore and off shore business services.
34. The Authorised, Issued, Subscribed and Paid up Share Capital of PEPL as on 01<sup>st</sup> December, 2023 was as follows:

Particulars	Amount (in Rupees)
<b>Authorized Share Capital</b>	
17,80,610 equity shares of INR 10 each	1,78,06,100
37,60,060 preference shares of INR 10 each	3,76,00,600
<b>Total</b>	<b>5,54,06,700</b>
<b>Issued, subscribed and Paid-up Share Capital</b>	
17,80,609 equity shares of INR 10 each	1,78,06,090
15,93,000 preference shares of INR 10 each	1,59,30,000
<b>Total</b>	<b>3,37,36,090</b>

35. The details of Promoters and Promoter Group of PEPL as on 01<sup>st</sup> December, 2023 was as follows:

No.	Name	Address
1	Deep Energy Resources Limited	12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat, India,
2	Savla Oil and Gas Private Limited	14 Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad-380058, Gujarat, India,



3	Sheetal Rupesh Savla*	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
4	Rupesh Kantilal Savla*	13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.
5	Parasbhai Shantilal Savla*	B-No, 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat.
6	Priti Parasbhai Savla*	B-No 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat
7	Manoj Shantilal Savla*	35, Basant Bahar Bungalows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.

\* Nominee shareholders of Deep Energy Resources Limited.

36. The details of Directors of PEPL as on 01<sup>st</sup> December, 2023 was as follows:

No.	Name	Address	DIN
1	Prem Singh Mangatsingh Sawhney	B-902, Devraj Towers, Judges Buglow Road, Nr. Pride Hotel, Bodakdev, Ahmedabad-380054, Gujarat	03231054
2	Shail Manoj Savla	35, Basant Bahar, Nr Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat	08763064
3	Vishal Gautambhai Palkhiwala	B/307 Parshwa Tower, Near Shyamal Char Rasta Satellite, Ahmedabad-380015, Gujarat	09695011
4	Shaily Jatin Dedhia	12, Mahavir Bhavan, Vallabh Baug Lane, Damji Shamji Shah Chowk, Ghatkopar East, Rajawadi, Mumbai-400077, Maharashtra.	08853685
5	Navin Chandra Pandey	202, West Wind Premises, B.J. Road, Band Stand, Near Band Stand, Bandra, Mumbai-400050, Maharashtra.	08252350
6	Priyanka Kishorbhai Gola	92-H, Popatpara, Street No-14, Popatpara Main Road, Rajkot-360001, Gujarat	09384530

37. Copy of unaudited standalone financial statements of PEPL for half year ended as on 30<sup>th</sup> September, 2023 and audited standalone financial statements of PEPL for financial year ended as on 31<sup>st</sup> March, 2023 are enclosed as **Annexure-4**.



## Rationale and Benefits of the Scheme

38. The rationale and benefits of the Scheme is as under:

- (i) The amalgamation of the DERL and the SOGPL with and into the PEPL and simplification of the group structure to result into:
  - a. Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
  - b. Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
  - c. Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
  - d. Rationalization, standardization and simplification of business processes and systems;
  - e. Minimisation of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
  - f. Provide opportunity to the public shareholders of the DERL to directly participate in the business of the PEPL, and increase long term value of all the stakeholders, by creating a standalone listed entity; and
  - g. Ability to pursue inorganic growth with consolidated financials and better operational control.
- (ii) The rationale for reclassification of Promoters Seeking Reclassification (as defined in the Scheme) from 'Promoter and Promoter Group' category to 'Public' category in the DERL and upon this Scheme coming into effect, in the PEPL is that the Promoters Seeking Reclassification (as defined in the Scheme):
  - a. are not engaged in the business, management, control or day-to-day affairs of the DERL, SOGPL and PEPL;
  - b. do not have any right either to appoint any Director of the DERL, SOGPL and PEPL; and
  - c. does not have an ability to control the management or policy decisions of the DERL, SOGPL and PEPL in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the DERL, SOGPL and PEPL.

## Relationship among Companies who are parties to the Scheme

39. DERL is a public company and its equity shares are listed on BSE Limited and the National Stock Exchange of India Limited. SOGPL is a private company and it holds 0.5% share capital of DERL. PEPL is a private company and DERL holds 53.16% share capital of PEPL and SOGPL holds 46.84% share capital of PEPL.

## Corporate Approvals

40. The Scheme alongwith:

- (a) valuation report dated 15<sup>th</sup> September, 2022 issued by ICON Valuation LLP, Registered Valuer (Registration No. IBBI/RV-E/06/2019/107) ("**Valuation Report**"), in respect of the proposed amalgamation of DERL and SOGPL into PEPL under the Scheme;
- (b) a fairness opinion dated 15<sup>th</sup> September, 2022 on the Valuation Report by Vivro Financial Services Private Limited, a SEBI registered Merchant Banker (Merchant Banker SEBI Registration Number INM000010122) ("**Fairness Opinion**");

were placed before the Committee of Independent Directors of DERL at its meeting held on 15<sup>th</sup> September, 2022. Copies of the (i) Valuation Report dated 15<sup>th</sup> September, 2022, and (ii) Fairness Opinion dated 15<sup>th</sup> September, 2022, are enclosed as **Annexure-5** and **Annexure-6**, respectively.

The Committee of Independent Directors of DERL, based on the aforesaid, amongst others, recommended the Scheme for favourable consideration and approval by the Board of Directors of DERL, Stock Exchanges, SEBI and other appropriate authorities, by its report dated 15<sup>th</sup> September, 2022.



41. The aforesaid Scheme, Valuation Report, the Fairness Opinion, the report of the Committee of Independent Directors of DERL, amongst others, were also placed before the Audit Committee of DERL at its meeting held on 15<sup>th</sup> September, 2022. The Audit Committee based on the aforesaid, amongst others, recommended the Scheme to the Board of Directors of DERL, Stock Exchanges, SEBI and other appropriate authorities for their favourable consideration and approval, by its report dated 15<sup>th</sup> September, 2022.
42. The Scheme alongwith the aforesaid Valuation Report was placed before the Board of Directors of DERL at its meeting held on 15<sup>th</sup> September 2022. The aforesaid Fairness Opinions was also submitted to the Board of Directors of DERL. Based on the reports submitted by the Audit Committee and the Committee of Independent Directors recommending the Scheme, the Board of Directors of DERL approved the Scheme at its meeting held on 15<sup>th</sup> September, 2022. The meeting of the Board of Directors of DERL, held on 15 September 2022, was attended by 6 (Six) directors through video conferencing or other audio visual means (namely, Mr. Preamsingh Sawhney, Mr. Shail Manoj Savla, Mr. Vishal Palkhiwala, Mr. Hemendrakumar Shah, Mr. Navin Chandra Pandey and Mrs. Shaily Dedhia). None of the directors of DERL who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

#### **Approvals and actions taken in relation to the Scheme**

43. BSE was appointed as the Designated Stock Exchange by DERL for the purpose of co-ordinating with the SEBI for obtaining approval of SEBI in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
44. DERL had by its two separate letters, both dated 27<sup>th</sup> September 2022, applied to the both stock exchanges for their no-objection to the Scheme. Thereafter, certain information/details/queries were sought/raised by BSE/NSE and the same were submitted by DERL.
45. DERL had filed its no complaints report with BSE and NSE, dated 20<sup>th</sup> December, 2022 and 06<sup>th</sup> December, 2022, respectively. This report indicates that DERL received no complaints from the equity shareholders with respect to the Scheme. A copy of the no complaints report submitted by DERL, dated 20<sup>th</sup> December, 2022 and 06<sup>th</sup> December, 2022, to BSE and NSE, respectively is enclosed as **Annexure-7**.
46. DERL received no-objection letter regarding the Scheme from BSE dated 23<sup>rd</sup> August, 2023, conveying its no-objection for filing the Scheme with NCLT pursuant to the letter addressed by SEBI to BSE. DERL also received no-objection letter regarding the Scheme from NSE dated 23<sup>rd</sup> August, 2023, conveying its no-objection for filing the Scheme with NCLT pursuant to the letter addressed by SEBI to NSE. Copies of the no-objection/ no adverse observations letters, both dated 23<sup>rd</sup> August, 2023, received from NSE and BSE, respectively, are enclosed as **Annexure-8** and **Annexure-9**.
47. Pursuant to the aforesaid advice of SEBI, separate note in respect of details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against DERL, SOGPL and PEPL and its promoters and directors are enclosed as **Annexure-10**.
48. The Companies would obtain the respective necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.
49. **C.A.(CAA)/51(AHM) 2023** along with annexures thereto (which includes the Scheme) was jointly e-filed by DERL, SOGPL and PEPL with the NCLT, on 19<sup>th</sup> September, 2023. The hard copy whereof was filed with the NCLT on 20<sup>th</sup> September, 2023. An Interlocutory Application in Comp. App./18(AHM) 2023 along with annexures ("**IA**") thereto was jointly e-filed by DERL, SOGPL and PEPL with the NCLT, 24<sup>th</sup> November, 2023. The hard copy whereof was filed with the NCLT on 24<sup>th</sup> November, 2023. Order dated 08<sup>th</sup> November, 2023 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT"), in C.A.(CAA)/51(AHM) 2023 read with the Order dated 05<sup>th</sup> December, 2023 and Corrigendum Order dated 12<sup>th</sup> December, 2023 passed by the NCLT, in Comp. App./18(AHM) 2023 are enclosed as **Annexure-11**.





**Salient extracts of the Scheme**

50. **Certain clauses of the Scheme are extracted below:**

**SECTION I**

**1. DEFINITIONS**

1.1. *For the purposes of the Scheme, the following expressions shall have the meanings mentioned herein below:*

- (a) *“Act” means the Companies Act, 2013, and the Companies Act, 1956, to the extent of its provisions in force, together with all rules, regulations, circulars, notifications, clarifications and orders issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.*
- (b) *“Applicable Law(s)” means to the extent applicable, all laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directives of any Governmental Authority or person acting under the authority of any Governmental Authority.*
- (c) *“Application Letter” means the application letter dated September 14, 2022 submitted by the Promoters Seeking Reclassification to the Board of the Transferor Company 1 requesting to reclassify the Promoters Seeking Reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferor Company 1.*
- (d) *“Appointed Date” shall mean April 01, 2022 or such other date as may be approved by the Tribunal and agreed to by the Board of the Parties.*
- (e) *“Articles” means the articles of association of the Transferee Company.*
- (f) *“Board” means the board of Directors of the Transferor Company 1, Transferor Company 2 and the Transferee Company, as may be applicable, and shall include a committee of directors or any person authorized by such board of Directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto.*
- (g) *“Bonus Issuance” issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company.*
- (h) *“Director(s)” means a member of the Board of the Transferor Company 1, Transferor Company 2 and the Transferee Company, as may be applicable.*
- (i) *“Effective Date” means the date on which the certified copy of the order sanctioning this Scheme, passed by the Tribunal, as and when applicable is filed with ROC. Any references in this Scheme to “coming into effect of this Scheme” or “effectiveness of this Scheme” or “upon the Scheme becoming effective” or “upon this Scheme becoming effective” or “upon the Scheme coming into effect” shall mean the Effective Date.*
- (j) *“Equity Share(s)”, with respect to a company, means the fully paid-up equity shares of such company.*
- (k) *“Family Arrangement Agreement” means the Memorandum of Agreement entered and executed between certain promoters of the Transferor Company 1.*
- (l) *“Governmental Authority(ies)” means (i) any international, supra-national, national, state, city or local governmental, regulatory or statutory authority; (ii) any commission, organisation, agency, department, ministry, board, bureau or instrumentality of any of the foregoing (and includes any entity owned or controlled by any of such*





foregoing authorities); (iii) any stock exchange or similar self-regulatory or quasi-governmental agency or private body exercising any regulatory or administrative functions of or relating to the government; (iv) any arbitrator, arbitral body, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction over any of the Parties; and (v) any state or other subdivision thereof or any municipality, district or other subdivision thereof.

- (m) **“Indian Rupees”** or **“INR”** means the lawful currency of the Republic of India.
- (n) **“Intangible Assets”** means and includes all intellectual property rights and licenses of every kind and description throughout the world (including distribution licenses, and approvals / licenses from any Governmental Authority), in each case, whether registered or unregistered, and including any applications for registration of any intellectual property, including without limitation, inventions (whether patentable or not), patents, databases, including user manuals and training materials, related to any of the foregoing; copyrights and copyrightable subject matter; trademarks, service marks, trade names, domain names, logos, slogans, trade dress, design rights together with the goodwill symbolized by any of the foregoing; know-how, confidential and proprietary information, trade secrets, moral rights; any rights or forms of protection of a similar nature or having equivalent or similar effect to any of the foregoing which subsist anywhere in the world; and goodwill, whether or not covered in the foregoing, in connection with the business of the Transferor Company 1 or the Transferor Company 2, as applicable, together with the exclusive right of the Transferee Company and its assignees to represent themselves as carrying on the business in succession to the Transferor Company 1 or the Transferor Company 2, respectively.
- (o) **“IT Act”** means the Income-tax Act, 1961, together with all rules, regulations, circulars and notifications issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.
- (p) **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.
- (q) **“MOA”** means the memorandum of association of the Transferee Company.
- (r) **“NCRPS”** means the fully paid-up 10% non-convertible redeemable preference shares issued by the Transferee Company and subscribed by the Transferor Company 2.
- (s) **“Parties”** means the Transferor Company 1, the Transferor Company 2 and the Transferee Company, collectively, and **“Party”** shall mean each of them individually.
- (t) **“PEPL Bonus Shares”** shall mean 1,78,06,090 (One Crore Seventy Eight Lakh Six Thousand and Ninety) Equity Shares of the Transferee Company having face value of INR 10 (Indian Rupees Ten) each to be issued by way of a bonus issue by the Transferee Company of 10 (Ten) Equity Shares for 1 (One) Equity Share held by the shareholders of the Transferee Company.
- (u) **“PEPL Bonus Issuance Record Date”** means the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferee Company that are to be offered shares of the Transferee Company, pursuant to Section III of this Scheme.
- (v) **“PEPL Shareholder(s)”** means the equity shareholders of the Transferee Company as on the PEPL Bonus Issuance Record Date.
- (w) **“Preference Share(s)”**, with respect to a company, means the fully paid-up preference shares of such company.
- (x) **“Persons Related to the Promoters Seeking Reclassification”** means the persons related to the Promoters Seeking Reclassification in terms of sub-clause (ii) clause (pp) of sub-regulation (1) of Regulation 2 of the Securities and



Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and holding Equity Shares in the Transferor Company 1, more specifically as set out in **Schedule A**.

- (y) **"Promoters Seeking Reclassification"** means Dharen Shantilal Savla, Avani Dharen Savla, Shantilal Murjibhai Savla, Prabhaben Shantilal Savla and Dharen Savla Family Trust.
- (z) **"Record Date"** means the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Company 1 and the Transferor Company 2 to whom the shares of the Transferee Company are to be issued in accordance with this Scheme.
- (aa) **"ROC"** means the Registrar of Companies, Gujarat.
- (bb) **"Scheme"** means this composite scheme of arrangement amongst the Transferor Company 1, Transferor Company 2 and Transferee Company and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, and rules made thereunder.
- (cc) **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- (dd) **"SEBI Act"** means the Securities and Exchange Board of India Act, 1992.
- (ee) **"SEBI Circular"** means the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/ P/2021/0000000665 dated November 23, 2021, and includes any substitution, modification or reissuance thereof from time to time.
- (ff) **"Stock Exchanges"** means the stock exchanges where the equity shares of the Transferor Company 1 are listed and are admitted to trading, viz., the BSE Limited and the National Stock Exchange of India Limited.
- (gg) **"Takeover Code"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended from time to time.
- (hh) **"Transferee Company"** has the meaning assigned to such term in clause (iii) of part B of the Introduction of this Scheme.
- (ii) **"Transferor Company 1"** has the meaning assigned to such term in clause (i) of part B of the Introduction of this Scheme and includes, without limitation:
- (i) all assets located in India or elsewhere, whether moveable or immovable, whether tangible or intangible, whether leasehold or freehold, equipment, including without limitation all rights, title, interests, claims, covenants and undertakings of the Transferor Company 1 in such assets;
  - (ii) all investments, receivables, loans, security deposits and advances extended, including without limitation accrued interest thereon, of the Transferor Company 1;
  - (iii) all debts, borrowings and liabilities, whether present or future or contractual, whether secured or unsecured, if any, availed by the Transferor Company 1;
  - (iv) all permits, rights, entitlements, licenses, approvals (including licenses and approvals from any Governmental Authority), grants, allotments, recommendations, clearances and tenancies of the Transferor Company 1;



- (v) *all taxes, tax deferrals and benefits, subsidies, concessions, privilege, refund of any tax, duty, cess, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts, and credits in respect of income tax, such as carry forward tax losses and unabsorbed depreciation), tax deducted at source, tax collected at source, foreign tax credit, equalization levy, customs duty, central value added tax, value added tax, turnover tax, goods and services tax, minimum alternate tax credit, central sales tax and excise duty of the Transferor Company 1, and all rights to any claim not preferred or made by the Transferor Company 1 in respect of (a) any refund of tax, duty, cess or other charge (including any erroneous or excess payment thereof made by the Transferor Company 1) and any interest thereon, and (b) any set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under Applicable Law;*
  - (vi) *all Intangible Assets including the assets under the development (whether registered or not) and/or inventories of every kind and description whatsoever, of the Transferor Company 1;*
  - (vii) *all privileges and benefits of, or under, all contracts, agreements, purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments, undertakings, deeds, bonds, arrangements of any kind and other instruments of whatsoever nature and description, whether written, oral or otherwise, and all other rights including without limitation lease rights, licenses and facilities of every kind and description whatsoever, of the Transferor Company 1;*
  - (viii) *insurance covers and / or any of its' claims to which the Transferor Company 1 is a party, or to the benefit of which the Transferor Company 1 is eligible;*
  - (ix) *all employees of the Transferor Company 1;*
  - (x) *all advance payments, earnest monies, security deposits, advance rentals, payment against warrants, if any, or other rights or entitlements of the Transferor Company 1;*
  - (xi) *all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company 1; and*
  - (xii) *all books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, in connection with or relating to the Transferor Company 1.*
- (jj) **“Transferor Company 2”** has the meaning assigned to such term in clause (ii) of part B of the Introduction of this Scheme and includes, without limitation:
- (i) *all assets, whether moveable or immovable, whether tangible or intangible, whether leasehold or freehold, equipment, including without limitation all rights, title, interests, claims, covenants and undertakings of the Transferor Company 2 in such assets;*
  - (ii) *all investments, receivables, loans, security deposits and advances extended, including without limitation accrued interest thereon, of the Transferor Company 2;*
  - (iii) *all debts, borrowings and liabilities, whether present or future, whether secured or unsecured, if any, availed by the Transferor Company 2;*
  - (iv) *all permits, rights, entitlements, licenses, approvals (including licenses and approvals from any Governmental Authority), grants, allotments, recommendations, clearances and tenancies of the Transferor Company 2;*



- (v) *all taxes, tax deferrals and benefits, subsidies, concessions, refund of any tax, duty, cess, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts, and credits in respect of income tax, such as carry forward tax losses and unabsorbed depreciation), tax deducted at source, tax collected at source, foreign tax credit, equalization levy, customs duty, central value added tax, value added tax, turnover tax, goods and services tax, minimum alternate tax credit, central sales tax and excise duty of the Transferor Company 2, and all rights to any claim not preferred or made by the Transferor Company 2 in respect of (a) any refund of tax, duty, cess or other charge (including any erroneous or excess payment thereof made by the Transferor Company 2) and any interest thereon, and (b) any set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under Applicable Law;*
- (vi) *all Intangible Assets and inventory of every kind and description whatsoever, of the Transferor Company 2;*
- (vii) *all privileges and benefits of, or under, all contracts, agreements, purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments, undertakings, deeds, bonds, arrangements of any kind and other instruments of whatsoever nature and description, whether written, oral or otherwise, and all other rights including without limitation lease rights, licenses and facilities of every kind and description whatsoever, of the Transferor Company 2;*
- (viii) *insurance covers and claims to which the Transferor Company 2 is a party, or to the benefit of which the Transferor Company 2 is eligible;*
- (ix) *all employees of the Transferor Company 2;*
- (x) *all advance payments, earnest monies, security deposits, advance rentals, payment against warrants, if any, or other rights or entitlements of the Transferor Company 2;*
- (xi) *all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company 2; and*
- (xii) *all books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, in connection with or relating to the Transferor Company 2.*

(kk) **“Transferor Companies”** means the Transferor Company 1 and the Transferor Company 2 collectively.

(ll) **“Tribunal”** means the Ahmedabad bench of the National Company Law Tribunal having jurisdiction over the Parties.

## SECTION II

### AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

#### PART A

#### 4. AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

- 4.1. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferor Company 1 and the Transferor Company 2, together with all its present and future properties, assets, investments, borrowings, approvals, intellectual property rights, insurance covers or claims, records, licenses, brands, rights, benefits, interests, employees, contracts, obligations, proceedings and liabilities, of every nature and description, shall amalgamate with the Transferee Company, as a going concern, and all presents and future properties, assets, investments, borrowings, approvals, intellectual property rights, trademarks, copy rights, quotas, lease rights, tenancy rights, tenders, bids, insurance covers or claims, records, licenses, brands, rights, benefits, track-record, experience, goodwill and all other rights, title, interests, certificates, registrations under various legislations, consent, employees, contracts, deeds, agreements, arrangements, obligations, proceedings and liabilities of the Transferor Company 1 and the Transferor Company 2 shall stand transferred to and vested in and shall become the property of and an integral part



of the Transferee Company, subject to the existing charges and encumbrances, if any, (to the extent such charges or encumbrances are outstanding on the Effective Date), by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by either of the Transferor Company 1, Transferor Company 2 or the Transferee Company. Without prejudice to the generality of the above, in particular, upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferor Company 1 and the Transferor Company 2 shall stand amalgamated with and into the Transferee Company, in the manner described in sub-paragraphs (a) to (p) below:

- (a) All immovable property (including land, buildings and any other immovable property) of the Transferor Companies, if any, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in or be deemed to be vested in the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes, rent and charges, and fulfill all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease / license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee, if any, to the Transferee Company. The title to the immovable properties of the Transferor Companies, if any, shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing of the vesting order of the Tribunal sanctioning the Scheme with the appropriate registrar and sub-registrar of assurances shall suffice as record of the Transferee Company's title to such immovable properties pursuant to the Scheme coming into effect on the Effective Date with effect from the Appointed Date and shall constitute a deemed mutation and substitution thereof. The Transferee Company shall in pursuance of the vesting order of the Tribunal be entitled to the delivery and possession of all documents of title in respect of such immovable property, if any, in this regard. Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Companies in the nature of land and buildings situated in states other than the state of Gujarat, whether owned or leased, for the purpose of, inter alia, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the respective Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined in accordance with the Applicable Laws. The transfer of such immovable properties shall form an integral part of this Scheme.
- (b) All assets of the Transferor Companies as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and / or, by endorsement and delivery, or by vesting and recordal, including but not limited to property, assets, estate, rights, title, interests, equipment, furniture, fixtures, books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery, or by vesting and recordal, as appropriate to the property being vested and the title to such property shall be deemed to have been transferred accordingly to the Transferee Company.
- (c) Any and all other movable property including but not limited to investments in shares and any other securities, all sundry debts and receivables, outstanding loans and advances, incorporeal or Intangible Assets and inventory, if any, relating to the Transferor Companies, recoverable in cash or in kind or for value to be received, actionable





*claims, bank balances and deposits, if any with Governmental Authorities, semi-Governmental Authorities, local and other authorities and bodies, customers and other persons, cheques on hand, shall, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, become the property of the Transferee Company. Without prejudice to the foregoing, the Transferee Company shall be entitled to deposit at any time after the Effective Date and with effect from the Appointed Date, cheques received in the name of the Transferor Company 1, Transferor Company 2, as may be applicable, to enable the Transferee Company to receive the amounts thereunder. The investments held in dematerialized form by the Transferor Company 1 and / or the Transferor Company 2 will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant with whom the Transferor Company have an account. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company 1 or Transferor Company 2, as may be applicable, and that appropriate entry should be passed in their respective books to record the said changes.*

- (d) *All debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Transferor Companies, whether provided for or not in the books of accounts of the Transferor Companies or disclosed in the balance sheet of such Transferor Companies or not, shall stand transferred to and vested in the Transferee Company, and the same shall be assumed to the extent they are outstanding on the Effective Date and with effect from the Appointed Date and become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of, and shall be discharged by, the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Companies or the Transferee Company.*
- (e) *The transfer and vesting as aforesaid in this Clause shall be subject to the existing charges, hypothecation or mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company 1, or the Transferor Company 2, as may be applicable, are a party wherein the assets of the Transferor Company 1, or the Transferor Company 2, as may be applicable, have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company 1, or the Transferor Company 2, as may be applicable, and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company. The Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company 1, or the Transferor Company 2, as may be applicable, which shall vest in Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer and vesting of the properties and assets of the Transferor Company 1, or the Transferor Company 2, as may be applicable, as aforesaid shall be subject to the existing charges, hypothecation or mortgages over or in respect of the properties, assets or any part thereof of the Transferor Company 1, or the Transferor Company 2, as may be applicable.*
- (f) *All letters of intent, contracts, deeds, memorandum of understanding, tenders, bonds, agreements, insurance policies, capital investment, subsidies, guarantees and indemnities, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferor Companies to which it is a party or to the benefit of which it may be entitled or eligible, shall be in full force and effect against or in favour of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, and may be enforced as fully and effectually as if, instead of the Transferor Company 1, Transferor Company 2 or the Transferee Company had been a party or beneficiary or oblige thereto. Without prejudice to the generality of the foregoing, bank guarantees, performance guarantees, letters of credit, agreements with any Governmental*



*Authority, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Companies or to the benefit of which the Transferor Companies may be eligible and which are subsisting or have effect immediately before the Appointed Date, including without limitation all rights and benefits (including without limitation benefits of any deposit, advances, receivables or claims) arising or accruing there from, shall, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, be deemed to be bank guarantees, performance guarantees, letters of credit, agreements, deeds, documents, and arrangements, as the case may be, of the Transferee Company, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company and shall be appropriately transferred or assigned by the concerned parties / Governmental Authority in favour of the Transferee Company.*

- (g) *Any and all development rights, permissions, consents, statutory licenses or other licenses (including the licenses granted to the Transferor Companies by any Governmental Authority for the purpose of carrying on its business or in connection therewith), no-objection certificates, permissions, registrations, approvals, consents, permits, quotas, easements, goodwill, entitlements, allotments, concessions, exemptions, advantages, or rights required to carry on the operations of the Transferor Companies or granted to the Transferor Companies shall stand vested in or transferred to the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, and shall be appropriately transferred or assigned by the concerned parties or Governmental Authorities in favour of the Transferee Company upon amalgamation of the Transferor Companies with and into the Transferee Company pursuant to the Scheme, subject to the provisions of Applicable Laws. The benefit of all statutory and regulatory permissions, approvals and consents including without limitation statutory licenses, permissions, approvals or consents required to carry on the operations of the Transferor Companies shall vest in and become available to the Transferee Company by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.*
- (h) *The Transferee Company shall bear the burden and the benefits of any legal or other proceedings (including tax proceedings) initiated by or against the Transferor Companies. If any notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Transferor Companies, including (but not limited to) those before any Governmental Authority, be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with and into the Transferee Company, or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.*
- (i) *All persons who were employed in the Transferor Companies immediately before such date shall become employees of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, on terms and conditions which are overall no less favorable than those that were applicable to such employees immediately prior to such amalgamation, with the benefit of continuity of service and without any break or interruption in service. It is clarified that such employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall be governed by the terms of employment of the Transferee Company (including in connection with provident fund, gratuity fund, superannuation fund or any other special fund or obligation), provided that such terms of employment of the Transferee Company are overall no less favorable than those that were applicable to such*



employees immediately before such amalgamation. In addition, with regard to provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, [a] all contributions made to such funds by the Transferor Companies on behalf of such employees shall be deemed to have been made on behalf of the Transferee Company, and shall be transferred to the Transferee Company, the relevant authorities or the funds (if any) established by the Transferee Company, as the case may be, and [b] all contributions made by such employees, including interests / investments (which are referable and allocable to the employees transferred) shall be transferred to the Transferee Company, the relevant authorities or the funds (if any) established by the Transferee Company, as the case may be. Where applicable and required, in connection with provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, the Transferee Company shall stand substituted for the Transferor Companies, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, for all purposes whatsoever relating to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such schemes or funds shall become those of the Transferee Company. In addition, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee forming part of the Transferor Companies shall be continued / continue to operate against the relevant employee and the Transferee Company shall be entitled to take any relevant action or sanction, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.

- (j) The Transferee Company shall, for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Companies, take into account the past services of such employees with the Transferor Companies, as may be applicable.
- (k) All direct and indirect taxes of any nature, duties and cess or any other like payments, including (but not limited to) income tax, security transaction tax, dividend distribution tax, foreign tax credit, equalization levy, value added tax, central sales tax, excise duty, customs duty, central value added tax, minimum alternate tax, advance tax, goods and services tax, tax deducted at source or tax collected at source, professional tax or any other like payments made by the Transferor Companies to any statutory authorities, or other collections made by the Transferor Companies and relating to the period up to the Effective Date, shall be deemed to have been on account of, or on behalf of, or paid by, or made by the Transferee Company, and the Transferee Company would be eligible to claim credits, claims or refunds, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company. In addition, all deductions and exemptions otherwise admissible to the Transferor Companies including without limitation payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (including, but not limited to, under Section 43B, Section 40 and Section 40A of the IT Act) shall be eligible for deduction to the Transferee Company upon fulfilment of the applicable conditions under the IT Act. In addition, the Transferee Company shall be entitled to claim credit and refunds for taxes deducted at source / taxes collected at source / paid against tax liabilities / duty liabilities / minimum alternate tax, advance tax, goods and services tax, central value added tax, value added tax liability and any other credits etc., notwithstanding the certificates / challans or other documents for payment of such taxes / duties, as the case may be, are in the name of the Transferor Companies.
- (l) All taxes payable by or refundable to or being the entitlement of the Transferor Companies, including without limitation all or any refunds or claims shall be treated as the tax liability or refunds / credits / claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income tax, carry forward tax losses, unabsorbed





depreciation, closing balance of CENVAT, value added tax, central sales tax, excise duty, turnover tax, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to the Transferor Company 1 and the Transferor Company 2, shall be available to the Transferee Company, subject to the provisions of Applicable Laws, and losses and unabsorbed depreciation of the Transferor Companies be carried forward and set off against tax on future taxable income of the Transferee Company in accordance with the provisions of, and subject to the satisfaction of the conditions set out in, Section 72A of the IT Act. The Transferee Company shall undertake all necessary compliances prescribed under Applicable Laws to, and the Transferor Companies shall, prior to the Effective Date, extend its cooperation to the Transferee Company to, effectuate transfer of all credits including advance tax, goods and services tax of the Transferor Companies to the Transferee Company. The Transferee Company shall have the right to file and / or revise the financial statements, income tax returns, forms and statements, tax deducted at source certificates, tax collection at source certificates, excise returns, goods and services tax returns and forms, and other statutory returns, forms, statements and filings, if required, even if the relevant due dates set out under Applicable Laws may have expired.

- (m) Any tax deduction at source certificates or any tax collection at source certificates issued by the any of the Party to, or for the benefit of, any other Party with respect to the inter-se transactions would be available to the Transferee Company to seek refund from the tax authorities in compliance with Applicable Laws. Further, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, tax deduction at source deposited, tax collection at source deposited, tax deduction at source certificates issued, tax collection at source certificates issued or tax deduction at source deposited returns filed, or tax collection at source returns filed by the Transferor Company 1 or the Transferor Company 2 on transactions other than inter-se transactions during the period between the Appointed Date and the Effective Date shall continue to hold good as if such deposit of tax, issuance of certificates, filing of tax returns were made by the Transferee Company; and any tax deducted at source or tax collected at source by, or on behalf of, the Transferor Company 1 or the Transferor Company 2 on inter-se transactions will be treated as tax deposited by the Transferee Company.
  - (n) The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, goods and services tax credit, value added tax credit, credit of tax deducted at source or tax collected at source in respect of nullifying of any transaction between the Parties inter-se.
  - (o) All compliances under any Applicable Laws by the Transferor Companies on or after Appointed Date shall be deemed to be made by the Transferee Company.
  - (p) All estates, assets, rights, title, interests and authorities accrued to and / or, acquired by the Transferor Companies shall be deemed to have been accrued to and / or, acquired for and on behalf of the Transferee Company, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company and shall stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.
- 4.2. Upon this Scheme coming into effect on the Effective Date and the consequent amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, the secured creditors of the Transferee Company, if any, shall only continue to be entitled to security over such properties and assets forming part of the Transferee Company, as they had existing immediately prior to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and the secured creditors of the Transferor Companies, if any, shall continue to be entitled to security only over such properties, assets, rights, benefits and interest of and in the Transferor Companies, as they had existing immediately prior to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company.



- 4.3. *The Transferee Company, the Transferor Company 1 and the Transferor Company 2 shall take such actions as may be necessary and permissible in order to give formal effect to the provisions of this Clause, including, without limitation, making appropriate filings with any person (including the relevant Governmental Authorities), and such person (including the relevant Governmental Authorities) shall take the same on record, and shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company upon this Scheme coming into effect on the Effective Date in accordance with the terms hereof.*
- 4.4. *The Transferee Company shall, at any time after this Scheme coming into effect on the Effective Date in accordance with the provisions hereof, if so required under Applicable Laws, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Companies, including in connection with the transfer of properties of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company. For the avoidance of doubt, it is clarified that if the consent of either a third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall, subject to the provisions of Applicable Laws, provide such consent and shall make and duly record the necessary substitution / endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme coming into effect on the Effective Date. The Transferee Company shall file appropriate applications / documents and make appropriate filings with the relevant authorities concerned for information and record purposes and the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such acts, formalities or compliances referred to above on behalf of the Transferor Companies, inter alia, in its capacity as the successor entity of the Transferor Companies.*
- 4.5. *This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as defined in Section 2(1B) and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions of the IT Act at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the IT Act shall prevail and the Scheme shall stand modified to the extent required to comply with Section 2(1B) and other relevant provisions of the IT Act.*

## **PART B**

### **5. CONSIDERATION**

- 5.1. *Upon this Scheme coming into effect on the Effective Date and upon amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in terms of this Scheme,*
- (a) *the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, to the extent indicated below, to the shareholders of the Transferor Company 1, holding fully paid-up Equity Shares of the Transferor Company 1 and whose names appear in the register of members of the Transferor Company 1 as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company 1 / Transferee Company, without any further act, instrument or deed and after taking into effect Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company, in the following proportion:*
- “11 (Eleven) fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 1 for every 8 (Eight) Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 1, as on the Record Date.”*
- (b) *the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, to the extent indicated below, to the shareholders of the Transferor Company 2, holding fully paid-up Equity Shares of the Transferor Company 2*



and whose names appear in the register of members of the Transferor Company 2 as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company 2 / Transferee Company, without any further act, instrument or deed and after taking into effect Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company, in the following proportion:

*“71 (Seventy One) fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 2 for every 5 (Five) Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 2, as on the Record Date.”*

- 5.2. *The share exchange ratio stated in Clause 5.1 above has been taken on record and approved by the Board of the Parties after taking into consideration the valuation report obtained for determination of the share exchange ratio.*
- 5.3. *The said Equity Shares in the Transferee Company to be issued to the equity shareholders of the Transferor Company 1 and the Transferor Company 2 pursuant to this Clause 5 shall be subject to MOA and Articles, and shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.*
- 5.4. *Upon this Scheme coming into effect on the and upon amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in terms of this Scheme, the Equity Shares of the Transferee Company as held by the Transferor Company 1 and the Transferor Company 2 and the NCRPS as held by the Transferor Company 2 shall stand cancelled and extinguished by operation of law. Further, considering the issuance and allotment of Equity Shares to the shareholders of the Transferor Company 1 and the Transferor Company 2 towards the consideration in terms of this Clause 5, there shall not be any net reduction of the share capital of the Transferee Company, and in view of the same, the provisions of Section 66 of the Act shall not be attracted.*
- 5.5. *If any equity shareholder of the Transferor Company 1 becomes entitled to a fractional Equity Share to be issued by the Transferee Company pursuant to Clause 5.1 of this Scheme, the Transferee Company shall not issue such fractional Equity Share to such equity shareholder of the Transferor Company 1 or Transferor Company 2, as may be applicable, but shall consolidate all such fractional entitlements of all equity shareholders of the Transferor Company 1 and Transferor Company 2 and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such Equity Shares that represent the consolidated fractional entitlements to a trust nominated by the Board of the Transferee Company and such trust shall hold such Equity Shares, with all additions or accretions thereto, in trust for the benefit of the equity shareholders of the Transferor Company 1 and Transferor Company 2 who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Equity Shares in the market within a period of 90 (ninety) days from the date of allotment of Equity Shares, and on such sale, distribute to the equity shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares (after deduction of applicable taxes and costs incurred and subject to withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the trustee pursuant to this Clause 5.5. In case the number of such new Equity Shares to be allotted to the trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in Transferee Company to such trust.*
- 5.6. *The Transferee Company shall take necessary steps to increase or alter or re-classify, if necessary, its authorized share capital to enable it to issue and allot the Equity Shares as set forth in Clause 5.1 above.*
- 5.7. *The Equity Shares to be issued and allotted by the Transferee Company as set forth in Clause 5.1 above to the shareholders of the Transferor Company 1 and the Transferor Company 2 shall be issued in dematerialized form or physical form to the shareholders as per Applicable Laws.*



- 5.8. *The Equity Shares of the Transferee Company issued in terms of Clause 5.1 above shall, subject to receipt of necessary approval, be listed and / or admitted to trading on the Stock Exchanges pursuant to this Scheme and in compliance with the Listing Regulations, SEBI Circular and other applicable regulations and Applicable Laws. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of Listing Regulations, SEBI Circular and other applicable regulations notified under the SEBI Act and Applicable Laws and take all steps to procure the listing of the Equity Shares issued by it.*
- 5.9. *The Equity Shares issued by the Transferee Company, pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges.*
- 5.10. *There shall be no change in the shareholding pattern or control in the Transferee Company between Record Date and the listing of the equity shares on the Stock Exchanges.*
- 5.11. *On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of each of the Parties have also accorded their consent under Sections 42, 62 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable, for the aforesaid issuance of the Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 42, 62 and / or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority to record the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, issuance of the Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2 and dissolution of the Transferor Company 1 and the Transferor Company 2, in the manner set out in this Clause 5.*

**PART D**

**6. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES**

- 6.1. *With effect from the Appointed Date and up to and including the Effective Date,*
- (a) *The Transferor Companies shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the business and undertaking of the Transferor Companies for and on account of and in trust for the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.*
- (b) *The Transferor Companies shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, dispose of any property or asset of the Transferor Companies or part thereof.*
- (c) *All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies shall, for all the purposes be treated and be deemed to be accrued as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.*
- (d) *The Transferor Companies shall not vary the terms and conditions of employment of any of the employees except in ordinary course of business or without prior consent of the Transferee Company or pursuant to any pre-existing*



*obligation undertaken by the Transferor Companies as the case may be, prior to the Effective Date.*

- (e) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authority, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.*

**7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY**

7.1. *Upon to the Scheme coming into effect on the Effective Date, and after giving effect of the accounting treatment specified at sub-clause (f) of Clause 9.1, the Transferee Company shall account for amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standard 103 'Business Combinations' prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as applicable on the Effective Date, such that:*

- (a) The Transferee Company shall record the assets and liabilities relating to the Transferor Company 1 and the Transferor Company 2 vested in it pursuant to this Scheme, at their respective carrying amounts.*
- (b) The identity of the reserves shall be preserved and the Transferee Company shall record the reserves of the Transferor Company 1 and the Transferor Company 2 in the same form and at the carrying amount as appearing in the financial statements of the Transferor Company 1 and the Transferor Company 2, as may be applicable.*
- (c) Pursuant to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company 1 and the Transferor Company 2, if any, appearing in the books of the Transferee Company, Transferor Company 1 and Transferor Company 2 shall stand cancelled.*
- (d) All inter-company investments in the share capital of the Transferee Company, Transferor Company 1 and Transferor Company 2 shall stand cancelled.*
- (e) All inter-company transactions entered between the Transferor Company 1 and the Transferor Company 2 and Transferee Company shall stand cancelled.*
- (f) The face value of the Equity Shares of the Transferee Company issued to the shareholders of the Transferor Company 1 and the Transferor Company 2 pursuant to Clause 5.1 shall be credited to the equity share capital account in the books of the Transferee Company.*
- (g) The surplus / deficit, if any arising after taking the effect of sub-clauses (a) to (f) of Clause 7.1 above, shall be adjusted in 'Capital Reserve' in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.*
- (h) In case of any differences in accounting policies between the Transferor Company 1 and the Transferor Company 2 and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.*

**8. DISSOLUTION OF THE TRANSFEROR COMPANY 1 AND THE TRANSFEROR COMPANY 2**

8.1. *Upon the Scheme coming into effect from the Effective Date, the Transferor Company 1 and the Transferor Company 2*





shall, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, stand dissolved without winding up pursuant to the order of the Tribunal sanctioning the Scheme.

### **SECTION III**

#### **9. BONUS ISSUANCE BY THE TRANSFEREE COMPANY AND THE SUB-DIVISION OF THE EQUITY SHARES OF THE TRANSFEREE COMPANY**

9.1. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, and in accordance with Clause 15 of this Scheme:

(a) The Transferee Company shall, without any further act, instrument or deed, issue and allot the PEPL Bonus Shares by way of a bonus issue to the PEPL Shareholder(s) in proportion to their shareholding in the Transferee Company as on the PEPL Bonus Issuance Record Date.

(b) Upon completion of the actions set forth in sub-clause (a) above, the Transferee Company shall, without any further act, instrument or deed, sub-divide each Equity Share of the Transferee Company having a face value of INR 10 (Indian Rupees Ten) into 10 (Ten) Equity Shares of the Transferee Company having a face value of INR 1 (One) each.

(c) After taking into effect the Bonus Issuance by the Transferee Company as contemplated in sub-clause (a) above and sub-division of the Equity Shares of the Transferee Company as contemplated in sub-clause (b) above, the authorised share capital clause at Clause V of the MOA shall stand modified and read as follows:

*“The Authorised Share Capital of the Company is INR 23,34,67,700 (Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seven Thousand and Seven Hundred only) divided into 19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred only) equity shares of face value of INR 1 (Indian Rupee One only) each and 37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty only) preference shares of face value of INR 10 (Indian Rupees Ten only) each.”*

(d) Pursuant to the Bonus Issuance as set out in sub-clause (a) above and sub-division of the Equity Shares of the Transferee Company as set out in sub-clause (b) above, the authorised share capital and issued, subscribed and paid-up share capital of the Transferee Company shall be as follows:

<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred) Equity Shares having face value of INR 1 (Indian Rupee One) each	19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred)
37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	3,76,00,600 (Indian Rupees Three Crore Seventy Lakh and Six Hundred)





<b>Total Authorised Share Capital</b>	<b>23,34,67,700</b> <i>(Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seventy Thousand and Seven Hundred)</i>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
19,58,66,990 (Nineteen Crore Fifty Eight Lakh Sixty Six Thousand Nine Hundred and Ninety) Equity Shares having face value of INR 1 (Indian Rupee One) each	19,58,66,990 <i>(Nineteen Crore Fifty Eight Lakh Sixty Six Thousand Nine Hundred and Ninety)</i>
15,93,000 (Fifteen Lakh Ninety Three Thousand) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,59,30,000 <i>(Indian Rupees One Crore Fifty Nine Lakh and Thirty Thousand)</i>
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>21,17,96,990</b> <i>(Indian Rupees Twenty One Crore Seventeen Lakh Ninety Six Thousand Nine Hundred and Ninety)</i>

- (e) The Equity Shares issued by the Transferee Company in terms of this Clause 9 of the Scheme shall be issued in dematerialized form and the register of members and / or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of such Equity Shares by the Transferee Company in terms of this Scheme.
- (f) The Transferee Company shall in its books of accounts in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as may be applicable, transfer the balance of INR 17,80,60,900 (Indian Rupees Seventeen Crore Eighty Lakh Sixty Thousand and Nine Hundred) from the securities premium account to share capital account.
- (g) On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of the Transferee Company have also accorded their consent under Sections 13, 61, 62, 63 and 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable for the aforesaid increase in authorised share capital, issuance of the PEPL Bonus Shares, sub-division of the Equity Shares, amendment of the MOA of the Transferee Company and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken



by the Transferee Company under Sections 13, 61, 62, 63 or 64 of the Act and/ or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable authority to record the aforesaid sub-division of its Equity Shares, amendment of its MOA and issuance of the PEPL Bonus Shares, in the manner set out in this Clause 9 of this Scheme.

(h) The increase in authorised share capital, issuance and allotment of the PEPL Bonus Shares, sub-division of the Equity Shares and amendment of the MOA of the Transferee Company shall be undertaken as an integral part of the Scheme and in accordance with Clause 0 of this Scheme. The PEPL Bonus Shares to be issued to the PEPL Shareholder(s) pursuant to Section III of this Scheme shall rank *pari passu* in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.

#### **SECTION IV**

### **10. CONVERSION OF THE TRANSFEREE COMPANY INTO A PUBLIC COMPANY**

- 10.1. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the Transferee Company shall stand converted into a 'public company' in terms of the Sections 13, 18 and other applicable provisions of the Act and rules made thereunder. As the conversion of the Transferee Company into a 'public company' is an integral part of the Scheme, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such conversion as required under the Act and rules made thereunder, including in terms of Sections 13 and 18 and any other applicable provisions of the Act and rules made thereunder, and provisions of the Articles.
- 10.2. The MOA shall be amended (to the extent required) to reflect the conversion contemplated in Clause 10.1 above as required in terms of the Act and rules made thereunder. Upon the Scheme coming into effect on the Effective Date, the Transferee Company's name shall stand changed to remove the word 'Private' from its name or be adopted to such other name as may be mutually agreed between the Board of the Transferee Company, Transferor Company 1 and Transferor Company 2, and approved by the ROC.
- 10.3. The Articles of the Transferee Company shall be amended and restated to reflect the conversion contemplated in Clause 10.1 above.
- 10.4. On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of the Transferee Company have also accorded their consent under Sections 13, 14 and 18 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations, as may be applicable for effecting the aforesaid conversion of the Transferee Company into a public company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 14 or 18 of the Act and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and make payment of any necessary fees as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid conversion of the Transferee Company into a public company, in the manner set out in this Clause 10 of the Scheme. The ROC will issue a fresh certificate of incorporation to the Transferee Company in accordance with the provisions of the Act and rules made thereunder.



SECTION V

**11. RECLASSIFICATION OF PERSONS SEEKING RECLASSIFICATION FROM 'PROMOTER AND PROMOTER GROUP' CATEGORY TO 'PUBLIC' CATEGORY IN THE TRANSFEREE COMPANY**

- 11.1. *As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the Promoters Seeking Reclassification shall be reclassified from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company in terms of the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws. As the reclassification of the Promoters Seeking Reclassification shall be reclassified from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company is an integral part of the Scheme, it shall be deemed that the Transferee Company has complied with all applications or filings as required under applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws for seeking the aforesaid reclassification.*
- 11.2. *Pursuant to the Family Arrangement Agreement, the Promoters Seeking Reclassification holding Equity Shares of the Transferor Company 1 as set out in **Schedule B** vide Application Letter requested the Transferor Company 1 for reclassification of the Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public category' in the Transferor Company 1. The rationale of such reclassification is that the Promoters Seeking Reclassification are not engaged in the business, management, control or day-to-day affairs and also do not have any right either to appoint any Director or an ability to control the management or policy decisions in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Company 1, and upon the Scheme coming into effect, subsequently in the Transferee Company.*
- 11.3. *The Promoters Seeking Reclassification have submitted undertaking vide letter dated 14<sup>th</sup> September, 2022 that the Promoters Seeking Reclassification are complying the conditions specified at sub-clause (i) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing Regulations, and the Promoters Seeking Reclassification and Persons Related to the Promoters Seeking Reclassification are complying the conditions specified at sub-clause (ii) to sub-clause (vii) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing Regulations, and that they shall continue to comply with the conditions prescribed in sub-regulation (4) of Regulation 31A of the Listing Regulations.*
- 11.4. *Upon the Scheme coming into effect on the Effective Date, the shareholding of the Promoters Seeking Reclassification and the Persons Related to the Promoters Seeking Reclassification in the Transferee Company shall be as set out in **Schedule C**.*
- 11.5. *On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such reclassification under the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, as may be applicable for effecting the aforesaid reclassification of the Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, as may be applicable. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and make payment of any necessary fees as per the provisions of the Listing Regulations or any other applicable regulations notified under the SEBI Act.*



**SECTION VI**  
**GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME**

**13. TRANSFER OF THE AUTHORISED SHARE CAPITAL**

- 13.1. *After considering the Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company as contemplated in Clause 9 of the Scheme, the authorised share capital of the Transferee Company as set out in Clause 3.3 of this Scheme shall stand enhanced to INR 23,34,67,700 (Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seven Thousand and Seven Hundred), comprising of 19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred) Equity Shares of face value of INR 1 (Indian Rupee One) each and 37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, without any further act, instrument or deed undertaken by the Transferee Company, pursuant to Section 232(3)(i) of the Act, the fee(s) paid by the Transferee Company on the existing authorised share capital as set out in Clause 3.3 of this Scheme shall be set-off against any fee payable by the Transferee Company on its authorised share capital subsequent to the sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as contemplated in Clause 9 of the Scheme, and the liability of the Transferee Company for payment of any additional fees or stamp duty in respect of such increase shall be limited to the difference between the fee or stamp duty payable by the Transferee Company on its increased authorized share capital as a result of the sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as contemplated in Clause 9 of the Scheme.*
- 13.2. *As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the authorised share capital of the Transferor Company 1 of INR 32,00,00,000 (Indian Rupees Thirty Two Crore), comprised of 3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each, shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company. Further, as an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the authorised share capital of the Transferor Company 2 of INR 8,72,81,000 (Indian Rupees Eight Crore Seventy Two Lakh and Eighty One Thousand), comprised of 72,28,100 (Seventy Two Lakh Twenty Eight Thousand One Hundred) Equity Shares having face value of INR 10 (Indian Rupees Ten) each and 15,00,000 (Fifteen Lakh) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company. After considering consolidation of the authorised share capital of the Transferor Company 1 and the Transferor Company 2 with the authorised share capital of the Transferee Company as above and Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company as contemplated in Clause 9 of the Scheme, the authorised share capital of the Transferee Company as set out in Clause 3.3 of this Scheme shall stand enhanced to INR 64,07,48,700 (Indian Rupees Sixty Four Crore Seven Lakh Forty Eight Thousand and Seven Hundred), comprising into 58,81,48,100 (Fifty Eight Crore Eighty One Lakh Forty Eight Thousand and One Hundred) Equity Shares of face value of INR 1 (Indian Rupee One) each and 5,26,00,600 (Five Crore Twenty Six Lakh and Six Hundred) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, without any further act, instrument or deed undertaken by the Transferee Company, and pursuant to Section 232(3)(i) of the Act, the fee(s) paid by the Transferor Company 1 and the Transferor Company 2 on their respective authorised share capital shall be set-off against any fee payable by the Transferee Company on its authorised share capital subsequent to the amalgamation, and the liability of the Transferee Company for payment of any additional fees or stamp duty in respect of such increase shall be limited to the difference between (i) the fee or stamp duty payable by the Transferee Company on its increased authorized share capital after the Scheme comes into effect, (ii) the fee or stamp duty paid by the Transferor Company 1 and the Transferor Company 2, if any, on its authorised share capital from time to time, and (iii) additional fee or stamp duty paid by the Transferee Company on increase in authorized share capital as a consequence of sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as provided at Clause 13.1 above, and the authorised share capital clause at Clause V of the MOA shall stand modified and read as follows:*
- “The Authorised Share Capital of the Company is INR 64,07,48,700 (Indian Rupees Sixty Four Crore Seven Lakh Forty Eight Thousand and Seven Hundred only), divided into 58,81,48,100 (Fifty Eight Crore Eighty One Lakh*



*Forty Eight Thousand and One Hundred only) Equity Shares of face value of INR 1 (Indian Rupee One only) each and 5,26,00,600 (Five Crore Twenty Six Lakh and Six Hundred only) preference shares of face value of INR 10 (Indian Rupees Ten only) each.”*

- 13.3. *Notwithstanding anything contained in this Scheme and subject to Applicable Laws, until this Scheme becomes effective, the Transferor Company 1 shall have right to raise capital whether via preferential issue of equity / convertible / non-convertible securities to one or more financial or strategic investors or in any other way for the efficient functioning of their business or for any other purpose including for the purposes of refinancing, repayment, conversion or prepayment of any loans, provided that any such change in capital structure of the Transferor Company 1 shall be made subject to the approval of SEBI / stock exchanges and other authorities, if applicable. For the avoidance of doubt, it is clarified that, in case, authorised share capital of the Transferor Company 1, the Transferor Company 2 and / or the Transferee Company, as the case may be, undergoes any change, prior to this Scheme coming into effect on the Effective Date, then this Clause 13 of the Scheme shall automatically stand modified / adjusted accordingly to take into account the effect of such change.*
- 13.4. *On the approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of each of the Parties have also accorded their consent under Sections 13, 61, 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations and the Articles, as may be applicable for effecting the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company under Sections 13, 61, 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations and the Articles. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, in the manner set out in this Clause 13 of the Scheme.*

#### **14. LISTING OF EQUITY SHARES**

- 14.1. *Upon the Scheme coming into effect on the Effective Date, the Equity Shares of the Transferee Company shall be listed and admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of Applicable Laws (including the SEBI Circular). The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circular, the Listing Regulations, and take all steps to get its Equity Shares listed on the Stock Exchanges and obtain the final listing and trading permissions.*
- 14.2. *The Equity Shares issued and allotted by the Transferee Company pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges. There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the status of such permission. Further, the Transferee Company will not issue / reissue any Equity Shares which are not covered under the Scheme.*
- 14.3. *Any acquisition of shares, voting rights or control pursuant to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company pursuant to this Scheme does not trigger any obligation to make an open offer, in terms of Regulation 10(1)(d) of the Takeover Code.*
- 14.4. *Post listing of the Equity Shares of the Transferee Company on Stock Exchanges, the Transferee Company shall comply with requirement of maintaining public shareholding of 25% (twenty-five percent) in the Transferee Company within a*





*period of one year from the date of listing of Equity Shares of the Transferee Company in accordance with the SEBI Circular and other Applicable Laws, as may be amended from time to time.*

**15. SEQUENCING OF ACTIONS**

15.1. *Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in the order mentioned hereunder:*

- (a) issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company and sub-division of the Equity Shares of the Transferee Company in accordance with Section III of this Scheme;*
- (b) amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in accordance with Section II of this Scheme; and*
- (c) transfer of the authorised share capital of each of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company in accordance with Clause 13 of this Scheme, and consequential increase in the authorised share capital of the Transferee Company.*

15.2. *Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in the order mentioned hereunder:*

- (a) issue and allotment of Equity Shares of the Transferee Company by the Transferee Company to the shareholders of the Transferor Company 1 whose names appear in the register of members of the Transferor Company 1 as on the Record Date, and to the shareholders of the Transferor Company 2 whose names appear in the register of members of the Transferor Company 2 as on the Record Date, in accordance with Clause 5 of this Scheme;*
- (b) conversion of the Transferee Company into public company, and consequential amendment in MOA and Articles, in accordance with Section IV of this Scheme;*
- (c) dissolution of the Transferor Company 1 and the Transferor Company 2 without winding-up in accordance with Clause 8 of this Scheme;*
- (d) reclassification of certain promoters in to public category in the Transferor Company 1 in accordance with Section V of this Scheme; and*
- (e) listing of the Equity Shares of the Transferee Company in accordance with Clause 14 of the Scheme.*

**16. CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME**

16.1. *This Scheme is and shall be conditional upon and subject to the following:*

- (a) Approval of the members:*
  - (i) the requisite majorities in number and value of such classes of members as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme through e-voting or any other permissible mode;*
  - (ii) the Scheme being approved by the public shareholders of Transferor Company 1 through e-voting in terms of Part - I (A)(10)(a) of SEBI Circular and the scheme shall be acted upon only if vote cast by the public*





shareholders in favour of the proposal are more than number of votes cast by public shareholders against it; and

- (iii) public shareholders of the Transferor Company 1 shall have approved the Scheme by way of an ordinary resolution and all 'interested persons' as understood in terms of the Listing Regulations shall have abstained from voting in the relevant meeting of the members approving the Scheme;

in each case, the e-voting is in compliance with the provisions of the Act, the SEBI Circular and the Listing Regulations, if applicable.

- (b) Obtaining observation letter or no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to regulation 37 of the Listing Regulations read with SEBI Circular and Regulations 11 and 94 of the LODR Regulations.
- (c) The requisite majorities in number and value of such classes of secured and unsecured creditors as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme.
- (d) The Scheme being sanctioned by the Tribunal under Sections 230 to 232 and any other applicable provisions of the Act and rules made thereunder, and each of the Parties having filed certified copies of the order of the Tribunal sanctioning this Scheme with ROC within the statutory timelines.

16.2. Each of the Parties shall file order of the Tribunal approving the Scheme with ROC within a period of 30 (thirty) days of receipt of such order. In case the Scheme does not become effective in terms of Clause 16.1 above, within a period of 30 (thirty) days of receipt of the order of the Tribunal approving the Scheme, each of the Parties shall file an intimation with ROC within 30 (thirty) days of the Effective Date."

**You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.**

#### **Valuation and Accounting treatment**

51. The summary of Valuation Report including the basis of such valuation report is enclosed as **Annexure-12**.
52. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificates issued by the respective statutory auditor of DERL, SOGPL and PEPL are open for inspection as mentioned hereinbelow.

#### **Effect of the Scheme on various parties**

53. The effect of the proposed Scheme on the stakeholders of DERL would be as follows:

**(a) Directors and Key Managerial Personnel (KMP)**

The Directors and/or Key Managerial Personnel (KMP) of DERL will be appointed as the Directors and/or Key Managerial Personnel, as the case may be, in PEPL. There is no impact on material interests of Directors and KMPs of DERL.

**(b) Shareholders (including promoter and non-promoter)**

Under Section II of the Scheme, an arrangement is sought to be entered into between DERL and its equity shareholders. Upon Section II of the Scheme becoming effective, the equity shareholders of DERL, (which shall stand cancelled), shall become the equity shareholders of PEPL in the manner as stipulated in Clause 5.1 of the Scheme.

As on date, DERL has no preference shareholders and therefore, the effect of the Scheme on any such preference shareholders does not arise.



*The Promoters Seeking Reclassification will be classified in the 'public' category in the Transferee Company.*

**(c) Creditors**

*The rights of the creditors of DERL shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.*

**(d) Depositor and Deposit trustee**

*As on date of Notice, DERL has no outstanding public deposits and therefore, the effect of the Scheme on any public deposit holders or deposit trustee(s) does not arise.*

**(e) Debenture Holders and Debenture trustee**

*As on date of Notice, DERL has no outstanding debentures and therefore, the effect of the Scheme on any debenture holders or debenture trustee(s) or their material interests does not arise.*

**(f) Employees**

*Under the Scheme, no rights of the staff and employees, if any, of DERL are being affected. The services of the staff and employees, if any, of DERL, shall continue on the same terms and conditions on which they were engaged by DERL, with the benefit of continuity of service and without any break or interruption in service as more particularly described in Scheme.*

54. The effect of the proposed Scheme on the stakeholders of SOGPL would be as follows:

**(a) Directors and Key Managerial Personnel (KMP)**

*Upon Scheme becoming effective, the Directors and/or Key Managerial Personnel (KMP) of SOGPL will not be appointed as Director and/or KMP with PEPL. There is no impact on material interests of Directors and KMPs of SOGPL.*

**(b) Shareholders (including promoter and non-promoter)**

*Under Section II of the Scheme, an arrangement is sought to be entered into between SOGPL and its equity shareholders. Upon Section II of the Scheme becoming effective, the equity shareholders of SOGPL, shall become the equity shareholders of PEPL in the manner as stipulated in Clause 5.1 of the Scheme.*

*As on date, SOGPL has no preference shareholders and therefore, the effect of the Scheme on any such preference shareholders does not arise.*

**(c) Creditors**

*The rights of the creditors of SOGPL shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.*

**(d) Depositors and Deposit trustee**

*As on date of Notice, SOGPL has no outstanding public deposits and therefore, the effect of the Scheme on any public deposit holders or deposit trustee(s) does not arise.*

**(e) Debenture Holders and Debenture trustee**

*As on date of Notice, SOGPL has no outstanding debentures and therefore, the effect of the Scheme on any debenture holders or debenture trustee(s) or their material interests does not arise.*

**(f) Employees**

*Under the Scheme, no rights of the staff and employees, if any, of SOGPL are being affected. The services of the staff and employees, if any, of SOGPL, shall continue on the same terms and conditions on which they were engaged by SOGPL, with the benefit of continuity of service and without any break or interruption in service as more particularly described in Scheme.*



55. The effect of the proposed Scheme on the stakeholders of PEPL would be as follows:

**(a) Directors and Key Managerial Personnel (KMP)**

*The Directors and/or Key Managerial Personnel (KMP) of DERL will be appointed as the Directors and/or Key Managerial Personnel, as the case may be, in PEPL. There is no impact on material interests of Directors and KMPs of PEPL.*

**(b) Shareholders (including promoter and non-promoter)**

*Under Section II of the Scheme, an arrangement is sought to be entered into between PEPL and its equity shareholders. Upon Section II of the Scheme becoming effective, the equity shareholders of DERL and SOGPL (except the shares held by DERL and SOGPL in PEPL, which shall stand cancelled), shall become the equity shareholders of PEPL in the manner as stipulated in Clause 5.1 of the Scheme.*

*Under Section II of the Scheme, an arrangement is sought to be entered into between PEPL and its preference shareholders. All the preference shares of PEPL are held by SOGPL only. Upon Section II of the Scheme becoming effective, all the shares held by preference shareholders shall stand cancelled in the manner as stipulated in Clause 5.4 of the Scheme.*

*The Promoters Seeking Reclassification will be classified in the 'public' category in the Transferee Company.*

**(c) Creditors**

*The rights of the creditors of PEPL shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.*

**(d) Depositors and Deposit trustee**

*As on date of Notice, PEPL has no outstanding public deposits and therefore, the effect of the Scheme on any public deposit holders or deposit trustee(s) does not arise.*

**(e) Debenture Holders and Debenture trustee**

*As on date of Notice, PEPL has no outstanding debentures and therefore, the effect of the Scheme on any debenture holders or debenture trustee(s) or their material interests does not arise.*

**(f) Employees**

*Under the Scheme, no rights of the staff and employees, if any, of PEPL are being affected. The services of the staff and employees, if any, of PEPL, shall continue on the same terms and conditions on which they were engaged by PEPL, as more particularly described in Scheme.*

56. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Companies, in their respective meetings, each held on 15<sup>th</sup> September, 2023 have adopted a report, inter alia, explaining the effect of the Scheme on its shareholders and key managerial personnel amongst others. Copy of the Reports adopted by the Board of Directors of DERL, SOGPL and PEPL are enclosed as **Annexure-13, Annexure-14, and Annexure-15**, respectively.

**Other matters**

57. No investigation proceedings have been instituted or are pending in relation to DERL under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956 and to the knowledge of DERL, no investigation proceedings have been instituted or are pending in relation to SOGPL and PEPL under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956.

58. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against DERL and to the knowledge of DERL, no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against SOGPL and PEPL.



59. To the knowledge of DERL, no winding up proceedings have been filed or pending against SOGPL and PEPL under the Act or the corresponding provisions of the Companies Act, 1956. Further, to the knowledge of DERL, no winding up proceedings have been filed or pending against SOGPL and PEPL under the Act or the corresponding provisions of the Companies Act, 1956.
60. There is no capital restructuring or debt restructuring being undertaken pursuant to this Scheme.
61. The copy of the Scheme has been filed by DERL, SOGPL and PEPL before the concerned Registrar of Companies on 15<sup>th</sup> December, 2023.
62. In terms of SEBI Circular, the applicable information of SOGPL and PEPL in the format specified for abridged prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is enclosed respectively as **Annexure-16** and **Annexure-17**.
63. As per the books of accounts of (as on 01st December, 2023) of DERL, SOGPL and PEPL, the amount due to the unsecured creditors are INR 3367.43 lakhs, INR 0.236 lakhs and INR 13110.95 lakhs, respectively.
64. The name and address of the promoters of DERL including their shareholding in the Companies as on 01<sup>st</sup> December, 2023 are as under:

Sr. No.	Name and Address of Promoters	DERL		SOGPL		PEPL	
		No. of Shares of INR 10/- each	% of holding	No. of Shares of INR 10/- each	% of holding	No. of Shares of INR 10/- each	% of holding
1.	Dharen Shantilal Savla  36, Basant Bahar Bunglows, Bopal, Nr. Basant Bahar Gymkhana, Ahmedabad-380058, Gujarat.	22,68,822	7.09	6,57,914	10.06	---	---
2.	Priti Paras Savla B-No 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat	20,58,822	6.43	35,089	0.54	1*	0.00*
3.	Mita Manoj Savla  35, Basant Bahar Bunglows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.	13,31,021	4.16	01	0.00	---	---
4	Shail M Savla  35, Basant Bahar, Nr Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat	7,27,801	2.27	35,088	0.54	---	---



5	Rupesh Kantilal Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	200	0.00	25,25,088	38.59	1*	0.00*
6	Avani Dharen Savla 36 Basant Bahar Bunglows, Nr Basant Bahar Gymkhana, Ambli, Bopal, Ahmedabad-380058, Gujarat.	100	0.00	35,088	0.54	---	---
7	Manoj Shantilal Savla 35, Basant Bahar Bunglows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad- 380058, Gujarat.	2,10,100	0.66	7159	0.11	1*	0.00*
8	Paras Shantilal Savla B-No, 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat.	2,20,100	0.69	7,092	0.11	1*	0.00*
9	Prabhaben Shantilal Savla 35, Basant Bahar Bunglows, Opp Sterliang City, Daskroi, Bopal, Ahmedabad-380058, Gujarat.	100	0.00	---	---	---	---
10	Shantilal Murjibhai Savla 35 Basant Bahar Bunglows, Opp Sterling City Club, Bopal Daskroi, Ahmedabad-380058, Gujarat.	100	0.00	---	---	---	---
11	Sheetal Rupesh Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	100	0.00	35,138	0.54	1*	0.00*
12	Aarav Rupesh Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	97	0.00	50	0.00	---	---



13	Rupesh Savla Family Trust (through Trustees - Rupesh Savla and Sheetal Savla)  11 Viram Mansion, Plot No 449, Mahila Ashram, King Circle Matunga, Mumbai-400019, Maharashtra.	1,00,76,908	31.49	6,84,580	10.46	---	---
14	Shantilal Savla Family Trust (through Trustees - Manoj Savla and Paras Savla)  12A, 3 <sup>rd</sup> Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat	40,62,576	12.70	24,85,100	37.98	---	---
15	Savla Oil and Gas Private Limited  14 Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat	1,60,000	0.50	---	---	8,34,046	46.84
16	Horn Ok Please Financial Services Pvt Ltd (Formerly known as Horn Ok Please Transport Pvt Ltd)  13, Krishna Co. Op. H.S.L. Opp. Ellisbridge Jimkhana, Ellisbridge-Ahmedabad - 380006, Gujarat.	6,39,998	2.00	35,188	0.54	---	---

\*Nominee shareholders of Deep Energy Resources Limited

65. The name and address of the promoters of SOGPL including their shareholding in the Companies as on 01<sup>st</sup> December, 2023 are as under:

Sr. No.	Name and Address of Promoters	DERL		SOGPL		PEPL	
		No. of Shares of INR 10/- each	% of holding	No. of Shares of INR 10/- each	% of holding	No. of Shares of INR 10/- each	% of holding
1.	Dharen Shantilal Savla  36, Basant Bahar Bunglows, Bopal, Nr. Basant Bahar Gymkhana, Ahmedabad-380058,	22,68,822	7.09	6,57,914	10.06	---	---





	Gujarat.						
2.	Priti Paras Savla B-No 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat	20,58,822	6.43	35,089	0.54	1*	0.00*
3.	Mita Manoj Savla 35, Basant Bahar Bunglows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad- 380058, Gujarat.	13,31,021	4.16	01	0.00	---	---
4	Shail M Savla 35, Basant Bahar, Nr Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat	7,27,801	2.27	35,088	0.54	---	---
5	Rupesh Kantilal Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	200	0.00	25,25,088	38.59	1*	0.00*
6	Avani Dharen Savla 36 Basant Bahar Bunglows, Nr Basant Bahar Gymkhana, Ambli, Bopal, Ahmedabad-380058, Gujarat.	100	0.00	35,088	0.54	---	---
7	Manoj Shantilal Savla 35, Basant Bahar Bunglows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad- 380058, Gujarat.	2,10,100	0.66	7159	0.11	1*	0.00*
8	Paras Shantilal Savla B-No, 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat.	2,20,100	0.69	7,092	0.11	1*	0.00*
9	Sheetal Rupesh Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	100	0.00	35,138	0.54	1*	0.00*



10	Aarav Rupesh Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	97	0.00	50	0.00	---	---
11	Rupesh Savla Family Trust (through Trustees - Rupesh Savla and Sheetal Savla)  11 Viram Mansion, Plot No 449, Mahila Ashram, King Circle Matunga, Mumbai- 400019, Maharashtra.	1,00,76,908	31.49	6,84,580	10.46	---	---
12	Shantilal Savla Family Trust (through Trustees - Manoj Savla and Paras Savla)  12A, 3 <sup>rd</sup> Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat	40,62,576	12.70	24,85,100	37.98	---	---
13	Horn Ok Please Financial Services Pvt Ltd (Formerly known as Horn Ok Please Transport Pvt Ltd)  13, Krishna Co. Op. H.S.L. Opp. Ellisbridge Jimkhana, Ellisbridge- Ahmedabad - 380006, Gujarat.	6,39,998	2.00	35,188	0.54	---	---
14	Shanil Paras Savla  35, Basant Bahar 1, Nr. Basant Bahar Gymkhana, Bopal, Daskroi, Ahmedabad- 380058, Gujarat	---	---	67	0.00	---	---
15	Vidhi Shail Savla  35, Basant Bahar, Near Basant Bahar Gymkhana, Bopal, Ahmedabad-380058, Gujarat	---	---	01	0.00	---	---

\*Nominee shareholders of Deep Energy Resources Limited



66. The name and address of the promoters of PEPL including their shareholding in the Companies as on 01st December, 2023 are as under:

Sr. No.	Name and Address of Promoters	DERL		SOGPL		PEPL	
		No. of Shares of INR 10/- each	% of holding	No. of Shares of INR 10/- each	% of holding	No. of Shares of INR 10/- each	% of holding
1.	Priti Paras Savla B-No 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat	20,58,822	6.43	35,089	0.54	1*	0.00*
2	Rupesh Kantilal Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	200	0.00	25,25,088	38.59	1*	0.00*
3	Manoj Shantilal Savla 35, Basant Bahar Bungalows, Nr Basant Bahar Gym Khana, Bopal, Ahmedabad-380058, Gujarat.	2,10,100	0.66	7159	0.11	1*	0.00*
4	Paras Shantilal Savla B-No, 37, Basant Bahar-1, Bopal, Ahmedabad-380058, Gujarat.	2,20,100	0.69	7,092	0.11	1*	0.00*
5	Sheetal Rupesh Savla 13, Krishna Society, Near Law Garden, Ellisbridge, Ahmedabad-380006, Gujarat.	100	0.00	35,138	0.54	1*	0.00*
6	Deep Energy Resources Limited 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad-380058, Gujarat.	---	---	---	---	9,46,558	53.16
7	Savla Oil and Gas Private Limited 14 Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad-380058, Gujarat.	---	---	---	---	8,34,046	46.84

\*Nominee shareholders of Deep Energy Resources Limited



67. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of DERL in the Companies as on 01<sup>st</sup> December, 2023 are as follows:

Sr No	Name of the Director and KMP	Position	Equity Shares held in		
			DERL	SOGPL	PEPL
			No. of Shares of INR 10/- each	No. of Shares of INR 10/- each	No. of Shares of INR 10/- each
1	Prem Singh Mangatsingh Sawhney	Chairman and Non Executive Director	0	0	0
2	Shail Manoj Savla	Managing Director	7,27,801	35,088	0
3	Vishal Gautambhai Palkhiwala	Executive Director	50	0	0
4	Navin Chandra Pandey	Independent Director	0	0	0
5	Shaily Jatin Dedhia	Independent Director	0	0	0
6	Priyanka K Gola	Independent Director	0	0	0
7	Shashvat Dhirajkumar Shah	Chief Financial Officer	0	0	0
8	Divyeshkumar Senjaliya	Company Secretary	0	0	0

68. The details of the shareholding of the Directors of SOGPL in the Companies as on 01<sup>st</sup> December, 2023 are as follows:

Sr No	Name of the Director and KMP	Position	Equity Shares held in		
			DERL	SOGPL	PEPL
			No. of Shares of INR 10 /- each	No. of Shares of INR 10/- each	No. of Shares of INR 10/- each
1	Rupesh Kantilal Savla	Director	200	25,25,088	1*
2	Parasbhai Shantilal Savla	Director	2,20,100	7,092	1*
3	Manoj Shantilal Savla	Director	2,10,100	7,159	1*

\*Nominee shareholders of Deep Energy Resources Limited

69. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of PEPL in the Companies as on 01<sup>st</sup> December, 2023 are as follows:

Sr No	Name of the Director and KMP	Position	Equity Shares held in		
			DERL	SOGPL	PEPL
			No. of Shares of Rs. 2/- each	No. of Shares of Rs. 10/- each	No. of Shares of Rs. 10/- each
1	Prem Singh Mangatsingh Sawhney	Chairman and Executive Director	0	0	0
2	Shail Manoj Savla	Managing Director	7,27,801	35,088	0



3	Vishal Gautambhai Palkhiwala	Executive Director	50	0	0
4	Shaily Jatin Dedhia	Independent Director	0	0	0
5	Priyanka K Gola	Independent Director	0	0	0
6	Navin Chandra Pandey	Independent Director	0	0	0

70. The pre-Scheme equity shareholding pattern of the Companies as on 01<sup>st</sup> December, 2023; the post-Scheme shareholding pattern and capital structure (assuming the continuing shareholding pattern as on 01<sup>st</sup> December, 2023) are as under:

**DERL:**

Sr. No.	Description	Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Promoter and Promoter Group</b>				
<b>1</b>	<b>Indian</b>				
(a)	Individuals	6817363	21.30	Nil	Nil
(b)	Promoter Trust	14139484	44.19	Nil	Nil
(c)	Bodies Corporate	799998	2.50	Nil	Nil
	<b>Sub Total (A)(1)</b>	<b>21756845</b>	<b>67.99</b>	<b>Nil</b>	<b>Nil</b>
<b>2</b>	<b>Foreign</b>				
	<b>Sub Total (A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>21756845</b>	<b>67.99</b>	<b>Nil</b>	<b>Nil</b>
<b>(B)</b>	<b>Public shareholding</b>				
<b>1</b>	<b>Institutions</b>				
(a)	Foreign Portfolio Investors Category I	536264	1.68	Nil	Nil
	<b>Sub Total (B)(1)</b>	<b>536264</b>	<b>1.68</b>	<b>Nil</b>	<b>Nil</b>
<b>2</b>	<b>Non-Institutions</b>				
(a)	Bodies Corporate	1046390	3.27	Nil	Nil
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)	50	0.00	Nil	Nil
(c)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	147561	0.46	Nil	Nil
(d)	Individuals				
	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.	3772310	11.79	Nil	Nil
	ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	3785671	11.83	Nil	Nil
(e)	Investor Education and Protection Fund (IEPF)	15590	0.05	Nil	Nil
(f)	Non Resident Indians (NRIs)	176978	0.55	Nil	Nil
(g)	Foreign Nationals	26	0.00	Nil	Nil
(h)	Body Corp-Ltd Liability Partnership	26614	0.08	Nil	Nil



(i)	Hindu Undivided Family	735628	2.30	Nil	Nil
(i)	Clearing Member	73	0.00	Nil	Nil
	<b>Sub Total (B)(2)</b>	<b>9706891</b>	<b>30.33</b>	<b>Nil</b>	<b>Nil</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>10243155</b>	<b>32.01</b>	<b>Nil</b>	<b>Nil</b>
<b>(C)</b>	<b>Shares held by Custodians and against which DRs have been issued</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>32000000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>

**SOGPL:**

Sr. No.	Description	Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Promoter and Promoter Group</b>				
<b>1</b>	<b>Indian</b>				
(a)	Individuals	3337775	51.02	Nil	Nil
(b)	Promoter Trust	3169680	48.45	Nil	Nil
(c)	Bodies Corporate	35188	0.54	Nil	Nil
	<b>TOTAL</b>	<b>6542643</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>
	<b>Sub Total (A)(1)</b>	<b>6542643</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>
<b>(B)</b>	<b>Public shareholding</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(C)</b>	<b>Shares held by Custodians and against which DRs have been issued</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>6542643</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>

**PEPL:**

**(i) Equity shares**

Sr. No.	Description	Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Promoter and Promoter Group</b>				
<b>1</b>	<b>Indian</b>				
(a)	Individuals	5	0.00	43898540	32.06
(b)	Promoter Trust	Nil	Nil	64557828	47.16
(c)	Bodies Corporate	1780604	100.00	1380851	1.01
	<b>Sub Total (A)(1)</b>	<b>1780609</b>	<b>100.00</b>	<b>109837219</b>	<b>80.23</b>
<b>2</b>	<b>Foreign</b>				
	<b>Sub Total (A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>1780609</b>	<b>100.00</b>	<b>109837219</b>	<b>80.23</b>
<b>(B)</b>	<b>Public shareholding</b>				
<b>1</b>	<b>Institutions</b>				
(a)	Foreign Portfolio Investors Category I	Nil	Nil	737363	0.54
	<b>Sub Total (B)(1)</b>	<b>Nil</b>	<b>Nil</b>	<b>737363</b>	<b>0.54</b>
<b>2</b>	<b>Non-Institutions</b>				





(a)	Bodies Corporate	Nil	Nil	1438786	1.05
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)	Nil	Nil	69	0.00
(c)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	Nil	Nil	202896	0.15
(d)	Individuals				
	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.	Nil	Nil	5187202	3.79
	ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	Nil	Nil	18188997	13.29
(e)	Investor Education and Protection Fund (IEPF)	Nil	Nil	21436	0.02
(f)	Non Resident Indians (NRIs)	Nil	Nil	243345	0.18
(g)	Foreign Nationals	Nil	Nil	36	0.00
(h)	Body Corp-Ltd Liability Partnership	Nil	Nil	36594	0.03
(i)	Hindu Undivided Family	Nil	Nil	1011489	0.74
(j)	Clearing Member	Nil	Nil	100	0.00
	<b>Sub Total (B)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>26330950</b>	<b>19.33</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>27068313</b>	<b>19.77</b>
<b>(C)</b>	<b>Shares held by Custodians and against which DRs have been issued</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>1780609</b>	<b>100.00</b>	<b>136905532</b>	<b>100.00</b>

(ii) Preference shares

Sr. No.	Description	Pre-arrangement		Post-arrangement	
		No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Promoter and Promoter Group</b>				
<b>1</b>	<b>Indian</b>				
(a)	Bodies Corporate	1593000	100.00	Nil	Nil
	<b>TOTAL</b>	<b>1593000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>
	<b>Sub Total (A)(1)</b>	<b>1593000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>
<b>2</b>	<b>Foreign</b>				
	<b>Sub Total (A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>1593000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>
<b>(B)</b>	<b>Public shareholding</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>(C)</b>	<b>Shares held by Custodians and against which DRs have been issued</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>1593000</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>

**The Post-Arrangement Capital Structure of PEPL (assuming the continuing capital structure as on 01<sup>st</sup> December, 2023)**

<b>Particulars</b>	<b>Amount (in Rupees)</b>
<b><u>Authorized Share Capital</u></b>	
19,58,67,100 equity shares of INR 10 each	1,95,86,71,000
37,60,060 preference shares of INR 10 each	3,76,00,600
<b>Total</b>	<b>2,33,46,77,000</b>
<b><u>Issued, subscribed and Paid-up Share Capital</u></b>	
13,69,05,532 equity shares of INR 10 each	13,69,05,532
<b>Total</b>	<b>13,69,05,532</b>

71. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
72. The following documents will be available for inspection by the unsecured creditors of DERL through electronic mode, basis the request being sent on cs@deepenergy.ooo. Further, the following documents will also be open for inspection by the unsecured creditors of DERL at its registered office at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad -380058, Gujarat, India between 10:30 a.m. and 12:30 p.m. on all working days up to the date of the meeting:
- Copy of the order passed by NCLT in C.A. (CAA)/ 51 (AHM) 2023, dated 08<sup>th</sup> November 2023 read with order passed by NCLT in Comp. App./18(AHM) 2023, dated 05<sup>th</sup> December, 2023 and corrigendum order dated 12<sup>th</sup> December, 2023, inter alia, directing DERL to convene the meetings of its equity shareholders and unsecured creditors;
  - Copy of C.A. (CAA) / 51 (AHM) 2023 along with annexures filed by DERL, SOGPL and PEPL before NCLT;
  - Copy of Comp. App./18(AHM) 2023 along with annexures filed by DERL, SOGPL and PEPL before NCLT;
  - Copy of the Memorandum and Articles of Association of the Companies;
  - Copy of the annual reports of DERL, SOGPL and PEPL, for the financial years ended 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020, respectively;
  - Copy of the unaudited financial results of DERL, SOGPL and PEPL for six months ended 30<sup>th</sup> September 2023;
  - Copy of the Register of Directors' shareholding of each of the Companies;
  - Copy of the Valuation Report dated 15<sup>th</sup> September, 2022 issued by ICON Valuation LLP, Registered Valuer to the respective Board of Directors of DERL, SOGPL and PEPL, in respect of the proposed amalgamation of DERL and SOGPL with PEPL;
  - Copy of the Fairness Opinion dated 15<sup>th</sup> September, 2022 issued by Vivro Financial Services Private Limited to DERL on the Valuation Report;
  - Copy of the summary of Valuation Report;
  - Copy of the report of the Committee of Independent Directors of DERL dated 15<sup>th</sup> September, 2022;
  - Copy of the report of the Audit Committee of DERL dated 15<sup>th</sup> September, 2022;
  - Copy of the extracts of the resolution passed by the Board of Directors of DERL, SOGPL and PEPL dated 15<sup>th</sup> September, 2022;
  - Copy of the certificate of respective statutory auditors of DERL, SOGPL and PEPL under Section 133 of the Act certifying the accounting treatment in the Scheme;



- (o) Copy of the no complaints report dated 20<sup>th</sup> December, 2022 submitted by DERL to BSE;
- (p) Copy of the no complaints report dated 06<sup>th</sup> December, 2022 submitted by DERL to NSE;
- (q) Copy of the no-objection letter/ no adverse observations issued by BSE and NSE, both dated 23<sup>rd</sup> August, 2023 to DERL;
- (r) Copy of the certificate, dated 13<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying number of equity shareholders of DERL as on 25<sup>th</sup> August, 2023;
- (s) Copy of the certificate, dated 13<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying that there are no preference shareholders of DERL as on 25<sup>th</sup> August, 2023;
- (t) Copy of the certificate, dated 15<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying the number and amount due to the secured creditors of DERL as on 25<sup>th</sup> August, 2023;
- (u) Copy of the certificate, dated 15<sup>th</sup> September 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying the number and amount due to the unsecured creditors of DERL as on 25<sup>th</sup> August, 2023;
- (v) Copy of the certificate, dated 13<sup>th</sup> September, 2023, issued by Keyur Bavishi & Co., Chartered Accountants, certifying number of equity shareholders of SOGPL as on 25<sup>th</sup> August, 2023;
- (w) Copy of the certificate, dated 13<sup>th</sup> September, 2023, issued by Keyur Bavishi & Co., Chartered Accountants, certifying that there are no preference shareholders of SOGPL as on 25<sup>th</sup> August, 2023;
- (x) Copy of the certificate, dated 15<sup>th</sup> September, 2023, issued by Keyur Bavishi & Co., Chartered Accountants, certifying that there are no secured creditors of SOGPL as on 25<sup>th</sup> August, 2023;
- (y) Copy of the certificate, dated 18<sup>th</sup> September, 2023, issued by Keyur Bavishi & Co. Chartered Accountants, certifying the number and amount due to the unsecured creditors of DERL as on 25<sup>th</sup> August, 2023;
- (z) Copy of the certificate, dated 13<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying number of equity shareholders of PEPL as on 25<sup>th</sup> August, 2023;
- (aa) Copy of the certificate, dated 13<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying number of preference shareholders of PEPL as on 25<sup>th</sup> August, 2023;
- (bb) Copy of the certificate, dated 16<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying the number and amount due to the secured creditors of PEPL as on 25<sup>th</sup> August 2023;
- (cc) Copy of the certificate, dated 16<sup>th</sup> September, 2023, issued by Mahendra N. Shah & Co., Chartered Accountants, certifying the number and amount due to the unsecured creditors of PEPL as on 25<sup>th</sup> August, 2023;
- (dd) Copy of the Scheme;
- (ee) Copy of the Reports all dated 15<sup>th</sup> September, 2022 adopted by the Board of Directors of the respective Companies pursuant to the provisions of section 232(2)(c) of the Act;
- (ff) Copy of the applicable information of SOGPL in the format specified for abridged prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (gg) Copy of the applicable information of PEPL in the format specified for abridged prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (hh) Copy of the Note in respect of Details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against DERL, its promoters and directors;
- (ii) Copies of Forms filed by DERL, SOGPL and PEPL with the concerned Registrar of Companies, along with the challan dated 15<sup>th</sup> December, 2023 evidencing filing of the Scheme; and
- (jj) Copy of agreements of DERL, SOGPL and PEPL material to the Scheme;

The equity shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in item numbers (a), (e), (g), (h), (l), (m), (n), (o), (p), (bb), (cc), (dd), (ee), (ff) and (gg) above.



73. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. Hard copies of the Particulars as defined in this Notice can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by the unsecured creditors of DERL at the registered office of DERL.
74. After the Scheme is approved, by the equity shareholders and unsecured creditors of DERL, it will be subject to the approval/sanction by NCLT or any other statutory or regulatory authorities as may be applicable.

**Sd/-**  
**Rajasekhar V.K.**  
**Advocate**  
**Chairman appointed for the Meeting**

Dated this 26<sup>th</sup> December, 2023

Registered office: 12A & 14, Abhishree Corporate  
Park, Ambli Bopal Road, Ambli,  
Ahmedabad -380058, Gujarat,  
India.

# Annexure-1

## COMPOSITE SCHEME OF ARRANGEMENT

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013

AMONGST

DEEP ENERGY RESOURCES LIMITED  
("TRANSFEROR COMPANY 1")

AND

SAVLA OIL AND GAS PRIVATE LIMITED  
("TRANSFEROR COMPANY 2")

AND

PRABHA ENERGY PRIVATE LIMITED  
("TRANSFEREE COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

## INTRODUCTION

### A. PREAMBLE

This Composite Scheme of Arrangement is presented under the provisions of Sections 230 to 232 and other relevant provisions of the Act (*as defined below*) and rules made thereunder and the relevant provisions of the SEBI Circular (*as defined below*), and the relevant provisions of the Listing Regulations (*as defined below*), for:

- (i) amalgamation of the Transferor Company 1 (*as defined below*) and Transferor Company 2 (*as defined below*) with and into the Transferee Company in accordance with Section 2(1B) of the IT Act (*as defined below*);
- (ii) issuance and allotment of PEPL Bonus Shares (*as defined below*) by way of a bonus issue by the Transferee Company and sub-division of the Equity Shares of the Transferee Company (*as defined below*);
- (iii) conversion of the Transferee Company into public company; and
- (iv) reclassification of Promoters Seeking Reclassification (*as defined below*) from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferee Company (*as defined below*).

In addition, this Scheme (*as defined below*) also provides for various other matters consequential or otherwise integrally connected herewith.

### B. DESCRIPTION OF THE COMPANIES

- (i) **DEEP ENERGY RESOURCES LIMITED** (hereinafter referred to as the “**Transferor Company 1**” or “**DERL**”), is a listed public company incorporated under the Companies Act, 1956 with the Registrar of Companies, Gujarat on January 01, 1991 under the provisions of the Companies Act, 1956 bearing with corporate identification number L63090GJ1991PLC014833 and having its registered office at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058, under the name and style of Deep Roadways Private Limited. Subsequently, the name was changed to Deep Industries Private Limited and thereafter the word Private was deleted by the virtue of the company being a Deemed Public Limited Company under the provisions of section 43A(IB) of the Companies Act, 1956 on 6th February, 1997. The company became a Public Limited Company with effect from 2nd May, 2002 and a fresh certificate of incorporation, consequent to change of name, was issued in the name of Deep Industries Limited on 2nd May, 2002. Pursuant to the scheme of demerger, the name was changed to Deep Energy Resources Limited. The Transferor Company 1 is engaged in the business of conventional and unconventional oil and/or gas and/or



CBM and/or shale and/or hydrocarbons comprising of any or all of exploration, production, development, marketing and transportation operations.

- (ii) **SAVLA OIL AND GAS PRIVATE LIMITED** (hereinafter referred to as the “**Transferor Company 2**” or “**SOGPL**”), is a private limited company incorporated under the Companies Act, 1956 with the Registrar of Companies, Gujarat on October 07, 2009 under the provisions of the Companies Act, 1956 bearing with corporate identification number U11200GJ2009PTC058263 and having its registered office at 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058. The Transferor Company 2 is, *inter alia*, engaged in the business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, coal bed methane, coal mine methane, shale gas and natural gas and all other petroleum / hydrocarbon products including those resulting from the manufacture and treatment of the same.
- (iii) **PRABHA ENERGY PRIVATE LIMITED** (hereinafter referred to as the “**Transferee Company**” or “**PEPL**”), is a private limited company incorporated under the Companies Act, 1956 with the Registrar of Companies, Gujarat on August 05, 2009 under the provisions of the Companies Act, 1956 bearing with corporate identification number U40102GJ2009PTC057716 and having its registered office at 12A, Abhishree Corporate Park, Opp. Swagat BTRS Bus Stop, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058. The Transferee Company is, *inter alia*, engaged in the business of activities of oil and gas, coal bed methane, shale, hydrocarbon, on shore and off shore business services. PEPL is subsidiary company of DERL.

### C. RATIONALE FOR THE SCHEME

- (a) The proposed Scheme, *inter alia*, would result in business and operational synergies as mentioned herein under:
- (i) The amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and simplification of the group structure to result into:

- a. Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
  - b. Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
  - c. Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
  - d. Rationalization, standardization and simplification of business processes and systems;
  - e. Minimisation of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
  - f. Provide opportunity to the public shareholders of the Transferor Company 1 to directly participate in the business of the Transferee Company, and increase long term value of all the stakeholders, by creating a standalone listed entity; and
  - g. Ability to pursue inorganic growth with consolidated financials and better operational control.
- (ii) The rationale for reclassification of Promoters Seeking Reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferor Company 1 and upon this Scheme coming into effect, in the Transferee Company is that the Promoters Seeking Reclassification:
- a. are not engaged in the business, management, control or day-to-day affairs of the Transferor Companies (*as defined below*) and the Transferee Company;
  - b. do not have any right either to appoint any Director of the Transferor Companies and the Transferee Company; and
  - c. does not have an ability to control the management or policy decisions of the Transferor Companies and the Transferee Company in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Companies and the Transferee Company.

- (b) The Scheme is in the best interests of shareholders, employees and creditors of all the Parties. The Scheme does not have any adverse effect on either of the shareholders, the employees or the creditors of any of the Parties.
- (c) The Board of all the Parties believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders.
- (d) In view of the aforesaid advantages, the Board of all the Parties have considered and proposed this Scheme under the provisions of Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, the SEBI Circular, the Listing Regulations and other Applicable Laws.

#### **D. PARTS OF THE SCHEME**

The Scheme is divided into the following sections:

**(i) SECTION I  
DEFINITIONS AND SHARE CAPITAL**

**Part A** deals with the definitions of capitalized terms used in this Scheme.

**Part B** deals with the details of share capital of the Transferor Company 1, the Transferor Company 2 and Transferee Company.

**(ii) SECTION II  
AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR  
COMPANY 2 WITH AND INTO THE TRANSFEE COMPANY**

**Part A** deals with the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, in accordance with the Section 2(1B) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, and the relevant provisions of the SEBI Circular and the Listing Regulations.

**Part B** deals with the discharge of consideration for amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company.

**Part C** deals with the conduct of the business by the Transferor Companies (*as defined below*), accounting treatment in the books of the Transferee Company and dissolution without winding up of the Transferor Company 1 and the Transferor Company 2.

**(iii) SECTION III  
BONUS ISSUANCE BY THE TRANSFEE COMPANY AND SUB-DIVISION OF SHARE CAPITAL OF THE TRANSFEE COMPANY**

Section III deals with the Bonus Issuance by the Transferee Company and the subdivision of the Equity Shares of the Transferee Company.

**(iv) SECTION IV  
CONVERSION OF THE TRANSFEE COMPANY INTO PUBLIC COMPANY**

Section IV deals with conversion of the Transferee Company into a public company.

**(v) SECTION V  
RECLASSIFICATION OF PROMOTERS SEEKING RECLASSIFICATION IN THE TRANSFEE COMPANY**

Section V deals with the reclassification of Promoters Seeking Reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferee Company.

**(vi) SECTION VI  
GENERAL TERMS AND CONDITIONS**

Section VI deals with the general terms and conditions applicable to the Scheme including, *inter alia*, transfer of the authorised share capital of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company and listing of Equity Shares of the Transferee Company.

**E. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal (*as defined below*) or made as per the Scheme, shall come in legal operation from the Appointed Date (*as defined below*), but shall be operative from the Effective Date (*as defined below*), except for Section IV and Section V of the Scheme, which shall be effective and operative from the Effective Date only.

<<*This space is intentionally left blank*>>

## SECTION I

### 1. DEFINITIONS

1.1. For the purposes of the Scheme, the following expressions shall have the meanings mentioned herein below:

- (a) “**Act**” means the Companies Act, 2013, and the Companies Act, 1956, to the extent of its provisions in force, together with all rules, regulations, circulars, notifications, clarifications and orders issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.
- (b) “**Applicable Law(s)**” means to the extent applicable, all laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directives of any Governmental Authority or person acting under the authority of any Governmental Authority.
- (c) “**Application Letter**” means the application letter dated September 14, 2022 submitted by the Promoters Seeking Reclassification to the Board of the Transferor Company 1 requesting to reclassify the Promoters Seeking Reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferor Company 1.
- (d) “**Appointed Date**” shall mean April 01, 2022 or such other date as may be approved by the Tribunal and agreed to by the Board of the Parties.
- (e) “**Articles**” means the articles of association of the Transferee Company.
- (f) “**Board**” means the board of Directors of the Transferor Company 1, Transferor Company 2 and the Transferee Company, as may be applicable, and shall include a committee of directors or any person authorized by such board of Directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto.



- (g) **“Bonus Issuance”** issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company.
- (h) **“Director(s)”** means a member of the Board of the Transferor Company 1, Transferor Company 2 and the Transferee Company, as may be applicable.
- (i) **“Effective Date”** means the date on which the certified copy of the order sanctioning this Scheme, passed by the Tribunal, as and when applicable is filed with ROC. Any references in this Scheme to **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“upon the Scheme becoming effective”** or **“upon this Scheme becoming effective”** or **“upon the Scheme coming into effect”** shall mean the Effective Date.
- (j) **“Equity Share(s)”**, with respect to a company, means the fully paid-up equity shares of such company.
- (k) **“Family Arrangement Agreement”** means the Memorandum of Agreement entered and executed between certain promoters of the Transferor Company 1.
- (l) **“Governmental Authority(ies)”** means (i) any international, supra-national, national, state, city or local governmental, regulatory or statutory authority; (ii) any commission, organisation, agency, department, ministry, board, bureau or instrumentality of any of the foregoing (and includes any entity owned or controlled by any of such foregoing authorities); (iii) any stock exchange or similar self-regulatory or quasi-governmental agency or private body exercising any regulatory or administrative functions of or relating to the government; (iv) any arbitrator, arbitral body, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction over any of the Parties; and (v) any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- (m) **“Indian Rupees”** or **“INR”** means the lawful currency of the Republic of India.
- (n) **“Intangible Assets”** means and includes all intellectual property rights and licenses of every kind and description throughout the world (including distribution licenses, and approvals / licenses from any Governmental Authority), in each case, whether registered or unregistered, and including any applications for registration of any

intellectual property, including without limitation, inventions (whether patentable or not), patents, databases, including user manuals and training materials, related to any of the foregoing; copyrights and copyrightable subject matter; trademarks, service marks, trade names, domain names, logos, slogans, trade dress, design rights together with the goodwill symbolized by any of the foregoing; know-how, confidential and proprietary information, trade secrets, moral rights; any rights or forms of protection of a similar nature or having equivalent or similar effect to any of the foregoing which subsist anywhere in the world; and goodwill, whether or not covered in the foregoing, in connection with the business of the Transferor Company 1 or the Transferor Company 2, as applicable, together with the exclusive right of the Transferee Company and its assignees to represent themselves as carrying on the business in succession to the Transferor Company 1 or the Transferor Company 2, respectively.

- (o) “**IT Act**” means the Income-tax Act, 1961, together with all rules, regulations, circulars and notifications issued thereunder by any Governmental Authority, as amended, modified, replaced or supplemented from time to time and to the extent in force.
- (p) “**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.
- (q) “**MOA**” means the memorandum of association of the Transferee Company.
- (r) “**NCRPS**” means the fully paid-up 10% non-convertible redeemable preference shares issued by the Transferee Company and subscribed by the Transferor Company 2.
- (s) “**Parties**” means the Transferor Company 1, the Transferor Company 2 and the Transferee Company, collectively, and “**Party**” shall mean each of them individually.

- (t) **“PEPL Bonus Shares”** shall mean 1,78,06,090 (One Crore Seventy Eight Lakh Six Thousand and Ninety) Equity Shares of the Transferee Company having face value of INR 10 (Indian Rupees Ten) each to be issued by way of a bonus issue by the Transferee Company of 10 (Ten) Equity Shares for 1 (One) Equity Share held by the shareholders of the Transferee Company.
- (u) **“PEPL Bonus Issuance Record Date”** means the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferee Company that are to be offered shares of the Transferee Company, pursuant to Section III of this Scheme.
- (v) **“PEPL Shareholder(s)”** means the equity shareholders of the Transferee Company as on the PEPL Bonus Issuance Record Date.
- (w) **“Preference Share(s)”**, with respect to a company, means the fully paid-up preference shares of such company.
- (x) **“Persons Related to the Promoters Seeking Reclassification”** means the persons related to the Promoters Seeking Reclassification in terms of sub-clause (ii) clause (pp) of sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and holding Equity Shares in the Transferor Company 1, more specifically as set out in **Schedule A**.
- (y) **“Promoters Seeking Reclassification”** means Dharen Shantilal Savla, Avani Dharen Savla, Shantilal Murjibhai Savla, Prabhaven Shantilal Savla and Dharen Savla Family Trust.
- (z) **“Record Date”** means the date to be fixed by the Board of the Transferee Company for the purpose of determining the shareholders of the Transferor Company 1 and the Transferor Company 2 to whom the shares of the Transferee Company are to be issued in accordance with this Scheme.
- (aa) **“ROC”** means the Registrar of Companies, Gujarat.

- (bb) “**Scheme**” means this composite scheme of arrangement amongst the Transferor Company 1, Transferor Company 2 and Transferee Company and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, and rules made thereunder.
- (cc) “**SEBI**” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- (dd) “**SEBI Act**” means the Securities and Exchange Board of India Act, 1992.
- (ee) “**SEBI Circular**” means the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and includes any substitution, modification or reissuance thereof from time to time.
- (ff) “**Stock Exchanges**” means the stock exchanges where the equity shares of the Transferor Company 1 are listed and are admitted to trading, viz., the BSE Limited and the National Stock Exchange of India Limited.
- (gg) “**Takeover Code**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended from time to time.
- (hh) “**Transferee Company**” has the meaning assigned to such term in clause (iii) of part B of the Introduction of this Scheme.
- (ii) “**Transferor Company 1**” has the meaning assigned to such term in clause (i) of part B of the Introduction of this Scheme and includes, without limitation:
- (i) all assets located in India or elsewhere, whether moveable or immovable, whether tangible or intangible, whether leasehold or freehold, equipment, including without limitation all rights, title, interests, claims, covenants and undertakings of the Transferor Company 1 in such assets;
  - (ii) all investments, receivables, loans, security deposits and advances extended, including without limitation accrued interest thereon, of the Transferor Company 1;

- (iii) all debts, borrowings and liabilities, whether present or future or contractual, whether secured or unsecured, if any, availed by the Transferor Company 1;
- (iv) all permits, rights, entitlements, licenses, approvals (including licenses and approvals from any Governmental Authority), grants, allotments, recommendations, clearances and tenancies of the Transferor Company 1;
- (v) all taxes, tax deferrals and benefits, subsidies, concessions, privilege, refund of any tax, duty, cess, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts, and credits in respect of income tax, such as carry forward tax losses and unabsorbed depreciation), tax deducted at source, tax collected at source, foreign tax credit, equalization levy, customs duty, central value added tax, value added tax, turnover tax, goods and services tax, minimum alternate tax credit, central sales tax and excise duty of the Transferor Company 1, and all rights to any claim not preferred or made by the Transferor Company 1 in respect of (a) any refund of tax, duty, cess or other charge (including any erroneous or excess payment thereof made by the Transferor Company 1) and any interest thereon, and (b) any set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under Applicable Law;
- (vi) all Intangible Assets including the assets under the development (whether registered or not) and/or inventories of every kind and description whatsoever, of the Transferor Company 1;
- (vii) all privileges and benefits of, or under, all contracts, agreements, purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments, undertakings, deeds, bonds, arrangements of any kind and other instruments of whatsoever nature and description, whether written, oral or otherwise, and all other rights including without limitation lease rights, licenses and facilities of every kind and description whatsoever, of the Transferor Company 1;

- (viii) insurance covers and / or any of its' claims to which the Transferor Company 1 is a party, or to the benefit of which the Transferor Company 1 is eligible;
  - (ix) all employees of the Transferor Company 1;
  - (x) all advance payments, earnest monies, security deposits, advance rentals, payment against warrants, if any, or other rights or entitlements of the Transferor Company 1;
  - (xi) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company 1; and
  - (xii) all books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, in connection with or relating to the Transferor Company 1.
- (jj) **“Transferor Company 2”** has the meaning assigned to such term in clause (ii) of part B of the Introduction of this Scheme and includes, without limitation:
- (i) all assets, whether moveable or immovable, whether tangible or intangible, whether leasehold or freehold, equipment, including without limitation all rights, title, interests, claims, covenants and undertakings of the Transferor Company 2 in such assets;
  - (ii) all investments, receivables, loans, security deposits and advances extended, including without limitation accrued interest thereon, of the Transferor Company 2;
  - (iii) all debts, borrowings and liabilities, whether present or future, whether secured or unsecured, if any, availed by the Transferor Company 2;



- (iv) all permits, rights, entitlements, licenses, approvals (including licenses and approvals from any Governmental Authority), grants, allotments, recommendations, clearances and tenancies of the Transferor Company 2;
- (v) all taxes, tax deferrals and benefits, subsidies, concessions, refund of any tax, duty, cess, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts, and credits in respect of income tax, such as carry forward tax losses and unabsorbed depreciation), tax deducted at source, tax collected at source, foreign tax credit, equalization levy, customs duty, central value added tax, value added tax, turnover tax, goods and services tax, minimum alternate tax credit, central sales tax and excise duty of the Transferor Company 2, and all rights to any claim not preferred or made by the Transferor Company 2 in respect of (a) any refund of tax, duty, cess or other charge (including any erroneous or excess payment thereof made by the Transferor Company 2) and any interest thereon, and (b) any set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc. under Applicable Law;
- (vi) all Intangible Assets and inventory of every kind and description whatsoever, of the Transferor Company 2;
- (vii) all privileges and benefits of, or under, all contracts, agreements, purchase and sale orders, memoranda of understanding, bids, tenders, expressions of interest, letters of intent, commitments, undertakings, deeds, bonds, arrangements of any kind and other instruments of whatsoever nature and description, whether written, oral or otherwise, and all other rights including without limitation lease rights, licenses and facilities of every kind and description whatsoever, of the Transferor Company 2;
- (viii) insurance covers and claims to which the Transferor Company 2 is a party, or to the benefit of which the Transferor Company 2 is eligible;
- (ix) all employees of the Transferor Company 2;

- (x) all advance payments, earnest monies, security deposits, advance rentals, payment against warrants, if any, or other rights or entitlements of the Transferor Company 2;
  - (xi) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Transferor Company 2; and
  - (xii) all books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, in connection with or relating to the Transferor Company 2.
- (kk) “**Transferor Companies**” means the Transferor Company 1 and the Transferor Company 2 collectively.
- (ll) “**Tribunal**” means the Ahmedabad bench of the National Company Law Tribunal having jurisdiction over the Parties.

## 2. INTERPRETATIONS

2.1. In this Scheme, unless the context requires otherwise:

- (a) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (b) words in the singular shall include the plural and vice versa;
- (c) the terms “hereof”, “herein”, or similar expressions used in this Scheme mean and refer to this Scheme and not to any particular clause of this Scheme;
- (d) wherever the word “include”, “includes”, or “including” is used in this Scheme, it shall be deemed to be followed by the words “without limitation”;

- (e) any reference to any enactment, rule, regulation, notification, circular or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
- (f) any reference to an “agreement” or “document” shall be construed as a reference to such agreement or document as amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document; and
- (g) where a wider construction is possible, the words “other” and “otherwise” shall not be construed *ejusdem generis* with any foregoing words.

### 3. SHARE CAPITAL

#### SHARE CAPITAL OF THE TRANSFEROR COMPANY 1

3.1. The Share Capital of the Transferor Company 1 as on August 31, 2022 is as under:

<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	32,00,00,000 (Indian Rupees Thirty Two Crore)
<b>Total Authorised Share Capital</b>	<b>32,00,00,000</b> <b>(Indian Rupees Thirty Two Crore)</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	32,00,00,000 (Indian Rupees Thirty Two Crore)
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>32,00,00,000</b> <b>(Indian Rupees Thirty Two Crore)</b>

As on the date of this Scheme being approved by the Board of all the Parties, there has been no change in its authorized, issued, subscribed and paid-up share capital of the Transferor Company 1.

The Equity Shares of the Transferor Company 1 are listed on Stock Exchanges.

## SHARE CAPITAL OF THE TRANSFEROR COMPANY 2

3.2. The Share Capital of the Transferor Company 2 as on August 31, 2022 is as under:

<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
72,28,100 (Seventy Two Lakh Twenty Eight Thousand One Hundred) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	7,22,81,000 (Indian Rupees Seven Crore Twenty Two Lakh and Eighty One Thousand)
15,00,000 (Fifteen Lakh) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,50,00,000 (Indian Rupees One Crore and Fifty Lakh)
<b>Total Authorised Share Capital</b>	<b>8,72,81,000</b> <b>(Indian Rupees Eight Crore Seventy Two Lakh and Eighty One Thousand)</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
65,42,643 (Sixty Five Lakh Forty Two Thousand Six Hundred and Forty Three) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	6,54,26,430 (Indian Rupees Six Crore Fifty Four Lakh Twenty Six Thousand Four Hundred and Thirty)
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>6,54,26,430</b> <b>(Indian Rupees Six Crore Fifty Four Lakh Twenty Six Thousand Four Hundred and Thirty)</b>

As on the date of this Scheme being approved by the Board of all the Parties, there has been no change in its authorized, issued, subscribed and paid-up share capital of the Transferor Company 2.

### SHARE CAPITAL OF THE TRANSFEREE COMPANY

3.3. The Share Capital of the Transferee Company as on August 31, 2022 is as under:

<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
17,80,610 (Seventeen Lakh Eighty Thousand Six Hundred and Ten) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	1,78,06,100 (Indian Rupees One Crore Seventy Eight Lakh Six Thousand and One Hundred)
37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	3,76,00,600 (Indian Rupees Three Crore Seventy Lakh and Six Hundred)
<b>Total Authorised Share Capital</b>	<b>5,54,06,700</b> <b>(Indian Rupees Five Crore Fifty Four Lakh Six Thousand and Seven Hundred)</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
17,80,609 (Seventeen Lakh Eighty Thousand Six Hundred and Nine) Equity Shares having face value of INR 10 (Indian Rupees Ten) each	1,78,06,090 (Indian Rupees One Crore Seventy Eight Lakh Six Thousand and Ninety)
15,93,000 (Fifteen Lakh Ninety Three Thousand) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,59,30,000 (Indian Rupees One Crore Fifty Nine Lakh and Thirty Thousand)

<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>3,37,36,090</b> <b>(Indian Rupees Three Crore Thirty Seven Lakh Thirty Six Thousand and Ninety)</b>
---	---

As on the date of this Scheme being approved by the Board of all the Parties, there has been no change in its authorized, issued, subscribed and paid-up share capital of the Transferee Company.

*<<This space is intentionally left blank>>*



## SECTION II

### AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

#### PART A

#### 4. AMALGAMATION OF THE TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

4.1. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferor Company 1 and the Transferor Company 2, together with all its present and future properties, assets, investments, borrowings, approvals, intellectual property rights, insurance covers or claims, records, licenses, brands, rights, benefits, interests, employees, contracts, obligations, proceedings and liabilities, of every nature and description, shall amalgamate with the Transferee Company, as a going concern, and all presents and future properties, assets, investments, borrowings, approvals, intellectual property rights, trademarks, copy rights, quotas, lease rights, tenancy rights, tenders, bids, insurance covers or claims, records, licenses, brands, rights, benefits, track-record, experience, goodwill and all other rights, title, interests, certificates, registrations under various legislations, consent, employees, contracts, deeds, agreements, arrangements, obligations, proceedings and liabilities of the Transferor Company 1 and the Transferor Company 2 shall stand transferred to and vested in and shall become the property of and an integral part of the Transferee Company, subject to the existing charges and encumbrances, if any, (to the extent such charges or encumbrances are outstanding on the Effective Date), by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by either of the Transferor Company 1, Transferor Company 2 or the Transferee Company. Without prejudice to the generality of the above, in particular, upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferor Company 1 and the Transferor Company 2 shall stand amalgamated with and into the Transferee Company, in the manner described in sub-paragraphs (a) to (p) below:

- (a) All immovable property (including land, buildings and any other immovable property) of the Transferor Companies, if any, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in or be deemed to be vested in the Transferee Company, by operation of law pursuant to the vesting order

of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes, rent and charges, and fulfill all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease / license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee, if any, to the Transferee Company. The title to the immovable properties of the Transferor Companies, if any, shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing of the vesting order of the Tribunal sanctioning the Scheme with the appropriate registrar and sub-registrar of assurances shall suffice as record of the Transferee Company's title to such immovable properties pursuant to the Scheme coming into effect on the Effective Date with effect from the Appointed Date and shall constitute a deemed mutation and substitution thereof. The Transferee Company shall in pursuance of the vesting order of the Tribunal be entitled to the delivery and possession of all documents of title in respect of such immovable property, if any, in this regard. Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Companies in the nature of land and buildings situated in states other than the state of Gujarat, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the respective Parties, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined in accordance with the Applicable Laws. The transfer of such immovable properties shall form an integral part of this Scheme.

- (b) All assets of the Transferor Companies as are movable in nature or are otherwise capable of being transferred by physical or constructive delivery and / or, by endorsement and delivery, or by vesting and recordal, including but not limited to property, assets, estate, rights, title, interests, equipment, furniture, fixtures, books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations,

websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, shall stand vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery, or by vesting and recordal, as appropriate to the property being vested and the title to such property shall be deemed to have been transferred accordingly to the Transferee Company.

- (c) Any and all other movable property including but not limited to investments in shares and any other securities, all sundry debts and receivables, outstanding loans and advances, incorporeal or Intangible Assets and inventory, if any, relating to the Transferor Companies, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any with Governmental Authorities, semi-Governmental Authorities, local and other authorities and bodies, customers and other persons, cheques on hand, shall, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, become the property of the Transferee Company. Without prejudice to the foregoing, the Transferee Company shall be entitled to deposit at any time after the Effective Date and with effect from the Appointed Date, cheques received in the name of the Transferor Company 1, Transferor Company 2, as may be applicable, to enable the Transferee Company to receive the amounts thereunder. The investments held in dematerialized form by the Transferor Company 1 and / or the Transferor Company 2 will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant with whom the Transferor Company have an account. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company 1 or Transferor Company 2, as may be applicable, and that appropriate entry should be passed in their respective books to record the said changes.

- (d) All debts, borrowings, liabilities, contingent liabilities, duties and obligations, secured or unsecured, relating to the Transferor Companies, whether provided for or not in the books of accounts of the Transferor Companies or disclosed in the balance sheet of such Transferor Companies or not, shall stand transferred to and vested in the Transferee Company, and the same shall be assumed to the extent they are outstanding on the Effective Date and with effect from the Appointed Date and become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of, and shall be discharged by, the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Companies or the Transferee Company.
- (e) The transfer and vesting as aforesaid in this Clause shall be subject to the existing charges, hypothecation or mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company 1, or the Transferor Company 2, as may be applicable, are a party wherein the assets of the Transferor Company 1, or the Transferor Company 2, as may be applicable, have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company 1, or the Transferor Company 2, as may be applicable, and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company. The Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company 1, or the Transferor Company 2, as may be applicable, which shall vest in Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer and vesting of the properties and assets of the Transferor Company 1, or the Transferor Company 2, as may be applicable, as aforesaid shall be subject to the existing charges, hypothecation or mortgages over or in respect of the properties, assets or any part thereof of the Transferor Company 1, or the Transferor Company 2, as may be applicable.
- (f) All letters of intent, contracts, deeds, memorandum of understanding, tenders, bonds, agreements, insurance policies, capital investment, subsidies, guarantees and indemnities, schemes, arrangements and other instruments of whatsoever nature in

relation to the Transferor Companies to which it is a party or to the benefit of which it may be entitled or eligible, shall be in full force and effect against or in favour of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, and may be enforced as fully and effectually as if, instead of the Transferor Company 1, Transferor Company 2 or the Transferee Company had been a party or beneficiary or oblige thereto. Without prejudice to the generality of the foregoing, bank guarantees, performance guarantees, letters of credit, agreements with any Governmental Authority, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Companies or to the benefit of which the Transferor Companies may be eligible and which are subsisting or have effect immediately before the Appointed Date, including without limitation all rights and benefits (including without limitation benefits of any deposit, advances, receivables or claims) arising or accruing there from, shall, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, be deemed to be bank guarantees, performance guarantees, letters of credit, agreements, deeds, documents, and arrangements, as the case may be, of the Transferee Company, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company and shall be appropriately transferred or assigned by the concerned parties / Governmental Authority in favour of the Transferee Company.

- (g) Any and all development rights, permissions, consents, statutory licenses or other licenses (including the licenses granted to the Transferor Companies by any Governmental Authority for the purpose of carrying on its business or in connection therewith), no-objection certificates, permissions, registrations, approvals, consents, permits, quotas, easements, goodwill, entitlements, allotments, concessions, exemptions, advantages, or rights required to carry on the operations of the Transferor Companies or granted to the Transferor Companies shall stand vested in or transferred to the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, and shall be appropriately transferred or assigned by the concerned parties or Governmental Authorities in favour of the Transferee Company upon amalgamation

of the Transferor Companies with and into the Transferee Company pursuant to the Scheme, subject to the provisions of Applicable Laws. The benefit of all statutory and regulatory permissions, approvals and consents including without limitation statutory licenses, permissions, approvals or consents required to carry on the operations of the Transferor Companies shall vest in and become available to the Transferee Company by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.

- (h) The Transferee Company shall bear the burden and the benefits of any legal or other proceedings (including tax proceedings) initiated by or against the Transferor Companies. If any notice, dispute, suit, appeal, complaint, claim or other proceeding of whatsoever nature by or against the Transferor Companies, including (but not limited to) those before any Governmental Authority, be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with and into the Transferee Company, or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.
  
- (i) All persons who were employed in the Transferor Companies immediately before such date shall become employees of the Transferee Company, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, on terms and conditions which are overall no less favorable than those that were applicable to such employees immediately prior to such amalgamation, with the benefit of continuity of service and without any break or interruption in service. It is clarified that such employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall be governed by the terms of employment of the Transferee Company (including in connection with provident fund, gratuity fund, superannuation fund or any other special fund or obligation), provided that such terms of employment of the Transferee

Company are overall no less favorable than those that were applicable to such employees immediately before such amalgamation. In addition, with regard to provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, [a] all contributions made to such funds by the Transferor Companies on behalf of such employees shall be deemed to have been made on behalf of the Transferee Company, and shall be transferred to the Transferee Company, the relevant authorities or the funds (if any) established by the Transferee Company, as the case may be, and [b] all contributions made by such employees, including interests / investments (which are referable and allocable to the employees transferred) shall be transferred to the Transferee Company, the relevant authorities or the funds (if any) established by the Transferee Company, as the case may be. Where applicable and required, in connection with provident fund, gratuity fund, superannuation fund or any other special fund or obligation created or existing for the benefit of the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, the Transferee Company shall stand substituted for the Transferor Companies, by operation of law pursuant to the vesting order of the Tribunal sanctioning the Scheme, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company, for all purposes whatsoever relating to the obligations to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such schemes or funds shall become those of the Transferee Company. In addition, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee forming part of the Transferor Companies shall be continued / continue to operate against the relevant employee and the Transferee Company shall be entitled to take any relevant action or sanction, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company.

- (j) The Transferee Company shall, for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Companies, take into account the past services of such employees with the Transferor Companies, as may be applicable.



(k) All direct and indirect taxes of any nature, duties and cess or any other like payments, including (but not limited to) income tax, security transaction tax, dividend distribution tax, foreign tax credit, equalization levy, value added tax, central sales tax, excise duty, customs duty, central value added tax, minimum alternate tax, advance tax, goods and services tax, tax deducted at source or tax collected at source, professional tax or any other like payments made by the Transferor Companies to any statutory authorities, or other collections made by the Transferor Companies and relating to the period up to the Effective Date, shall be deemed to have been on account of, or on behalf of, or paid by, or made by the Transferee Company, and the Transferee Company would be eligible to claim credits, claims or refunds, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company. In addition, all deductions and exemptions otherwise admissible to the Transferor Companies including without limitation payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (including, but not limited to, under Section 43B, Section 40 and Section 40A of the IT Act) shall be eligible for deduction to the Transferee Company upon fulfilment of the applicable conditions under the IT Act. In addition, the Transferee Company shall be entitled to claim credit and refunds for taxes deducted at source / taxes collected at source / paid against tax liabilities / duty liabilities / minimum alternate tax, advance tax, goods and services tax, central value added tax, value added tax liability and any other credits etc., notwithstanding the certificates / challans or other documents for payment of such taxes / duties, as the case may be, are in the name of the Transferor Companies.

(l) All taxes payable by or refundable to or being the entitlement of the Transferor Companies, including without limitation all or any refunds or claims shall be treated as the tax liability or refunds / credits / claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income tax, carry forward tax losses, unabsorbed depreciation, closing balance of CENVAT, value added tax, central sales tax, excise duty, turnover tax, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to the Transferor Company 1 and the Transferor Company 2, shall be available to the Transferee Company, subject to the provisions of Applicable Laws, and losses and unabsorbed

depreciation of the Transferor Companies be carried forward and set off against tax on future taxable income of the Transferee Company in accordance with the provisions of, and subject to the satisfaction of the conditions set out in, Section 72A of the IT Act. The Transferee Company shall undertake all necessary compliances prescribed under Applicable Laws to, and the Transferor Companies shall, prior to the Effective Date, extend its cooperation to the Transferee Company to, effectuate transfer of all credits including advance tax, goods and services tax of the Transferor Companies to the Transferee Company. The Transferee Company shall have the right to file and / or revise the financial statements, income tax returns, forms and statements, tax deducted at source certificates, tax collection at source certificates, excise returns, goods and services tax returns and forms, and other statutory returns, forms, statements and filings, if required, even if the relevant due dates set out under Applicable Laws may have expired.

- (m) Any tax deduction at source certificates or any tax collection at source certificates issued by the any of the Party to, or for the benefit of, any other Party with respect to the inter-se transactions would be available to the Transferee Company to seek refund from the tax authorities in compliance with Applicable Laws. Further, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, tax deduction at source deposited, tax collection at source deposited, tax deduction at source certificates issued, tax collection at source certificates issued or tax deduction at source deposited returns filed, or tax collection at source returns filed by the Transferor Company 1 or the Transferor Company 2 on transactions other than inter-se transactions during the period between the Appointed Date and the Effective Date shall continue to hold good as if such deposit of tax, issuance of certificates, filing of tax returns were made by the Transferee Company; and any tax deducted at source or tax collected at source by, or on behalf of, the Transferor Company 1 or the Transferor Company 2 on inter-se transactions will be treated as tax deposited by the Transferee Company.
- (n) The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, goods and services tax credit, value added tax credit, credit of tax deducted at source or tax collected at source in respect of nullifying of any transaction between the Parties inter-se.

- (o) All compliances under any Applicable Laws by the Transferor Companies on or after Appointed Date shall be deemed to be made by the Transferee Company.
  - (p) All estates, assets, rights, title, interests and authorities accrued to and / or, acquired by the Transferor Companies shall be deemed to have been accrued to and / or, acquired for and on behalf of the Transferee Company, without any further act, instrument or deed undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company and shall stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.
- 4.2. Upon this Scheme coming into effect on the Effective Date and the consequent amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, the secured creditors of the Transferee Company, if any, shall only continue to be entitled to security over such properties and assets forming part of the Transferee Company, as they had existing immediately prior to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and the secured creditors of the Transferor Companies, if any, shall continue to be entitled to security only over such properties, assets, rights, benefits and interest of and in the Transferor Companies, as they had existing immediately prior to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company.
- 4.3. The Transferee Company, the Transferor Company 1 and the Transferor Company 2 shall take such actions as may be necessary and permissible in order to give formal effect to the provisions of this Clause, including, without limitation, making appropriate filings with any person (including the relevant Governmental Authorities), and such person (including the relevant Governmental Authorities) shall take the same on record, and shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company upon this Scheme coming into effect on the Effective Date in accordance with the terms hereof.
- 4.4. The Transferee Company shall, at any time after this Scheme coming into effect on the Effective Date in accordance with the provisions hereof, if so required under Applicable Laws, do all such acts or things as may be necessary to transfer / obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights,

entitlements, licenses and certificates which were held or enjoyed by the Transferor Companies, including in connection with the transfer of properties of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company. For the avoidance of doubt, it is clarified that if the consent of either a third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall, subject to the provisions of Applicable Laws, provide such consent and shall make and duly record the necessary substitution / endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme coming into effect on the Effective Date. The Transferee Company shall file appropriate applications / documents and make appropriate filings with the relevant authorities concerned for information and record purposes and the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such acts, formalities or compliances referred to above on behalf of the Transferor Companies, *inter alia*, in its capacity as the successor entity of the Transferor Companies.

- 4.5. This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as defined in Section 2(1B) and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions of the IT Act at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the IT Act shall prevail and the Scheme shall stand modified to the extent required to comply with Section 2(1B) and other relevant provisions of the IT Act.

## **PART B**

### **5. CONSIDERATION**

- 5.1. Upon this Scheme coming into effect on the Effective Date and upon amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in terms of this Scheme,
- (a) the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, to the extent indicated below, to the shareholders of the Transferor Company 1, holding fully paid-up Equity Shares of the Transferor Company 1 and whose names appear in the

register of members of the Transferor Company 1 as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company 1 / Transferee Company, without any further act, instrument or deed and after taking into effect Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company, in the following proportion:

*“11 (Eleven) fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 1 for every 8 (Eight) Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 1, as on the Record Date.”*

- (b) the Transferee Company shall, issue and allot Equity Shares, credited as fully paid-up, to the extent indicated below, to the shareholders of the Transferor Company 2, holding fully paid-up Equity Shares of the Transferor Company 2 and whose names appear in the register of members of the Transferor Company 2 as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company 2 / Transferee Company, without any further act, instrument or deed and after taking into effect Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company, in the following proportion:

*“71 (Seventy One) fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 2 for every 5 (Five) Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 2, as on the Record Date.”*

- 5.2. The share exchange ratio stated in Clause 5.1 above has been taken on record and approved by the Board of the Parties after taking into consideration the valuation report obtained for determination of the share exchange ratio.
- 5.3. The said Equity Shares in the Transferee Company to be issued to the equity shareholders of the Transferor Company 1 and the Transferor Company 2 pursuant to this Clause 5 shall be subject to MOA and Articles, and shall rank *pari passu* in all respects with the existing Equity

Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.

- 5.4. Upon this Scheme coming into effect on the and upon amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in terms of this Scheme, the Equity Shares of the Transferee Company as held by the Transferor Company 1 and the Transferor Company 2 and the NCRPS as held by the Transferor Company 2 shall stand cancelled and extinguished by operation of law. Further, considering the issuance and allotment of Equity Shares to the shareholders of the Transferor Company 1 and the Transferor Company 2 towards the consideration in terms of this Clause 5, there shall not be any net reduction of the share capital of the Transferee Company, and in view of the same, the provisions of Section 66 of the Act shall not be attracted.
- 5.5. If any equity shareholder of the Transferor Company 1 becomes entitled to a fractional Equity Share to be issued by the Transferee Company pursuant to Clause 5.1 of this Scheme, the Transferee Company shall not issue such fractional Equity Share to such equity shareholder of the Transferor Company 1 or Transferor Company 2, as may be applicable, but shall consolidate all such fractional entitlements of all equity shareholders of the Transferor Company 1 and Transferor Company 2 and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such Equity Shares that represent the consolidated fractional entitlements to a trust nominated by the Board of the Transferee Company and such trust shall hold such Equity Shares, with all additions or accretions thereto, in trust for the benefit of the equity shareholders of the Transferor Company 1 and Transferor Company 2 who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Equity Shares in the market within a period of 90 (ninety) days from the date of allotment of Equity Shares, and on such sale, distribute to the equity shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares (after deduction of applicable taxes and costs incurred and subject to withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the trustee pursuant to this Clause 5.5. In case the number of such new Equity Shares to be allotted to the trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in Transferee Company to such trust.

- 5.6. The Transferee Company shall take necessary steps to increase or alter or re-classify, if necessary, its authorized share capital to enable it to issue and allot the Equity Shares as set forth in Clause 5.1 above.
- 5.7. The Equity Shares to be issued and allotted by the Transferee Company as set forth in Clause 5.1 above to the shareholders of the Transferor Company 1 and the Transferor Company 2 shall be issued in dematerialized form or physical form to the shareholders as per Applicable Laws.
- 5.8. The Equity Shares of the Transferee Company issued in terms of Clause 5.1 above shall, subject to receipt of necessary approval, be listed and / or admitted to trading on the Stock Exchanges pursuant to this Scheme and in compliance with the Listing Regulations, SEBI Circular and other applicable regulations and Applicable Laws. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of Listing Regulations, SEBI Circular and other applicable regulations notified under the SEBI Act and Applicable Laws and take all steps to procure the listing of the Equity Shares issued by it.
- 5.9. The Equity Shares issued by the Transferee Company, pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges.
- 5.10. There shall be no change in the shareholding pattern or control in the Transferee Company between Record Date and the listing of the equity shares on the Stock Exchanges.
- 5.11. On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of each of the Parties have also accorded their consent under Sections 42, 62 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable, for the aforesaid issuance of the Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 42, 62 and / or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act and rules made thereunder with ROC or any other



applicable Governmental Authority to record the amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company, issuance of the Equity Shares of the Transferee Company to the equity shareholders of the Transferor Company 1 and the Transferor Company 2 and dissolution of the Transferor Company 1 and the Transferor Company 2, in the manner set out in this Clause 5.

## **PART D**

### **6. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES**

- 6.1. With effect from the Appointed Date and up to and including the Effective Date,
- (a) The Transferor Companies shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the business and undertaking of the Transferor Companies for and on account of and in trust for the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
  - (b) The Transferor Companies shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, dispose of any property or asset of the Transferor Companies or part thereof.
  - (c) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies shall, for all the purposes be treated and be deemed to be accrued as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
  - (d) The Transferor Companies shall not vary the terms and conditions of employment of any of the employees except in ordinary course of business or without prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Companies as the case may be, prior to the Effective Date.

- (e) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authority, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.

## **7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY**

- 7.1. Upon to the Scheme coming into effect on the Effective Date, and after giving effect of the accounting treatment specified at sub-clause (f) of Clause 9.1, the Transferee Company shall account for amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standard 103 'Business Combinations' prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as applicable on the Effective Date, such that:
  - (a) The Transferee Company shall record the assets and liabilities relating to the Transferor Company 1 and the Transferor Company 2 vested in it pursuant to this Scheme, at their respective carrying amounts.
  - (b) The identity of the reserves shall be preserved and the Transferee Company shall record the reserves of the Transferor Company 1 and the Transferor Company 2 in the same form and at the carrying amount as appearing in the financial statements of the Transferor Company 1 and the Transferor Company 2, as may be applicable.
  - (c) Pursuant to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company 1 and the Transferor Company 2, if any, appearing in the books of the Transferee Company, Transferor Company 1 and Transferor Company 2 shall stand cancelled.
  - (d) All inter-company investments in the share capital of the Transferee Company, Transferor Company 1 and Transferor Company 2 shall stand cancelled.
  - (e) All inter-company transactions entered between the Transferor Company 1 and the Transferor Company 2 and Transferee Company shall stand cancelled.

- (f) The face value of the Equity Shares of the Transferee Company issued to the shareholders of the Transferor Company 1 and the Transferor Company 2 pursuant to Clause 5.1 shall be credited to the equity share capital account in the books of the Transferee Company.
- (g) The surplus / deficit, if any arising after taking the effect of sub-clauses (a) to (f) of Clause 7.1 above, shall be adjusted in 'Capital Reserve' in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- (h) In case of any differences in accounting policies between the Transferor Company 1 and the Transferor Company 2 and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

## **8. DISSOLUTION OF THE TRANSFEROR COMPANY 1 AND THE TRANSFEROR COMPANY 2**

- 8.1. Upon the Scheme coming into effect from the Effective Date, the Transferor Company 1 and the Transferor Company 2 shall, without any further act, instrument or deed undertaken by the Transferor Company 1, Transferor Company 2 or the Transferee Company, stand dissolved without winding up pursuant to the order of the Tribunal sanctioning the Scheme.

*<<This space is intentionally left blank>>*

### SECTION III

#### 9. BONUS ISSUANCE BY THE TRANSFEREE COMPANY AND THE SUB-DIVISION OF THE EQUITY SHARES OF THE TRANSFEREE COMPANY

9.1. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, and in accordance with Clause 15 of this Scheme:

- (a) The Transferee Company shall, without any further act, instrument or deed, issue and allot the PEPL Bonus Shares by way of a bonus issue to the PEPL Shareholder(s) in proportion to their shareholding in the Transferee Company as on the PEPL Bonus Issuance Record Date.
- (b) Upon completion of the actions set forth in sub-clause (a) above, the Transferee Company shall, without any further act, instrument or deed, sub-divide each Equity Share of the Transferee Company having a face value of INR 10 (Indian Rupees Ten) into 10 (Ten) Equity Shares of the Transferee Company having a face value of INR 1 (One) each.
- (c) After taking into effect the Bonus Issuance by the Transferee Company as contemplated in sub-clause (a) above and sub-division of the Equity Shares of the Transferee Company as contemplated in sub-clause (b) above, the authorised share capital clause at Clause V of the MOA shall stand modified and read as follows:

*“The Authorised Share Capital of the Company is INR 23,34,67,700 (Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seven Thousand and Seven Hundred only) divided into 19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred only) equity shares of face value of INR 1 (Indian Rupee One only) each and 37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty only) preference shares of face value of INR 10 (Indian Rupees Ten only) each.”*
- (d) Pursuant to the Bonus Issuance as set out in sub-clause (a) above and sub-division of the Equity Shares of the Transferee Company as set out in sub-clause (b) above, the authorised share capital and issued, subscribed and paid-up share capital of the Transferee Company shall be as follows:

<b>Authorised Share Capital</b>	<b>Amount (INR)</b>
19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred) Equity Shares having face value of INR 1 (Indian Rupee One) each	19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred)
37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	3,76,00,600 (Indian Rupees Three Crore Seventy Lakh and Six Hundred)
<b>Total Authorised Share Capital</b>	<b>23,34,67,700</b> <b>(Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seventy Thousand and Seven Hundred)</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (INR)</b>
19,58,66,990 (Nineteen Crore Fifty Eight Lakh Sixty Six Thousand Nine Hundred and Ninety) Equity Shares having face value of INR 1 (Indian Rupee One) each	19,58,66,990 (Nineteen Crore Fifty Eight Lakh Sixty Six Thousand Nine Hundred and Ninety)
15,93,000 (Fifteen Lakh Ninety Three Thousand) Preference Shares having face value of INR 10 (Indian Rupees Ten) each	1,59,30,000 (Indian Rupees One Crore Fifty Nine Lakh and Thirty Thousand)
<b>Total Issued, Subscribed and Paid-up Share Capital</b>	<b>21,17,96,990</b> <b>(Indian Rupees Twenty One Crore Seventeen Lakh Ninety Six Thousand Nine Hundred and Ninety)</b>

- (e) The Equity Shares issued by the Transferee Company in terms of this Clause 9 of the Scheme shall be issued in dematerialized form and the register of members and / or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of such Equity Shares by the Transferee Company in terms of this Scheme.
- (f) The Transferee Company shall in its books of accounts in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India and any other relevant or related requirement under the Act, as may be applicable, transfer the balance of INR 17,80,60,900 (Indian Rupees Seventeen Crore Eighty Lakh Sixty Thousand and Nine Hundred) from the securities premium account to share capital account.
- (g) On the approval of the Scheme by the Board and members of each of the Parties pursuant to Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, if applicable, it shall be deemed that the Board and members of the Transferee Company have also accorded their consent under Sections 13, 61, 62, 63 and 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Articles, as may be applicable for the aforesaid increase in authorised share capital, issuance of the PEPL Bonus Shares, sub-division of the Equity Shares, amendment of the MOA of the Transferee Company and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 61, 62, 63 or 64 of the Act and/ or any other applicable provisions of the Act and rules made thereunder. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents/ intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable authority to record the aforesaid sub-division of its Equity Shares, amendment of its MOA and issuance of the PEPL Bonus Shares, in the manner set out in this Clause 9 of this Scheme.
- (h) The increase in authorised share capital, issuance and allotment of the PEPL Bonus Shares, sub-division of the Equity Shares and amendment of the MOA of the Transferee Company shall be undertaken as an integral part of the Scheme and in accordance with

Clause 15 of this Scheme. The PEPL Bonus Shares to be issued to the PEPL Shareholder(s) pursuant to Section III of this Scheme shall rank *pari passu* in all respects with the existing Equity Shares of the Transferee Company, including with respect to dividend, bonus, voting rights and other corporate benefits attached to the Equity Shares of the Transferee Company.

<<*This space is intentionally left blank*>>

## SECTION IV

### 10. CONVERSION OF THE TRANSFEREE COMPANY INTO A PUBLIC COMPANY

- 10.1. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the Transferee Company shall stand converted into a 'public company' in terms of the Sections 13, 18 and other applicable provisions of the Act and rules made thereunder. As the conversion of the Transferee Company into a 'public company' is an integral part of the Scheme, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such conversion as required under the Act and rules made thereunder, including in terms of Sections 13 and 18 and any other applicable provisions of the Act and rules made thereunder, and provisions of the Articles.
- 10.2. The MOA shall be amended (to the extent required) to reflect the conversion contemplated in Clause 10.1 above as required in terms of the Act and rules made thereunder. Upon the Scheme coming into effect on the Effective Date, the Transferee Company's name shall stand changed to remove the word 'Private' from its name or be adopted to such other name as may be mutually agreed between the Board of the Transferee Company, Transferor Company 1 and Transferor Company 2, and approved by the ROC.
- 10.3. The Articles of the Transferee Company shall be amended and restated to reflect the conversion contemplated in Clause 10.1 above.
- 10.4. On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of the Transferee Company have also accorded their consent under Sections 13, 14 and 18 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations, as may be applicable for effecting the aforesaid conversion of the Transferee Company into a public company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 14 or 18 of the Act and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and make



payment of any necessary fees as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid conversion of the Transferee Company into a public company, in the manner set out in this Clause 10 of the Scheme. The ROC will issue a fresh certificate of incorporation to the Transferee Company in accordance with the provisions of the Act and rules made thereunder.

*<<This space is intentionally left blank>>*

## SECTION V

### 11. RECLASSIFICATION OF PERSONS SEEKING RECLASSIFICATION FROM 'PROMOTER AND PROMOTER GROUP' CATEGORY TO 'PUBLIC' CATEGORY IN THE TRANSFEREE COMPANY

- 11.1. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the Promoters Seeking Reclassification shall be reclassified from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company in terms of the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws. As the reclassification of the Promoters Seeking Reclassification shall be reclassified from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company is an integral part of the Scheme, it shall be deemed that the Transferee Company has complied with all applications or filings as required under applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws for seeking the aforesaid reclassification.
- 11.2. Pursuant to the Family Arrangement Agreement, the Promoters Seeking Reclassification holding Equity Shares of the Transferor Company 1 as set out in **Schedule B** vide Application Letter requested the Transferor Company 1 for reclassification of the Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public category' in the Transferor Company 1. The rationale of such reclassification is that the Promoters Seeking Reclassification are not engaged in the business, management, control or day-to-day affairs and also do not have any right either to appoint any Director or an ability to control the management or policy decisions in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Company 1, and upon the Scheme coming into effect, subsequently in the Transferee Company.
- 11.3. The Promoters Seeking Reclassification have submitted undertaking vide letter dated 14<sup>th</sup> September, 2022 that the Promoters Seeking Reclassification are complying the conditions specified at sub-clause (i) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing Regulations, and the Promoters Seeking Reclassification and Persons Related to the Promoters Seeking Reclassification are complying the conditions specified at sub-clause (ii) to sub-clause (vii) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing

Regulations, and that they shall continue to comply with the conditions prescribed in sub-regulation (4) of Regulation 31A of the Listing Regulations.

- 11.4. Upon the Scheme coming into effect on the Effective Date, the shareholding of the Promoters Seeking Reclassification and the Persons Related to the Promoters Seeking Reclassification in the Transferee Company shall be as set out in **Schedule C**.
- 11.5. On approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and members of the Transferee Company have accorded their consent for such reclassification under the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, as may be applicable for effecting the aforesaid reclassification of the Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public category' in the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under the applicable provisions of the Act and rules made thereunder, Listing Regulations and other applicable regulations notified under the SEBI Act and other applicable provisions under the Applicable Laws, as may be applicable. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations and make payment of any necessary fees as per the provisions of the Listing Regulations or any other applicable regulations notified under the SEBI Act.

*<<This space is intentionally left blank>>*

## **SECTION VI**

### **GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME**

#### **12. APPLICATION TO THE TRIBUNAL**

- 12.1. The Transferor Company 1, the Transferor Company 2 and the Transferee Company shall make all applications / petitions under the Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, and as required under the Applicable Laws to the Tribunal for the sanction of this Scheme and all matters ancillary or incidental thereto.

#### **13. TRANSFER OF THE AUTHORISED SHARE CAPITAL**

- 13.1. After considering the Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company as contemplated in Clause 9 of the Scheme, the authorised share capital of the Transferee Company as set out in Clause 3.3 of this Scheme shall stand enhanced to INR 23,34,67,700 (Indian Rupees Twenty Three Crore Thirty Four Lakh Sixty Seven Thousand and Seven Hundred), comprising of 19,58,67,100 (Nineteen Crore Fifty Eight Lakh Sixty Seven Thousand and One Hundred) Equity Shares of face value of INR 1 (Indian Rupee One) each and 37,60,060 (Thirty Seven Lakh Sixty Thousand and Sixty) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, without any further act, instrument or deed undertaken by the Transferee Company, pursuant to Section 232(3)(i) of the Act, the fee(s) paid by the Transferee Company on the existing authorised share capital as set out in Clause 3.3 of this Scheme shall be set-off against any fee payable by the Transferee Company on its authorised share capital subsequent to the sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as contemplated in Clause 9 of the Scheme, and the liability of the Transferee Company for payment of any additional fees or stamp duty in respect of such increase shall be limited to the difference between the fee or stamp duty payable by the Transferee Company on its increased authorized share capital as a result of the sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as contemplated in Clause 9 of the Scheme.
- 13.2. As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the authorised share capital of the Transferor Company 1 of INR 32,00,00,000 (Indian Rupees Thirty Two Crore), comprised of

3,20,00,000 (Three Crore Twenty Lakh) Equity Shares having face value of INR 10 (Indian Rupees Ten) each, shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company. Further, as an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the authorised share capital of the Transferor Company 2 of INR 8,72,81,000 (Indian Rupees Eight Crore Seventy Two Lakh and Eighty One Thousand), comprised of 72,28,100 (Seventy Two Lakh Twenty Eight Thousand One Hundred) Equity Shares having face value of INR 10 (Indian Rupees Ten) each and 15,00,000 (Fifteen Lakh) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, shall stand consolidated and vested in and merged with the authorised share capital of the Transferee Company. After considering consolidation of the authorised share capital of the Transferor Company 1 and the Transferor Company 2 with the authorised share capital of the Transferee Company as above and Bonus Issuance by the Transferee Company and sub-division of the Equity Shares of the Transferee Company as contemplated in Clause 9 of the Scheme, the authorised share capital of the Transferee Company as set out in Clause 3.3 of this Scheme shall stand enhanced to INR 64,07,48,700 (Indian Rupees Sixty Four Crore Seven Lakh Forty Eight Thousand and Seven Hundred), comprising into 58,81,48,100 (Fifty Eight Crore Eighty One Lakh Forty Eight Thousand and One Hundred) Equity Shares of face value of INR 1 (Indian Rupee One) each and 5,26,00,600 (Five Crore Twenty Six Lakh and Six Hundred) Preference Shares having face value of INR 10 (Indian Rupees Ten) each, without any further act, instrument or deed undertaken by the Transferee Company, and pursuant to Section 232(3)(i) of the Act, the fee(s) paid by the Transferor Company 1 and the Transferor Company 2 on their respective authorised share capital shall be set-off against any fee payable by the Transferee Company on its authorised share capital subsequent to the amalgamation, and the liability of the Transferee Company for payment of any additional fees or stamp duty in respect of such increase shall be limited to the difference between (i) the fee or stamp duty payable by the Transferee Company on its increased authorized share capital after the Scheme comes into effect, (ii) the fee or stamp duty paid by the Transferor Company 1 and the Transferor Company 2, if any, on its authorised share capital from time to time, and (iii) additional fee or stamp duty paid by the Transferee Company on increase in authorized share capital as a consequence of sub-division of the Equity Shares of the Transferee Company and Bonus Issuance by the Transferee Company as provided at Clause 13.1 above, and the authorised share capital clause at Clause V of the MOA shall stand modified and read as follows:

*“The Authorised Share Capital of the Company is INR 64,07,48,700 (Indian Rupees Sixty Four Crore Seven Lakh Forty Eight Thousand and Seven Hundred only), divided into 58,81,48,100 (Fifty Eight Crore Eighty One Lakh Forty Eight Thousand and One*

*Hundred only) Equity Shares of face value of INR 1 (Indian Rupee One only) each and 5,26,00,600 (Five Crore Twenty Six Lakh and Six Hundred only) preference shares of face value of INR 10 (Indian Rupees Ten only) each.”*

- 13.3. Notwithstanding anything contained in this Scheme and subject to Applicable Laws, until this Scheme becomes effective, the Transferor Company 1 shall have right to raise capital whether via preferential issue of equity / convertible / non-convertible securities to one or more financial or strategic investors or in any other way for the efficient functioning of their business or for any other purpose including for the purposes of refinancing, repayment, conversion or prepayment of any loans, provided that any such change in capital structure of the Transferor Company 1 shall be made subject to the approval of SEBI / stock exchanges and other authorities, if applicable. For the avoidance of doubt, it is clarified that, in case, authorised share capital of the Transferor Company 1, the Transferor Company 2 and / or the Transferee Company, as the case may be, undergoes any change, prior to this Scheme coming into effect on the Effective Date, then this Clause 13 of the Scheme shall automatically stand modified / adjusted accordingly to take into account the effect of such change.
- 13.4. On the approval of the Scheme by the Board and the members of each of the Parties pursuant to Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, it shall be deemed that the Board and the members of each of the Parties have also accorded their consent under Sections 13, 61, 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations and the Articles, as may be applicable for effecting the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferor Company 1, the Transferor Company 2 or the Transferee Company under Sections 13, 61, 64 and / or any other applicable provisions of the Act and rules made thereunder and the relevant provisions of the Listing Regulations and the Articles. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act and rules made thereunder with ROC or any other applicable Governmental Authority in respect of the aforesaid reclassification, amendment and increase in the authorised share capital of the Transferee Company, in the manner set out in this Clause 13 of the Scheme.

#### **14. LISTING OF EQUITY SHARES**

- 14.1. Upon the Scheme coming into effect on the Effective Date, the Equity Shares of the Transferee Company shall be listed and admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of Applicable Laws (including the SEBI Circular). The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the SEBI Circular, the Listing Regulations, and take all steps to get its Equity Shares listed on the Stock Exchanges and obtain the final listing and trading permissions.
- 14.2. The Equity Shares issued and allotted by the Transferee Company pursuant to this Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchanges. There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the status of such permission. Further, the Transferee Company will not issue / reissue any Equity Shares which are not covered under the Scheme.
- 14.3. Any acquisition of shares, voting rights or control pursuant to the amalgamation of the Transferor Company 1 and the Transferor Company 2 with the Transferee Company pursuant to this Scheme does not trigger any obligation to make an open offer, in terms of Regulation 10(1)(d) of the Takeover Code.
- 14.4. Post listing of the Equity Shares of the Transferee Company on Stock Exchanges, the Transferee Company shall comply with requirement of maintaining public shareholding of 25% (twenty-five percent) in the Transferee Company within a period of one year from the date of listing of Equity Shares of the Transferee Company in accordance with the SEBI Circular and other Applicable Laws, as may be amended from time to time.

#### **15. SEQUENCING OF ACTIONS**

- 15.1. Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in the order mentioned hereunder:

- (a) issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company and sub-division of the Equity Shares of the Transferee Company in accordance with Section III of this Scheme;
- (b) amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company in accordance with Section II of this Scheme; and
- (c) transfer of the authorised share capital of each of the Transferor Company 1 and the Transferor Company 2 to the Transferee Company in accordance with Clause 13 of this Scheme, and consequential increase in the authorised share capital of the Transferee Company.

15.2. Upon the sanction of this Scheme and upon this Scheme coming into effect on the Effective Date, the following shall be deemed to have occurred / shall occur and become effective and operative, only in the sequence and in the order mentioned hereunder:

- (a) issue and allotment of Equity Shares of the Transferee Company by the Transferee Company to the shareholders of the Transferor Company 1 whose names appear in the register of members of the Transferor Company 1 as on the Record Date, and to the shareholders of the Transferor Company 2 whose names appear in the register of members of the Transferor Company 2 as on the Record Date, in accordance with Clause 5 of this Scheme;
- (b) conversion of the Transferee Company into public company, and consequential amendment in MOA and Articles, in accordance with Section IV of this Scheme;
- (c) dissolution of the Transferor Company 1 and the Transferor Company 2 without winding-up in accordance with Clause 8 of this Scheme;
- (d) reclassification of certain promoters in to public category in the Transferor Company 1 in accordance with Section V of this Scheme; and
- (e) listing of the Equity Shares of the Transferee Company in accordance with Clause 14 of the Scheme.



## 16. CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME

16.1. This Scheme is and shall be conditional upon and subject to the following:

(a) Approval of the members:

- (i) the requisite majorities in number and value of such classes of members as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme through e-voting or any other permissible mode;
- (ii) the Scheme being approved by the public shareholders of Transferor Company 1 through e-voting in terms of Part – I (A)(10)(a) of SEBI Circular and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than number of votes cast by public shareholders against it; and
- (iii) public shareholders of the Transferor Company 1 shall have approved the Scheme by way of an ordinary resolution and all ‘interested persons’ as understood in terms of the Listing Regulations shall have abstained from voting in the relevant meeting of the members approving the Scheme;

in each case, the e-voting is in compliance with the provisions of the Act, the SEBI Circular and the Listing Regulations, if applicable.

- (b) Obtaining observation letter or no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to regulation 37 of the Listing Regulations read with SEBI Circular and Regulations 11 and 94 of the LODR Regulations.
- (c) The requisite majorities in number and value of such classes of secured and unsecured creditors as may be directed by the Tribunal or any other competent authority, as may be applicable, approving the Scheme.
- (d) The Scheme being sanctioned by the Tribunal under Sections 230 to 232 and any other applicable provisions of the Act and rules made thereunder, and each of the Parties having filed certified copies of the order of the Tribunal sanctioning this Scheme with ROC within the statutory timelines.

16.2. Each of the Parties shall file order of the Tribunal approving the Scheme with ROC within a period of 30 (thirty) days of receipt of such order. In case the Scheme does not become effective

in terms of Clause 16.1 above, within a period of 30 (thirty) days of receipt of the order of the Tribunal approving the Scheme, each of the Parties shall file an intimation with ROC within 30 (thirty) days of the Effective Date.

**17. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

17.1. The Transferor Company 1, the Transferor Company 2 and the Transferee Company, with approval of their respective Board (which shall include any committee constituted by the Board of the respective Party) may consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to approve of, to direct and / or impose.

**18. REMOVAL OF DIFFICULTIES**

18.1. The Parties may, by mutual consent and acting through their respective authorised representatives, agree to take all such steps as may be necessary, desirable or proper to resolve all doubts, difficulties or questions, that may arise in relation to the meaning or interpretation of the respective sections of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or order of the Tribunal or any other Governmental Authority or otherwise, howsoever arising out of, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or any matters concerned or connected therewith and to do and execute all acts, deeds, matters and things necessary for giving effect to this Scheme.

**19. ENTIRE EFFECT**

19.1. Each section of this Scheme is inextricably inter-linked with the other Sections and the Scheme shall be given effect only in its entirety in the sequence set out in Clause 15 of the Scheme.

## **20. SAVING OF CONCLUDED TRANSACTIONS**

- 20.1. The transfer of properties and liabilities and the continuance of proceedings by or against any of the Parties as set out in Clause 4 above shall not affect any transaction or proceedings already concluded by any of the Parties on and after the date of filing of the Scheme with the Tribunal till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company 1 and the Transferor Company 2 in respect thereto as done and executed on behalf of the Transferor Company 1 and the Transferor Company 2.

## **21. SEVERABILITY**

- 21.1. Each Section of this Scheme shall be given effect to as per the chronology in which it has been provided for in Clause 15 of the Scheme. Each Part in each Section is independent of each Section and is severable. The Scheme shall be effective upon sanction of the Tribunal. However, failure of any one Part of one Section of one Section for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board may deem fit, then this shall not result in failing of the whole Scheme. It shall be open to the concerned Board to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

## **22. EFFECT OF NON-RECEIPT OF APPROVALS**

- 22.1. In the event of any of the said sanctions and approvals referred to in the Clause 21 not being obtained and / or the Scheme not being sanctioned by the Tribunal, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in Applicable Law. In such case, each Party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

## **23. COSTS, CHARGES & EXPENSES**

- 23.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing

this Scheme and matters incidental thereto shall be borne by the Parties inter-se, as may be decided by the Board.

## **24. REVOCATION AND WITHDRAWAL OF THIS SCHEME**

24.1. The Board of the Transferor Company 1, the Transferor Company 2 and the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage, but before the Effective Date, and where applicable re-file, at any stage, in case,

(a) this Scheme is not approved by the Tribunal, or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed;

(b) any condition or modification imposed by the Tribunal is not applicable;

(c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the drawn-up order(s) with any Governmental Authority could have adverse implication on the Transferor Company 1, Transferor Company 2 and / or the Transferee Company; or

(d) for any other reason whatsoever,  
and do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto.

24.2. Upon revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

## **25. RESOLUTIONS**

25.1. Upon the Scheme coming into effect, the resolutions, if any, of the Transferor Company 1 and the Transferor Company 2, which are valid and subsisting on the Effective Date, shall

continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other Applicable Law, then the said limits shall be added to the limits, if any, like resolutions are passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

- 25.2. Upon the Scheme coming into effect, the borrowing limits of the Transferee Company in terms of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company 1 and the Transferor Company 2 which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

## **26. MISCELLANEOUS**

- 26.1. If any part of this Scheme hereof is invalid, ruled illegal by any Tribunal of competent jurisdiction or unenforceable under present or future Laws, then it is the intention of the Parties to the Scheme that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for such Parties the benefits and obligations of the Scheme, including but not limited to such part.

*<<This space is intentionally left blank>*

## SCHEDULE A

### PERSONS RELATED TO THE PROMOTERS SEEKING RECLASSIFICATION AND HOLDING EQUITY SHARES OF THE TRANSFEREE COMPANY

No.	Name of person	Relation
1.	Paras Shantilal Savla	Brother
2.	Manoj Shantilal Savla	Brother

<<This space is intentionally left blank>

## SCHEDULE B

### SHAREHOLDING OF THE PROMOTERS SEEKING RECLASSIFICATION IN THE TRANSFEROR COMPANY 1 AS ON SEPTEMBER 15, 2022

No.	Name of shareholder	Category	No. of shares	Shareholding (%)
1.	Dharen Shantilal Savla	Promoter Group	22,68,822	7.09
2.	Avani Dharen Savla	Promoter Group	100	0.00
3.	Shantilal Murjibhai Savla	Promoter Group	100	0.00
4.	Prabhaven Shantilal Savla	Promoter Group	100	0.00
5.	Dharen Savla Family Trust	Promoter Group	Nil	Nil
<b>Total</b>			<b>22,69,122</b>	<b>7.09</b>

<<This space is intentionally left blank>

## SCHEDULE C

### SHAREHOLDING OF THE PROMOTERS SEEKING RECLASSIFICATION IN THE TRANSFEREE COMPANY AS ON THE EFFECTIVE DATE

No.	Name of shareholder	Category	No. of shares	Shareholding (%)
1.	Dharen Shantilal Savla	Public	1,24,84,132	9.12
2.	Avani Dharen Savla	Public	4,99,567	0.36
3.	Shantilal Murjibhai Savla	Public	138	0
4.	Prabhaven Shantilal Savla	Public	138	0
5.	Dharen Savla Family Trust	Public	Nil	Nil
<b>Total</b>			<b>1,29,83,975</b>	<b>9.48</b>

<<This space is intentionally left blank>



# Annexure-2

DEEP ENERGY RESOURCES LIMITED

CIN: L63090GJ1991PLC014833


STANDALONE BALANCE SHEET AS AT 30th SEPTEMBER 2023

(₹ In lakhs)

ASSETS	Note No.	As at 30 <sup>th</sup> September, 2023	As at 31 <sup>st</sup> March, 2023
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	4	128.19	131.66
(b) Capital Work in Progress	4	1,198.18	1,194.58
(c) Intangible Assets	4	31,852.56	31,852.56
(d) Financial Assets			
(i) Investments	5	1,861.54	1,861.54
(e) Other Non-Current Assets	6	82.81	126.84
		<b>35,123.28</b>	<b>35,167.17</b>
<b>CURRENT ASSETS</b>			
(a) Financial Assets			
(i) Trade Receivables	7	5.73	23.93
(ii) Cash and Cash Equivalents	8	0.04	1.46
(iii) Other balances with banks	9	27.98	27.79
(iv) Other Financial Assets	10	282.98	196.12
(iv) Loans	11	3,000.00	3,000.00
(b) Other Current Assets	12	168.69	246.55
		<b>3,485.42</b>	<b>3,495.84</b>
<b>TOTAL ASSETS</b>		<b>38,608.70</b>	<b>38,663.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	3,200.00	3,200.00
(b) Other Equity	14	35,292.55	35,242.06
<b>Total Equity</b>		<b>38,492.55</b>	<b>38,442.06</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Deferred Tax Liabilities (Net)	15	25.01	25.30
		<b>25.01</b>	<b>25.30</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Trade Payables			
- Dues to Micro & Small Enterprises		-	-
- Dues to Other than Micro & Small Enterprises	16	83.63	94.80
(ii) Other Financial Liabilities	17	7.15	37.05
(b) Current Tax Liabilities			52.79
(c) Other Current Liabilities	18	0.37	11.01
		<b>91.15</b>	<b>195.65</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>38,608.71</b>	<b>38,663.01</b>

The accompanying notes 1 to 26 are an integral part of the Standalone Financial Statements

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

  
 Prem Singh Sawhney  
 Chairman & Non-Executive Director  
 DIN : 03231054  
 Date: 06/11/2023  
 Place: Ahmedabad

  
 Shail Savla  
 Managing Director  
 DIN: 08763064  
 Dated : Nov 06, 2023  
 Place: Ahmedabad



**DEEP ENERGY RESOURCES LIMITED**

CIN: L63090GJ1991PLC014833

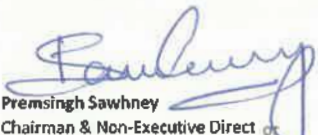
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED ON 30th, SEPTEMBER, 2023

(₹ in Lakhs except per equity share data)

Particulars	Note No.	Year ended	
		30th September, 2023	31 <sup>st</sup> March, 2023
<b>INCOME</b>			
Revenue from operations	19	-	1,490.28
Other income	20	114.77	175.22
<b>TOTAL INCOME</b>		<b>114.77</b>	<b>1,665.50</b>
<b>EXPENSES</b>			
Cost of Material Consumed & Operating Expenses	21	2.36	-
purchase of stock in trade	21	0.06	1,200.79
Employee benefits expenses	22	3.11	7.63
Finance Costs	23	0.09	0.54
Depreciation and amortization expenses	24	3.47	6.94
Other expenses	25	38.21	79.03
<b>TOTAL EXPENSES</b>		<b>47.30</b>	<b>1,294.93</b>
<b>Profit before exceptional items and tax</b>		<b>67.47</b>	<b>370.57</b>
Exceptional items (net)		-	-
<b>Profit before tax</b>		<b>67.47</b>	<b>370.57</b>
Tax items			
(i) Current tax		17.26	92.31
(ii) Deferred tax		-0.29	(1.21)
<b>Total tax items</b>		<b>16.97</b>	<b>91.10</b>
<b>Profit for the year</b>		<b>50.50</b>	<b>279.47</b>
<b>Other Comprehensive Income</b>			
Items that will not be re-classified to Profit or Loss		-	-
Items that will be re-classified to Profit or Loss		-	-
Income tax relating to items that will not be reclassified to Profit or Loss		-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>50.50</b>	<b>279.47</b>
<b>Earnings Per Equity Share of face value of 10 each</b>			
(1) Basic	26	0.16	0.87
(2) Diluted	26	0.16	0.87

The accompanying notes 1 to 26 are an Integral part of the Standalone Financial Statements

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

  
**Preme Singh Sawhney**  
 Chairman & Non-Executive Director  
 DIN : 03231054  
 Date: 06/11/2023  
 Place: Ahmedabad

  
**Shail Savla**  
 Managing Director  
 DIN: 08763064  
 Dated : Nov 06, 2023  
 Place: Ahmedabad



**DEEP ENERGY RESOURCES LIMITED**  
**CIN: L63090GJ1991PLC014833**  
**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 30TH SEPTEMBER, 2023**

	(₹ in lakhs)	
	Year ended 30th September, 2023	Year ended 31 <sup>st</sup> March, 2023
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	67.47	370.56
Adjustments for:		
Depreciation and amortization	3.47	6.94
Interest and finance charges	0.09	0.54
Interest income	(114.77)	(175.22)
<b>Operating Profit before Working Capital Changes</b>	<b>(43.73)</b>	<b>202.83</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	53.01	(284.87)
(Increase)/(decrease) in trade payables, other liabilities and provisions	(104.51)	119.16
<b>Cash Generated from Operations</b>	<b>(95.24)</b>	<b>37.12</b>
Income taxes paid	(17.26)	(39.51)
<b>Net Cash used/ generated by Operating activities (Total A)</b>	<b>( 112.50)</b>	<b>( 2.39)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase/Disposal of Fixed Assets / CWIP	(3.60)	-
Payments for Property, Plant and Equipments	-	-
Loans Given	-	(3,000.00)
Redemption of Investment	-	3,000.00
Interest Received	114.77	1.38
<b>Net Cash used/ generated by Investing activities (Total B)</b>	<b>111.17</b>	<b>1.38</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest and finance charges	(0.09)	(0.54)
<b>Net Cash used in Financing activities (Total C)</b>	<b>(0.09)</b>	<b>(0.54)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(1.43)</b>	<b>(1.55)</b>
Cash and bank balances at the beginning of the year	1.47	3.02
Cash and bank balances at the end of the year	0.04	1.47

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

Particulars	As at 30 <sup>th</sup> September, 2023	As at 31 <sup>st</sup> March, 2023
	Balances with banks	
In current accounts	0.01	1.39
Cash on hand	0.02	0.07
	<b>0.04</b>	<b>1.46</b>

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

  
**Prem Singh Sawhney**  
 Chairman & Non-Executive Director  
 DIN : 03231054  
 Date: 06/11/2023  
 Place: Ahmedabad

  
**Shri Savla**  
 Managing Director  
 DIN: 08763064  
 Dated : Nov 06, 2023  
 Place: Ahmedabad



DEEP ENERGY RESOURCES LIMITED  
 CIN: L63090G1991PLC014833  
 STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH SEPTEMBER, 2023

(A) EQUITY SHARE CAPITAL

For the period ended on 30th September, 2023

(₹ in lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2022	Change in Equity share capital due to prior period items	Restated balance as at 1st April, 2022	Changes in Equity share capital during the year	Balance as at 30th September, 2023
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

For the year ended 31<sup>st</sup> March, 2023

(₹ in lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2021	Change in Equity share capital due to prior period items	Restated balance as at 1st April, 2021	Changes in Equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2022
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

(B) OTHER EQUITY

For the year ended 31st September 2023

(₹ in lakhs)

Particulars	Capital Reserve	General Reserve	Security premium account	Retained Earnings	Total Equity
Balance as at 1st April, 2023	412.48	980.36	13,872.88	19,696.37	34,962.09
Addition / (Deduction) During the Year	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	50.50	50.50
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
Balance as at 30th September, 2023	412.48	980.36	13,872.88	19,746.87	35,012.59

For the year ended 31st March, 2023

(₹ in lakhs)

Particulars	Capital Reserve	General Reserve	Security premium account	Retained Earnings	Total Equity
Balance as at 1st April, 2022	412.48	980.36	13,872.88	19,693.18	34,958.90
Addition / (Deduction) During the Year	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	3.19	3.19
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
Balance as at 31st March, 2023	412.48	980.36	13,872.88	19,696.37	34,962.09

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

*Prem Singh Sawhney*  
 Prem Singh Sawhney  
 Chairman & Non-Executive Director  
 DIN : 03231054  
 Date : 06/11/2023  
 Place: Ahmedabad

*Shail Savla*  
 Shail Savla  
 Managing Director  
 DIN: 08763064  
 Dated : Nov 06, 2023  
 Place: Ahmedabad





**DEEP ENERGY RESOURCES LIMITED**

CIN: L63090GJ1991PLC014833

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST SEPTEMBER, 2023

(₹ in lakhs)

	TANGIBLE ASSETS	
	Rigs	Total
<b>4 - PROPERTY, PLANT AND EQUIPMENT &amp; CAPITAL WORK-IN-PROGRESS</b>		
<b>Cost of Assets:</b>		
As at 1st April, 2022	219.06	219.06
Addition / Transfers	-	-
Disposal / Adjustments	-	-
As at 31st March, 2023	219.06	219.06
Addition / Transfers	-	-
Disposal / Adjustments	-	-
As at 30th September, 2023	219.06	219.06
<b>Depreciation / Amortization:</b>		
As at 1st April, 2022	80.46	80.46
Charged for the year	6.94	6.94
Disposal / Adjustments	-	-
As at 31st March, 2023	87.40	87.40
Charged for the year	3.47	3.47
Disposal / Adjustments	-	-
As at 30th September, 2023	90.87	90.87
<b>Net Block</b>		
As at 31st March, 2023	131.66	131.66
As at 31st September, 2023	128.19	128.19



**DEEP ENERGY RESOURCES LIMITED**

CIN: L63090GJ1991PLC014833

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST SEPTEMBER 2023

**4 - PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS** (₹ in lakhs)

Amount

**Capital Work-in-Progress**

As at 1 <sup>st</sup> April, 2022	1,194.58
Addition	-
Transfer / Adjustments	-
As at 31 <sup>st</sup> March, 2023	1,194.58
Addition	3.60
Transfer / Adjustments	-
As at 30 <sup>th</sup> September, 2023	1,198.18

(₹ in lakhs)

Capital Work-in-Progress Ageing Schedule	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 Year	
Project in Progress as at 31 <sup>st</sup> March 2023	-	-	-	1,194.58	1,194.58
Project in Progress as at 30 <sup>th</sup> September 2023	0.00	-	-	1,194.58	1,198.18



## DEEP ENERGY RESOURCES LIMITED

CIN: L63090GJ1991PLC014833

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2023

5 - INVESTMENTS - NON-CURRENT	No. of Shares	As at		As at	
		30 <sup>th</sup> Sept, 2023	No. of Shares	31 <sup>st</sup> March, 2023	(₹ in lakhs)
<b>Investments Unquoted</b>					
<b>(A) Investments at Amortised Cost</b>					
<b>(a) Investments in Equity Shares</b>					
<b>- Investment in Subsidiaries</b>					
91.52% share in Deep Energy LLC	30,200	12.41	30,200	12.41	
70% share in Deep Natural Resources Ltd.	3,50,000	3.50	3,50,000	3.50	
78.45% share in Prabha Energy Pvt. Ltd.	9,46,563	1,845.63	9,46,563	1,845.63	
<b>(b) Investments in Preference Shares</b>					
<b>- Investment in Subsidiaries</b>					
Prabha Energy Pvt Ltd					
		<b>1,861.54</b>		<b>1,861.54</b>	

6 - OTHER NON CURRENT ASSETS	As at		As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
Advance Taxes & TDS Receivables of Earlier years (Net of Provisions)		82.81		126.84
		<b>82.81</b>		<b>126.84</b>

7 - TRADE RECEIVABLES - CURRENT	As at		As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
Trade Receivables considered good - Unsecured		5.73		23.93
Less: Allowance for expected credit loss		-		-
		<b>5.73</b>		<b>23.93</b>

Trade Receivables ageing schedule as at 30th September, 2023

Particulars	Outstanding for following periods from Bill date					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables - Considered good	5.73	-	-	-	-	5.73
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
	<b>5.73</b>	-	-	-	-	<b>5.73</b>

Trade Receivables ageing schedule as at 31st March, 2023

Particulars	Outstanding for following periods from Bill date					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed Trade Receivables - Considered good	23.93	-	-	-	-	23.93
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
	<b>23.93</b>	-	-	-	-	<b>23.93</b>



8 - CASH AND CASH EQUIVALENTS	As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
A) Cash on Hand	0.02	0.07
B) Balances with Banks		
- In Current Accounts	0.01	1.39
	0.04	1.46

9 - OTHER BALANCES WITH BANKS	As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
(A) Earmarked balances with banks (Unpaid Dividend)	6.03	6.03
(B) Others	6.03	6.03
- Margin Money deposits with bank held as security with more than 3 months but less than 12 months maturity	21.94	21.75
	21.94	21.75
	27.96	27.79

13 - CURRENT - FINANCIAL ASSETS - LOANS	As at	
	30 <sup>th</sup> Sept, 2023 (Rs. In Lakhs)	31 <sup>st</sup> March, 2023 (Rs. In Lakhs)
Unsecured, considered good;		
Loan to Staff	-	-

10 - OTHER FINANCIAL ASSETS - CURRENT	As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
Interest Accrued & Receivable - Fixed Deposits	0.18	0.14
Interest Accrued & Receivable - Unsecured Loan	260.66	173.84
Security Deposit	22.14	22.14
	282.96	196.12

11 - Loans	As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
Unsecured Considered Good		
Loans	3,000.00	3,000.00
	3,000.00	3,000.00

12 - OTHERS CURRENT ASSETS	As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
Unsecured, considered good, unless otherwise stated		
Prepaid Expenses	2.97	0.17
Advance to Vendors	128.52	218.52
Balance with Govt. Authorities		27.86
Advance Taxes & TDS Receivables (Net of Provisions)		-
GST Receivables	37.21	-
	168.69	246.55

13 - SHARE CAPITAL	As at	
	30 <sup>th</sup> Sept, 2023	31 <sup>st</sup> March, 2023
Authorised:		
3,20,00,000 Equity Shares of Rs. 10 each (P.Y. 3,20,00,000 Equity Shares of Rs. 10 each)	3,200.00	3,200.00
Issued, Subscribed and paid-up:		
3,20,00,000 Equity Shares of Rs. 10 each (P.Y. 3,20,00,000 Equity Shares of Rs. 10 each)	3,200.00	3,200.00

#### 13.1 Reconciliation of number of Equity shares outstanding at the beginning & at the end of the reporting year

Particulars (Equity Shares of Rs.10 Each Fully Paid up)	As at 31 <sup>st</sup> September 2023		As at 31 <sup>st</sup> March 2023	
	No of Shares	Value Rs.	No of Shares	Value Rs.
- At the beginning of the year	3,20,00,000.00	3,200.00	3,20,00,000.00	3,200.00
-- Issue/Adjustments during the period	-	-	-	-
-- Outstanding at the end of the year	3,20,00,000.00	3,200.00	3,20,00,000.00	3,200.00

#### 13.2 Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholders (Equity Shares of Rs.10 Each Fully Paid up)	As at 31 <sup>st</sup> September 2023		As at 31 <sup>st</sup> March 2023	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savia Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savia Family Trust	40,62,576	12.70%	40,62,576	12.70%
Dharen Shantilal Savia	22,68,822	7.09%	22,68,822	7.09%
Priti Paras Savia	20,58,822	6.43%	20,58,822	6.43%
	1,84,67,128	57.71%	1,84,67,128	57.71%

#### 13.3 Details of Equity Shares held by Promoters holding more than 5% of the aggregate shares in the Company

Name of the Shareholders (Equity Shares of Rs.10 Each Fully Paid up)	As at 31 <sup>st</sup> September 2023		As at 31 <sup>st</sup> March 2023	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savia Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savia Family Trust	40,62,576	12.70%	40,62,576	12.70%
Dharen Shantilal Savia	22,68,822	7.09%	22,68,822	7.09%
Priti Paras Savia	20,58,822	6.43%	20,58,822	6.43%
	1,84,67,128	57.71%	1,84,67,128	57.71%

13.4 The Company has only one class of equity shares having a per value of Rs. 10 per share, each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees.

13.5 In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company after Distribution of all Preferential amount, in proportion to Shareholding.

13.6 There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.



14 - OTHER EQUITY		As at 30th Sept, 2023	As at 31st March, 2023
<b>(A) Other Reserves</b>			
<b>Securities Premium</b>			
Balance as per last financial year		13,872.88	13,872.88
Add: Addition during the year			
		<u>13,872.88</u>	<u>13,872.88</u>
<b>Capital Reserve</b>			
Balance as per last financial year		412.48	412.48
Add: Addition during the year			
		<u>412.48</u>	<u>412.48</u>
<b>General Reserve</b>			
Balance as per last financial year		980.36	980.36
Add: Addition during the year			
		<u>980.36</u>	<u>980.36</u>
<b>(B) Retained Earnings</b>			
Balance as per last financial year		19,976.34	19,696.87
Add: Net Profit For the year		50.50	279.47
Less: Appropriations			
		<u>20,026.84</u>	<u>19,976.34</u>
<b>Total</b>		<u><b>35,291.55</b></u>	<u><b>35,242.05</b></u>

#### Nature of Other Reserves

##### Securities Premium Account

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

##### Capital Reserve

Represent a non-distributable reserve.

##### General Reserve

General Reserve is created out of profit after tax earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss.

#### 15 - DEFERRED TAX LIABILITIES (NET)

	As at 30th Sept, 2023	As at 31st March, 2023
Opening Balance		25.30
Addition/ (Reduction) during the year	(0.29)	(1.21)
Closing Balance	<u>25.01</u>	<u>25.30</u>

#### 16 - TRADE PAYABLES - CURRENT

	As at 30th Sept, 2023	As at 31st March, 2023
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of other than micro enterprises and small enterprises		
	<u>83.63</u>	<u>94.80</u>
	<u>83.63</u>	<u>94.80</u>

#### Trade payables ageing schedule as at 30th September, 2023

	Outstanding for following periods from bill date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	83.63	-	-	-	83.63
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-
<b>Total</b>	<u>83.63</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83.63</u>

#### Trade payables ageing schedule as at 31st March, 2023

	Outstanding for following periods from bill date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	94.80	-	-	-	94.80
(iii) Disputed Dues-MSME	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-
<b>Total</b>	<u>94.80</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94.80</u>

#### Note :

##### DUES TO MICRO AND SMALL ENTERPRISES

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particular	As at 30th Sept, 2023	As at 31st March, 2023
(A) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(i) Principal amount due to micro enterprises and small enterprises	-	-
(ii) Interest due on above	-	-
(B) The amount of interest paid by buyer in terms of section 16 of MSME Act, 2006 along with the amount of payment made to supplier beyond the appointed	-	-
(C) 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	-	-
(D) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(E) The amount of further interest remaining due and payable even in succeeding years, until such date when interest dues above are actually paid to the small	-	-



17 - OTHER FINANCIAL LIABILITIES - CURRENT		As at 30th Sept, 2023	As at 31st March, 2023
Unpaid dividends		6.03	5.03
Salary payable		0.51	0.42
Expenses Payable		0.60	30.60
		<u>7.15</u>	<u>37.05</u>
18 - OTHER CURRENT LIABILITIES		As at 30th Sept, 2023	As at 31st March, 2023
Statutory liabilities		0.37	11.01
Other liabilities		-	-
		<u>0.37</u>	<u>11.01</u>
19 - REVENUE FROM OPERATIONS		Year ended 30th Sept, 2023	Year ended 31st March, 2023
(f) Operating Revenues:			
Sale of Services		-	8.96
Sale of Spares		-	-
Sale of Natural Gas		-	1,481.32
			<u>1,490.28</u>
20 - OTHER INCOME		Year ended 30th Sept, 2023	Year ended 31st March, 2023
Interest Income:			
From banks		-	1.38
From subsidiary		114.77	173.84
		<u>114.77</u>	<u>175.22</u>
21 - COST OF MATERIAL CONSUMED & OPERATING EXPENSES		Year ended 30th Sept, 2023	Year ended 31st March, 2023
Purchase of Stock In Trade		0.06	1,022.19
Consumption Spares, Oil & Other Operating Expense		2.36	178.60
		<u>2.42</u>	<u>1,200.79</u>
22 - EMPLOYEE BENEFITS EXPENSES		Year ended 30th Sept, 2023	Year ended 31st March, 2023
Salaries, Wages, Bonus and Other Employee Benefits*		3.11	7.63
Staff & Labour Welfare expenses		-	-
		<u>3.11</u>	<u>7.63</u>
*Includes Directors remuneration			
23 - FINANCE COSTS		Year ended 30th Sept, 2023	Year ended 31st March, 2023
Interest expenses			
- Interest Expenses on Hypothecation & Term loan		-	-
- Interest & Finance Charges on Foreign Credit		-	-
- Other Interest & Finance Charges		-	-
Other borrowing Costs			
Finance Charges		0.09	0.54
		<u>0.09</u>	<u>0.54</u>
24 - DEPRECIATION AND AMORTIZATION EXPENSES		Year Ended 30th Sept, 2023	Year Ended 31st March, 2023
Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)		3.47	6.94
Amortization of Other Intangible Assets (Refer Note No. 4)		-	-
		<u>3.47</u>	<u>6.94</u>



<b>25 - OTHER EXPENSES</b>	Year ended 30th Sept, 2023	Year ended 31st March, 2023
Insurance	-	-
Legal and professional charges	6.48	51.19
Other Operating Related Expenses	-	-
Payment to the auditors For Statutory Audit	-	0.60
Advertisement & Sales Promotion Expenses	0.13	0.38
Listing Fees	3.05	19.50
Director Sitting Fees	0.90	2.35
Miscellaneous Expenses	27.64	5.01
	<u>38.21</u>	<u>79.03</u>

<b>26 - EARNINGS PER EQUITY SHARE</b>	Year ended 30th Sept, 2023	Year ended 31st March, 2023
Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	50.50	279.47
Weighted average number of Equity Shares outstanding during the period (B)	3,20,00,000	3,20,00,000
Nominal value of Equity Shares (₹)	10	10
Basic/Diluted Earnings per Share (₹) (A/B)	<u>0.16</u>	<u>0.87</u>



**Independent Auditor's review report on Quarterly and Year to Date Unaudited Standalone Financial Results of Deep Energy Resources Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

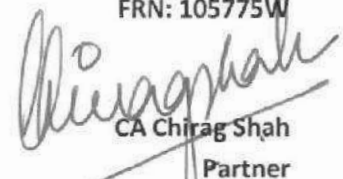
To  
The Board of Directors of  
Deep Energy Resources Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Deep Energy Resources Limited ("the company") for the quarter and half year ended September 30, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial information Performed by the independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Ind As 34, prescribed under section 133 of the Act and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Date: November 06, 2023  
Place: Ahmedabad

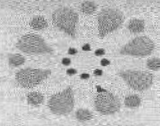
For, Mahendra N Shah & Co.  
Chartered Accountants  
FRN: 105775W

  
CA Chirag Shah  
Partner

Membership No. 045706

UDIN:23045706B6UWKC2633





**DEEP ENERGY RESOURCES LIMITED**  
(FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

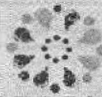
REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058

Ph.: 02717-298510 Fax: 02717-298520, E-mail: - info@deepenergy.ooo; website:http://www.deepenergy.ooo, CIN:L63090GJ1991PLC014833

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30TH SEPTEMBER, 2023**

Sr. No.	Particulars	Standalone					
		Quarter ended			Six Month ended		Year ended
		30-09-2023	30-06-2023	30-09-2022	30-09-2023	30-09-2022	31-03-2023
(Refer Notes below)	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income from Revenue						
	(a) Revenue from operations	-	-	349.43	-	368.50	1,490.28
	(b) Other Income	58.34	56.43	72.29	114.77	78.74	175.22
	<b>Total Income</b>	<b>58.34</b>	<b>56.43</b>	<b>421.72</b>	<b>114.77</b>	<b>447.24</b>	<b>1,665.50</b>
2	Expenses						
	a Cost of materials consumed and Operating Expenses	2.36	-	15.76	2.36	19.16	-
	b Purchase of stock-in-trade		0.06	125.83	0.06	131.82	1,200.79
	c Changes in inventories of Finished goods, work-in-progress		-	-			-
	d Employee benefits expenses	1.56	1.55	1.30	3.11	5.06	7.63
	e Finance cost	0.08	0.01	0.50	0.09	0.52	0.54
	f Depreciation and amortization expenses	1.73	1.74	1.73	3.47	3.47	6.94
	g Other expenses	31.15	7.06	38.93	38.21	49.22	79.03
	<b>Total Expenses</b>	<b>36.88</b>	<b>10.42</b>	<b>184.05</b>	<b>47.30</b>	<b>209.25</b>	<b>1,294.93</b>
3	<b>Profit / (Loss) from ordinary activities before exceptional items and tax</b>	<b>21.46</b>	<b>46.01</b>	<b>237.67</b>	<b>67.47</b>	<b>237.99</b>	<b>370.56</b>
4	Exceptional items	-	-	-	-	-	-
5	<b>Profit / (Loss) from ordinary activities before tax</b>	<b>21.46</b>	<b>46.01</b>	<b>237.67</b>	<b>67.47</b>	<b>237.99</b>	<b>370.56</b>
6	Tax Expense						
	a Provision for taxation (net)	5.54	11.72	59.90	17.26	60.08	92.31
	b Earlier year tax provision (written back)						
	c Provision for Deferred tax liability/(asset)	(0.14)	(0.15)	(0.94)	(0.29)	(1.03)	(1.21)
7	<b>Net Profit / (Loss) for the period</b>	<b>16.07</b>	<b>34.43</b>	<b>178.71</b>	<b>50.50</b>	<b>178.94</b>	<b>279.47</b>
8	Other comprehensive income / (expenses)						
	a. Items that will not be reclassified to profit or loss(net of tax)	-	-	-	-	-	-
	b. Items that will not be reclassified to profit or loss(net of tax)	-	-	-	-	-	-
	<b>Total comprehensive income for the period</b>	<b>16.07</b>	<b>34.43</b>	<b>178.71</b>	<b>50.50</b>	<b>178.94</b>	<b>279.47</b>
9	Paid-up equity share capital (face value of Rs.10/-)	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00
10	Other Equity						35,242.06
11	Earnings per equity of Rs. 10/- each (not annualized)						
	a. Basic (in Rs.)	0.05	0.11	0.56	0.16	0.56	0.87
	b. Diluted (in Rs.)	0.05	0.11	0.56	0.16	0.56	0.87





**DEEP ENERGY RESOURCES LIMITED**  
(FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058  
Ph.: 02717-298510 Fax: 02717-298520, E-mail: - info@deepenergy.ooo; website:http://www.deepenergy.ooo,  
CIN:L63090GJ1991PLC014833

**Standalone Statement of Assets and Liabilities as at 30th September 2023**

Particulars	Standalone	
	Unaudited	Audited
	As at 30-09-2023	As at 31-03-2023
	Rs. In Lakhs	Rs. In Lakhs
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	128.19	131.66
(b) Capital Work in Progress	1,198.18	1,194.58
(c) Intangible Assets	31,852.56	31,852.56
(d) Financial Assets	-	-
(i) Investments	1,861.54	1,861.54
(ii) Loans	-	-
(iii) Others	-	-
(e) Deferred Tax Assets (Net)	-	-
(e) Other Non Current Assets	82.81	126.84
	<b>35,123.28</b>	<b>35,167.17</b>
<b>CURRENT ASSETS</b>		
(a) Inventories	-	-
(b) Current Tax Asset	-	-
(c) Financial Assets	-	-
(i) Investments	-	-
(ii) Trade Receivables	5.73	23.93
(iii) Cash and Cash Equivalents	0.04	1.46
(iv) Bank balances other than above (iii)	27.98	27.79
(v) Other Financial Assets	282.98	196.12
(vi) Loans	3,000.00	3,000.00
(vii) Others	-	-
(c) Other Current Assets	168.69	246.55
	<b>3,485.42</b>	<b>3,495.84</b>
<b>TOTAL ASSETS</b>	<b>38,608.70</b>	<b>38,663.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share Capital	3200.00	3,200.00
(b) Other Equity	35,292.54	35,242.06
	<b>38,492.54</b>	<b>38,442.06</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Other Financial Liabilities	-	-
(b) Deferred Tax Liabilities (Net)	25.01	25.30
(c) Provisions	-	-
	<b>25.01</b>	<b>25.30</b>
<b>CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Borrowings		
(ii) Trade Payables		
- Dues to Micro & Small Enterprises	-	-
- Dues to other than Micro and small enterprises	83.63	94.80
(iii) Other Financial Liabilities	7.15	37.05
(b) Current Tax Liabilities (Net)	-	52.79
(c) Other Current Liabilities	0.37	11.01
	<b>91.15</b>	<b>195.65</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>38,608.70</b>	<b>38,663.01</b>







# DEEP ENERGY RESOURCES LIMITED

(FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058

Ph.: 02717-298510 Fax: 02717-298520, E-mail: - Info@deepenergy.ooo; website:http://www.deepenergy.ooo,

CIN:L63090GJ1991PLC014833

Unaudited Standalone Statement of Cash Flow for half year ended 30th September, 2023

	Standalone	
	As at 30-09-2023	As at 30-09-2022
	Rs. In Lakhs	Rs. In Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax	67.46	237.99
Adjustments for:		
Depreciation and amortization	3.47	3.47
Interest and finance charges	0.09	0.52
Interest Income	(114.77)	(78.74)
(Gain)/Loss on fixed assets sold/ discarded (net)		-
<b>Operating Profit before Working Capital Changes</b>	<b>(43.74)</b>	<b>163.24</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, Loans & Advances and Other Assets	53.01	(203.89)
(Increase)/decrease in inventories		-
Increase/(decrease) in Trade Payables, Other Liabilities & Provisions	(104.51)	(87.72)
<b>Cash Generated from Operations</b>	<b>(95.24)</b>	<b>(128.36)</b>
<b>Income Tax Paid</b>	<b>(17.26)</b>	<b>(131.58)</b>
<b>Net Cashflow from Operating Activities</b>	<b>(112.51)</b>	<b>3.22</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase/ Disposal of fixed assets & CWIP	(3.60)	-
Investments in Fixed Deposit	-	(7.90)
Proceeds from sale of fixed assets	-	-
Proceeds from Fixed Deposits	-	-
Loans Given	-	(3,000.00)
Proceeds from redemption of investment	-	3,000.00
Security Deposit Given	-	-
Interest Received	114.77	78.74
<b>Net Cashflow from Investing Activities</b>	<b>111.17</b>	<b>70.85</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/Payment from Secured Loans		-
Minority Interest		-
Proceeds from long term borrowings		-
Reduction in Security Premium		-
Repayment of Preference Share Capital		-
Share Issue Expense		-
Proceeds from Preference Share		-
Interest and finance charges	(0.09)	(0.52)
<b>Net Cashflow from Financing Activities</b>	<b>(0.09)</b>	<b>(0.52)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(1.43)</b>	<b>73.55</b>
Cash and bank balances at the beginning of the year	1.47	
Cash and bank balances at the end of the period	0.04	



Independent Auditor's review report on Quarterly and Year to Date Unaudited Consolidated Financial Results of Deep Energy Resources Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
**Deep Energy Resources Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Deep Energy Resources Limited** ("the Parent Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and half year September 30, 2023 and for the period from April 01, 2023 to September 30, 2023 ("the Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Parent Company's management and approved by the Parent Company's Board of Directors, has prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial information Performed by the independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of the persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the results of following subsidiaries :
  - Prabha Energy Private Limited
  - Deep Natural Resources Limited
  - Deep Energy LLC, USA
5. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.





**Other Matters**

6. The Consolidated financials statements include unaudited financial statements of Deep Energy LLC, USA whose financial statements reflects total revenue of total revenue of NIL, Net profit NIL for the quarter ended on that date, as considered in the financial results. These financial statements are unaudited and have been furnished to us by the management and our opinion on the statement, in so far it relates to the amount and disclosure included in respect of this subsidiary, is based on solely on such unaudited financial statements. Our conclusion is not modified in respect of this matter.



For, Mahendra N Shah & Co.  
Chartered Accountants

FRN : 105775W

*Chirag Shah*  
CA Chirag Shah

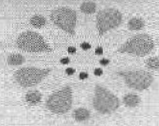
Partner

Membership No. 045706

Date: November 6, 2023

Place: Ahmedabad

UDIN : 23045706B6UWKD7098



**DEEP ENERGY RESOURCES LIMITED**  
(FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058

Ph.: 02717-298510 Fax: 02717-298520, E-mail: - info@deepenergy.ooo; website:http://www.deepenergy.ooo,

CIN:L63090GJ1991PLC014833

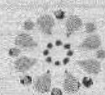
**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30TH SEPTEMBER, 2023**

(Rs. In Lakhs except per share data)

Sr. No.	Particulars	Consolidated					
		Quarter ended			Six Month ended		Year ended
		30-09-2023	30-06-2023	30-09-2022	30-09-2023	30-09-2022	31-03-2023
(Refer Notes below)	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income from Revenue						
	(a) Revenue from operations	56.68	51.03	410.16	107.71	488.96	3,345.29
	(b) Other Income	5.89	10.37	21.40	17.26	30.11	30.46
	<b>Total Income</b>	<b>63.58</b>	<b>61.39</b>	<b>431.56</b>	<b>124.97</b>	<b>519.07</b>	<b>3,375.74</b>
2	Expenses						
	a Cost of materials consumed and Operating Expenses	22.92	17.69	40.81	40.62	69.11	387.19
	b Purchase of stock-in-trade	-	-	125.83	-	131.82	2,373.08
	c Changes in inventories of Finished goods, work-in-progress	-	-	-	-	-	-
	d Employee benefits expenses	50.92	46.92	13.29	97.84	29.60	141.60
	e Finance cost	12.14	8.75	7.84	20.89	15.44	28.34
	f Depreciation and amortization expenses	9.61	7.85	7.83	17.46	15.65	31.40
	g Other expenses	35.10	9.06	51.64	44.16	71.16	102.80
	<b>Total Expenses</b>	<b>130.69</b>	<b>90.28</b>	<b>247.24</b>	<b>220.97</b>	<b>332.79</b>	<b>3,064.42</b>
3	Profit / (Loss) from ordinary activities before exceptional items and tax	(67.11)	(28.89)	184.32	(96.00)	186.28	311.33
4	Exceptional Items	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax	(67.11)	(28.89)	184.32	(96.00)	186.28	311.33
6	Tax Expense						
	a Provision for taxation (net)	5.32	11.95	62.26	17.26	63.55	95.14
	b Earlier year tax provision (written back)	-	-	(1.21)	-	(1.21)	-
	c Provision for Deferred tax liability/(asset)	0.14	(1.10)	(2.00)	(0.96)	(1.69)	(0.02)
7	<b>Net Profit / (Loss) for the period</b>	<b>(72.55)</b>	<b>(39.75)</b>	<b>125.27</b>	<b>(112.30)</b>	<b>125.63</b>	<b>216.21</b>
	Net Profit attributable to:						
	a. Owners	(33.54)	(29.95)	117.69	(63.49)	116.32	207.44
	b. Non-controlling interest	(39.01)	(9.80)	7.58	(48.81)	9.31	8.77
8	Other comprehensive income / (expenses)						
	a. Items that will not be reclassified to profit or loss(net of tax)	-	-	-	-	-	-
	b. Items that will not be reclassified to profit or loss(net of tax)	-	-	-	-	-	-
	<b>Total comprehensive income for the period</b>	<b>(72.55)</b>	<b>(39.75)</b>	<b>125.27</b>	<b>(112.30)</b>	<b>125.63</b>	<b>216.21</b>
	Total comprehensive income attributable to:						
	a Owners	(33.54)	(29.95)	117.69	(63.49)	116.32	207.44
	b Non-controlling interest	(39.01)	(9.80)	7.58	(48.81)	9.31	8.77
9	Paid-up equity share capital (face value of Rs.10/-)	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00	3,200.00
10	Other Equity	-	-	-	-	-	36,751.47
11	Earnings per equity of Rs. 10/- each (not annualized)						
	a. Basic (In Rs.)	(0.23)	(0.12)	0.39	(0.35)	0.39	0.68
	b. Diluted (In Rs.)	(0.23)	(0.12)	0.39	(0.35)	0.39	0.68







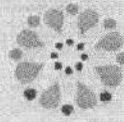
## DEEP ENERGY RESOURCES LIMITED (FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058  
Ph.: 02717-298510 Fax: 02717-298520, E-mail: - info@deepenergy.ooo; website:http://www.deepenergy.ooo,  
CIN:L63090GJ1991PLC014833

### Consolidated Statement of Assets and Liabilities as at 30th September 2023

Particulars	Consolidated	
	Unaudited	Audited
	As at 30-09-2023	As at 31-03-2023
	Rs. In Lakhs	Rs. In Lakhs
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	409.18	342.35
(b) Capital Work In Progress	20,547.13	18,777.94
(c) Intangible Assets	31,852.56	31,852.56
(d) Financial Assets		
(i) Investments	-	-
(ii) Loans	-	-
(iii) Others	-	-
(e) Deferred Tax Assets (Net)	1.96	1.96
(f) Other Non Current Assets	82.81	131.58
	52,893.64	51,106.39
<b>CURRENT ASSETS</b>		
(a) Inventories	1,161.84	585.51
(b) Current Tax Asset	6.80	-
(c) Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	62.72	39.78
(iii) Cash and Cash Equivalents	295.63	93.16
(iv) Bank balances other than above (iii)	487.93	27.79
(v) Other Financial Assets	5,542.94	6,734.08
(vi) Loans	-	-
(vii) Others	-	-
(d) Other Current Assets	329.89	722.48
	7,887.75	8,202.78
<b>TOTAL ASSETS</b>	60,781.39	59,309.17
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity Share Capital	3,200.00	3,200.00
(b) Other Equity	36,687.98	36,751.47
	39,887.98	39,951.47
<b>Non Controlling Interest</b>	2,221.11	2,269.92
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Borrowings	3,616.63	3,399.06
(ii) Other Financial Liabilities	-	296.52
(b) Deferred Tax Liabilities (Net)	70.75	71.95
(c) Provisions	231.74	231.74
	3,919.12	3,999.26
<b>CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ii) Trade Payables		
- Dues to Micro & Small Enterprises	17.27	32.50
- Dues to other than Micro and small enterprises	13,578.56	12,566.03
(iii) Other Financial Liabilities	1,128.14	311.46
(b) Current Tax Liabilities (Net)	29.21	67.69
(c) Other Current Liabilities	-	110.84
	14,753.18	13,088.50
<b>TOTAL EQUITY &amp; LIABILITIES</b>	60,781.39	59,309.17





## DEEP ENERGY RESOURCES LIMITED (FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

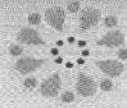
REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058  
Ph.: 02717-298510 Fax: 02717-298520, E-mail: - info@deepenergy.ooo; website:http://www.deepenergy.ooo,  
CIN:L63090GJ1991PLC014833

### Unaudited Consolidated Statement of Cash Flow for half year ended 30th September, 2023

	Consolidated	
	As at 30-09-2023	As at 30-09-2022
	Rs. In Lakhs	Rs. In Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax	(96.00)	184.32
Adjustments for:		
Depreciation and amortization	17.46	15.66
Interest and finance charges	20.89	15.44
Interest Income	(17.26)	(30.11)
(Gain)/Loss on fixed assets sold/ discarded (net)	0.48	
<b>Operating Profit before Working Capital Changes</b>	<b>(74.43)</b>	<b>185.31</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, Loans & Advances and Other Assets	1,609.54	(80.24)
(Increase)/decrease in inventories	(576.33)	119.25
Increase/(decrease) in Trade Payables, Other Liabilities & Provisions	1,406.62	(56.71)
<b>Cash Generated from Operations</b>	<b>2,365.41</b>	<b>(17.70)</b>
<b>Income Tax Paid</b>	<b>62.77</b>	<b>(144.69)</b>
<b>Net Cashflow from Operating Activities</b>	<b>2,302.63</b>	<b>22.92</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase/ Disposal of fixed assets & CWIP	-1,863.28	(901.57)
Investments In Fixed Deposit	(460.15)	(230.53)
Proceeds from sale of fixed assets	9.32	-
Interest Received	17.26	30.11
<b>Net Cashflow from Investing Activities</b>	<b>(2,296.85)</b>	<b>(1,101.99)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/Payment from Secured Loans	-	2,606.48
Proceeds from long term borrowings	217.57	
Repayment of Preference Share Capital	-	(1,581.00)
Proceeds from Preference Share	-	159.00
Interest and finance charges	(20.89)	(15.44)
<b>Net Cashflow from Financing Activities</b>	<b>196.68</b>	<b>1,169.04</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>202.47</b>	<b>89.97</b>
Cash and bank balances at the beginning of the year	93.16	18.37
Cash and bank balances at the end of the period	295.63	108.34







# DEEP ENERGY RESOURCES LIMITED

(FORMERLY KNOWN AS DEEP INDUSTRIES LIMITED)

REGI. OFFICE :12A &14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058  
Ph.: 02717-298510 Fax: 02717-298520, E-mail: - info@deepenergy.ooo; website:http://www.deepenergy.ooo  
CIN:L63090GJ1991PLC014833

## NOTES TO STANDALONE AND CONSOLIDATED RESULTS

- 1 These financial results were reviewed by the Audit Committee, and were approved by the Board of Directors, in their respective meetings held on 06th November 2023.
- 2 The above standalone and Consolidated financial results for the quarter ended September 30 ,2023 and year to date period from April 01, 2023 to September 30, 2023 have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting standards) Rules as amended from time to time and other relevant provisions of the Act.
- 3 The Statutory Auditors of the Company have carried out a "Limited Review" of the above results as per Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015.
- 4 The Company is not required to give segment wise revenue details and capital employed as the Company operates in single business segment.
- 5 The Indian Parliament has recently approved the code on Social Security, 2020. This has also received consent of the Hon'ble President of India. The code when implemented will impact the contribution by the company towards benefits such as Provident Fund, Gratuity etc. The effective date(s) of implementation of this code is yet to be notified. In view of this, any financial impact due to the change will be assessed and accounted for in the period of notification.
- 6 The Consolidated Financial results include the results of following subsidiary companies for the quarter and six months ended 30th September, 2023  
(i) Prabha Energy Private Limited  
(ii) Deep Natural Resources Limited  
(iii) Deep Energy LLC
- 7 The figures for the quarter ended September 30, 2023 are the balancing figures between unaudited figures in respect of the six months ended September 30, 2023 and the published year to date figures upto the first quarter ended June 30, 2023 of the relevant financial year.
- 8 Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

Date: 06/11/2023

Place: Ahmedabad

For, DEEP ENERGY RESOURCES LTD

(Formerly Known as Deep Industries Ltd)

*Shail Savla*

Shail Savla

Managing Director

DIN : 08763064





## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
**Deep Energy Resources Limited (Formerly known as Deep Industries Limited)**  
**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of **Deep Energy Resources Limited (Formerly known as Deep Industries Limited)** (the 'Company') which comprise the Balance Sheet as at March 31, 2023, and the statement of Profit and Loss (including the statement of other comprehensive income), 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 (herein after referred as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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, 2023, and its profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is no key audit matter to communicate in our report.

### Information other than Financial Statements & Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance report and Management Discussion and Analysis (but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon).

Our opinion on the standalone financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information; we are required to report that fact. We have nothing to report in this regard.

### 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting



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

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements: -**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

The comparative financial information of the company for the year ended March 31, 2022 included in standalone financial statement, have been audited by predecessor auditor M/s. Dhirubhai Shah & Co LLP, who had expressed unmodified opinion on the same, vide their report dated May 30, 2022.

#### Report on Other Legal and Regulatory Requirements

1. 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 are necessary for the purpose 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 the examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including statement of other comprehensive income and the Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**";
  - (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013;
  - (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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note 26 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend





or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provide under (a) & (b) above contain any material misstatement.
  - v. (a) The Company has not declared or paid any dividend during the current year.
  - (b) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor’s Report) Order, 2020 (the “Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place : Ahmedabad  
Date : May 29, 2023

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
FRN 105775W  
**Chirag M. Shah**  
*Partner*  
Membership No. 045706  
UDIN: 23045706BGUVSN3131



**“Annexure A” to the Independent Auditors’ Report**

**(Report on the Internal Financial Controls under Clause (1) 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 **Deep Energy Resources Limited (Formerly known as Deep Industries Limited)** (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Opinion**

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports 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 Act.

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



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

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

Place : Ahmedabad  
Date : May 29, 2023

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
FRN 105775W  
**Chirag M. Shah**  
*Partner*  
Membership No. 045706  
UDIN: 23045706BGUVSN3131



**“Annexure B” to the Independent Auditors’ Report**

Referred to in paragraph 15 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

- i. In respect of Company’s Plant Property and Equipment, Right to use of Assets and Intangible Assets:
- (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.  
(ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so as to cover all the assets once every five years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) as disclosed in the financial statements are held in the name of the company. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.
- (d) The Company has not revalued its Property, plant and Equipment (including right to use assets) and its intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The company does not have any inventory, hence reporting under this clause is not applicable  
(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii) (b) of the Order is not applicable.
- iii. The Company has made investments in, provided guarantee to companies and other parties during the year. The Company has granted loans or advances in the nature of loans, secured or unsecured, to companies and any other parties during the year, in respect of which:
- (a) The Company has granted loans or advances in the nature of loans and guarantee during the year and details of which are given below:

(Rs. In lakhs)			
A. Aggregate amount granted / provided during the year:	Loans	Advances in nature of loan	Guarantee
- Subsidiaries	3,000.00	-	-
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	-

(Rs. In lakhs)			
B. Balance outstanding as at balance sheet date:	Loans	Advances in nature of loan	Guarantee
- Subsidiaries	3,173.84	-	920
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	-

- (b) The grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company’s interest.
- (c) The Company has granted loans or provided advances in the nature of loan are payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.



- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:

Particulars	All Parties- Including Related Party* (Rs. In Lakhs)	Promoters* (Rs. In Lakhs)	Related Parties* (Rs. In Lakhs)
Aggregate amount of loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment	3,173.84	Nil	3,173.84
Percentage of loans to the total loans	100%	Nil	100%

- iv. In our opinion and according to the information and explanations given to us, the company has not entered into any transaction covered under Section 185 and 186 of the Act in respect of investments made, guarantee given and loans granted, to the extent applicable to the Company.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. In our opinion and according to the information and explanations given to us, company is not required to maintain cost records as per Section 148. Hence reporting under clause (VI) of the Order is not applicable.
- vii. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,
- (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues 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, 2023 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2023 on account of any dispute, except the following:

Name of statute	Nature of Dues	Amount (in Lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1,499.16	2018-19	CIT-Appeals
Income Tax Act, 1961	Income Tax	262.25	2016-17	CIT-Appeals

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans availed by the company were, applied by the company during the year for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary, associate or joint venture.
- x. (a) According to 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) during the year and hence reporting under clause x(a) of the Order is not applicable.



- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the company during the year and covering the period up to 31<sup>st</sup> March, 2023.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) & (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company during the year and there were no issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
FRN 105775W

**Chirag M. Shah**  
*Partner*

Membership No. 045706  
UDIN: 23045706BGUVSN3131

Place : Ahmedabad  
Date : May 29, 2023



STANDALONE BALANCE SHEET AS AT 31ST MARCH 2023

₹ In Lakhs

ASSETS	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	4	131.66	138.60
(b) Capital Work in Progress	4	1,194.58	1,194.58
(c) Intangible Assets	4	31,852.56	31,852.56
(d) Financial Assets			
(i) Investments	5	1,861.54	4,861.54
(e) Income Tax Assets (Net)	6	126.84	126.84
		<u>35,167.17</u>	<u>38,174.12</u>
<b>CURRENT ASSETS</b>			
(a) Financial Assets			
(i) Trade Receivables	7	23.93	12.80
(ii) Cash and Cash Equivalents	8	1.46	3.02
(iii) Bank balances other than above	9	27.79	20.48
(iv) Other Financial Assets	10	196.12	0.08
(v) Loans	11	3,000.00	-
(b) Other Current Assets	12	246.55	1.80
		<u>3,495.84</u>	<u>38.18</u>
<b>TOTAL ASSETS</b>		<u><b>38,663.01</b></u>	<u><b>38,212.30</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	3,200.00	3,200.00
(b) Other Equity	14	35,242.06	34,962.09
<b>Total Equity</b>		<u><b>38,442.06</b></u>	<u><b>38,162.09</b></u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Deferred Tax Liabilities (Net)	15	25.30	26.51
		<u>25.30</u>	<u>26.51</u>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Trade Payables			
- Dues to Micro & Small Enterprises	16	-	-
- Dues to Other than Micro & Small Enterprises	16	94.80	3.29
(ii) Other Financial Liabilities	17	37.05	9.63
(b) Current tax liabilities(Net)		52.79	-
(c) Other Current Liabilities	18	11.01	10.78
		<u>195.65</u>	<u>23.70</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><b>38,663.01</b></u>	<u><b>38,212.30</b></u>

The accompanying notes are an integral part of the Standalone Financial Statements

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

As per our report of even date attached  
For **MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

Place : Ahmedabad  
Date : 29/05/2023

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456





**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST, MARCH, 2023**

(` in Lakhs except per equity share data)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
Revenue from operations	19	1,490.28	43.43
Other income	20	175.22	0.29
<b>TOTAL INCOME</b>		<b>1,665.50</b>	<b>43.71</b>
<b>EXPENSES</b>			
Cost of Material Consumed & Operating Expenses	21	1,200.79	-
Employee benefits expenses	22	7.63	12.14
Finance Costs	23	0.54	0.25
Depreciation and amortization expenses	24	6.94	6.94
Other expenses	25	79.03	20.80
<b>TOTAL EXPENSES</b>		<b>1,294.94</b>	<b>40.12</b>
<b>Profit before exceptional items and tax</b>		<b>370.56</b>	<b>3.59</b>
Exceptional items (net)		-	-
<b>Profit before tax</b>		<b>370.56</b>	<b>3.59</b>
Tax items			
(i) Current tax		92.31	0.52
(ii) Deferred Tax Income		(1.21)	(0.12)
Total tax items		91.09	0.40
<b>Profit for the year</b>		<b>279.47</b>	<b>3.19</b>
<b>Other Comprehensive Income</b>			
Items that will not be re-classified to Profit or Loss			
Items that will be re-classified to Profit or Loss			
Income tax relating to items that will not be reclassified to Profit or Loss			
		-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>279.47</b>	<b>3.19</b>
<b>Earnings Per Equity Share of face value of 10 each</b>			
(1) Basic	26	0.87	0.01
(2) Diluted	26	0.87	0.01

The accompanying notes are an integral part of the Standalone Financial Statements

**FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED**

As per our report of even date attached  
For **MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456

Place : Ahmedabad  
Date : 29/05/2023





STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

PARTICULARS	(` in lakhs)	
	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	370.56	3.59
Adjustments for:		
Depreciation and amortization	6.94	6.94
Interest and finance charges	0.54	0.25
Interest income	(175.22)	(0.29)
<b>Operating Profit before Working Capital Changes</b>	<b>202.83</b>	<b>10.49</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	(284.87)	9.59
Increase/(decrease) in trade payables, other liabilities and provisions	119.16	(11.22)
<b>Cash Generated from Operations</b>	<b>37.12</b>	<b>8.86</b>
Income taxes paid	39.51	0.88
<b>Net Cash (Used) / generated by Operating activities (Total A)</b>	<b>(2.39)</b>	<b>7.98</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions in capital work in progress	-	(5.00)
Loans Given	(3,000.00)	-
Redemption of Investment	3,000.00	-
Interest Received	1.38	0.29
<b>Net Cash (Used) / generated by Investing activities (Total B)</b>	<b>1.38</b>	<b>(4.71)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest and finance charges	(0.54)	(0.25)
<b>Net Cash used in Financing activities (Total C)</b>	<b>(0.54)</b>	<b>(0.25)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(1.55)</b>	<b>3.02</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>3.02</b>	<b>-</b>
<b>Cash and bank balances at the end of the year</b>	<b>1.47</b>	<b>3.02</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

DETAIL OF CASH AND CASH EQUIVALENTS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Balances with banks		
In current accounts	1.39	3.02
Cash on hand	0.07	-
	<b>1.46</b>	<b>3.02</b>

**FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED**

As per our report of even date attached  
**For MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

Place : Ahmedabad  
Date : 29/05/2023

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(A) EQUITY SHARE CAPITAL

For the year ended 31<sup>st</sup> March, 2023

(` In Lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2022	Change in Equity share capital due to prior period items	Restated balance as at 1st April, 2022	Changes in Equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2023
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

For the year ended 31<sup>st</sup> March, 2022

(` In Lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2021	Change in Equity share capital due to prior period items	Restated balance as at 1st April, 2021	Changes in Equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2022
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

(B) OTHER EQUITY

For the year ended 31st March, 2023

Particulars	Capital Reserve	General Reserve	Security premium account	Retained Earnings	Total Equity
Balance as at 1st April, 2022	412.48	980.36	13,872.88	19,696.37	34,962.09
Addition / (Deduction) During the Year	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	279.47	279.47
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>412.48</b>	<b>980.36</b>	<b>13,872.88</b>	<b>19,975.84</b>	<b>35,241.56</b>

For the year ended 31st March, 2022

Particulars	Capital Reserve	General Reserve	Security premium account	Retained Earnings	Total Equity
Balance as at 1st April, 2021	412.48	980.36	13,872.88	19,693.18	34,958.90
Addition / (Deduction) During the Year	-	-	-	-	-
Transferred from Statement of Profit and Loss	-	-	-	3.19	3.19
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>412.48</b>	<b>980.36</b>	<b>13,872.88</b>	<b>19,696.37</b>	<b>34,962.09</b>

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

As per our report of even date attached  
**For MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

Place : Ahmedabad  
Date : 29/05/2023

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456



**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2023**

**1. CORPORATE INFORMATION**

Deep Energy Resources Limited (the Company) is a public limited company domiciled in India having its registered offices situated at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad Ahmedabad GJ 380058. The Company was incorporated on 1st January, 1991, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. Deep Energy Resources Ltd (DERL) is a well diversified oil & gas company serving the industry since 1991 with business interests in Air and Gas compression, Gas Dehydration, work over, Drilling and Oil & Gas Exploration and Production. DERL is the first company in India to provide high pressure Air and Gas compressors on charter hire basis. DERL is the largest Natural Gas Compression services provider in India and has also diversified into providing of work-over & Drilling services to exploration and production (E&P) players through its fleet of rigs.

**2. Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

These financial statements have been prepared on a historical cost convention basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit plans assets measured at fair value.
- Derivative financial instruments

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

**2.1 Summary of significant accounting policies**

**a) Current versus non-current classification**

**An asset is treated as current when it is:**

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- (ii) Held primarily for the purpose of trading; or
- (iii) Expected to be realized within twelve months after the reporting period; or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is treated as current when it is:**

- (i) Expected to be settled in normal operating cycle; or
- (ii) Held primarily for the purpose of trading; or
- (iii) Due to be settled within twelve months after the reporting period; or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b) Foreign currencies**

The Company financial statements are presented in Indian Rupees. The Company determines the functional currency and items included in the financial statements are measured using that functional currency.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.



Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. 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 (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**c) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value are disclosed in the relevant notes.

**d) Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.



### **Sale of products/ Service**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Company collects Goods & Service Tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Company adjusts estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

### **Interest Income**

Other revenue streams Interest Income For all debt instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in "other income" in the Statement of Profit and Loss.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

### **Dividend income**

Dividend on financial assets is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### **Contract balances**

#### **Contract assets**

A contract asset is initially recognised for revenue earned from sale of goods or services. Upon acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

#### **Trade receivables**

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

#### **Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

## **e) Taxes**

### **Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

### **Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.



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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

**f) Property, plant and equipment (PPE)**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a Straight Line Method (SLM) over the estimated useful lives of assets.

The Company has based on a technical review and re-assessment by the management, decided to adopt the existing useful life for certain asset blocks which is lower as against the useful life recommended in Schedule II to the Companies Act, 2013, since the Company believes that the estimates followed are reasonable and appropriate, considered current usage of such assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**g) Intangible Assets**

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**Software**

Cost of software is amortised over its useful life of 36 months starting from the month of project implementation. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.





**h) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**i) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section "Impairment of non-financial assets".

**ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of guest house. (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of guest house that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**j) Inventories**

Inventories are stated at lower of cost and net realisable value.





Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads (to the extent apportioned based on the stage of completion) based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

#### **k) Impairment of non-financial assets**

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus, if any, taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

#### **l) Provisions, contingent liabilities and contingent assets**

##### **Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. Contingent liabilities are disclosed by way of note to the financial statements.

##### **Contingent Assets**

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Contingent assets are neither recognised nor disclosed in the financial statements.



**m) Retirement and other employee benefits**

**Provident fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Company contributes to Life Insurance Corporation of India (LIC) and SBI Life Insurance Company Limited, a funded defined benefit plan for qualifying employees.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**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 recognised on an undiscounted accrual basis during the year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

**Long-term employee benefits**

Other long term employee benefits comprise of compensated absences/leaves. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

**n) Financial instruments**

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

**Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section "Revenue from contracts with customer".



In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### **Subsequent measurement**

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

- financial assets at amortised cost
- financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- financial assets at fair value through profit or loss

### **Financial assets at amortised cost**

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits and other receivables.

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

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through other comprehensive income (OCI), interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss

The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

### **Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.



Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its non-listed equity investments under this category.

#### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

#### **Derecognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of financial assets**

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

- a) financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

##### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:



- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes 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 recognised in the profit or loss.

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

#### **Financial liabilities at amortised cost (Loans and borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### **Derecognition**

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

#### **Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **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.

#### **o) Derivative financial instruments**

The Company uses derivative financial instruments such as foreign currency forward contracts and option currency contracts to hedge its foreign currency risks arising from highly probable forecast transactions. The counterparty for these contracts is generally a bank.

#### **Derivatives not designated as hedging instruments**

This category has derivative assets or liabilities which are not designated as hedges.





Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109. Any derivative that is either not designated a hedge, or is so designated but is ineffective, is recognized on balance sheet and measured initially at fair value. Subsequent to initial recognition, derivatives are re-measured at fair value, with changes in fair value being recognized in the statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**p) Cash & Cash Equivalents**

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

**q) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**r) Dividend**

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

**s) Investment in subsidiaries, joint ventures and associates**

Equity investments in subsidiaries, joint ventures and associates are shown at cost less impairment, if any. The Company tests these investments for impairment in accordance with the policy applicable to 'Impairment of non-financial assets'. Where the carrying amount of an investment or CGU to which the investment relates is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognized in the Statement of Profit and Loss.

**2.2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

**Useful lives of Intangible assets**

The intangible assets are amortised over the estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Useful lives of depreciable tangible assets**

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Company.

**Defined benefit plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments



in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for determined period and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows, the growth rate used for extrapolation purposes and the impact of general economic environment (including competitors).

### 2.3 Other Notes

#### a) Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

#### b) Regulatory Updates :

- i) Standards notified but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

Ind AS 1: Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments in Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

These amendments shall come into force with effect from April 01, 2023. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.





NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31ST MARCH 2023

		(` In Lakhs)	
		TANGIBLE ASSETS	
		Rigs	Total
<b>4 -</b>	<b>PROPERTY, PLANT AND EQUIPMENT &amp; CAPITAL WORK-IN-PROGRESS</b>		
	<b>Cost of Assets:</b>		
	<b>As at 1st April, 2021</b>	219.06	219.06
	Addition / Transfers	-	-
	Disposal / Adjustments	-	-
	<b>As at 31st March, 2022</b>	<u>219.06</u>	<u>219.06</u>
	Addition / Transfers	-	-
	Disposal / Adjustments	-	-
	<b>As at 31st March, 2023</b>	<u>219.06</u>	<u>219.06</u>
	<b>Depreciation / Amotization:</b>		
	<b>As at 1st April, 2021</b>	73.51	73.51
	Charged for the year	6.94	6.94
	Disposal / Adjustments	-	-
	<b>As at 31st March, 2022</b>	<u>80.46</u>	<u>80.46</u>
	Charged for the year	6.94	6.94
	Disposal / Adjustments	-	-
	<b>As at 31st March, 2023</b>	<u>87.40</u>	<u>87.40</u>
	<b>Net Block</b>		
	<b>As at 31st March, 2022</b>	138.60	138.60
	<b>As at 31st March, 2023</b>	131.66	131.66

**Notes:**

a) The company doesn't have any immovable property where the title deeds are not held in the name of the Company.

Particular	INTANGIBLE ASSETS	
	Goodwill	Total
<b>Cost of Assets:</b>		
<b>As at 1st April, 2021</b>	31,852.56	31,852.56
Addition / Transfers	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2022</b>	<u>31,852.56</u>	<u>31,852.56</u>
Addition / Transfers	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2023</b>	<u>31,852.56</u>	<u>31,852.56</u>
<b>Depreciation / Amotization:</b>		
<b>As at 1st April, 2021</b>	-	-
Charged for the year	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2022</b>	<u>-</u>	<u>-</u>
Charged for the year	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2023</b>	<u>-</u>	<u>-</u>
<b>Net block</b>		
<b>As at 31st March, 2022</b>	31,852.56	31,852.56
<b>As at 31st March, 2023</b>	31,852.56	31,852.56
<b>Capital Work-in-Progress</b>		
As at 1 <sup>st</sup> April, 2021		1,189.58
Addition		5.00
Transfer / Adjustments		-
<b>As at 31<sup>st</sup> March, 2022</b>		<u>1,194.58</u>
Addition		-
Transfer / Adjustments		-
<b>As at 31<sup>st</sup> March, 2023</b>		<u>1,194.58</u>

**Capital Work-in-Progress Ageing Schedule**

	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 Year	
Project in Progress as at 31 <sup>st</sup> March 2022	5.00	-	-	1,189.58	1,194.58
<b>Project in Progress as at 31<sup>st</sup> March 2023</b>	<b>0.00</b>	<b>5.00</b>	<b>-</b>	<b>1,189.58</b>	<b>1,194.58</b>

The company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan.



(` In Lakhs)					
Sr. No.	Particulars	No. of Shares	As at 31 <sup>st</sup> March, 2023	No. of Shares	As at 31 <sup>st</sup> March, 2022
<b>5 - INVESTMENTS - NON-CURRENT</b>					
<b>Investments at Cost</b>					
<b>Investments in Subsidiaries (Unquoted)</b>					
<b>(a) Investments in Equity Shares</b>					
- <b>Investment in Subsidiaries</b>					
	91.52% share in Deep Energy LLC	30,200	12.41	30,200	12.41
	70% share in Deep Natural Resources Ltd.	3,50,000	3.50	3,50,000	3.50
	53.16% share in Prabha Energy Pvt. Ltd. (PY: 78.45%)	9,46,563	1,845.63	9,46,563	1,845.63
<b>(b) Investments in Preference Shares</b>					
	Prabha Energy Private Limited	-	-	15,00,000	3,000.00
		<u>1,861.54</u>		<u>4,861.54</u>	
Book Value of Unquoted Investment		<u>1,861.54</u>		<u>4,861.54</u>	
* Investment in Subsidiaries is carried at Cost in accordance with Ind AS 27					

(` In Lakhs)			
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>6 - INCOME TAX ASSETS (Net)</b>			
	Advance Taxes & TDS Receivables of Earlier years (Net of Provisions)	126.84	126.84
		<u>126.84</u>	<u>126.84</u>
<b>7 - TRADE RECEIVABLES - CURRENT</b>			
	Trade Receivables considered good - Unsecured	23.93	12.80
	Less: Allowance for expected credit loss	-	-
		<u>23.93</u>	<u>12.80</u>

**Notes:**

The concentration of credit risk is very limited due to the fact that the large customers are mainly public sector units (which are government undertakings). Hence, Expected Credit Loss is Nil.

Particulars	Outstanding for following periods from Bill date						Total
	Non Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade Receivables ageing schedule as at 31st March, 2023</b>							
i.	Undisputed Trade Receivables - Considered good	-	23.93	-	-	-	23.93
ii.	Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii.	Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv.	Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v.	Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi.	Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
		-	23.93	-	-	-	23.93
<b>Trade Receivables ageing schedule as at 31st March, 2022</b>							
i.	Undisputed Trade Receivables - Considered good	-	12.80	-	-	-	12.80
ii.	Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii.	Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv.	Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v.	Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi.	Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
		-	12.80	-	-	-	12.80



		(` In Lakhs)	
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>8 -</b>	<b>CASH AND CASH EQUIVALENTS</b>		
A)	Cash on Hand	0.07	0.02
B)	Balances with Banks		
-	In Current Accounts	1.39	3.00
		1.46	3.02
<b>9 -</b>	<b>BANK BALANCES OTHER THAN ABOVE</b>		
(A)	Earmarked balances with banks (Unpaid Dividend)	6.03	6.79
(B)	Others		
-	Margin Money deposits with bank held as security with more than 3 months but less than 12 months maturity	21.75	13.69
		27.79	20.48
	Margin money is given against Gaurantee given. (Refer Note 27)		
<b>10 -</b>	<b>OTHER FINANCIAL ASSETS - CURRENT</b>		
	Interest Accrued & Receivable - Fixed Deposits	0.14	0.08
	Interest Accrued & Receivable - Loan to subsidiary*	173.84	-
	Security Deposit	22.14	-
		196.12	0.08
	* For interest from subsidiaries, refer note 30		
<b>11 -</b>	<b>OTHER FINANCIAL ASSETS - LOANS</b>		
	Unsecured considered good		
	Loan to Subsidiary (Refer note 30)	3,000.00	-
		3,000.00	-
<b>12 -</b>	<b>OTHERS CURRENT ASSETS</b>		
	<b>Unsecured, considered good, unless otherwise stated</b>		
	Prepaid Expenses	0.17	0.07
	Advance to Vendors	218.52	0.56
	Balance with Govt Authorities*	27.86	1.18
		246.55	1.80
	* Balance with Government authorities includes GST.		
<b>13 -</b>	<b>SHARE CAPITAL</b>		
	<b>Authorised:</b>		
	3,20,00,000 (PY 31st March,2022 : 3,20,00,000 )Equity Shares of Rs. 10 each	3,200.00	3,200.00
	<b>Issued, Subscribed and paid-up:</b>		
	3,20,00,000 (PY 31st March,2022 : 3,20,00,000 ) Equity Shares of Rs. 10 each	3,200.00	3,200.00
<b>13.1</b>	<b>Reconciliation of number of Equity shares outstanding at the beginning &amp; at the end of the reporting year</b>		
	<b>Particulars (Equity Shares of ` 10 Each Fully Paid up)</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
		No of Shares	No of Shares
		Value `	Value `
—	At the beginning of the year	3,20,00,000	3,20,00,000
—	Issue/Adjustments during the period	-	-
—	Outstanding at the end of the year	3,20,00,000	3,20,00,000
<b>13.2</b>	<b>Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>		
	<b>Name of the Shareholders (Equity Shares of ` 10 Each Fully Paid up)</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
		No. of Share held	No. of Share held
		% of Holding	% of Holding
	Rupesh Savla Family Trust	1,00,76,908	1,00,76,908
	Shantilal Savla Family Trust	40,62,576	40,62,576
	Dharen Shantilal Savla	22,68,822	22,68,822
	Priti Paras Savla	20,58,822	20,58,822
		1,84,67,128	1,84,67,128
		57.71%	57.71%



**13.3 Details of Equity Shares held by Promoters holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders (Equity Shares of ₹ 10 Each Fully Paid up)	As at 31st March, 2023		As at 31st March, 2022	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Dharen Shantilal Savla	22,68,822	7.09%	22,68,822	7.09%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
	<b>1,84,67,128</b>	<b>57.71%</b>	<b>1,84,67,128</b>	<b>57.71%</b>

**13.4** The Company has only one class of equity shares having a par value of Rs. 10 per share, each shareholder is eligible for one vote per share. The dividend if proposed by the Board of Directors is subject to approval of share holder in ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining Assets of the company after Distribution of all Preferential amount, in proportion to Shareholding. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

Sr. No.	Particulars	( ₹ In Lakhs)	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>14 - OTHER EQUITY</b>			
<b>(A) Other Reserves</b>			
	<b>Securities Premium</b>		
	Balance as per last financial year	13,872.88	13,872.88
	Add: Addition during the year	-	-
		<b>13,872.88</b>	<b>13,872.88</b>
	<b>Capital Reserve</b>		
	Balance as per last financial year	412.48	412.48
	Add: Addition during the year	-	-
		<b>412.48</b>	<b>412.48</b>
	<b>General Reserve</b>		
	Balance as per last financial year	980.36	980.36
	Add: Addition during the year	-	-
		<b>980.36</b>	<b>980.36</b>
<b>(B) Retained Earnings</b>			
	Balance as per last financial year	19,696.87	19,693.18
	Add: Net Profit For the year	279.47	3.19
	Less: Appropriations	-	-
		<b>19,976.34</b>	<b>19,696.87</b>
	<b>Total</b>	<b>35,242.06</b>	<b>34,962.09</b>

**Nature of Other Reserves**

**Securities Premium Account**

Securities Premium is used to record the premium on issue of shares, pursuant to scheme to demerger of Deep Energy. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**Capital Reserve**

Represent a non-distributable reserve.

**General Reserve**

General Reserve is created out of profit after tax earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss

**Retained Earning**

Retained earnings represents the amount of profits or losses of the company earned till date net of appropriation.



Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(` In Lakhs)			
<b>15 - DEFERRED TAX LIABILITIES (NET)</b>			
	Opening Balance	26.51	26.63
	Addition/ (Reduction) during the year	(1.21)	(0.12)
	Closing Balance	<u>25.30</u>	<u>26.51</u>
	Deferred Tax Liabilities		
	Difference between Tax Base and Book Base	<u>25.30</u>	<u>26.51</u>
	Gross Deferred Tax Liabilities (a)	<u>25.30</u>	<u>26.51</u>
	Deferred Tax Assets		
	Difference between Tax Base and Book Base	-	-
	Deferred Tax Assets (b)	-	-
	Net Deferred Tax Liabilities	<u>25.30</u>	<u>26.51</u>

Movement in Deferred Tax is recognised through Profit and Loss statement and nothing is recognised in Other Comprehensive Income.

**16 - TRADE PAYABLES - CURRENT**

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of other than micro enterprises and small enterprises	<u>94.80</u>	<u>3.29</u>
	<u>94.80</u>	<u>3.29</u>

	Outstanding for following periods from bill date					Total
	Non Due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	

**Trade payables ageing schedule  
as at 31st March, 2023**

(i) MSME	-	-	-	-	-	-
(ii) Others	-	94.80	-	-	-	94.80
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	-	94.80	-	-	-	94.80

**Trade payables ageing schedule  
as at 31st March, 2022**

(i) MSME	-	-	-	-	-	-
(ii) Others	-	3.29	-	-	-	3.29
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
<b>Total</b>	-	3.29	-	-	-	3.29

Note :

**DUES TO MICRO AND SMALL ENTERPRISES**

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023 (` In Lakhs)	As at 31 <sup>st</sup> March, 2022 (` In Lakhs)
(A)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	(i) Principal amount due to micro enterprises and small enterprises	-	-
	(ii) Interest due on above	-	-
(B)	The amount of interest paid by buyer in terms of section 16 of MSMED Act, 2006 along with the amount of payment made to supplier beyond the appointed day during the year.	-	-
(C)	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	-	-
(D)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(E)	The amount of further interest remaining due and payable even in succeeding years, until such date when interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under section 23 of MSMED Act, 2006	-	-



		(` In Lakhs)	
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>17 -</b>	<b>OTHER FINANCIAL LIABILITIES - CURRENT</b>		
	Unpaid dividends	6.03	6.79
	Palary payable	0.42	2.54
	Expenses Payable	30.60	0.30
		<u>37.05</u>	<u>9.63</u>
<b>18 -</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory liabilities*	11.01	1.62
	Other Liabilities	-	9.16
		<u>11.01</u>	<u>10.78</u>
	* Statutory liabilities includes TDS & Professional Tax.		
Sr. No.	Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>19 -</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Natural Gas		
	Domestic	1,481.32	-
	Sale of Services		
	Domestic	8.96	43.43
		<u>1,490.28</u>	<u>43.43</u>
<b>20 -</b>	<b>OTHER INCOME</b>		
	Interest Income:		
	From banks	1.38	0.29
	From subsidiary*	173.84	-
		<u>175.22</u>	<u>0.29</u>
	* For interest from related parties, refer note 30.		
<b>21 -</b>	<b>COST OF MATERIAL CONSUMED &amp; OPERATING EXPENSES</b>		
	Purchase of Natural Gas	1,022.19	-
	Consumption Spares, Oil & Other Operating Expense	178.60	-
		<u>1,200.79</u>	<u>-</u>
<b>22 -</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salaries, Wages, Bonus and Other Employee Benefits*	7.63	12.14
		<u>7.63</u>	<u>12.14</u>
	*Includes Directors remuneration (Refer note 30)		
<b>23 -</b>	<b>FINANCE COSTS</b>		
	<u>Other borrowing costs</u>		
	Finance Charges	0.54	0.25
		<u>0.54</u>	<u>0.25</u>
<b>24 -</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation & Amortization of Property, Plant & Equipments	6.94	6.94
	Amortization of Other Intangible Assets	-	-
		<u>6.94</u>	<u>6.94</u>
<b>25 -</b>	<b>OTHER EXPENSES</b>		
	Legal and professional charges	51.19	9.60
	Other Operating Related Expenses	-	0.22
	Payment to the auditors		
	For Statutory Audit	0.60	0.30
	Advertisement & Sales Promotion Expenses	0.38	0.44
	Listing Fees	19.50	5.40
	Director Sitting Fees	2.35	1.85
	Miscellaneous Expenses	5.01	2.99
		<u>79.03</u>	<u>20.80</u>



Sr. Particulars No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>26 - EARNINGS PER EQUITY SHARE</b>		
Net Profit attributable to the Equity Shareholders (₹ in lakhs) (A)	279.47	3.19
Weighted average number of Equity Shares outstanding during the period (B)	3,20,00,000	3,20,00,000
Nominal value per equity share (in Rupees)	10	10
Basic/Diluted Earnings per Share (₹) (A/B)	0.87	0.01

**27 - CONTINGENT LIABILITIES AND COMMITMENTS**

**CONTINGENT LIABILITIES**

(a) Claims against the Company not acknowledged as debts (Net of Payments)	2,280.38	2,280.38
Statute Amount		
Service Tax	150.03	
Income Tax	2,125.01	
TDS (Income Tax)	5.34	
(b) Guarantees given (Net)	930.03	920.00

**CAPITAL COMMITMENTS**

	-	-
--	---	---

**28 - SEGMENT REPORTING**

As per para 4 of Ind AS 108 "Operating Segments", if a single financial report contains both consolidated financial statements and the separate financial statements of the Parent Company, segment information may be presented on the basis of the consolidated financial statements. Thus, the information related to disclosure of operating segments required under Ind AS 108 "Operating Segments", is given in Consolidated Financial Statements.

**The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is:**

Name of the customer	(₹ in lakhs) Amount	% Share to Total Sales
Enertech Fuel Solutions Private Limited	714.56	48%
Hindalco Industries Limited	218.05	15%
Indian Oil-Adani Gas Private Limited	183.04	12%
Gail India Limited	168.75	11%
	<b>1,284.40</b>	<b>86%</b>
<b>Total Annual Sales During the year</b>	<b>1,490.28</b>	<b>100%</b>

**29 - CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits (determined under section 198 of the Companies Act 2013 and section 349 of the Companies Act 1956) made during the immediately three financial years. However, due to arriving at net loss for average of preceding three financial years calculated as per Section 198 of the Companies Act, 2013, the company is not required to spend any amount on CSR activities for Financial Year 2022-23.

Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. NIL).

**30 - RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24**

**30.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.**

**1. Subsidiaries**

- Deep Energy LLC, USA - Deep Natural Resources Limited - Prabha Energy Private Limited

**2. Enterprises significantly influences by KMP, or Relatives of KMP**

- Savla Oil & Gas Private Limited

**3. Key Management Personnel**

Name	Designation
Mr. Shail Savla	Managing Director (w.e.f 10.06.2021)
Mr. Kirit Joshi	Independent Director (Resigned w.e.f 08.07.2021)
Mrs. Shaily Dedhiya	Independent Director
Mr. Hemendrakumar Shah	Independent Director
Mr. Premsingh Sawhney	Chairman and Non-Executive Director
Mr. Navin Chandra Panday	Independent Director
Mr. Ajaykumar Singhania	Executive Director
Mr. Shashvat Shah	Chief Financial Officer
Mr. Divesh Senjaliya	Company Secretary (w.e.f 12.11.2022)
Ms. Dixita Soni	Company Secretary (Resigned w.e.f 22.10.2022)





### 30.2 Transactions with related parties:

(` in lakhs)

Nature of Transaction	Name of Related Party		
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1. Managerial Remuneration	Mr. Ajay Singhaniya	0.83	1.50
	Mr. Shail Manoj Savla	1.20	0.90
	Ms. Dixita Soni	2.05	3.60
	Mr. Divesh Senjaliya	1.66	
2. Sitting Fees	Mr. Hemendrakumar Shah	0.50	0.50
	Mrs. Shaily Dedhia	0.50	0.50
	Mr. Kirit V. Joshi	0.10	0.10
	Mr. Navin Chandra Pandey	1.25	0.75
3. Interest Income	Prabha Energy Private Limited	173.84	-
4. Proceeds from Redemption of Preference Shares	Prabha Energy Private Limited	3,000.00	-
5. Investment in Preference Shares	Prabha Energy Private Limited	-	3,000.00
6. Loan Given	Prabha Energy Private Limited	3,000.00	-

### 30.3 Balances with related parties:

(` in lakhs)

Nature of Balance	Name of Related Party		
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Loans given (refer note (i) below)	Prabha Energy Private Limited	3,000.00	
Interest Receivable	Prabha Energy Private Limited	173.84	
Corporate Guarantee Given	Prabha Energy Private Limited	920.00	920.00
Advances recoverable in cash or kind	Prabha Energy Private Limited	14.75	

#### Note:

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.
- (ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.
- (iii) Entity under common control are disclosed only transaction has taken place during the year.
- (iv) All related party transaction have been taken at arm's length price.

## 31. FINANCIAL INSTRUMENTS - Financial Risk and Capital Management

31.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.

31.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

31.3 The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.



31.4 The following methods and assumptions were used to estimate the fair values:

- The fair value of The Company's interest bearing borrowings are determined using discount rate that reflects The entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

31.5 Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments.

Particulars	FVTOCI	FVTPL	Amortised Cost	Total
<b>Fair value measurement as at March 31, 2023</b>				
<b>Financial assets</b>				
<b>Non-current</b>				
(i) Investments				
A. Quoted	-	-	-	-
B. Unquoted	-	-	1,861.54	1,861.54
(ii) Other Financial Assets				
<b>Current</b>				
(i) Trade Receivables	-	-	23.93	23.93
(ii) Cash and Cash Equivalents	-	-	1.46	1.46
(iii) Bank balances other than above	-	-	27.79	27.79
(iv) Other Financial Assets	-	-	196.12	196.12
(v) Loans	-	-	3,000.00	3,000.00
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>5,110.84</b>	<b>5,110.84</b>
<b>Financial Liabilities</b>				
<b>Current</b>				
(i) Trade Payables	-	-	94.80	94.80
(ii) Other Financial Liabilities	-	-	37.05	37.05
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>131.85</b>	<b>131.85</b>
<b>Fair value measurement as at March 31, 2022</b>				
<b>Financial assets</b>				
<b>Non-current</b>				
(i) Investments				
A. Quoted	-	-	-	-
B. Unquoted	-	-	4,861.54	4,861.54
(ii) Other Financial Assets				
<b>Current</b>				
(i) Trade Receivables	-	-	12.80	12.80
(ii) Cash and Cash Equivalents	-	-	3.02	3.02
(iii) Bank balances other than above (iii)	-	-	20.48	20.48
(iv) Other Financial Assets	-	-	0.08	0.08
(v) Loans	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>4,897.92</b>	<b>4,897.92</b>
<b>Financial Liabilities</b>				
<b>Current</b>				
(i) Trade Payables	-	-	3.29	3.29
(ii) Other Financial Liabilities	-	-	9.63	9.63
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>12.92</b>	<b>12.92</b>

Investment in subsidiaries is carried at Cost as per Ind AS 27.



### 32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, other receivables and cash and bank balances directly related to the business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

#### (A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments.

##### (i) Cash and cash equivalents:

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

#### (B) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs.



The table below provides undiscounted cash flows towards non-derivative financial assets/ (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

Particulars	As At 31 <sup>st</sup> March, 2023			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
<b>Financial Liabilities</b>				
<b>Current</b>				
(i) Trade Payables	94.80	-	-	94.80
(ii) Other Financial Liabilities	37.05	-	-	37.05
<b>TOTAL</b>	<b>131.85</b>	<b>-</b>	<b>-</b>	<b>131.85</b>
Particulars	As At 31 <sup>st</sup> March, 2022			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
<b>Financial Liabilities</b>				
<b>Current</b>				
(i) Trade Payables	3.29	-	-	3.29
(ii) Other Financial Liabilities	9.63	-	-	9.63
<b>TOTAL</b>	<b>12.92</b>	<b>-</b>	<b>-</b>	<b>12.92</b>

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risks : foreign currency risk and interest risk.

**(i) Interest rate risk**

The Company's exposure to the risk of changes in market interest rates relates primarily to debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the company does not have any borrowings.

The Company's non-current borrowings from banks are Nil as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 respectively thus the risk of changes in the interest rates is nil. As a result, the sensitivity affecting the profit before tax due to the Company's exposure to the risk of changes in market interest rates is nil.

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Company does not enter into financial instrument transactions for trading or speculative purpose. The company does not have any outstanding foreign currency exposure at the end of the reporting periods.

**(D) Capital management**

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.



### 33. ADDITIONAL REGULATORY INFORMATION - RATIOS

Ratios	Numerator	Denominator	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Current ratio (in times)	Total Current assets	Total Current liabilities	17.87	1.61
Debt equity ratio (in times)	Total debt	Total equity	-	-
Debt service coverage ratio (in times)	Earnings available for debt service = Net profit after taxes+ Non-cash operating expenses + Interest+/-Deferred tax Expense	Debt service = Interest + Principal repayments	-	-
Return on equity (%)	Net Profit after taxes	Total equity	0.73%	0.01%
Inventory turnover ratio (in times)	Revenue from Operations (Net)	Closing Inventory	-	-
Trade receivable turnover ratio (in times)	Revenue from Operations (Net)	Closing Trade receivable	62.28	3.39
Trade Payable turnover Ratio (in times)	Cost of spares + other operating expenses	Closing Trade payables	12.67	-
Net capital turnover ratio (in times)	Revenue from Operations (Net)	Working capital = Total Current assets - Total Current liabilities	0.45	3.00
Net profit ratio (%)	Net Profit after taxes	Revenue from Operations (Net)	18.75%	7.34%
Return on capital employed (%)	Earnings before interest and taxes	Capital employed = Total Equity + Non Current Borrowing	96.54%	1.00%
Return on Investment (%)	Earnings before interest and taxes	Total Assets	95.98%	1.00%

**1) Current ratio (in times)**

Improved due to speedier recovery of receivables.

**2) Trade receivable turnover ratio (in times)**

Improved due to speedier recovery of receivables.

**3) Trade Payable turnover Ratio (in times)**

Mainly due to improved cashflow and timely payment to suppliers.

**4) Net capital turnover ratio (in times)**

Decreased mainly due to strategic investments by the company.

**5) Net profit ratio (%):**

During the year company mainly operated in high margin service segment.

**6) Return on capital employed (%)**

Major impact due to better profitability of the company during the year.

**7) Return on Investment (%)**

Major impact due to better profitability of the company during the year.

### 34 - STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck - off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

**35 -** Balances of Other Current Liabilities, Trade Receivables and Trade Payables are subject to confirmation, reconciliation and adjustments if any.

**36 -** In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

**37 -** Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.



38 - The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the above results.

**39 - Additional information as required under para 2 of General Instruction of Division II of Schedule III to the Companies Act, 2013.**

- A. The Company has not carried out any revaluation of Property, Plant and Equipment in any of the period reported in this Financial Statements hence reporting is not applicable.
- B. The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- C. The company is not required to submit Stock statement to Banks on quarterly basis as there are no borrowings from banks during the year.
- D. The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.
- E. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- F. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- G. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- H. During FY 2022-23, the company has not raised any amount from issue of securities.
- I. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- J. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies ( Restriction on number of Layers) Rules, 2017.

As per our report of even date attached  
**For MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED**

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

Place : Ahmedabad  
Date : 29/05/2023

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456



## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
**Deep Energy Resources Limited** (Formerly known as Deep Industries Limited)

### Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Deep Energy Resources Limited (Formerly known as Deep Industries Limited)**, its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated statement of Profit and Loss (including the statement of other comprehensive income), Consolidated Statement of changes in equity and consolidated Statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of audit report of on separate financial statement of subsidiary, these consolidated financial statements:

- a. Include the annual financial statement of :
  - Deep Natural Resources Limited
  - Prabha Energy Private Limited
  - Deep Energy LLC, USA
- b. give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 consolidated state of affairs of the Group as at March 31, 2023, and its consolidated profit including total comprehensive income, the consolidated statement of changes in equity and its consolidated cash flows for the year then ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is no key audit matter to communicate in our report.

### Information other than Financial Statements & Auditors Report thereon

The Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance report and Management Discussion and Analysis (but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon).

Our opinion on the consolidated financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information; we are required to report that fact. We have nothing to report in this regard. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





## Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated statement cash flows of the group in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the company(ies) included in the Group are responsible maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company(ies) included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company(ies) included in the group are also responsible for overseeing the Company's financial reporting process of the group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements: -

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 polices used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on consolidated financial statement. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding company and such other entities included in the consolidated financial statement of which we are the independent auditor 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

1. The consolidated financial statements includes management certified financial statement of Deep Energy LLC, USA included in the consolidated financial statement, whose financial statements reflects total assets of Nil as at March 31, 2023, total revenue of Nil, total net profit after tax Nil, total comprehensive income (comprising of profit and other comprehensive income) of Nil, as considered in the consolidated financial results. Our opinion on the consolidated financial results is not modified in respect of above matter.
3. The comparative financial information of the company for the corresponding quarter and year ended March 31, 2022, included in these financial results were audited by predecessor auditor who expressed an unmodified opinion on those financial information vide their audit report dated May 30,2022. Opinion on the consolidated financial results is not modified in respect of above matter.

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

- (1) As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Standalone / Consolidated Financial Statements / financial information of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose 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 the examination of those books;
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including statement of other comprehensive income and the consolidated Cash Flow Statement, consolidated Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013;
  - (e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2023 taken on record by the board of directors of the Holding company and the reports of the statutory auditors of its



subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of internal financial controls over financial reporting, with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”;
- (g) With respect to the matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary companies, the remuneration paid/provided by the Holding company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013;
- (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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary companies:
- (i) The consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Refer note 35 of financial statements.
  - (ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiary companies, which are companies incorporated in India.
  - (iv) (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;.
  - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- (v) (a) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries, associate and joint venture companies, incorporated in India.
- (b) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements, as provided to us by the Management of the Holding company, if any, we report that in respect of those companies where audits have been completed under Section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements

Place : Ahmedabad  
Dated : May 29, 2023

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
FRN 105775W

**Chirag M. Shah**  
*Partner*

Membership No. 045706  
UDIN: 23045706BGUVSO4382



**Annexure A” to the Independent Auditors’ Report**

**Report on the Internal Financial Controls under Clause (1) 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 Deep Energy Resources Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March, 2023, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies 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 respective Board of Directors of the Holding company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding company and its subsidiary companies, 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 ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 Consolidated Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the the Holding company and its subsidiary companies, which are companies incorporated in India.

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

A company’s internal financial control with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)



provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to 1 subsidiary company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

Place : Ahmedabad  
Dated : May 29, 2023

**For Mahendra N. Shah & Co.**  
Chartered Accountants  
FRN 105775W  
**Chirag M. Shah**  
*Partner*  
Membership No. 045706  
UDIN: 23045706BGUVSO4382





**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023**

(^ in lakhs)

ASSETS	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	4	342.35	374.26
(b) Capital Work in Progress	4	18,777.94	16,875.85
(c) Intangible Assets	4	31,852.56	31,852.56
(d) Financial Assets			
(i) Loans	5	-	0.10
(ii) Other Financial Assets	6	-	460.21
(e) Deferred Tax Assets (Net)	7	1.96	-
(f) Other Non-Current Assets	8	131.58	134.34
		<b>51,106.39</b>	<b>49,697.32</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	9	585.51	640.35
(b) Financial Assets			
(i) Trade Receivables	10	39.78	83.58
(ii) Cash and Cash Equivalents	11	93.16	18.37
(iii) Other balances with banks	12	27.79	20.48
(iv) Other Financial Assets	13	6,733.98	6,810.41
(v) Loans	14	0.10	-
(c) Other Current Assets	15	722.48	173.45
		<b>8,202.78</b>	<b>7,746.64</b>
<b>TOTAL ASSETS</b>		<b>59,309.17</b>	<b>57,443.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	16	3,200.00	3,200.00
(b) Other Equity	17	36,751.47	38,151.34
<b>Total Equity</b>		<b>39,951.47</b>	<b>41,351.34</b>
Non Controlling Interest		<b>2,269.92</b>	<b>2,261.14</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	3,399.06	27.90
(ii) Other Financial Liabilities	19	296.52	207.10
(b) Deferred Tax Liabilities (Net)	20	71.95	69.76
(c) Provision	21	231.74	231.74
		<b>3,999.26</b>	<b>536.50</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	22	-	693.51
(ii) Trade Payables			
- Dues to Micro & Small Enterprises	23	32.50	40.11
- Dues to Other than Micro & Small Enterprises	23	12,566.03	11,080.70
(iii) Other Financial Liabilities	24	311.46	1,435.62
(b) Current Tax Liabilities (Net)	25	67.69	-
(c) Other Current Liabilities	26	110.84	45.04
		<b>13,088.50</b>	<b>13,294.98</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>59,309.17</b>	<b>57,443.96</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached  
For **MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED**

**Shail Savla**  
Managing Director  
DIN : 08763064

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Shashvat Shah**  
Chief Financial Officer

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456

Place : Ahmedabad  
Date : 29/05/2023





CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(` in Lakhs except per equity share data)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
Revenue from operations	27	3,345.29	265.48
Other income	28	30.46	21.86
<b>TOTAL INCOME</b>		<b>3,375.74</b>	<b>287.34</b>
<b>EXPENSES</b>			
Cost of Material Consumed and Operating Expenses	29	2,760.27	57.69
Employee benefits expense	30	141.60	89.69
Finance Costs	31	28.34	19.45
Depreciation and amortization expenses	32	31.40	30.65
Other expenses	33	102.80	35.97
<b>TOTAL EXPENSES</b>		<b>3,064.42</b>	<b>233.45</b>
<b>Profit before exceptional items and tax</b>		<b>311.33</b>	<b>53.89</b>
Exceptional items (net)		-	-
<b>Profit before tax</b>		<b>311.33</b>	<b>53.89</b>
Tax items			
(i) Current tax		95.14	0.52
(ii) Deferred tax		(0.02)	7.24
Total tax items		95.12	7.76
<b>Profit for the year</b>		<b>216.21</b>	<b>46.13</b>
<b>Other Comprehensive Income</b>			
Items that will not be re-classified to Profit or Loss			
Items that will be re-classified to Profit or Loss			
Income tax relating to items that will not be reclassified to Profit or Loss		-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>216.21</b>	<b>46.13</b>
<b>Profit For the year attributable to:</b>			
Owners		207.44	32.93
Non-controlling interest		8.77	13.20
<b>Total comprehensive income for the year attributable to:</b>			
Owners		207.44	32.93
Non-controlling interest		8.77	13.20
<b>Earnings Per Equity Share of face value of 10 each</b>			
(1) Basic	34	0.65	0.10
(2) Diluted	34	0.65	0.10

The accompanying notes are an integral part of the Consolidated Financial Statements

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

As per our report of even date attached  
For MAHENDRA N. SHAH & CO.  
Chartered Accountants  
Firm Registration Number: 105775W

Chirag M. Shah  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

Shail Savla  
Managing Director  
DIN : 08763064

Shashvat Shah  
Chief Financial Officer

Place : Ahmedabad  
Date : 29/05/2023

Prem Singh Sawhney  
Chairman & Non-Executive Director  
DIN : 03231054

Divyesh Senjaliya  
Company Secretary  
Membership No: 60456



**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st March, 2023**

(` in lakhs)

PARTICULARS	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	311.33	53.89
Adjustments for:		
Depreciation and amortization	31.40	30.65
Interest and finance charges	115.27	19.45
Interest income	(18.00)	(11.56)
Loss / (Gain) on Sale of Property, Plant and Equipment (Net)	-	(10.28)
<b>Operating Profit before Working Capital Changes</b>	<b>440.00</b>	<b>82.14</b>
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade Receivables, Loans & Advances and other assets	36.20	(4,748.94)
(Increase)/Decrease in Inventories	55.33	644.46
Increase/(Decrease) in Trade Payables, Other liabilities and Provisions	495.73	7,644.36
<b>Cash used/ Generated from Operations</b>	<b>1,027.25</b>	<b>3,622.03</b>
Income taxes paid	(44.25)	(6.43)
<b>Net Cash used/ generated by Operating activities (Total A)</b>	<b>983.00</b>	<b>3,615.60</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for Property, Plant and Equipments	-	(6.50)
Payments for capital Work-in-progress	(1,989.01)	(4,244.93)
Proceeds from sale of fixed assets	-	105.00
Payment for Fixed Deposits	(14.68)	(460.11)
Payment for Security Deposit	-	(0.10)
Interest received	18.00	11.55
<b>Net Cash used in Investing activities (Total B)</b>	<b>(1,985.70)</b>	<b>(4,595.09)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/Payment from Secured Loans	(93.51)	428.44
Proceeds from long term borrowings	5,955.50	-
Reduction in Security Premium	(4,421.70)	-
Repayment of Share Capital	(159.31)	-
Share Issue Expense	(1.31)	-
Proceeds from Preference Share	-	275.55
Interest and finance charges	(202.19)	(19.45)
<b>Net Cash generated by Financing activities (Total C)</b>	<b>1,077.49</b>	<b>684.54</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>74.79</b>	<b>(294.95)</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>18.37</b>	<b>313.32</b>
<b>Cash and bank balances at the end of the year</b>	<b>93.16</b>	<b>18.37</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.



Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

**DETAIL OF CASH AND CASH EQUIVALENTS**

	As at 31-03-2023 ` In Lakhs	As at 31-03-2022 ` In Lakhs
Balances with banks - In current accounts	92.60	17.96
Cash on hand	0.56	0.41
	<b>93.16</b>	<b>18.37</b>

Particulars	As at April 01, 2022	Net Cashflows	Others	As at March 31, 2023
Non Current Borrowings (Including Current Maturities)	121.41	3,277.65	-	3,399.06
Current Borrowings	600.00	-	(600.00)	-
Interest Accrued	-	-	-	-
<b>Total</b>	<b>721.41</b>	<b>3,277.65</b>	<b>(600.00)</b>	<b>3,399.06</b>

Particulars	As at April 01, 2021	Net Cashflows	Others	As at March 31, 2022
Non Current Borrowings (Including Current Maturities)	292.98	(171.57)	-	121.41
Current Borrowings	-	600.00	-	600.00
Interest Accrued	-	-	-	-
<b>Total</b>	<b>292.98</b>	<b>428.43</b>	<b>-</b>	<b>721.41</b>

As per our report of even date attached  
**For MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED**

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

Place : Ahmedabad  
Date : 29/05/2023

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(A) EQUITY SHARE CAPITAL

For the year ended 31<sup>st</sup> March, 2023

(` In Lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2022	Change in Equity share capital due to prior period items	Restated balance as at 1 <sup>st</sup> April, 2022	Changes in Equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2023
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

For the year ended 31<sup>st</sup> March, 2022

(` In Lakhs)

Particulars	Balance as at 1 <sup>st</sup> April, 2021	Change in Equity share capital due to prior period items	Restated balance as at 1 <sup>st</sup> April, 2021	Changes in Equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2022
Equity Share Capital	3,200.00	-	3,200.00	-	3,200.00

(B) OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2023

(` In Lakhs)

Particulars	Capital Reserve	General Reserve	Security premium account	Retained Earnings	Total Equity
Balance as at 1 <sup>st</sup> April, 2022	1,419.46	980.36	15,981.50	19,770.02	38,151.34
Addition / (Deduction) During the Year	-	-	(1,607.31)	-	(1,607.31)
Transferred from Statement of Profit and Loss	-	-	-	207.44	207.44
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,419.46</b>	<b>980.36</b>	<b>14,374.19</b>	<b>19,977.47</b>	<b>36,751.47</b>

For the year ended 31<sup>st</sup> March, 2022

(` In Lakhs)

Particulars	Capital Reserve	General Reserve	Security premium account	Retained Earnings	Total Equity
Balance as at 1 <sup>st</sup> April, 2021	1,419.46	980.36	15,766.60	19,737.09	37,903.52
Addition / (Deduction) During the Year	-	-	214.90	-	214.90
Transferred from Statement of Profit and Loss	-	-	-	32.93	32.93
Dividend on Equity Shares	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>1,419.46</b>	<b>980.36</b>	<b>15,981.50</b>	<b>19,770.02</b>	<b>38,151.34</b>

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached  
For **MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

**Shail Savla**  
Managing Director  
DIN : 08763064

**Shashvat Shah**  
Chief Financial Officer

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456

Place : Ahmedabad  
Date : 29/05/2023



**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2023**

**1. CORPORATE INFORMATION**

Deep Energy Resources Limited (the “Company”) is a public limited company domiciled in India having its registered office situated at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, GJ 380058. The Company was incorporated on 1st January, 1991, under the provisions of the Companies Act, 1956 applicable in India and its equity shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited. The Group operates as an integrated Group with business encompassing to serve the oil & gas industry. The service portfolio of the Group includes Oil & Gas Exploration and Production.

**2. Basis of Preparation**

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

These financial statements have been prepared on a historical cost convention basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit plans assets measured at fair value.
- Derivative financial instruments

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. The financial statements are presented in Indian Rupees (‘INR’) and all values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

**3. Principles of consolidation**

The consolidated financial statements comprise the financial statements of the Company and subsidiaries as at March 31, 2023.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**Consolidation procedure:**

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent’s investment in each subsidiary and the parent’s portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.



Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 3.1 Summary of significant accounting policies

#### a) Current versus non-current classification

**An asset is treated as current when it is:**

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- (ii) Held primarily for the purpose of trading; or
- (iii) Expected to be realized within twelve months after the reporting period; or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is treated as current when it is:**

- (i) Expected to be settled in normal operating cycle; or
- (ii) Held primarily for the purpose of trading; or
- (iii) Due to be settled within twelve months after the reporting period; or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

#### b) Foreign currencies

The Group financial statements are presented in Indian Rupees. The Group determines the functional currency and items included in the financial statements are measured using that functional currency.

##### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. 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 (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

#### c) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.



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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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 Group 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.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value are disclosed in the relevant notes.

#### **d) Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

##### **Sale of products/ Service**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods & Service Tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjusts estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

##### **Interest Income**

Other revenue streams Interest Income For all debt instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in "other income" in the Statement of Profit and Loss.





Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the Statement of Profit and Loss.

#### **Dividend income**

Dividend on financial assets is recognised when the Group’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

#### **Contract balances**

##### **Contract assets**

A contract asset is initially recognised for revenue earned from sale of goods or services. Upon acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

##### **Trade receivables**

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

##### **Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

#### **e) Taxes**

##### **Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

##### **Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

**f) Property, plant and equipment (PPE)**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a Straight Line Method (SLM) over the estimated useful lives of assets.

The Group has based on a technical review and re-assessment by the management, decided to adopt the existing useful life for certain asset blocks which is lower as against the useful life recommended in Schedule II to the Companies Act, 2013, since the Group believes that the estimates followed are reasonable and appropriate, considered current usage of such assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**g) Intangible Assets**

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**Software**

Cost of software is amortised over its useful life of 36 months starting from the month of project implementation. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**h) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**i) Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.



**i) Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section “Impairment of non-financial assets”.

**ii) Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**iii) Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of guest house. (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of guest house that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**j) Inventories**

Inventories are stated at lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads (to the extent apportioned based on the stage of completion) based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

**k) Impairment of non-financial assets**

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An



asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus, if any, taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

## **l) Provisions, contingent liabilities and contingent assets**

### **Provisions**

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. Contingent liabilities are disclosed by way of note to the financial statements.

### **Contingent Assets**

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Contingent assets are neither recognised nor disclosed in the financial statements.

## **m) Retirement and other employee benefits**

### **Provident fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

### **Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Group contributes to Life Insurance Corporation of India (LIC) and SBI Life Insurance Group Limited, a funded defined benefit plan for qualifying employees.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the



net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

#### **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 recognised on an undiscounted accrual basis during the year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

#### **Long-term employee benefits**

Other long term employee benefits comprise of compensated absences/leaves. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

### **n) Financial instruments**

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

#### **Financial assets**

##### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section "Revenue from contracts with customer".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

##### **Subsequent measurement**

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

- financial assets at amortised cost





- financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- financial assets at fair value through profit or loss

#### **Financial assets at amortised cost**

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits and other receivables.

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

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through other comprehensive income (OCI), interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

#### **Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

#### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

#### **Derecognition**

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

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



- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement~ and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### **Impairment of financial assets**

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

- a) financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

##### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group 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 recognised in the profit or loss.

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





### **Financial liabilities at amortised cost (Loans and borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### **Derecognition**

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

### **Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **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.

### **o) Derivative financial instruments**

The Group uses derivative financial instruments such as foreign currency forward contracts and option currency contracts to hedge its foreign currency risks arising from highly probable forecast transactions. The counterparty for these contracts is generally a bank.

### **Derivatives not designated as hedging instruments**

This category has derivative assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109. Any derivative that is either not designated a hedge, or is so designated but is ineffective, is recognized on balance sheet and measured initially at fair value. Subsequent to initial recognition, derivatives are re-measured at fair value, with changes in fair value being recognized in the statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### **p) Cash & Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and 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 Group's cash management.

### **q) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.



For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**r) Dividend**

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

**s) Investment in subsidiaries, joint ventures and associates**

Equity investments in subsidiaries, joint ventures and associates are shown at cost less impairment, if any. The Group tests these investments for impairment in accordance with the policy applicable to 'Impairment of non-financial assets'. Where the carrying amount of an investment or CGU to which the investment relates is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognized in the Statement of Profit and Loss.

**3.2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group accounting policies, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

**Useful lives of Intangible assets**

The intangible assets are amortised over the estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Useful lives of depreciable tangible assets**

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Group.

**Defined benefit plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for determined period and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows, the growth rate used for extrapolation purposes and the impact of general economic environment (including competitors).

**3.3 Other Notes**

**a) Other Statutory Information**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.



- (iv) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**b) Regulatory Updates :**

- i) Standards notified but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

Ind AS 1: Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments in Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

These amendments shall come into force with effect from April 01, 2023. The Group is assessing the potential effect of the amendments on its financial statements. The Group will adopt these amendments, if applicable, from applicability date.



NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2023

4 - PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS (₹ In Lakhs)

	TANGIBLE ASSETS			Total
	Vehicles	Rigs	Plant and Equipments	
<b>Cost of Assets:</b>				
As at 1st April, 2021	62.64	219.06	319.30	601.00
Addition / Transfers	6.50	-	-	6.50
Disposal / Adjustments	-	-	106.35	106.35
<b>As at 31st March, 2022</b>	<b>69.14</b>	<b>219.06</b>	<b>212.94</b>	<b>501.14</b>
Addition / Transfers	-	-	-	-
Disposal / Adjustments	-	-	0.51	0.51
<b>As at 31st March, 2023</b>	<b>69.14</b>	<b>219.06</b>	<b>212.43</b>	<b>500.63</b>
<b>Accumulated depreciation:</b>				
As at 1st April, 2021	12.11	73.51	22.25	107.87
Charged for the year	9.98	6.94	13.72	30.65
Disposal / Adjustments	-	-	11.64	11.64
<b>As at 31st March, 2022</b>	<b>22.09</b>	<b>80.45</b>	<b>24.34</b>	<b>126.88</b>
Charged for the year	11.01	6.94	13.45	31.40
Disposal / Adjustments	-	-	-	-
<b>As at 31st March, 2023</b>	<b>33.10</b>	<b>87.39</b>	<b>37.79</b>	<b>158.28</b>
<b>Net block</b>				
As at 31st March, 2022	47.05	138.61	188.60	374.26
As at 31st March, 2023	36.04	131.67	174.64	342.35

a) The company doesn't have any immovable property where the title deeds are not held in the name of the Company.

Particular	INTANGIBLE ASSETS	
	Goodwill	Total
<b>Cost of Assets:</b>		
As at 1st April, 2021	31,852.56	31,852.56
Addition / Transfers	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2022</b>	<b>31,852.56</b>	<b>31,852.56</b>
Addition / Transfers	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2023</b>	<b>31,852.56</b>	<b>31,852.56</b>
<b>Depreciation / Amotization:</b>		
As at 1st April, 2021	-	-
Charged for the year	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2022</b>	<b>-</b>	<b>-</b>
Charged for the year	-	-
Disposal / Adjustments	-	-
<b>As at 31st March, 2023</b>	<b>-</b>	<b>-</b>
<b>Net block</b>		
As at 31st March, 2022	31,852.56	31,852.56
As at 31st March, 2023	31,852.56	31,852.56
<b>Capital Work-in-Progress</b>		
As at 1st April, 2021		12,630.91
Addition		4,244.93
Transfer / Adjustments		-
<b>As at 31st March, 2022</b>		<b>16,875.85</b>
Addition		1,902.09
Transfer / Adjustments		-
<b>As at 31st March, 2023</b>		<b>18,777.94</b>

Capital Work-in-Progress Ageing Schedule	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 Year	
Project in Progress as at 31st March 2022	4,244.93	1,928.81	3,877.78	6,824.33	16,875.85
<b>Project in Progress as at 31st March 2023</b>	<b>1,902.09</b>	<b>4,244.93</b>	<b>1,928.81</b>	<b>10,702.11</b>	<b>18,777.94</b>

The company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan.



Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(` In Lakhs)			
<b>5 -</b>	<b>FINANCIAL ASSETS - LOANS</b>		
	<b>Unsecured, considered good, unless otherwise stated</b>		
	Loans to employees	-	0.10
		<u>-</u>	<u>0.10</u>
<b>6 -</b>	<b>OTHER FINANCIAL ASSETS - NON CURRENT</b>		
	Margin Money Deposits with bank held as security with more than 12 months maturity	-	460.11
	CDSL Deposit	-	0.10
		<u>-</u>	<u>460.21</u>
<b>7 -</b>	<b>DEFERRED TAX ASSETS (NET)</b>		
	Deferred Tax Assets (Net)	1.96	-
		<u>1.96</u>	<u>-</u>
<b>8 -</b>	<b>OTHER NON CURRENT ASSETS</b>		
	Advance Taxes & TDS Receivables of Earlier years (Net of Provisions)	131.58	134.34
		<u>131.58</u>	<u>134.34</u>
<b>9 -</b>	<b>INVENTORIES</b>		
	<b>As taken, valued and certified by the Management</b>		
	<b>At lower of Cost and Net Realizable Value</b>		
	Consumable Stores and Spares	585.51	640.35
		<u>585.51</u>	<u>640.35</u>
<b>10 -</b>	<b>TRADE RECEIVABLES - CURRENT</b>		
	Trade Receivables considered good - Unsecured	39.78	83.58
	Less: Allowance for expected credit loss	-	-
		<u>39.78</u>	<u>83.58</u>

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Trade Receivables ageing schedule as at 31st March, 2023</b>						
i. Undisputed Trade Receivables - Considered good	39.78	-	-	-	-	39.78
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
	<u>39.78</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39.78</u>
<b>Trade Receivables ageing schedule as at 31st March, 2022</b>						
i. Undisputed Trade Receivables - Considered good	83.58	-	-	-	-	83.58
ii. Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
iii. Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv. Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v. Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
	<u>83.58</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83.58</u>

**Notes:** The concentration of credit risk is very limited due to the fact that the large customers are mainly public sector units (which are government undertakings). Hence, Expected Credit Loss is Nil.



		(` In Lakhs)	
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>11 - CASH AND CASH EQUIVALENTS</b>			
A)	Balances with Banks	92.60	17.96
	- In Current Accounts	<u>92.60</u>	<u>17.96</u>
B)	Cash on Hand	0.56	0.41
	<b>Total</b>	<u><b>93.16</b></u>	<u><b>18.37</b></u>
<b>12 - OTHER BALANCES WITH BANKS</b>			
(A)	Eamarked balances with banks (Unpaid Dividend)	6.03	6.79
		<u>6.03</u>	<u>6.79</u>
(B)	Others		
	- Margin Money deposits with bank held as security with more than 3 months but less than 12 months maturity	21.75	13.69
	- Margin money is given against Gaurantee given. (Refer Note 35)	<u>21.75</u>	<u>13.69</u>
		<u><b>27.79</b></u>	<u><b>20.48</b></u>
<b>13 - OTHER FINANCIAL ASSETS - CURRENT</b>			
	Interest Accrued & Receivable - Fixed Deposits	0.14	0.08
	Receivable from Consortium Partners	6,072.03	6,789.77
	Other Financial Assets	492.10	12.68
	Security Deposit	169.71	7.88
		<u><b>6,733.98</b></u>	<u><b>6,810.41</b></u>
<b>14 - Loans</b>			
	Unsecured Loan, Considered Good	0.10	-
		<u>0.10</u>	<u>-</u>
<b>15 - OTHERS CURRENT ASSETS</b>			
<b>Unsecured, considered good, unless otherwise stated</b>			
	Adavance to Vendors	535.97	7.64
	Prepaid Expenses	19.50	40.35
	Balance with Government Authorities	145.09	125.46
	CDSL Deposit	0.10	-
	Other Receivables	21.82	-
		<u><b>722.48</b></u>	<u><b>173.45</b></u>
<b>16 - EQUITY SHARE CAPITAL</b>			
<b>Authorised:</b>			
	3,20,00,000 Equity Shares of Rs. 10 each ( P.Y. 3,20,00,000 Equity Shares of Rs. 10 each )	3,200.00	3,200.00
<b>Issued, Subscribed and paid-up:</b>			
	3,20,00,000 Equity Shares of Rs. 10 each fully paid up ( P.Y. 3,20,00,000 Equity Shares of Rs. 10 each )	3,200.00	3,200.00
	<b>Total</b>	<u><b>3,200.00</b></u>	<u><b>3,200.00</b></u>

**16.1 Reconciliation of number of Equity shares outstanding at the beginning & at the end of the reporting year**

Particulars (Equity Shares of ` 10 Each Fully Paid up)	As at 31st March 2023		As at 31st March 2022	
	No of Shares	Value `	No of Shares	Value `
— At the beginning of the year	3,20,00,000	3,200.00	3,20,00,000	3,200.00
— Movement during the period	-	-	-	-
— Outstanding at the end of the year	<u><b>3,20,00,000</b></u>	<u><b>3,200.00</b></u>	<u><b>3,20,00,000</b></u>	<u><b>3,200.00</b></u>



**16.2 Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders (Equity Shares of Rs.10 Each Fully Paid up)	As at 31st March 2023		As at 31st March 2022	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Dharen Shantilal Savla	22,68,822	7.09%	22,68,822	7.09%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
	<b>1,84,67,128</b>	<b>57.71%</b>	<b>1,84,67,128</b>	<b>57.71%</b>

**16.3 Details of Equity Shares held by Promoters holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders (Equity Shares of ` 10 Each Fully Paid up)	As at 31st March, 2023		As at 31st March, 2022	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Rupesh Savla Family Trust	1,00,76,908	31.49%	1,00,76,908	31.49%
Shantilal Savla Family Trust	40,62,576	12.70%	40,62,576	12.70%
Dharen Shantilal Savla	22,68,822	7.09%	22,68,822	7.09%
Priti Paras Savla	20,58,822	6.43%	20,58,822	6.43%
	<b>1,84,67,128</b>	<b>57.71%</b>	<b>1,84,67,128</b>	<b>57.71%</b>

**16.4** The Holding Company has only one class of equity shares having a par value of Rs. 10 per share, each shareholder is eligible for one vote per share. The Holding Company declares and pays dividend in Indian Rupees.

**16.5** In the event of liquidation, the Equity Shareholders are eligible to receive the remaining Assets of the company after Distribution of all Preferential amount, in proportion to Shareholding.

**14.6** There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus shares and bought back during the last 5 years.

(` In Lakhs)

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>17 - OTHER EQUITY</b>			
<b>(A) Other Reserves</b>			
<b>Securities Premium</b>			
	Balance as per last financial year	15,981.50	15,766.60
	Add: Addition during the year	(1,607.31)	214.90
		<b>14,374.19</b>	<b>15,981.50</b>
<b>Capital Reserve</b>			
	Balance as per last financial year	1,419.46	1,419.46
	Add: Addition during the year	-	-
		<b>1,419.46</b>	<b>1,419.46</b>
<b>General Reserve</b>			
	Balance as per last financial year	980.36	980.36
	Add: Addition during the year	-	-
		<b>980.36</b>	<b>980.36</b>
<b>(B) Retained Earnings</b>			
	Balance as per last financial year	19,770.02	19,737.09
	Add: Net Profit For the year	207.44	32.93
		<b>19,977.46</b>	<b>19,770.02</b>
	<b>Total</b>	<b>36,751.47</b>	<b>38,151.34</b>

**Nature of Other Reserves**

**Securities Premium Account :** Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**Capital Reserve :** Represent a non-distributable reserve.

**General Reserve :** General Reserve is created out of profit after tax earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this Reserve for payment of dividend and issue of fully paid-up shares. As General Reserve is created by transfer of one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be subsequently reclassified to statement of profit and loss





Sr. Particulars No.	(` In Lakhs)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>18 - NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Secured</b>		
<b>a. Term Loans</b>		
<i>From banks</i>		
- Vehicle Loans	-	121.41
Less: Current Maturities of Long Term Debts	-	(93.51)
<b>b. Non Convertible Preference Shares</b>	159.30	-
<b>c. Unsecured Loans</b>		
<b>From Company</b>		
- Savla Oil & Gas Private Limited	2,186.01	-
- Horn Ok Please Transport private Limited	303.65	-
<b>From Director</b> (Refer note 37)	750.09	-
	<b>3,399.06</b>	<b>27.90</b>
Unsecured loans are payable on mutually agreed terms carrying an interest rate ranging from 7.5% to 9.5% p.a”		
<b>19 - OTHERS FINANCIAL LIABILITIES - NON-CURRENT</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
Payable to consortium partners	296.52	207.10
	<b>296.52</b>	<b>207.10</b>
<b>20 - DEFERRED TAX LIABILITIES (NET)</b>		
Opening Balance	69.76	62.53
Addition/ (Reduction) during the year	2.18	7.24
Closing Balance	<b>71.95</b>	<b>69.76</b>
Deferred Tax Liabilities		
Difference between Tax Base and Book Base	<b>71.95</b>	69.76
Gross Deferred Tax Liabilities (a)	<b>71.95</b>	69.76
Deferred Tax Assets		
Difference between Tax Base and Book Base	-	-
Deferred Tax Assets (b)	-	-
Net Deferred Tax Liabilities	<b>71.95</b>	<b>69.76</b>
Movement in Deferred Tax is recognised through Profit and Loss statement and nothing is recognised in Other Comprehensive Income.		
<b>21 - PROVISION NON-CURRENT</b>		
Abandonment Cost Provision	231.74	231.74
	<b>231.74</b>	<b>231.74</b>
<b>22 - CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Borrowing repayable on demand</b>		
Savla Oil & Gas Private Limited (Unsecured)	-	600.00
Current Maturities of Long Term Debts	-	93.51
	<b>-</b>	<b>693.51</b>



Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
( ` In Lakhs)			
<b>23 -</b>	<b>TRADE PAYABLES - CURRENT</b>		
	Total outstanding dues of micro enterprises and small enterprises	32.50	40.11
	Total outstanding dues of other than micro enterprises and small enterprises	12,566.03	11,080.70
		<b>12,598.53</b>	<b>11,120.81</b>

	Outstanding for following periods from bill date/due date					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
<b>Trade payables ageing schedule as at 31st March, 2023</b>						
(i)	MSME	7.22	25.28	-	-	32.50
(ii)	Others	3,480.60	3,438.48	5,434.06	42.11	170.78
(iii)	Disputed Dues-MSME	-	-	-	-	-
(iv)	Disputed Dues-Others	-	-	-	-	-
	<b>Total</b>	<b>3,487.82</b>	<b>3,463.76</b>	<b>5,434.06</b>	<b>42.11</b>	<b>170.78</b>

	Outstanding for following periods from bill date/due date					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
<b>Trade payables ageing schedule as at 31st March, 2022</b>						
(i)	MSME	29.87	10.24	-	-	40.11
(ii)	Others	-	9,496.75	1,407.84	48.33	127.78
(iii)	Disputed Dues-MSME	-	-	-	-	-
(iv)	Disputed Dues-Others	-	-	-	-	-
	<b>Total</b>	<b>29.87</b>	<b>9,506.99</b>	<b>1,407.84</b>	<b>48.33</b>	<b>127.78</b>

Note :

**DUES TO MICRO AND SMALL ENTERPRISES**

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(A) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(i) Principal amount due to micro enterprises and small enterprises	32.50	40.11
(ii) Interest due on above	-	-
(B) The amount of interest paid by buyer in terms of section 16 of MSMED Act, 2006 along with the amount of payment made to supplier beyond the appointed day during the year.	-	-
(C) 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	-	-
(D) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(E) The amount of further interest remaining due and payable even in succeeding years, until such date when interest dues above are actually paid to the small enterprises, for the purpose of disallowance of deductible expenditure under section 23 of MSMED Act, 2006	-	-

**24 - OTHER FINANCIAL LIABILITIES - CURRENT**

Unclaimed Dividends	6.03	6.79
Salary payable	22.65	27.92
Expenses Payable	263.40	1,386.11
Bid Bond Deposits	19.37	14.37
Provision for Interest	-	0.43
	<b>311.46</b>	<b>1,435.62</b>



		(` In Lakhs)	
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>25 -</b>	<b>CURRENT TAX LIABILITIES (NET)</b>		
	Income Tax Liabilities (Net)	67.69	-
		<b>67.69</b>	<b>-</b>
<b>26 -</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory liabilities*	70.23	35.87
	Other Liabilities	40.61	9.17
		<b>110.84</b>	<b>45.04</b>
	* Statutory liabilities includes GST, Provident Fund, TDS & Professional Tax.		
		(` In Lakhs)	
		Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>27 -</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>(I) Operating Revenues:</b>		
	Sale of Services		
	Domestic	251.90	265.48
	Sale of Natural Gas		
	Domestic	3,093.39	-
		<b>3,345.29</b>	<b>265.48</b>
<b>28 -</b>	<b>OTHER INCOME</b>		
	Interest Income:		
	From banks	18.17	11.57
	From Others	0.07	-
	Profit on Sale of Property, Plant & Equipment (Net)	-	10.29
	Other Income	7.22	-
	Excess Provision Written Back	5.00	-
		<b>30.46</b>	<b>21.86</b>
<b>29 -</b>	<b>COST OF MATERIAL CONSUMED &amp; OPERATING EXPENSES</b>		
	Consumption of Spares, Oil & Other Operating Expenses	387.19	25.11
	Purchase of Natural Gas	2,373.08	-
	Equipment Running & Maintenance Expenses	-	32.58
		<b>2,760.27</b>	<b>57.69</b>
<b>30 -</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salaries, Wages, Bonus and Other Employee Benefits*	141.60	89.69
		<b>141.60</b>	<b>89.69</b>
	* For remuneration to Director and their relatives, please refer note 37.		
<b>31 -</b>	<b>FINANCE COSTS</b>		
	<b>Interest costs</b>		
	- Interest Expenses on Financial Liabilities	0.21	8.83
	<b>Other borrowing costs</b>		
	- Other Interest & Finance Charges	28.13	10.62
		<b>28.34</b>	<b>19.45</b>
<b>32 -</b>	<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		
	Depreciation & Amortization of Property, Plant & Equipments (Refer Note No. 4)	31.40	30.65
	Amortization of Other Intangible Assets (Refer Note No. 4)	-	-
		<b>31.40</b>	<b>30.65</b>



	(` In Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>33 - OTHER EXPENSES</b>		
Insurance	2.56	1.50
Legal and professional charges	53.18	17.04
Other Operating Related Expenses	-	0.22
Payment to the auditors For Statutory Audit	1.45	0.74
Advertisement and Sales Promotion Expenses	0.38	0.44
Listing Fees	19.50	5.40
ROC Filing Fees	0.75	0.19
Director Sitting Fees	2.35	1.85
Miscellaneous Expenses	18.43	3.40
TOLL Tax	0.05	0.01
RTO Tax	0.72	0.81
Repair & Maintenance Expense	2.74	4.24
Office Expenche	0.06	0.03
Travelling Expenses	0.43	0.08
Conveyance Expenses	0.03	0.02
Printing & Stationary	0.15	-
	<b>102.80</b>	<b>35.97</b>

**34 - EARNINGS PER EQUITY SHARE**

Net Profit attributable to the Equity Shareholders (` in lakhs) (A)	207.44	32.93
Weighted average number of Equity Shares outstanding during the period (B)	3,20,00,000	3,20,00,000
Nominal value of Equity Shares (`)	10	10
Basic/Diluted Earnings per Share (`) (A/B)	0.65	0.10

	As at 31-03-2023 (` In Lakhs)	As at 31-03-2022 (` In Lakhs)
<b>35 - CONTINGENT LIABILITIES AND COMMITMENTS</b>		
<b>CONTINGENT LIABILITIES</b>		
(a) Claims against the Group not acknowledged as debts (Net of Payments)	2,280.38	2,341.54
Statute Amount		
Service Tax	150.03	
Income Tax	2,125.01	
TDS (Income Tax)	5.34	
(b) Guarantees given (Net)	455.03	454.20
<b>CAPITAL COMMITMENT</b>	<b>4,500.00</b>	-

**36 - SEGMENT REPORTING**

The Group operates mainly in oil and gas exploration and production and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segments as required under IND AS 108 " Operating Segment "

The Revenue from transactions with the single external customer amounting to 10% or more of the Group's Revenue is :

**Name of the customer**

	Amount	(` in lakhs) % Share to Total Sales
Enertech Fuel Solutions Private Limited	714.56	21.36%
Hindalco Industries Limited	218.05	6.52%
IndianOil-Adani Gas Private Limited	183.04	5.47%
Gail India Limited	168.75	5.04%
	<b>1,284.40</b>	<b>38.39%</b>
<b>Total Annual Sales During the year</b>	<b>3,345.29</b>	<b>100%</b>



**37 - RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24**

**37.1 Name of the Related Parties and Nature of the Related Party Relationship with whom transactions have taken place during the reported period.**

**1. Enterprises significantly influences by KMP, or Relatives of KMP**

- Savla Oil & Gas Pvt. Ltd

**2. Key Management Personnel**

KMP of Deep Energy Resources Limited	Designation
Mr. Shail Savla	Managing Director (w.e.f 10.06.2021)
Mrs. Shaily Dedhiya	Independent Director
Mr. Hemendrakumar Shah	Independent Director
Mr. Premsingh Sawhney	Chairman and Non-Executive Director
Mr. Navin Chandra Panday	Independent Director
Mr. Ajaykumar Singhania	Executive Director
Mr. Shashvat Shah	Chief Financial Officer
Ms. Dixita Soni	Company Secretary (Resigned w.e.f 22.10.2022)
Mr. Divesh Senjaliya	Company Secretary (w.e.f 12.11.2022)

**37.2 Transactions with related parties:**

Nature of Transaction	Key Management Personnel and their relatives		Enterprises significantly influences by KMP, or Relatives of KMP		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
	(` In Lakhs)					
Remuneration, Salary and Sitting Fees	8.09	147.65	-	-	8.09	147.65
Rent Paid	57.65	13.55	-	-	57.65	13.55

**37.3 Breakup of compensation to Key Management Personnel & their relatives:**

Nature of Transaction	Key Management Personnel & their relatives	(` in lakhs)	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>1. Managerial Remuneration</b>	Mr. Ajay Singhaniya	0.83	8.70
	Mr. Shail Manoj Savla	1.20	8.40
	Mr. Premsingh Sawhney	-	97.00
	Mr. Dharen Savla	-	11.07
	Mr. Raj Kishor Mishra	-	13.22
	Mr. Bharat Kumar Shah	-	1.85
	Mr. Nitin Shah	-	1.97
<b>2. Sitting Fees</b>	Mr. Hemendrakumar Shah	0.50	0.50
	Mrs. Shaily Dedhia	0.50	0.50
	Mr. Kirit V.Joshi	0.10	0.10
	Mr. Navin Chandra Pandey	1.25	0.75
<b>3. Salary</b>	Ms. Dixita Soni	2.05	3.60
	Mr. Divyesh Senjaliya	1.66	-
		<b>8.09</b>	<b>147.65</b>



**37.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:**

Nature of Transaction	Related Party	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Rent Paid</b>	Mr. Dharen Savla	9.61	2.26
	Mrs. Mita Manoj Savla	9.61	2.26
	Mrs. Priti Paras Savla	9.61	2.26
	Mr. Rupesh Savla	14.41	3.39
	Mrs. Shital Rupesh Savla	14.41	3.39
		<b>57.65</b>	<b>13.55</b>

**Note:**

- i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.
- ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Group have been given at the respective notes.
- iii) Entity under common control are disclosed only transaction has taken place during the year.
- iv) All related party transaction have been taken at arm's length price.

**38. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS**

The carrying value of financial instruments by categories as of 31st March, 2023 is as follows:

Particulars	FVTOCI	FVTPL	Amortised Cost	Total
<b>Financial assets</b>				
<b>Non-current</b>				
(i) Loans	-	-	-	-
(ii) Other Financial Assets				
<b>Current</b>				
(i) Trade Receivables	-	-	39.78	39.78
(ii) Cash and Cash Equivalents	-	-	93.16	93.16
(iii) Bank balances other than above	-	-	27.79	27.79
(iv) Other Financial Assets	-	-	6,733.98	6,733.98
(v) Loans	-	-	0.10	0.10
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>6,894.80</b>	<b>6,894.80</b>
<b>Financial Liabilities</b>				
<b>Non-current</b>				
(i) Borrowings	-	-	3,399.06	3,399.06
(ii) Other Financial Liabilities	-	-	296.52	296.52
<b>Current</b>				
(i) Borrowings	-	-	-	-
(ii) Trade Payables	-	-	12,598.53	12,598.53
(iii) Other Financial Liabilities	-	-	311.46	311.46
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>16,605.56</b>	<b>16,605.56</b>



The carrying value of financial instruments by categories as of 31st March, 2022 is as follows:

Particulars	FVTOCI	FVTPL	Amortised Cost	Total
<b>Financial assets</b>				
<b>Non-current</b>				
(i) Loans	-	-	0.10	0.10
(ii) Other Financial Assets	-	-	460.21	460.21
<b>Current</b>				
(i) Trade Receivables	-	-	83.58	83.58
(ii) Cash and Cash Equivalents	-	-	18.37	18.37
(iii) Bank balances other than above (iii)	-	-	20.48	20.48
(iv) Other Financial Assets	-	-	6,810.41	6,810.41
(v) Loans	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>7,393.16</b>	<b>7,393.16</b>
<b>Financial Liabilities</b>				
<b>Non-current</b>				
(i) Borrowings	-	-	27.90	27.90
(ii) Other Financial Liabilities	-	-	207.10	207.10
<b>Current</b>				
(i) Borrowings	-	-	693.51	693.51
(ii) Trade Payables	-	-	11,120.81	11,120.81
(iii) Other Financial Liabilities	-	-	1,435.62	1,435.62
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>13,484.95</b>	<b>13,484.95</b>

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the group's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the group to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The group's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The group has various financial assets such as deposits, other receivables and cash and bank balances directly related to the business operations. The group's principal financial liabilities comprise of trade and other payables. The group's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the group's financial performance. The group's overall risk management procedures to minimize the potential adverse effects of financial market on the group's performance are outlined hereunder:

The group's Board of Directors have overall responsibility for the establishment and oversight of the group's risk management framework.





The group's risk management is carried out by the management in consultation with the Board of Directors. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

**(A) Credit risk**

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and from its financial activities including deposits with banks and other financial instruments.

**(i) Cash and cash equivalents:**

The group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The group does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

**(B) Liquidity Risk**

Liquidity risk is the risk that the group will face in meeting its obligations associated with its financial liabilities. The group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The group relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs.

The table below provides undiscounted cash flows towards non-derivative financial assets/ (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

Particulars	As At 31 <sup>st</sup> March, 2023			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
<b>Financial Liabilities</b>				
<b>Non-current</b>				
(i) Borrowings	-	3,399.06	-	3,399.06
(ii) Other Financial Liabilities	-	296.52	-	296.52
<b>Current</b>				
(i) Borrowings	-	-	-	-
(ii) Trade Payables	12,598.53	-	-	12,598.53
(iii) Other Financial Liabilities	311.46	-	-	311.46
<b>TOTAL</b>	<b>12,909.99</b>	<b>3,695.58</b>	<b>-</b>	<b>16,605.56</b>

Particulars	As At 31 <sup>st</sup> March, 2022			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
<b>Financial Liabilities</b>				
<b>Non-current</b>				
(i) Borrowings	-	27.90	-	27.90
(ii) Other Financial Liabilities	-	207.10	-	207.10
<b>Current</b>				
(i) Borrowings	693.51	-	-	693.51
(ii) Trade Payables	11,120.81	-	-	11,120.81
(iii) Other Financial Liabilities	1,435.62	-	-	1,435.62
<b>TOTAL</b>	<b>13,249.95</b>	<b>235.00</b>	<b>-</b>	<b>13,484.95</b>

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks : foreign currency risk, interest risk and other price risk such as commodity risk.



(i) **Interest rate risk**

The group's exposure to the risk of changes in market interest rates relates primarily to debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board.

Particular	Change in Interest rate	Effect on Profit before tax 31 <sup>st</sup> March, 2023	Effect on Profit before tax 31 <sup>st</sup> March, 2022
Non-current & Current Borrowings	-0.50%	(17.00)	(3.61)
	0.50%	17.00	3.61

(ii) **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Group does not enter into financial instrument transactions for trading or speculative purpose. The Group does not have any outstanding foreign currency exposure at the end of the reporting periods.

(iii) **Commodity Risk:**

The group is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The group has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The group enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

(D) **Capital management**

The group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the group attributable to equity holders of the group. The group is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.

(` in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Total Debt (A)	3,399.06	721.41
Equity	3,200.00	3,200.00
Other Equity	36,751.47	38,151.34
<b>Capital and total debt (B)</b>	<b>43,350.53</b>	<b>42,072.76</b>
<b>Gearing ratio % (A/B)</b>	<b>7.84%</b>	<b>1.71%</b>

**40 - STRUCK OFF COMPANIES**

The Group does not have any transactions with companies struck - off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

**41 -** Balances of Other Current Liabilities, Trade Receivables and Trade Payables are subject to confirmation, reconciliation and adjustments if any.

**42 -** In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

**43 -** Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's classification.

**44 -** The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Group has incorporated appropriate changes in the above results.



45 - Statement showing shares of entities in Consolidated Network and Consolidated Total Comprehensive Income

Particulars	Country of origin		Proportionate ownership interest 2022-23		Proportionate ownership interest 2021-22			
<b>Subidiaries:</b>								
Deep Energy LLC	USA		91.52%		91.52%			
Deep Natural Resources Ltd.	India		70.00%		70.00%			
Prabha Energy Pvt. Ltd.	India		53.16%		78.45%			
	<b>Net Assets</b>		<b>Profit and Loss</b>		<b>Other Comprehensive Income</b>		<b>Total Comprehensive Income</b>	
<b>Name of Entity</b>	<b>% in consolidated Net assets</b>	<b>Amount</b>	<b>% in consolidated Profit and Loss</b>	<b>Amount</b>	<b>% in consolidated Other Comprehensive Income</b>	<b>Amount</b>	<b>% in consolidated Comprehensive Income</b>	<b>Amount</b>
<b>As on 31st March, 2023</b>								
<b>Parent</b>								
Deep Energy Resources Limited	95.79%	38,268.23	129.26%	279.47	0.00%	-	129.26%	279.47
<b>Parent Total</b>	<b>95.79%</b>	<b>38,268.23</b>	<b>129.26%</b>	<b>279.47</b>	<b>0.00%</b>	<b>-</b>	<b>129.26%</b>	<b>279.47</b>
<b>Subsidiaries</b>								
Deep Energy LLC	0.04%	15.99	0.00%	-	0.00%	-	0.00%	-
Deep Natural Resources Ltd.	0.38%	152.22	6.50%	14.05	0.00%	-	6.50%	14.05
Prabha Energy Pvt. Ltd.	13.99%	5,587.88	4.45%	9.62	0.00%	-	4.45%	9.62
<b>Subsidiaries Total</b>	<b>14.41%</b>	<b>5,756.09</b>	<b>10.95%</b>	<b>23.67</b>	<b>0.00%</b>	<b>-</b>	<b>10.95%</b>	<b>23.67</b>
<b>Non Controlling Interest Total</b>	<b>5.68%</b>	<b>2,269.92</b>	<b>4.06%</b>	<b>8.77</b>	<b>0.00%</b>	<b>-</b>	<b>4.06%</b>	<b>8.77</b>
<b>Adjustment in Consolidated Accounts</b>	<b>-15.88%</b>	<b>(6,342.76)</b>	<b>-44.26%</b>	<b>(95.70)</b>	<b>0.00%</b>	<b>-</b>	<b>-44.26%</b>	<b>(95.70)</b>
<b>Total</b>	<b>100.00%</b>	<b>39,951.47</b>	<b>100.00%</b>	<b>216.21</b>	<b>100%</b>	<b>-</b>	<b>100.00%</b>	<b>216.21</b>
<b>As on 31st March, 2022</b>								
<b>Parent</b>								
Deep Energy Resources Limited	92.29%	38,162.09	6.91%	3.19	0.00%	-	6.91%	3.19
<b>Parent Total</b>	<b>92.29%</b>	<b>38,162.09</b>	<b>6.91%</b>	<b>3.19</b>	<b>0.00%</b>	<b>-</b>	<b>6.91%</b>	<b>3.19</b>
<b>Subsidiaries</b>								
Deep Energy LLC	0.04%	15.99	0.00%	-	0.00%	-	0.00%	-
Deep Natural Resources Ltd.	0.33%	138.17	101.21%	46.69	0.00%	-	101.21%	46.69
Prabha Energy Pvt. Ltd.	24.57%	10,160.58	-8.13%	(3.75)	0.00%	-	-8.13%	(3.75)
<b>Subsidiaries Total</b>	<b>24.94%</b>	<b>10,314.74</b>	<b>93.08%</b>	<b>42.94</b>	<b>0.00%</b>	<b>-</b>	<b>93.08%</b>	<b>42.94</b>
<b>Non Controlling Interest Total</b>	<b>5.47%</b>	<b>2,261.14</b>	<b>28.61%</b>	<b>13.20</b>	<b>0.00%</b>	<b>-</b>	<b>28.61%</b>	<b>13.20</b>
<b>Adjustment in Consolidated Accounts</b>	<b>-22.70%</b>	<b>(9,386.63)</b>	<b>-28.60%</b>	<b>(13.20)</b>	<b>0.00%</b>	<b>-</b>	<b>-28.60%</b>	<b>(13.20)</b>
<b>Total</b>	<b>100.00%</b>	<b>41,351.34</b>	<b>100.00%</b>	<b>46.13</b>	<b>100%</b>	<b>-</b>	<b>100.00%</b>	<b>46.13</b>

**FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED**

As per our report of even date attached  
**For MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

**Shail Savla**  
Managing Director  
DIN : 08763064

**Prem Singh Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Shashvat Shah**  
Chief Financial Officer

**Divyesh Senjaliya**  
Company Secretary  
Membership No: 60456

Place : Ahmedabad  
Date : 29/05/2023



AOC 1

Statement containing the salient features of the financial statements of Subsidiaries/Associates/Joint Ventures  
[Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (accounts) Rules, 2014]  
Part A - Subsidiaries

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting Period	Reporting Currency	Exchange Rate	INR-Millions										
						Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments other than Investment in subsidiaries	Turnover & Other Income from operations*	Profit/[Loss] before Taxation*	Provision for Taxation*	Profit/[Loss] after Taxation*	Proposed Dividend	% of Share-holding
1	Deep Natural Resources Limited	25/08/2009	31st March, 2023	INR	1	18.00	121.91	267.88	127.97	-	243.11	18.07	4.02	14.05	-	70%
2	Prabha energy Private Limited	24/08/2009	31st March, 2023	INR	1	178.06	5,409.82	25,497.95	19,910.07	-	1,640.97	9.62	-	9.62	-	53.16%
3	Deep Energy LLC	02/04/2008	31st March, 2023	INR	82.2169	27.13	-5.76	27.13	-	-	-	-	-	-	-	91.52%

Notes:

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL
- The Company does not have any associate and joint venture company as on 31st March, 2023.

As per our report of even date attached  
**Mahendra N. Shah & Co.,**  
Chartered Accountants  
Firm Registration Number: 105775W

**Chirag M. Shah**  
Partner  
Membership Number: F-045706

Place : Ahmedabad  
Date : 29/05/2023

FOR & ON BEHALF OF DEEP ENERGY RESOURCES LIMITED

**Shail Savla**  
Managing Director  
DIN : 08763064

**Prem Singh M. Sawhney**  
Chairman & Non-Executive Director  
DIN : 03231054

**Shashvat Shah**  
Chief Financial Officer

**Divyeshkumar Senjaliya**  
Company Secretary  
Membership No: 60456

Place : Ahmedabad  
Date : 29/05/2023



# Annexure-3

**SAVLA OIL AND GAS PRIVATE LIMITED**  
CIN : U11200GJ2009PTC058263

**STANDALONE BALANCE SHEET AS AT 30<sup>TH</sup> SEPT 2023**

₹ in thousand

Particulars	Note No.	As at 30st Sept 2023	As at 31st March 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	65,426.43	65,426.43
Reserves and surplus	3	4,29,388.67	4,21,345.44
Money received against share warrants		0.00	0.00
		<b>4,94,815.10</b>	<b>4,86,771.87</b>
<b>Share application money pending allotment</b>		<b>0.00</b>	<b>0.00</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	0.00	0.00
Deferred tax liabilities (Net)		0.00	0.00
Other long term liabilities		0.00	0.00
Long-term provisions		0.00	0.00
		<b>0.00</b>	<b>0.00</b>
<b>Current liabilities</b>			
Short-term borrowings	5	0.00	0.00
Trade payables			
(A) Micro enterprises and small enterprises		0.00	0.00
(B) Others		0.00	0.00
Other current liabilities	6	3038.60	3,015.00
Short-term provisions		0.00	0.00
		<b>3038.60</b>	<b>3,015.00</b>
<b>TOTAL</b>		<b>4,97,853.70</b>	<b>4,89,786.87</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment and Intangible assets			
Property, Plant and Equipment		0.00	0.00
Intangible assets		0.00	0.00
Capital work-in-Progress		0.00	0.00
Intangible assets under development		0.00	0.00
Non-current investments	7	2,69,532.68	2,69,251.51
Deferred tax assets (net)		0.00	0.00
Long-term loans and advances		0.00	0.00
Other non-current assets		0.00	0.00
		<b>2,69,532.68</b>	<b>2,69,251.51</b>
<b>Current assets</b>			
Current investments		0.00	0.00
Inventories		0.00	0.00
Trade receivables		0.00	0.00
Cash and cash equivalents	8	61.00	60.98
Short-term loans and advances		2,25,608.40	2,18,601.33
Other current assets	9	2651.62	1,873.05
		<b>2,28,321.02</b>	<b>2,20,535.36</b>
<b>TOTAL</b>		<b>4,97,853.70</b>	<b>4,89,786.87</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	1		



For and on behalf of the Board of Directors

  
**RUPESH KANTILAL SAVLA**  
Director  
DIN: 00126303

  
**MANOJ SHANTILAL SAVLA**  
Director  
DIN: 01529306

Place: AHMEDABAD  
Date: 15/12/2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD  
ENDED ON 30<sup>TH</sup> SEPT, 2023

₹ in thousand

Particulars	Note No.	30st SEPT 2023	31st March 2023
<b>Revenue</b>			
Revenue from operations		0.00	0.00
Less: Excise duty		0.00	0.00
<b>Net Sales</b>		<b>0.00</b>	<b>0.00</b>
Other income	10	8066.82	49,022.79
<b>Total Income</b>		<b>8066.82</b>	<b>49,022.79</b>
<b>Expenses</b>			
Cost of material Consumed		0.00	0.00
Purchase of stock-in-trade		0.00	0.00
Changes in inventories		0.00	0.00
Employee benefit expenses		0.00	0.00
Finance costs	11	0.00	499.48
Depreciation and amortization expenses		0.00	0.00
Other expenses	12	23.60	17,589.27
<b>Total expenses</b>		<b>8043.22</b>	<b>49,022.79</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>0.00</b>	<b>30,934.04</b>
Exceptional items		0.00	0.00
<b>Profit before extraordinary and prior period items and tax</b>		<b>8043.22</b>	<b>30,934.04</b>
Extraordinary items		0.00	0.00
Prior period item		0.00	0.00
<b>Profit before tax</b>		<b>8043.22</b>	<b>30,934.04</b>
<b>Tax expenses</b>			
Current tax	13	0.00	3,000.00
Deferred tax		0.00	0.00
Excess/short provision relating earlier year tax		0.00	0.00
<b>Profit(Loss) for the period</b>		<b>8043.22</b>	<b>27,934.04</b>
<b>Earning per share-in ₹</b>			
<b>Basic</b>			
Before extraordinary Items		0.00	4.99
After extraordinary Adjustment		0.00	4.99
<b>Diluted</b>			
Before extraordinary Items		0.00	0.00
After extraordinary Adjustment		0.00	0.00
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	<b>1</b>		

For and on behalf of the Board of Directors



*Rupesh Kantilal Savla*  
RUPESH KANTILAL SAVLA  
Director  
DIN: 00126303

*Manoj Shantilal Savla*  
MANOJ SHANTILAL SAVLA  
Director  
DIN: 01529306

Place: AHMEDABAD  
Date: 15/12/2023

**Notes to Financial statements for the year ended 30st SEPT 2023**

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

**Note No. 2 Share Capital**

₹ in thousand

Particulars	As at 30th Sept 2023		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised :</b>				
7228100 (31/03/2023:7228100) Equity shares of Rs. 10.00/- par value		72,281.00		72,281.00
1500000 (31/03/2023:1500000) Preference shares of Rs. 10.00/- par value		15,000.00		15,000.00
<b>Issued :</b>				
6542643 (31/03/2023:5602828) Equity shares of Rs. 10.00/- par value		65,426.43		65,426.43
		0.00		0.00
<b>Subscribed and paid-up :</b>				
6542643 (31/03/2023:5602828) Equity shares of Rs. 10.00/- par value		65,426.43		65,426.43
		0.00		0.00
<b>Total</b>		<b>65,426.43</b>		<b>65,426.43</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

**Equity shares**

₹ in thousand

	As at 30th Sept 2023		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	56,02,828	56,028.28	56,02,828	56,02,828
Issued during the Period	9,39,815	9,398.15	9,39,815	9,39,815
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>65,42,643</b>	<b>65,426.43</b>	<b>65,42,643</b>	<b>65,42,643</b>

**Preference shares**

₹ in thousand

	As at 30th Sept 2023		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	0.00	0.00	0.00	0.00
Issued during the Period	0.00	0.00	0.00	0.00
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Right, Preferences and Restriction attached to shares**

**Preference shares**

The company has only one class of Preference having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Details of shareholders holding more than 5% shares in the company**

Type of Share	Name of Shareholders	As at 30th Sept 2023		As at 31st March 2023	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00 ]	Rupesh Kantilal Savla	25,25,088	38.59	25,25,088	38.59
Equity [NV: 10.00 ]	Shantilal Savla Family Trust	24,85,100	37.98	24,85,100	37.98
Equity [NV: 10.00 ]	Sampati Securities Ltd	0.00		0.00	
Equity [NV: 10.00 ]	Dharen shantilal savla	6,57,914	10.06	6,57,914	10.06
Equity [NV: 10.00 ]	Rupesh savla family trust	6,84,580	10.46	6,84,580	10.46
	<b>Total :</b>	<b>63,52,682</b>	<b>97.09</b>	<b>63,52,682</b>	<b>97.09</b>



**Details of shares held by Promoters**

		Current Year					Previous Year				
		Shares at beginning		Shares at end		% Change	Shares at beginning		Shares at end		% Change
Promoter name	Particulars	Number	%	Number	%		Number	%	Number	%	
RUPESH KANTILALS AVLA	Equity [NV: 10.00 ]	2525088	45.07	2525088	38.59	-6.48	2490000	46.18	2525088	45.07	-1.11
PARASBHA SHANTILALS AVLA	Equity [NV: 10.00 ]	7092	0.13	7092	0.11	-0.02	7092	0.13	7092	0.13	0.00
MANOJ SHANTILALS AVLA	Equity [NV: 10.00 ]	7159	0.13	7159	0.11	-0.02	7159	0.13	7159	0.13	0.00
<b>Total</b>		<b>2539339</b>		<b>2539339</b>			<b>2504251</b>		<b>2539339</b>		

**Note No. 3 Reserves and surplus**

₹ In thousand

Particulars	As at 30th Sept 2023	As at 31st March 2023
<b>Surplus</b>		
Opening Balance	24,643.42	(3,290.62)
Add: Profit for the year	8043.22	27,934.04
Less: Loss for the year	0.00	0.00
<b>Closing Balance</b>	<b>32686.64</b>	<b>24,643.42</b>
<b>Capital redemption reserve</b>		
Opening Balance	300.00	300.00
Add: Addition during the year	0.00	0.00
Less : Deletion during the year	0.00	0.00
<b>Closing Balance</b>	<b>300.00</b>	<b>300.00</b>
<b>Securities premium</b>		
Opening Balance	3,96,402.03	1,37,952.90
Add: Addition during the year	0.00	2,58,449.13
Less : Deletion during the year	0.00	0.00
<b>Closing Balance</b>	<b>3,96,402.03</b>	<b>3,96,402.03</b>
<b>Balance carried to balance sheet</b>	<b>4,29,388.67</b>	<b>4,21,345.45</b>

**Note No. 4 Long-term borrowings**

₹ in thousand

Particulars	As at 30th Sept 2023			As at 31st March 2023		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>Loans and advances from related parties</b>						
Long Term Borrowings from Related Parties unsecured	0.00	0.00	0.00	0.00	0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>The Above Amount Includes</b>						
Unsecured Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Amount</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

**Note No. 5 Short-term borrowings**

₹ in thousand

Particulars	As at 30th Sept 2023	As at 31st March 2023
<b>Loans Repayable on Demands - From banks</b>		
unsecured	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>Loans and Advances from related parties</b>		
Loans and advances from others unsecured	0.00	0.00
Loans and advances from others unsecured	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

₹ in thousand

**Note No. 6 Other current liabilities**

Particulars	As at 30th Sept 2023		As at 31st March 2023	
	Long-term	Short-term	Long-term	Short-term
<b>Others payables</b>				
TDS Payable		0.00		0.00
Other Payable		38.60		15.00
Provision for tax		3000.00		3,000.00
		<b>3038.60</b>		<b>3,015.00</b>
<b>Total</b>		<b>3038.60</b>		<b>3,015.00</b>

**Note No. 7 Non-current investments**

₹ in thousand

Particulars	As at 30th Sept 2023		As at 31st March 2023	
	Long-term	Short-term	Long-term	Short-term
<b>Trade Investment(Valued at cost unless stated otherwise)</b>				
<b>Investments in equity Instruments (Quoted)</b>				
<b>In Others</b>				
Investment in other Indian companies equity instruments quoted trade (Lower of cost and Market value)		3,712.16		3,712.16
<b>Investments in equity Instruments (Unquoted)</b>				
<b>In Others</b>				
Investment in other Indian companies equity Instruments unquoted trade (Lower of cost and Market value)		2,46,010.20		2,46,010.20
<b>Investments in Preference shares (Unquoted)</b>				
<b>In Others</b>				
Investment in other Indian companies preference shares unquoted trade (Lower of cost and Market value)		15,930.00		15,930.00
<b>Investments in Mutual Funds (Quoted)</b>				
<b>In Others</b>				
Mutual funds long-term quoted trade (Lower of cost and Market value)		3880.32		3,599.14
<b>Gross Investment</b>		<b>2,69,532.52</b>		<b>2,69,251.50</b>
<b>Net Investment</b>		<b>2,69,532.52</b>		<b>2,69,251.50</b>
<b>Aggregate amount of quoted investments (Market Value:0.00) (2022:0.00)</b>		<b>7,311.30</b>		<b>7,311.30</b>
<b>Aggregate amount of unquoted investments</b>		<b>2,62,221.22</b>		<b>2,61,940.20</b>

**Note No. Loans and advances**

₹ in thousand

Particulars	As at 30th Sept 2023		As at 31st March 2023	
	Long-term	Short-term	Long-term	Short-term
<b>Other loans and advances</b>				
Unsecured, considered good(Head)	0.00	2,25,608.40	0.00	2,18,601.33
	<b>0.00</b>	<b>2,25,608.40</b>	<b>0.00</b>	<b>2,18,601.33</b>
<b>Total</b>	<b>0.00</b>	<b>2,25,608.40</b>	<b>0.00</b>	<b>2,18,601.33</b>

**Note No. 8 Cash and cash equivalents**

₹ in thousand

Particulars	As at 30th Sept 2023		As at 31st March 2023	
	Long-term	Short-term	Long-term	Short-term
<b>Balance with banks</b>				
-Balances with banks (for share application money received)		30.00		30.00
Balance With Bank		11.04		11.04
<b>Total</b>		<b>41.04</b>		<b>41.04</b>
<b>Cash in hand</b>				
Cash in hand		19.96		19.94
<b>Total</b>		<b>19.96</b>		<b>19.94</b>
<b>Total</b>		<b>61.00</b>		<b>60.98</b>

**SAVLA OIL AND GAS PRIVATE LIMITED**  
**CIN : U11200GJ2009PTC058263**

**Note No. 9 Other current assets**

₹ in thousand

Particulars	As at 30th Sept 2023	As at 31st March 2023
<b>Other Assets</b>		
TDS Receivable	2062.05	1,283.48
Miscellaneous Expense (Assets)	589.57	589.57
<b>Total</b>	<b>2651.62</b>	<b>1,873.05</b>

**Note No. 10 Other income**

₹ in thousand

Particulars	30th Sept 2023	31st March 2023
<b>Interest Income</b>		
Interest Income	7785.65	12,834.81
Interest On Income Tax Refund	0.00	5.78
	<b>7785.65</b>	<b>12,840.59</b>
<b>Dividend Income</b>		
Dividend Income	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>Net gain/loss on sale of investments</b>		
Long Term Profit on sale of investments	0.00	34,486.54
Net Gain on F&O Margin	0.00	0.00
Profit on Sale/Redemption of Mutual Fund Investment	281.18	96.51
Short Term Profit on sale of Investment	0.00	1,599.15
	<b>8066.83</b>	<b>36,182.20</b>
<b>Total</b>	<b>8066.83</b>	<b>49,022.79</b>

**Note No. 11 Finance costs**

₹ in thousand

Particulars	30th Sept 2023	31st March 2023
<b>Interest</b>		
Interest on other borrowings	0.00	499.48
	<b>0.00</b>	<b>499.48</b>
<b>Total</b>	<b>0.00</b>	<b>499.48</b>

**Note No. 12 Other expenses**

₹ in thousand

Particulars	30th Sept 2023	31st March 2023
Long Term Loss on Sale of Investments	0.00	17,217.34
Loss on Sale of Derivative Investments	0.00	0.00
Audit fees	23.60	15.00
Bank charges	0.00	0.86
Margin Penalty	0.00	0.00
Stamp Duty (Mutual Fund)	0.00	2.53
Demat & Investment Expense	0.00	15.69
ROC Expenses	0.00	81.01
Professional expenses	0.00	8.85
Preliminary Expense	0.00	0.00
Miscellaneous expenditure	0.00	2.32
Brokerage Expense	0.00	5.31
S/T LOSS ON SALE OF SHARS	0.00	101.85
OPTIONS P&L A/C	0.00	138.52
<b>Total</b>	<b>23.60</b>	<b>17,589.27</b>

**Note No. 13 Current tax**

₹ in thousand

Particulars	30th Sept 2023	31st March 2023
Current tax pertaining to current year	0	3,000.00
<b>Total</b>	<b>0</b>	<b>3,000.00</b>

**Note No. 7(b) Investment in other Indian companies equity instruments unquoted trade**

₹ in thousand

Particulars	30st Sept 2023	31st March 2023
Prabha Energy Private Limited (5000 Shares of Rs. 10 Each Paid up Rs. 10 Each)	50.00	50.00
Prabha Energy Private Limited (5000 Shares of Rs. 10 Each Paid up Rs. 12.5 Each)	62.50	62.50
Prabha Energy Private Limited (249987 Shares of Rs. 10 Each Paid up Rs. 200 Each)	49,997.40	49,997.40
Prabha Energy Private Limited (574059 shares of Rs.10 Each covered against optionally convertible preference shares)	1,95,900.30	1,95,900.30
<b>Total</b>	<b>2,46,010.20</b>	<b>2,46,010.20</b>

**Note No. 7(c) Investment in other Indian companies preference shares unquoted trade**

₹ in thousand

Particulars	30st Sept 2023	31st March 2023
Prabha Energy Pvt ltd (5,20,000 Preference Shares of Rs. 10/- each, paid up Rs. 200 /- each)	0.00	0.00
Prabha Energy Pvt ltd (37,850 Preference Shares of Rs. 10/- each, paid up Rs. 1700 /- each)	0.00	0.00
Prabha Energy Private Limited (10% Non convertible preference shares (15,93,000 shares of Rs.10 Each)	15,930.00	15,930.00
<b>Total</b>	<b>15,930.00</b>	<b>15,930.00</b>

**Note No. 7(d) Mutual funds long-term quoted trade**

₹ in thousand

Particulars	30st Sept 2023	31st March 2023
IDFC Cash Fund	3,599.14	3,599.14
HDFC Fund - G	0.00	0.00
Nippon Liquid Base	0.00	0.00
<b>Total</b>	<b>3,599.14</b>	<b>3,599.14</b>

**Note No. Loans and advances : Other loans and advances: Unsecured, considered good(Head)**

₹ in thousand

Particulars	As at 30st Sept 2023		As at 31st March 2023	
	Long-term	Short-term	Long-term	Short-term
PRABHA ENERGY PRIVATE LIMITED	0.00	2,18,601.33	0.00	2,18,601.33
<b>Total</b>	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>2,18,601.33</b>

**Note No. 12(a) Other expenses: Miscellaneous expenditure**

₹ in thousand

Particulars	30st Sept 2023	31st March 2023
Other expenditure	0.22	0.22
Office expense	2.11	2.11
<b>Total</b>	<b>2.32</b>	<b>2.32</b>

**Note No. 14 Earning Per Share**

₹ in thousand

Particulars	Before Extraordinary items		After Extraordinary items	
	30st Sept 2023	31st March 2023	30st Jun 2023	31st March 2023
<b>Basic</b>				
Profit after tax (A)	27,934.04	27,934.04	27,934.04	27,934.04
Weighted average number of shares outstanding (B)	56,02,828	56,02,828	56,02,828	56,02,828
Basic EPS (A / B)	4.99	4.99	4.99	4.99
<b>Diluted</b>				
Profit after tax (A)	27,934.04	27,934.04	27,934.04	27,934.04
Weighted average number of shares outstanding (B)	56,02,828	56,02,828	56,02,828	56,02,828
Diluted EPS (A / B)	4.99	4.99	4.99	4.99
Face value per share	10.00	10.00	10.00	10.00

**Note number: Additional Regulatory Information**

**(1) Ratios:**

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	40.25	0.75	5273.47	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	0.01	1.00	-98.87	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings	0.01	0.00	53791.95	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholder's Equity	0.09	0.01	639.76	
(e) Inventory turnover ratio	Turnover	Average Inventory	0.00	0.00	0.00	
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payable	0.00	0.00	0.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.23	-0.20	-216.18	
(i) Net profit ratio	Net Profit	Net Sales	0.52	-0.54	-195.45	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.00	0.00	859.95	
(k) Return on investment			0.00	0.00	0.00	

**Note : Disclosures under Accounting Standards**

**(i) Details of related parties:**

Description of relationship	Nature of Relationship	Names of related parties
Key Management Personnel (KMP)	Director	Rupeshbhai Kantilal Savla
Key Management Personnel (KMP)	Director	Manojbhai Shantilal Savla
Key Management Personnel (KMP)	Relative of Director	Parasbhai Shantilal Savla
Relatives of Director	Relative of Director	Shail Savla
Relatives of Director	Relative of Director	Sheetal R Savla
Relatives of Director	Relative of Director	Priti Paras Savla
Relatives of Director	Relative of Director	Dharen S Savla
Relatives of Director	Relative of Director	Shantilal Savla Family Trust
Entities in which KMP have significant influence	Common Director	PRABHA ENERGY PVT LTD
Entities in which KMP have significant influence	Common Director	DEEP INDUSTRIES LIMITED
Entities in which KMP have significant influence	Common Director	ADINATH EXIM RESOURCES

**(ii) Details of related party transactions and balances outstanding:**

Particulars	Nature of Relationship	30.06.2022	31.03.2023
<b>Transactions during the year</b>			
<b>LOAN REPAID</b>			
Rupeshbhai Kantilal Savla	Director	31848.20	31848.20
Manojbhai Shantilal Savla	Director	20258.85	20258.85
Parasbhai Shantilal Savla	Relative of Director	17265.08	17265.08
<b>UNSECURED LOAN TAKEN</b>			
PRABHA ENERGY PVT LTD	Common Director	183201.33	183201.33
<b>LOAN REPAID</b>			
PRABHA ENERGY PVT LTD	Common Director	24600.00	24600.00
ADINATH EXIM RESOURCES	Common Director	40490.02	40490.02
<b>INTEREST EXPENSE</b>			
ADINATH EXIM RESOURCES	Common Director	330.02	330.02
<b>ISSUE OF SHARE CAPITAL</b>			
Rupeshbhai Kantilal Savla	Director	6797.80	6797.80
Manojbhai Shantilal Savla	Director	438.60	438.60
Parasbhai Shantilal Savla	Relative of Director	438.60	438.60
Dharen S Savla	Relative of Director	1723.15	1723.15
<b>UNSECURED LOAN TAKEN</b>			
ADINATH EXIM RESOURCES	Common Director		
Rupeshbhai Kantilal Savla	Director		

<b>Balances outstanding at the end of the year</b>			
<b>Balance outstanding at the end of year</b>			
Rupeshbhai Kantilal Savla	Director		
Manojbhai Shantilal Savla	Director		
Parasbhai Shantilal Savla	Relative of Director		
PRABHA ENERGY PVT LTD	Common Director	218601.33	218601.33
ADINATH EXIM RESOURCES	Common Director		





## ***Independent Auditor's Report***

To the Members of M/s SAVLA OIL AND GAS PRIVATE LIMITED

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the financial statements of M/s SAVLA OIL AND GAS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its profit/loss 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.

### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





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

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

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

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 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.

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

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, 2020 ("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 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.





- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

Or

This report does not include report relating to internal financial controls as required u/s 143(3)(i) pursuant to Notification No. GSR 583(E) dated 13.06.2017 issued by MCA.

- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- 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.
  - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend have been declared or paid during the year by the company.

**Place:-AHMEDABAD**  
**Date: 27/08/2023**



**For KEYUR BAVISHI & CO**  
**Chartered Accountants**  
**FRN: 0131191W**

*Keyur Bavishi*  
Sd/-

**KEYUR DILIP BAVISHI**  
**(PROPRIETOR)**  
**Membership No. 136571**

**UDIN:23136571BGRSIZ3282**

**Annexure – A to the Independent Auditor’s Report on the Financial Statements of SAVLA OIL AND GAS PRIVATE LIMITED for the year ended 31<sup>st</sup> March, 2023**

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

Sl. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
(i)	Details of Tangible and Intangible Assets	(a)(A) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;	The company does not hold any Property, plant and equipment.
		(a)(B) whether the company is maintaining proper records showing full particulars of intangible assets;	The Company does not hold any Intangible Assets.
		(b) whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	There are no Property, Plant and Equipment held by the Company, Hence the said clause of the Order is not applicable to the Company.
		(c) whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof ;	There are no immovable property held by the Company, Hence the said clause of the Order is not applicable to the Company
		(d) whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;	There are no Property, Plant and Equipment held by the Company, Hence the said clause of the Order is not applicable to the Company.





		(e) whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against Company for holding any benami property Transactions Act, 1988 and rules made thereunder.
(ii)	<b>Details of Inventory and Working Capital</b>	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;	There is no inventory held by company.
		(b) whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;	According to the information and explanations given to us on the basis of our examination of the records of the Company. The Company has been not sanctioned working capital loan in excess of Rs. 5 crore in aggregate from banks on the basis of security of current assets during the reporting period. Hence the said clause of the Order is not applicable to the Company.
(iii)	<b>Details of Investments, any guarantee or security or advances or loans given</b>	whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so,-	



	(a) (A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;	According to the information and explanations given to us on the basis of our examination of the records of the Company. The Company has granted advances in the nature of loans to associate of the aggregate amount during the year of Rs. 17,16,50,000 and balance outstanding at 31 <sup>st</sup> March, 2023 is Rs. 17,16,50,000.
	(a) (B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;	According to the information and explanations given to us and based on the records of the Company, the Company has not granted any loans to other parties other than Subsidiary, Joint Ventures and Associates.
	(b) whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;	According to information and explanations given to us and based on the audit procedures conducted by us the Company has not granted any loans and made any investments or provided guarantee or security, hence no disclosure is required regarding terms and conditions for loan and advances.
	(c) in respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans or advances on the repayable on demand basis.
	(d) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans or advances on the repayable on demand basis. Hence the said clause is not applicable.





		(e) whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];	According to information and explanations given to us and on the basis of our examination of the records of the Company, There has been not any loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties
		(f) whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;	According to the information and explanations given to us and on the basis of our examination of the records, the company has granted advances in the nature of advance repayable on demand to related parties as defined in clause (76) of section 2 of the Companies Act, 2013. The details of advance granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013 reported in "Annexure -A".
(iv)	<b>Compliance in respect of loan to directors</b>	in respect of loans, investments, guarantees, and security, whether provisions of sections 185 and 186 of the Companies Act have been complied with, if not, provide the details thereof;	According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has granted loan and advance to Associate as specified under Section 186 of the Companies Act, 2013
(v)	<b>Compliance in respect of Deposit Accepted</b>	in respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with, if not, the nature of such contraventions be stated; if an order has been passed	According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly provision of clause 3(v) of the order is not applicable.



		by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not;	
(vi)	<b>Maintenance of Costing Records</b>	whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained;	The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
(vii)	<b>Deposit Of Statutory Liabilities</b>	(a) whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	According to information and explanations given to us and based on our examination of records of the Company has been generally Regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Investor education fund , employee state insurance income tax and any other material statutory dues applicable to it with the appropriate authorities. According to information and explanation given to us no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March, 2023 for a period of more than Six Months from the date of becoming payable.
		(b) where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned (a mere representation to the concerned Department shall not be treated as a dispute);	According to information and explanations given to us and based on examination of the records of the company there are no above mentioned statutory dues which are in dispute as on 31 <sup>st</sup> March, 2023.
(viii)	<b>Unrecorded Income</b>	whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year;	In our opinion and according to information and explanations given to us and on the basis of our examination of records of the Company. The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the period under Audit.





(ix)	<b>Default in repayment of borrowings</b>	<b>(a)</b> Whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported.	According to the information and explanations and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of its loans or borrowings which were due for payment from any lender during the period under audit.
		<b>(b)</b> whether the company is a declared wilful defaulter by any bank or financial institution or other lender;	According to the information and explanations given to us and on the basis of our examination the records of the Company, the Company has not been declared wilful defaulter by any bank of financial institution or government or government authority.
		<b>(c)</b> whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported;	According to the information and explanations given to us and procedures performed by us, the company has not obtained term loans during the year.
		<b>(d)</b> whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated;	According to the information and explanations given to us and procedures performed by us, we report that the Company has not utilised funds raised for the short term for the long term purpose.
		<b>(e)</b> whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case;	According to the information and explanations given to us and procedures performed by us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
		<b>(f)</b> whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;	According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly provision of clause 3(ix) (f) of the Order is not applicable.



(x)	<b>Funds raised and Utilisation</b>	(a) whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly provision of clause 3(x) (a) of the Order is not applicable.
		(b) whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;	According to the information and explanations given to us and procedures performed by us, the company has made private placement of shares during the year and the requirements of section 42 of the Companies Act, 2013 have been not complied with. Further, the funds raised have been used for the purposes for which the funds were raised.  The non-compliance of Section 42 reported in "Annexure-B".
(xi)	<b>Fraud and whistle Blower complaints</b>	(a) whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;	Based on examination of the books and records of the Company and according to the information and explanations given to us, considering principles of materiality outlined in the Standards on Auditing. We report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
		(b) whether any report under subsection (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;	According to the information and explanations given to us, no report under subsection (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
		(c) whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;	According to the information and explanations given to us including representations made to us by the management of the company, there are no whistle blower complaints received by the Company during the period under Audit.





(xii)	<b>Compliance by a Nidhi Company</b>	(a) whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability; (b) Whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability; (c) whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;	According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provision of clause 3(xii) of the Order is not applicable.
(xiii)	<b>Compliance on Transaction with related parties</b>	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;	In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
(xiv)	<b>Internal Audit System</b>	(a) whether the company has an internal audit system commensurate with the size and nature of its business;	Based on information and explanations provided to us and our audit procedures, the provision of Section 138 of Companies Act, 2013 pertaining to Internal Audit is not applicable to the Company.
		(b) whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;	As provision of Section 138 of Companies Act, 2013 pertaining to Internal Audit is not applicable to the Company hence provision of this clause of the order is not applicable to the Company.
(xv)	<b>Non-cash dealings with directors</b>	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with;	In our opinion and according the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
(xvi)	<b>Registration under 45-IA of RBI Act,1934</b>	(a) whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and if so, whether the registration has been obtained;	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly provision of clause 3(xv) (a) of the order Is not applicable.



		(b) whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly provision of clause 3(xvi) (b) of the Order is not applicable.
		(c) whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria;	The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly provision of clause 3(xvi) (c) of the Order is not applicable.
		(d) whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group;	According to the information and explanations provided to us during the course audit, the Group does not have any CIC. Accordingly the provision of the clause 3(xv) (d) of the order is not applicable to the Company.
(xvii)	<b>Cash Losses</b>	whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses;	According to the information and explanations given to us and procedures performed by us, the company has incurred cash losses in the financial year and in the immediately preceding financial year. The amount of cash loss reported in "Annexure - C".
(xviii)	<b>Resignation of Statutory Auditors</b>	whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;	There has been no resignation of the statutory auditors during the year. Accordingly provision of clause 3(xviii) of the order is not applicable.
(xix)	<b>Material Uncertainty on meeting liabilities</b>	on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of	According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of the financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and managements plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that





		balance sheet as and when they fall due within a period of one year from the balance sheet date;	the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
xx (a)	Compliance of CSR	Whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;	NA
xx (b)		Whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;	NA
(xxi)	Qualifications or adverse remarks in the consolidated financial statements	Whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.	NIL





**Annexure -A**

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	NIL	NIL	17,16,50,000
- Agreement does not specify any terms or period of repayment (B)	NIL	NIL	NIL
Total (A+B)	NIL	NIL	17,16,50,000
Percentage of loans/ advances in nature of loans to the total loans	NIL	NIL	100%

**Annexure-B**

Nature of securities	Type of issue	Amount Involved	Nature of non-compliance
Equity shares	Private placement	26,78,47,275	Monies received on application under private placement was not kept in a separate bank account in a scheduled bank.

**Annexure-C**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash Loss	NIL	21,69,563.00

Date: 27/08/2023

Place: Ahmedabad



FOR, KEYUR BAVISHI &amp; CO.

(Chartered Accountants)

FRN : 0131191W

**KEYUR DILIP BAVISHI**

Proprietor

M. No. : 136571

UDIIN: 23136571BGRSIZ3282

## ***Report on Internal Financial Controls with reference to financial statements***

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 M/s SAVLA OIL AND GAS PRIVATE LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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



Opinion

In 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place:-AHMEDABAD  
Date: 27/08/2023



For KEYUR BAVISHI & CO  
Chartered Accountants  
FRN: 0131191W

*Keyur Bavishi*  
Sd/-

KEYUR DILIP BAVISHI  
(PROPRIETOR )  
Membership No. 136571



Balance Sheet as at 31st March 2023

₹ in thousand

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	65,426.43	56,028.28
Reserves and surplus	3	4,21,345.44	1,34,962.28
Money received against share warrants		0.00	0.00
		<b>4,86,771.87</b>	<b>1,90,990.56</b>
<b>Share application money pending allotment</b>		<b>0.00</b>	<b>0.00</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	0.00	1,10,735.00
Deferred tax liabilities (Net)		0.00	0.00
Other long term liabilities		0.00	0.00
Long-term provisions		0.00	0.00
		<b>0.00</b>	<b>1,10,735.00</b>
<b>Current liabilities</b>			
Short-term borrowings	5	0.00	80,447.15
Trade payables			
(A) Micro enterprises and small enterprises		0.00	0.00
(B) Others		0.00	0.00
Other current liabilities	6	3,015.00	477.88
Short-term provisions		0.00	0.00
		<b>3,015.00</b>	<b>80,925.04</b>
<b>TOTAL</b>		<b>4,89,786.87</b>	<b>3,82,650.60</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and Equipment and Intangible assets</b>			
Property, Plant and Equipment		0.00	0.00
Intangible assets		0.00	0.00
Capital work-in-Progress		0.00	0.00
Intangible assets under development		0.00	0.00
Non-current investments	7	2,69,251.51	3,22,040.74
Deferred tax assets (net)		0.00	0.00
Long-term loans and advances		0.00	0.00
Other non-current assets		0.00	0.00
		<b>2,69,251.51</b>	<b>3,22,040.74</b>
<b>Current assets</b>			
Current investments		0.00	0.00
Inventories		0.00	0.00
Trade receivables		0.00	0.00
Cash and cash equivalents	8	60.98	49.25
Short-term loans and advances		2,18,601.33	60,000.00
Other current assets	9	1,873.05	560.61
		<b>2,20,535.36</b>	<b>60,609.86</b>
<b>TOTAL</b>		<b>4,89,786.87</b>	<b>3,82,650.60</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For KEYUR BAVISHI & CO  
 Chartered Accountant  
 (FRN: 0131191W)

KEYUR DILIP BAVISHI  
 PROPRIETOR  
 Membership No.: 136571  
 Place: AHMEDABAD  
 Date: 27/08/2023



For and on behalf of the Board of Directors  
 RUPESH KANTILAL SAVLA  
 Director  
 DIN: 00126303

MANOJ SHANTILAL SAVLA  
 Director  
 DIN: 01529306

Statement of Profit and loss for the year ended 31st March 2023

₹ in thousand

Particulars	Note No.	31st March 2023	31st March 2022
<b>Revenue</b>			
Revenue from operations		0.00	0.00
Less: Excise duty		0.00	0.00
<b>Net Sales</b>		<b>0.00</b>	<b>0.00</b>
Other income	10	49,022.79	3,986.08
<b>Total Income</b>		<b>49,022.79</b>	<b>3,986.08</b>
<b>Expenses</b>			
Cost of material Consumed		0.00	0.00
Purchase of stock-in-trade		0.00	0.00
Changes in inventories		0.00	0.00
Employee benefit expenses		0.00	0.00
Finance costs	11	499.48	4,209.20
Depreciation and amortization expenses		0.00	0.00
Other expenses	12	17,589.27	1,946.44
<b>Total expenses</b>		<b>18,088.75</b>	<b>6,155.64</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>30,934.04</b>	<b>(2,169.56)</b>
Exceptional items		0.00	0.00
<b>Profit before extraordinary and prior period items and tax</b>		<b>30,934.04</b>	<b>(2,169.56)</b>
Extraordinary items		0.00	0.00
Prior period item		0.00	0.00
<b>Profit before tax</b>		<b>30,934.04</b>	<b>(2,169.56)</b>
<b>Tax expenses</b>			
Current tax	13	3,000.00	0.00
Deferred tax		0.00	0.00
Excess/short provision relating earlier year tax		0.00	0.00
<b>Profit(Loss) for the period</b>		<b>27,934.04</b>	<b>(2,169.56)</b>
<b>Earning per share-In</b>			
<b>Basic</b>	14		
Before extraordinary Items		4.99	(0.40)
After extraordinary Adjustment		4.99	(0.40)
<b>Diluted</b>			
Before extraordinary Items		0.00	0.00
After extraordinary Adjustment		0.00	0.00

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS**

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For KEYUR BAVISHI & CO

Chartered Accountant

F RN: 013 191W)

KEYUR BAVISHI & CO.

PROPRIETOR

Membership No.: 1367

Place: AHMEDABAD

Date: 27/06/2023

For and on behalf of the Board of Directors

  
 RUPESH KANTIL SAVLA  
 Director  
 DIN: 00126303

  
 MANOJ SANIL TILAL SAVLA  
 Director  
 DIN: 01529306





**SAVLA OIL & GAS PRIVATE LIMITED**  
**CIN : U72900GJ2011PTC065453**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March, 2023**

₹ in thousand

PARTICULARS	FY 2022-23	FY 2021-22
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax as per Profit & Loss Account	30,934.04	(2,169.56)
Adjustment for :		
Profit on sale of shares	(36,085.69)	(3,278.49)
Profit On Sale Of Mutual Fund	(96.51)	(132.01)
Profit on F & O Transaction	-	-
Dividend Income	-	(405.55)
Interest Expense	499.48	4,209.20
Loss on sale of Investments	17,217.34	1,177.72
<b>Operating Profit before Working Capital Changes</b>	<b>12,468.66</b>	<b>(598.70)</b>
<b>Changes in Working Capital</b>		
Adjustment for		
Trade Payable, Other Liabilities and Provision	2,537.12	460.18
Trade Receivables, Loans and Advances and Other Assets	(1,59,913.77)	(60,130.12)
<b>CASH FLOW FROM OPERATION</b>	<b>(1,44,907.99)</b>	<b>(60,268.64)</b>
Cash Flow from Exceptional Claim		
Income Tax Paid During the Year (TDS/Advance Tax/Self Assessed Tax)	(3,000.00)	(40.56)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>(1,47,907.99)</b>	<b>(60,309.19)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Purchase Of Mutual Fund	-	(22,745.13)
Sale Of Mutual Fund	849.41	26,104.73
Purchase Of Shares	(1,95,900.30)	(36,645.00)
Sale of Shares	2,66,804.96	8,104.85
Dividend Income	-	405.55
Profit On F & O Transaction	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>71,754.07</b>	<b>(24,775.00)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Bank TOD	-	3,575.02
Issue of Equity Shares	9,398.15	2,105.28
Premium received on issue	2,58,449.13	57,895.20
Loan taken from related Parties	-	6,489.81
Repayment Of Loan to related parties	-	(4,432.40)
Long term Borrowing received	-	31,244.38
Repayment Of Long term Borrowing	(1,10,735.00)	(27,504.58)
Short term Borrowing received	-	19,900.00
Repayment Of Short term Borrowing	(80,447.15)	-
Lending of Loans	-	-
Collection of loans	-	-
Interst Expense	(499.48)	(4,209.20)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>76,165.65</b>	<b>85,063.51</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>11.73</b>	<b>(20.68)</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	49.25	69.93
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	60.98	49.25

For, KEYUR BAVISHI & CO.  
**CHARTERED ACCOUNTANTS**  
**F.R.N. : 131191W**

**KEYUR BAVISHI**  
**Proprietor**  
**M. No. : 136571**

**PLACE: AHMEDABAD**  
**DATE : 27/08/2023**



For, SAVLA OIL AND GAS PRIVATE LIMITED

**Manoj Savla**  
**DIRECTOR**  
**DIN : 01529306**

**PLACE: AHMEDABAD**  
**DATE : 27/08/2023**



**Rupesh Savla**  
**DIRECTOR**  
**DIN:00126303**

**Notes to Financial statements for the year ended 31st March 2023**

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

**Note No. 2 Share Capital**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Authorised :</b>		
7228100 (31/03/2022:7228100) Equity shares of Rs. 10.00/- par value	72,281.00	72,281.00
1500000 (31/03/2022:1500000) Preference shares of Rs. 10.00/- par value	15,000.00	15,000.00
<b>Issued :</b>		
6542643 (31/03/2022:5602828) Equity shares of Rs. 10.00/- par value	65,426.43	56,028.28
	0.00	0.00
<b>Subscribed and paid-up :</b>		
6542643 (31/03/2022:5602828) Equity shares of Rs. 10.00/- par value	65,426.43	56,028.28
	0.00	0.00
<b>Total</b>	<b>65,426.43</b>	<b>56,028.28</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

**Equity shares**

₹ in thousand

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	56,02,828	56,028.28	53,92,300	53,923.00
Issued during the Period	9,39,815	9,398.15	2,10,528	2,105.28
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>65,42,643</b>	<b>65,426.43</b>	<b>56,02,828</b>	<b>56,028.28</b>

**Preference shares**

₹ in thousand

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	0.00	0.00	0.00	0.00
Issued during the Period	0.00	0.00	0.00	0.00
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Right, Preferences and Restriction attached to shares**

**Preference shares**

The company has only one class of Preference having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Details of shareholders holding more than 5% shares in the company**

Type of Share	Name of Shareholders	As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Rupesh Kantilal Savla	25,25,088	38.59	25,25,088	45.07
Equity [NV: 10.00]	Shantilal Savla Family Trust	24,85,100	37.98	24,85,100	44.35
Equity [NV: 10.00]	Sampati Securities Ltd	0.00		4,02,300	7.18
Equity [NV: 10.00]	Dharen shantilal savla	6,57,914	10.06	0.00	
Equity [NV: 10.00]	Rupesh savla family trust	6,84,580	10.46	0.00	
	<b>Total :</b>	<b>63,52,682</b>	<b>97.09</b>	<b>54,12,488</b>	<b>96.60</b>



Details of shares held by Promoters

		Current Year					Previous Year				
		Shares at beginning		Shares at end		% Chang e	Shares at beginning		Shares at end		% Chang e
Promoter name	Particulars	Number	%	Number	%		Number	%	Number	%	
RUPESH KANTILALSAVLA	Equity [NV: 10.00 ]	2525088	45.07	2525088	38.59	-6.48	2490000	46.18	2525088	45.07	-1.11
PARASBHAI SHANTILALS AVLA	Equity [NV: 10.00 ]	7092	0.13	7092	0.11	-0.02	7092	0.13	7092	0.13	0.00
MANOJ SHANTILALS AVLA	Equity [NV: 10.00 ]	7159	0.13	7159	0.11	-0.02	7159	0.13	7159	0.13	0.00
<b>Total</b>		<b>2539339</b>		<b>2539339</b>			<b>2504251</b>		<b>2539339</b>		

Note No. 3 Reserves and surplus

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Surplus</b>		
Opening Balance	(3,290.62)	(1,121.05)
Add: Profit for the year	27,934.04	0.00
Less: Loss for the year	0.00	(2,169.56)
<b>Closing Balance</b>	<b>24,643.42</b>	<b>(3,290.61)</b>
<b>Capital redemption reserve</b>		
Opening Balance	300.00	300.00
Add: Addition during the year	0.00	0.00
Less : Deletion during the year	0.00	0.00
<b>Closing Balance</b>	<b>300.00</b>	<b>300.00</b>
<b>Securities premium</b>		
Opening Balance	1,37,952.90	80,057.70
Add: Addition during the year	2,58,449.13	57,895.20
Less : Deletion during the year	0.00	0.00
<b>Closing Balance</b>	<b>3,96,402.03</b>	<b>1,37,952.90</b>
<b>Balance carried to balance sheet</b>	<b>4,21,345.45</b>	<b>1,34,962.29</b>

Note No. 4 Long-term borrowings

₹ in thousand

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Curre nt	Current Maturities	Total	Non-Curre nt	Current Maturities	Total
<b>Loans and advances from related parties</b>						
Long Term Borrowings from Related Parties unsecured	0.00	0.00	0.00	1,10,735.00	0.00	1,10,735.00
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,10,735.00</b>	<b>0.00</b>	<b>1,10,735.00</b>
<b>The Above Amount Includes</b>						
Unsecured Borrowings	0.00	0.00	0.00	1,10,735.00	0.00	1,10,735.00
<b>Net Amount</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,10,735.00</b>	<b>0</b>	<b>1,10,735.00</b>

Note No. 5 Short-term borrowings

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Loans Repayable on Demands - From banks</b>		
unsecured	0.00	3,575.02
	<b>0.00</b>	<b>3,575.02</b>
<b>Loans and Advances from related parties</b>		
Loans and advances from others unsecured	0.00	69,372.14
Loans and advances from others unsecured	0.00	7,500.00
	0.00	76,872.14
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>80,447.15</b>

Note No. 6 Other current liabilities

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Others payables</b>		
TDS Payable	0.00	403.98
Other Payable	15.00	73.90
Provision for tax	3,000.00	0.00
	<b>3,015.00</b>	<b>477.88</b>
<b>Total</b>	<b>3,015.00</b>	<b>477.88</b>

Note No. 7 Non-current investments

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Investment(Valued at cost unless stated otherwise)</b>		
<b>Investments in equity Instruments (Quoted)</b>		
<b>In Others</b>		
Investment in other Indian companies equity instruments quoted trade (Lower of cost and Market value)	3,712.16	71,581.99
<b>Investments in equity Instruments (Unquoted)</b>		
<b>In Others</b>		
Investment in other Indian companies equity instruments unquoted trade (Lower of cost and Market value)	2,46,010.20	50,109.90
<b>Investments in Prefence shares (Unquoted)</b>		
<b>In Others</b>		
Investment in other Indian companies preference shares unquoted trade (Lower of cost and Market value)	15,930.00	1,95,900.30
<b>Investments in Mutual Funds (Quoted)</b>		
<b>In Others</b>		
Mutual funds long-term quoted trade (Lower of cost and Market value)	3,599.14	4,448.55
<b>Gross Investment</b>	<b>2,69,251.50</b>	<b>3,22,040.74</b>
<b>Net Investment</b>	<b>2,69,251.50</b>	<b>3,22,040.74</b>
<b>Aggregate amount of quoted investments (Market Value:0.00) (2022:0.00)</b>	<b>7,311.30</b>	<b>76,030.54</b>
<b>Aggregate amount of unquoted investments</b>	<b>2,61,940.20</b>	<b>2,46,010.20</b>

Note No. Loans and advances

₹ in thousand

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
<b>Other loans and advances</b>				
Unsecured, considered good(Head)	0.00	2,18,601.33	0.00	60,000.00
	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>60,000.00</b>
<b>Total</b>	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>60,000.00</b>

Note No. 8 Cash and cash equivalents

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balance with banks</b>		
-Balances with banks (for share application money received)	30.00	30.00
Balance With Bank	11.04	0.00
<b>Total</b>	<b>41.04</b>	<b>30.00</b>
<b>Cash in hand</b>		
Cash in hand	19.94	19.25
<b>Total</b>	<b>19.94</b>	<b>19.25</b>
<b>Total</b>	<b>60.98</b>	<b>49.25</b>





**Note No. 9 Other current assets**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Other Assets</b>		
TDS Receivable	1,283.48	410.61
Miscellaneous Expense (Assets)	589.57	150.00
<b>Total</b>	<b>1,873.05</b>	<b>560.61</b>

**Note No. 10 Other income**

₹ in thousand

Particulars	31st March 2023	31st March 2022
<b>Interest Income</b>		
Interest Income	12,834.81	0.00
Interest On Income Tax Refund	5.78	0.00
	<b>12,840.59</b>	<b>0.00</b>
<b>Dividend Income</b>		
Dividend Income	0.00	405.55
	<b>0.00</b>	<b>405.55</b>
<b>Net gain/loss on sale of investments</b>		
Long Term Profit on sale of investments	34,486.54	2,230.07
Net Gain on F&O Margin	0.00	170.03
Profit on Sale/Redemption of Mutual Fund Investment	96.51	132.01
Short Term Profit on sale of Investment	1,599.15	1,048.42
	<b>36,182.20</b>	<b>3,580.53</b>
<b>Total</b>	<b>49,022.79</b>	<b>3,986.08</b>

**Note No. 11 Finance costs**

₹ in thousand

Particulars	31st March 2023	31st March 2022
<b>Interest</b>		
Interest on other borrowings	499.48	4,209.20
	<b>499.48</b>	<b>4,209.20</b>
<b>Total</b>	<b>499.48</b>	<b>4,209.20</b>

**Note No. 12 Other expenses**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Long Term Loss on Sale of Investments	17,217.34	1,177.72
Loss on Sale of Derivative Investments	0.00	438.13
Audit fees	15.00	17.70
Bank charges	0.86	2.21
Margin Penalty	0.00	6.59
Stamp Duty (Mutual Fund)	2.53	8.93
Demat & Investment Expense	15.69	81.94
ROC Expenses	81.01	1.90
Professional expenses	8.85	84.00
Preliminary Expense	0.00	37.50
Miscellaneous expenditure	2.32	0.35
Brokerage Expense	5.31	89.48
S/T LOSS ON SALE OF SHARS	101.85	0.00
OPTIONS P&L A/C	138.52	0.00
<b>Total</b>	<b>17,589.27</b>	<b>1,946.44</b>

**Note No. 13 Current tax**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Current tax pertaining to current year	3,000.00	0.00
<b>Total</b>	<b>3,000.00</b>	<b>0.00</b>



**Note No. 7(a) Investment in other Indian companies equity instruments  
quoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Atlanta Limited (177039 Shares of Rs.2 Each Paid up Rs.81.82 Each)	0.00	14,485.33
Aym Syntex Limited (15625 Shares of Rs.10 Each Paid up Rs.64.10 Each)	0.00	1,001.63
Nila Infrastructure Limited (200000 Eq. Shares of Rs. 1/- each, paid up Rs.21.21/- each)	0.00	4,242.01
Veto Swichgears And Cabels Ltd (13000 Eq. Shares of Rs. 10/- each, paid up Rs.209.86/- each)	0.00	2,728.23
Agro Tech Food Ltd (1375 Eq. Shares of Rs. 10/- each, paid up Rs. 626.71/- each)	0.00	861.72
Bharat Rasayan Ltd (250 Eq. Shares of Rs. 10/- each, paid up Rs. 3927.11/- each)	0.00	981.78
Gujarat AMB Exp Ltd (12212 Eq. Shares of Rs. 1/- each, paid up Rs. 91.88/- each)	0.00	1,121.99
Nila Space Ltd (2,00,000 Eq. Shares of Rs. 10/- each, paid up Rs. /- each)-(Bonus Shares 1:1)	0.00	0.00
Birla Corporation (2015 Eq. Shares of Rs. 10/- each, paid up Rs. 768.15/- each)	0.00	1,547.82
Deep Industries (1,60,000 Eq. Shares of Rs. 10/- each, paid up Rs. 133.03/- each)	0.00	21,285.57
Deep Energy Resources Limited (1,60,000 Eq. Shares of Rs. 10/- each, paid up Rs. 23.20/- each)	3,712.16	3,712.16
Transpek Industries Ltd (460 Eq. Shares of Rs. 10/- each, paid up Rs. 1280.17/- each)	0.00	588.88
Ujjivan Financial Service Ltd (3,200 Eq. Shares of Rs. 10/- each, paid up Rs. 273.79/- each)	0.00	876.14
Ujjivan Small Finance Bank Ltd (11,0000 Eq. Shares of Rs. 10/- each, paid up Rs. 56.10/- each)	0.00	617.10
Adore Welding Ltd (3750 Eq. Shares of Rs. 10/- each, paid up Rs. 320.85/- each)	0.00	1,203.19
Delta Corp Ltd (17500 Eq. Shares of Rs. 1/- each, paid up Rs. 125.97/- each)	0.00	2,204.53
Dynamic Product Limited (4009 Eq. Shares of Rs. 10/- each, paid up Rs. 338.36/- each)	0.00	1,356.48
ISGEC heavy Eng Ltd (2000 Eq. Shares of Rs. 1/- each, paid up Rs. 361.06/- each)	0.00	722.13
Mayur Uniquoters Ltd (4000 Eq. Shares of Rs. 10/- each, paid up Rs. 250/- each)	0.00	1,000.00
NOCIL Ltd	0.00	2,110.51
Oriental Aromatics Ltd (975 Eq. Shares of Rs. 10/- each, paid up Rs. 611.81/- each)	0.00	596.51
Polycab India Ltd (1150 Eq. Shares of Rs. 10/- each, paid up Rs. 1065.40/- each)	0.00	1,225.21
Thangamayli Jewellers Ltd (3165 Eq. Shares of Rs. 10/- each, paid up Rs. 464.43/- each)	0.00	1,469.91
Raas Equipment Pvt ltd (160 Eq. Shares of Rs. 10/- each, paid up Rs. 10/- each)	0.00	1.60
Hikal Chemical Ind Ltd (5400 Eq. Shares of Rs. 2/- each, paid up Rs. 174.39/- each)	0.00	941.69
Kolte-Patil Developers (3900 Eq. Shares of Rs. 10/- each, paid up Rs. 253.35/- each)	0.00	988.06
Kirti Industries (7000 Eq. Shares of Rs. 1/- each, paid up Rs. 119.50/- each)	0.00	836.48
Pratap Snacks Ltd (1300 Eq. Shares of Rs. 5/- each, paid up Rs. 752.02/- each)	0.00	977.62
TD Power System Ltd	0.00	1,895.82
Infosys (1 Eq. Shares of Rs. 5/- each, paid up Rs. 1897/- each)	0.00	1.90
<b>Total</b>	<b>3,712.16</b>	<b>71,581.99</b>





**Note No. 7(b) Investment In other Indian companies equity instruments unquoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Prabha Energy Private Limited (5000 Shares of Rs. 10 Each Paid up Rs. 10 Each)	50.00	50.00
Prabha Energy Private Limited (5000 Shares of Rs. 10 Each Paid up Rs. 12.5 Each)	62.50	62.50
Prabha Energy Private Limited (249987 Shares of Rs. 10 Each Paid up Rs. 200 Each)	49,997.40	49,997.40
Prabha Energy Private Limited (574059 shares of Rs.10 Each covered against optionally convertible preference shares)	1,95,900.30	0.00
<b>Total</b>	<b>2,46,010.20</b>	<b>50,109.90</b>

**Note No. 7(c) Investment In other Indian companies preference shares unquoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Prabha Energy Pvt Ltd (5,20,000 Preference Shares of Rs. 10/- each, paid up Rs. 200 /- each)	0.00	1,04,000.00
Prabha Energy Pvt Ltd (37,850 Preference Shares of Rs. 10/- each, paid up Rs. 1700 /- each)	0.00	91,900.30
Prabha Energy Private Limited (10% Non convertible preference shares (15,93,000 shares of Rs.10 Each)	15,930.00	0.00
<b>Total</b>	<b>15,930.00</b>	<b>1,95,900.30</b>

**Note No. 7(d) Mutual funds long-term quoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
IDFC Cash Fund	3,599.14	1,909.42
HDFC Fund - G	0.00	2,527.91
Nippon Liquid Base	0.00	11.21
<b>Total</b>	<b>3,599.14</b>	<b>4,448.55</b>

**Note No. Loans and advances : Other loans and advances: Unsecured, considered good(Head)**

₹ in thousand

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
PRABHA ENERGY PRIVATE LIMITED	0.00	2,18,601.33	0.00	60,000.00
<b>Total</b>	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>60,000.00</b>

**Note No. 12(a) Other expenses:Miscellaneous expenditure**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Other expenditure	0.22	0.35
Office expense	2.11	0.00
<b>Total</b>	<b>2.32</b>	<b>0.35</b>

**Note No. 14 Earning Per Share**

₹ in thousand

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Basic</b>				
Profit after tax (A)	27,934.04	(2,169.56)	27,934.04	(2,169.56)
Weighted average number of shares outstanding (B)	56,02,828	53,92,300	56,02,828	53,92,300
Basic EPS (A / B)	4.99	(0.40)	4.99	(0.40)
<b>Diluted</b>				
Profit after tax (A)	27,934.04	(2,169.56)	27,934.04	(2,169.56)
Weighted average number of shares outstanding (B)	56,02,828	53,92,300	56,02,828	53,92,300
Diluted EPS (A / B)	4.99	(0.40)	4.99	(0.40)
Face value per share	10.00	10.00	10.00	10.00



Note number: Additional Regulatory Information

(1) Ratios:

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	40.25	0.75	5273.47	
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	0.01	1.00	-98.87	
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings	0.01	0.00	53791.95	
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholder's Equity	0.09	0.01	639.76	
(e) Inventory turnover ratio	Turnover	Average Inventory	0.00	0.00	0.00	
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	0.00	0.00	0.00	
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payable	0.00	0.00	0.00	
(h) Net capital turnover ratio	Total Sales	Average Working Capital	0.23	-0.20	-216.18	
(i) Net profit ratio	Net Profit	Net Sales	0.52	-0.54	-195.45	
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.00	0.00	859.95	
(k) Return on investment			0.00	0.00	0.00	





**Note : Disclosures under Accounting Standards**

**(i) Details of related parties:**

Description of relationship	Nature of Relationship	Names of related parties
Key Management Personnel (KMP)	Director	Rupeshbhai Kantilal Savla
Key Management Personnel (KMP)	Director	Manojbhai Shantilal Savla
Key Management Personnel (KMP)	Relative of Director	Parasbhai Shantilal Savla
Relatives of Director	Relative of Director	Shail Savla
Relatives of Director	Relative of Director	Sheetal R Savla
Relatives of Director	Relative of Director	Priti Paras Savla
Relatives of Director	Relative of Director	Dharen S Savla
Relatives of Director	Relative of Director	Shantilal Savla Family Trust
Entities in which KMP have significant influence	Common Director	PRABHA ENERGY PVT LTD
Entities in which KMP have significant influence	Common Director	DEEP INDUSTRIES LIMITED
Entities in which KMP have significant influence	Common Director	ADINATH EXIM RESOURCES

**(ii) Details of related party transactions and balances outstanding:**

Particulars	Nature of Relationship	31.03.2023	31.03.2022
<b>Transactions during the year</b>			
<b>LOAN REPAID</b>			
Rupeshbhai Kantilal Savla	Director	31848.20	
Manojbhai Shantilal Savla	Director	20258.85	
Parasbhai Shantilal Savla	Relative of Director	17265.08	
<b>UNSECURED LOAN TAKEN</b>			
PRABHA ENERGY PVT LTD	Common Director	183201.33	
<b>LOAN REPAID</b>			
PRABHA ENERGY PVT LTD	Common Director	24600.00	60000.00
ADINATH EXIM RESOURCES	Common Director	40490.02	3989.81
<b>INTEREST EXPENSE</b>			
ADINATH EXIM RESOURCES	Common Director	330.02	3989.81
<b>ISSUE OF SHARE CAPITAL</b>			
Rupeshbhai Kantilal Savla	Director	6797.80	
Manojbhai Shantilal Savla	Director	438.60	
Parasbhai Shantilal Savla	Relative of Director	438.60	
Dharen S Savla	Relative of Director	1723.15	
<b>UNSECURED LOAN TAKEN</b>			
ADINATH EXIM RESOURCES	Common Director		2500.00
Rupeshbhai Kantilal Savla	Director		12400.00

<b>Balances outstanding at the end of the year</b>			
<b>Balance outstanding at the end of year</b>			
Rupeshbhai Kantilal Savla	Director		31848.20
Manojbhai Shantilal Savla	Director		20258.85
Parasbhai Shantilal Savla	Relative of Director		17265.08
PRABHA ENERGY PVT LTD	Common Director	218601.33	-60000.00
ADINATH EXIM RESOURCES	Common Director		48560.00



*Signature*

## M/s SAVLA OIL AND GAS PRIVATE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

Note No. : 1

#### A. Significant Accounting Policies

##### 1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

##### 2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### 3. Revenue Recognition: -

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### 4. Property, Plant & Equipment :-

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

##### 5. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method/SLM method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

All fixed assets individually costing Rs. 5,000/- or less are fully depreciated in the year of installation/purchase.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale.





The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

6. Foreign currency Transactions: -

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

7. Investments :-

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

8. Inventories :-

Inventories are valued as under:-

1. Inventories : Lower of cost(FIFO/specific cost/Weighted avg) or net realizable value
2. Scrap : At net realizable value.

9. Borrowing cost:-

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence. The amount of borrowing cost capitalized during the year is NIL.

10. Retirement Benefits:-

The retirement benefits are accounted for as and when liability becomes due for payment.

11. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.



## 12. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

### General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

## (B) Notes on Financial Statements

1. The SSI status of the creditors is not known to the Company; hence the information is not given.
2. Salaries includes directors remuneration on account of salary Rs. /- (Previous Year Rs. /-)
3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Payments to Auditors:

Auditors Remuneration	2022-2023	2021-2022
Audit Fees	15000	17700
Tax Audit Fees		
Company Law Matters		
GST		
Total	15000	17700

5. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
6. No provision for retirement benefits has been made, in view of accounting policy No. 11. The impact of the same on Profit & Loss is not determined.
7. Advance to others includes advances to concerns in which directors are interested:

Name of Concern	Current Year Closing Balance	Previous Year Closing Balance
Prabha Energy Limited	218601331	60000000





8. Additional Regulatory Information/disclosures as required by General Instructions to Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

9. % of imported & indigenous raw material & consumables

Particulars	2023		2022	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	0.00	0.00	0.00	0.00

10. Value of Imports

Raw Material	Nil	Nil
Finished Goods	Nil	Nil

11. Expenditure in Foreign Currency Nil Nil

12. Earning in Foreign Exchange Nil Nil

13. Previous year figures have been regrouped/rearranged wherever necessary.

**Signature to notes 1 to 14**

**In terms of Our Separate Audit Report of Even Date Attached.**

**For KEYUR BAVISHI & CO**

**For M/s SAVLA OIL AND GAS PRIVATE LIMITED**

**Chartered Accountants**

  
**(KEYUR DILIP BAVISHI)**  
**PROPRIETOR**  
**Membership No. 136571**  
**Registration No. 0131191W**

  
**RUPESH KANTILAL SAVLA**  
**Director**  
**DIN : 00126303**

  
**MANOJ SHANTILAL SAVLA**  
**Director**  
**DIN : 01529306**

**Place:- AHMEDABAD**  
**Date: - 27/08/2023**  
**UDIN: 23136571BGRSIZ3282**





## ***Independent Auditor's Report***

To the Members of M/s SAVLA OIL AND GAS PRIVATE LIMITED

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statements of M/s SAVLA OIL AND GAS PRIVATE LIMITED (hereinafter referred to as the 'Holding Company') and its associates which comprise the consolidated Balance Sheet as at 31st March 2023, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2023, of consolidated profit/loss and its consolidated cash flows for the year then ended.

### 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information other than the financial statements and auditors' report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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.





## ***Independent Auditor's Report***

To the Members of M/s SAVLA OIL AND GAS PRIVATE LIMITED

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statements of M/s SAVLA OIL AND GAS PRIVATE LIMITED (hereinafter referred to as the 'Holding Company') and its associates which comprise the consolidated Balance Sheet as at 31st March 2023, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2023, of consolidated profit/loss and its consolidated cash flows for the year then ended.

### 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information other than the financial statements and auditors' report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





- 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 ability of the Group and its associates and jointly controlled entities 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 consolidated 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 Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

#### Other Matters

- (a) The consolidated financial statements include the Group's share of net profit of Rs. 4,50,600/- for the year ended 31st March 2023, as considered in the consolidated financial statements, in respect of Prabha Energy Private Limited associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.



Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2023 taken on record by the Board of Directors of the reports of the statutory auditors of associate company none of the directors of the Group companies, its associate company is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. There were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
  - b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India





- d. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- e. No dividend have been declared or paid during the year by the company.



Place:-AHMEDABAD  
Date: 27/08/2023

For KEYUR BAVISHI & CO  
Chartered Accountants  
FRN: 0131191W  
*[Signature]*  
Sd/  
KEYUR DILIP BAVISHI  
(PROPRIETOR )  
Membership No. 136571

UDIN:23136571BGRSJA2578

**Report on Internal Financial Controls with reference to financial statements****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 M/s SAVLA OIL AND GAS PRIVATE LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company and its associate which are companies incorporated in India, as of that date. for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls over financial reporting of the Parent and its associate which are companies incorporated in India, 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 and the audit evidence obtained by auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over



financial reporting of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India.

#### 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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





Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in their respective audit report of the Parent and its associate which are companies incorporated in India, have, 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, 2023, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Place:-AHMEDABAD  
Date: 27/08/2023



For KEYUR BAVISHI & CO  
Chartered Accountants  
FRN: 0131191W  
*Keyur Bavishi*  
Sd/-  
KEYUR DILIP BAVISHI  
(PROPRIETOR)  
Membership No. 136571

Balance Sheet as at 31st March 2023

₹ in thousand

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	65,426.43	56,028.28
Reserves and surplus	3	4,22,231.18	1,35,397.43
Money received against share warrants		0.00	0.00
		<b>4,87,657.61</b>	<b>1,91,425.71</b>
<b>Share application money pending allotment</b>		<b>0.00</b>	<b>0.00</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	0.00	1,10,735.00
Deferred tax liabilities (Net)		0.00	0.00
Other long term liabilities		0.00	0.00
Long-term provisions		0.00	0.00
		<b>0.00</b>	<b>1,10,735.00</b>
<b>Current liabilities</b>			
Short-term borrowings	5	0.00	80,447.15
Trade payables			
(A) Micro enterprises and small enterprises		0.00	0.00
(B) Others		0.00	0.00
Other current liabilities	6	3,015.00	477.88
Short-term provisions		0.00	0.00
		<b>3,015.00</b>	<b>80,925.04</b>
<b>TOTAL</b>		<b>4,90,672.61</b>	<b>3,83,085.74</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and Equipment and Intangible assets</b>			
Property, Plant and Equipment		0.00	0.00
Intangible assets		0.00	0.00
Capital work-in-Progress		0.00	0.00
Intangible assets under development		0.00	0.00
Non-current investments	7	2,70,137.24	3,22,475.88
Deferred tax assets (net)		0.00	0.00
Long-term loans and advances		0.00	0.00
Other non-current assets		0.00	0.00
		<b>2,70,137.24</b>	<b>3,22,475.88</b>
<b>Current assets</b>			
Current investments		0.00	0.00
Inventories		0.00	0.00
Trade receivables		0.00	0.00
Cash and cash equivalents	8	60.98	49.25
Short-term loans and advances		2,18,601.33	60,000.00
Other current assets	9	1,873.05	560.61
		<b>2,20,535.36</b>	<b>60,609.86</b>
<b>TOTAL</b>		<b>4,90,672.61</b>	<b>3,83,085.74</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
 For KEYUR BAVISHI & CO  
 Chartered Accountant  
 (FRN: 0131191W)



KEYUR DILIP BAVISHI  
 PROPRIETOR  
 Membership No.: 136571  
 Place: AHMEDABAD  
 Date: 27/08/2023

For and on behalf of the Board of Directors

*Rupesh Kantilal Savla*  
 RUPESH KANTILAL SAVLA  
 Director  
 DIN: 00126303

*Manoj Shantilal Savla*  
 MANOJ SHANTILAL SAVLA  
 Director  
 DIN: 01529306



**Statement of Profit and loss for the year ended 31st March 2023**

₹ in thousand

Particulars	Note No.	31st March 2023	31st March 2022
<b>Revenue</b>			
Revenue from operations		0.00	0.00
Less: Excise duty		0.00	0.00
<b>Net Sales</b>		<b>0.00</b>	<b>0.00</b>
Other Income	10	49,022.79	3,986.08
<b>Total Income</b>		<b>49,022.79</b>	<b>3,986.08</b>
<b>Expenses</b>			
Cost of material Consumed		0.00	0.00
Purchase of stock-in-trade		0.00	0.00
Changes in inventories		0.00	0.00
Employee benefit expenses		0.00	0.00
Finance costs	11	499.48	4,209.20
Depreciation and amortization expenses		0.00	0.00
Other expenses	12	17,589.27	1,946.44
<b>Total expenses</b>		<b>18,088.75</b>	<b>6,155.64</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>30,934.04</b>	<b>(2,169.56)</b>
Exceptional items		0.00	0.00
<b>Profit before extraordinary and prior period items and tax</b>		<b>30,934.04</b>	<b>(2,169.56)</b>
Extraordinary items		0.00	0.00
Prior period item		0.00	0.00
<b>Profit before tax</b>		<b>30,934.04</b>	<b>(2,169.56)</b>
<b>Tax expenses</b>			
Current tax	13	3,000.00	0.00
Deferred tax		0.00	0.00
Excess/short provision relating earlier year tax		0.00	0.00
<b>Profit(Loss) for the period</b>		<b>27,934.04</b>	<b>(2,169.56)</b>
Share of Profit/(Loss) in Associates		450.60	80.80
<b>Profit(Loss) for the period after Share of Profit/(Loss) in Associates</b>		<b>28,384.64</b>	<b>(2,250.36)</b>
<b>Earning per share-In ₹</b>			
<b>Basic</b>	14		
Before extraordinary Items		4.55	(0.40)
After extraordinary Adjustment		4.55	(0.40)
<b>Diluted</b>			
Before extraordinary Items		0.00	0.00
After extraordinary Adjustment		0.00	0.00
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For KEYUR BAVISHI & CO

Chartered Accountant

(FRN: 0131191W)

KEYUR DILIP BAVISHI

PROPRIETOR

Membership No.: 136571

Place: AHMEDABAD

Date: 27/08/2023



For and on behalf of the Board of Directors

RUPESH KANTILAL SAVLA  
 Director  
 DIN: 00126303

MANOJ SHANTILAL SAVLA  
 Director  
 DIN: 01529306

**SAVLA OIL & GAS PRIVATE LIMITED**  
**CIN : U72900GJ2011PTC065453**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,2023**

₹ in thousand

PARTICULARS	FY 2022-23	FY 2021-22
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax as per Profit & Loss Account	30,934.04	(2,169.56)
Adjustment for :		
Profit on sale of shares	(36,085.69)	(3,278.49)
Profit On Sale Of Mutual Fund	(96.51)	(132.01)
Profit on F & O Transaction	-	-
Dividend Income	-	(405.55)
Interest Expense	499.48	4,209.20
Loss on sale of Investments	17,217.34	1,177.72
<b>Operating Profit before Working Capital Changes</b>	<b>12,468.66</b>	<b>(598.70)</b>
<b>Changes in Working Capital</b>		
Adjustment for		
Trade Payable, Other Liabilities and Provision	2,537.12	460.18
Trade Receivables, Loans and Advances and Other Asse	(1,59,913.77)	(60,130.12)
<b>CASH FLOW FROM OPERATION</b>	<b>(1,44,907.99)</b>	<b>(60,268.64)</b>
Cash Flow from Exceptional Claim		
Income Tax Paid During the Year (TDS/Advance Tax/Self Assessed Tax)	(3,000.00)	(40.56)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>(1,47,907.99)</b>	<b>(60,309.19)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Purchase Of Mutual Fund	-	(22,745.13)
Sale Of Mutual Fund	849.41	26,104.73
Purchase Of Shares	(1,95,900.30)	(36,645.00)
Sale of Shares	2,66,804.96	8,104.85
Dividend Income	-	405.55
Profit On F & O Transaction	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>71,754.07</b>	<b>(24,775.00)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Bank TOD	-	3,575.02
Issue of Equity Shares	9,398.15	2,105.28
Premium received on Issue	2,58,449.13	57,895.20
Loan taken from related Parties	-	6,489.81
Repayment Of Loan to related parties	-	(4,432.40)
Long term Borrowing received	-	31,244.38
Repayment Of Long term Borrowing	(1,10,735.00)	(27,504.58)
Short term Borrowing received	-	19,900.00
Repayment Of Short term Borrowing	(80,447.15)	-
Lending of Loans	-	-
Collection of loans	-	-
Interst Expense	(499.48)	(4,209.20)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>76,165.65</b>	<b>85,063.51</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>11.73</b>	<b>(20.68)</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	49.25	69.93
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	60.98	49.25

For, KEYUR BAVISHI & CO.  
**CHARTERED ACCOUNTANTS**

F.R.N. : 131191W

KEYUR BAVISHI  
Proprietor  
M. No. : 136571



PLACE: AHMEDABAD  
DATE : 27/08/2023

For, SAVLA OIL AND GAS PRIVATE LIMITED

Maqj Savla  
**DIRECTOR**  
DIN : 01529306



Rupesh Savla  
**DIRECTOR**  
DIN:00126303

PLACE: AHMEDABAD  
DATE : 27/08/2023



**Notes to Financial statements for the year ended 31st March 2023**

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

**Note No. 2 Share Capital**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Authorised :</b>		
7228100 (31/03/2022:7228100) Equity shares of Rs. 10.00/- par value	72,281.00	72,281.00
1500000 (31/03/2022:1500000) Preference shares of Rs. 10.00/- par value	15,000.00	15,000.00
<b>Issued :</b>		
6542643 (31/03/2022:5602828) Equity shares of Rs. 10.00/- par value	65,426.43	56,028.28
	0.00	0.00
<b>Subscribed and paid-up :</b>		
6542643 (31/03/2022:5602828) Equity shares of Rs. 10.00/- par value	65,426.43	56,028.28
	0.00	0.00
<b>Total</b>	<b>65,426.43</b>	<b>56,028.28</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

**Equity shares**

₹ in thousand

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	56,02,828	56,028.28	53,92,300	53,923.00
Issued during the Period	9,39,815	9,398.15	2,10,528	2,105.28
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>65,42,643</b>	<b>65,426.43</b>	<b>56,02,828</b>	<b>56,028.28</b>

**Preference shares**

₹ in thousand

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	0.00	0.00	0.00	0.00
Issued during the Period	0.00	0.00	0.00	0.00
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Right, Preferences and Restriction attached to shares**

**Preference shares**

The company has only one class of Preference having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Details of shareholders holding more than 5% shares in the company**

Type of Share	Name of Shareholders	As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Rupesh Kantilal Savla	25,25,088	38.59	25,25,088	45.07
Equity [NV: 10.00]	Shantilal Savla Family Trust	24,85,100	37.98	24,85,100	44.35
Equity [NV: 10.00]	Sampati Securities Ltd	0.00		4,02,300	7.18
Equity [NV: 10.00]	Dharen shantilal savla	6,57,914	10.06	0.00	
Equity [NV: 10.00]	Rupesh savla family trust	6,84,580	10.46	0.00	
	<b>Total</b>	<b>63,52,682</b>	<b>97.09</b>	<b>54,12,488</b>	<b>96.60</b>

**Details of shares held by Promoters**

Promoter name	Particulars	Current Year					Previous Year				
		Shares at beginning		Shares at end		% Change	Shares at beginning		Shares at end		% Change
		Number	%	Number	%		Number	%	Number	%	
RUPESH KANTILALS AVLA	Equity [NV: 10.00 ]	2525088	45.07	2525088	38.59	-6.48	2490000	46.18	2525088	45.07	-1.11
PARASBHAJ SHANTILALS AVLA	Equity [NV: 10.00 ]	7092	0.13	7092	0.11	-0.02	7092	0.13	7092	0.13	0.00
MANOJ SHANTILALS AVLA	Equity [NV: 10.00 ]	7159	0.13	7159	0.11	-0.02	7159	0.13	7159	0.13	0.00
<b>Total</b>		<b>2539339</b>		<b>2539339</b>			<b>2504251</b>		<b>2539339</b>		

**Note No. 3 Reserves and surplus**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Surplus</b>		
Opening Balance	(2855.47)	(605.11)
Add: Profit for the year	28384.63	0.00
Less: Loss for the year	0.00	(2,250.36)
<b>Closing Balance</b>	<b>25,529.16</b>	<b>(2,855.47)</b>
<b>Capital redemption reserve</b>		
Opening Balance	300.00	300.00
Add: Addition during the year	0.00	0.00
Less : Deletion during the year	0.00	0.00
<b>Closing Balance</b>	<b>300.00</b>	<b>300.00</b>
<b>Securities premium</b>		
Opening Balance	1,37,952.90	80,057.70
Add: Addition during the year	2,58,449.13	57,895.20
Less : Deletion during the year	0.00	0.00
<b>Closing Balance</b>	<b>3,96,402.03</b>	<b>1,37,952.90</b>
<b>Balance carried to balance sheet</b>	<b>4,22,231.19</b>	<b>1,35,397.43</b>

**Note No. 4 Long-term borrowings**

₹ in thousand

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>Loans and advances from related parties</b>						
Long Term Borrowings from Related Parties unsecured	0.00	0.00	0.00	1,10,735.00	0.00	1,10,735.00
	0.00	0.00	0.00	1,10,735.00	0.00	1,10,735.00
<b>The Above Amount Includes</b>						
Unsecured Borrowings	0.00	0.00	0.00	1,10,735.00	0.00	1,10,735.00
<b>Net Amount</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>1,10,735.00</b>	<b>0</b>	<b>1,10,735.00</b>

**Note No. 5 Short-term borrowings**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Loans Repayable on Demands - From banks</b>		
unsecured	0.00	3,575.02
	0.00	3,575.02
<b>Loans and Advances from related parties</b>		
Loans and advances from others unsecured	0.00	69,372.14
Loans and advances from others unsecured	0.00	7,500.00
	0.00	76,872.14
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>80,447.15</b>



**Note No. 6 Other current liabilities**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Others payables</b>		
TDS Payable	0.00	403.98
Other Payable	15.00	73.90
Provision for tax	3,000.00	0.00
	<b>3,015.00</b>	<b>477.88</b>
<b>Total</b>	<b>3,015.00</b>	<b>477.88</b>

**Note No. 7 Non-current investments**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Investment(Valued at cost unless stated otherwise)</b>		
<b>Investments in equity Instruments (Quoted)</b>		
<b>In Others</b>		
Investment in other Indian companies equity instruments quoted trade (Lower of cost and Market value)	3,712.16	71,581.99
<b>Investments in equity Instruments (Unquoted)</b>		
<b>In Others</b>		
Investment in other Indian companies equity instruments unquoted trade (Lower of cost and Market value)	2,46,010.20	50,109.90
<b>Investments in Prefence shares (Unquoted)</b>		
<b>In Others</b>		
Investment in other Indian companies preference shares unquoted trade (Lower of cost and Market value)	15,930.00	1,95,900.30
<b>Investments in Mutual Funds (Quoted)</b>		
<b>In Others</b>		
Mutual funds long-term quoted trade (Lower of cost and Market value)	3,599.14	4,448.55
<b>Gross Investment</b>	<b>2,69,251.50</b>	<b>3,22,040.74</b>
<b>Net Investment</b>	<b>2,69,251.50</b>	<b>3,22,040.74</b>
<b>Aggregate amount of quoted Investments (Market Value:0.00) (2022:0.00)</b>	<b>7,311.30</b>	<b>76,030.54</b>
<b>Aggregate amount of unquoted investments</b>	<b>2,61,940.20</b>	<b>2,46,010.20</b>

**Note No. Loans and advances**

₹ in thousand

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
<b>Other loans and advances</b>				
Unsecured, considered good(Head)	0.00	2,18,601.33	0.00	60,000.00
	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>60,000.00</b>
<b>Total</b>	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>60,000.00</b>

**Note No. 8 Cash and cash equivalents**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balance with banks</b>		
-Balances with banks (for share application money received)	30.00	30.00
Balance With Bank	11.04	0.00
<b>Total</b>	<b>41.04</b>	<b>30.00</b>
<b>Cash in hand</b>		
Cash in hand	19.94	19.25
<b>Total</b>	<b>19.94</b>	<b>19.25</b>
<b>Total</b>	<b>60.98</b>	<b>49.25</b>



*Signature*





**Note No. 9 Other current assets**

₹ in thousand

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Other Assets</b>		
TDS Receivable	1,283.48	410.61
Miscellaneous Expense (Assets)	589.57	150.00
<b>Total</b>	<b>1,873.05</b>	<b>560.61</b>

**Note No. 10 Other Income**

₹ in thousand

Particulars	31st March 2023	31st March 2022
<b>Interest Income</b>		
Interest Income	12,834.81	0.00
Interest On Income Tax Refund	5.78	0.00
	<b>12,840.59</b>	<b>0.00</b>
<b>Dividend Income</b>		
Dividend Income	0.00	405.55
	<b>0.00</b>	<b>405.55</b>
<b>Net gain/loss on sale of investments</b>		
Long Term Profit on sale of investments	34,486.54	2,230.07
Net Gain on F&O Margin	0.00	170.03
Profit on Sale/Redemption of Mutual Fund Investment	96.51	132.01
Short Term Profit on sale of Investment	1,599.15	1,048.42
	<b>36,182.20</b>	<b>3,580.53</b>
<b>Total</b>	<b>49,022.79</b>	<b>3,986.08</b>

**Note No. 11 Finance costs**

₹ in thousand

Particulars	31st March 2023	31st March 2022
<b>Interest</b>		
Interest on other borrowings	499.48	4,209.20
	<b>499.48</b>	<b>4,209.20</b>
<b>Total</b>	<b>499.48</b>	<b>4,209.20</b>

**Note No. 12 Other expenses**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Long Term Loss on Sale of Investments	17,217.34	1,177.72
Loss on Sale of Derivative Investments	0.00	438.13
Audit fees	15.00	17.70
Bank charges	0.86	2.21
Margin Penalty	0.00	6.59
Stamp Duty (Mutual Fund)	2.53	8.93
Demat & Investment Expense	15.69	81.94
ROC Expenses	81.01	1.90
Professional expenses	8.85	84.00
Preliminary Expense	0.00	37.50
Miscellaneous expenditure	2.32	0.35
Brokerage Expense	5.31	89.48
S/T LOSS ON SALE OF SHARS	101.85	0.00
OPTIONS P&L A/C	138.52	0.00
<b>Total</b>	<b>17,589.27</b>	<b>1,946.44</b>

**Note No. 13 Current tax**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Current tax pertaining to current year	3,000.00	0.00
<b>Total</b>	<b>3,000.00</b>	<b>0.00</b>



*Signature*



**Note No. 7(a) Investment in other Indian companies equity instruments quoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Atlanta Limited (177039 Shares of Rs.2 Each Paid up Rs.81.82 Each)	0.00	14,485.33
Aym Syntex Limited (15625 Shares of Rs.10 Each Paid up Rs.64.10 Each)	0.00	1,001.63
Nila Infrastructure Limited (200000 Eq. Shares of Rs. 1/- each, paid up Rs.21.21/- each)	0.00	4,242.01
Veto Swichgears And Cabels Ltd (13000 Eq. Shares of Rs. 10/- each, paid up Rs.209.86/- each)	0.00	2,728.23
Agro Tech Food Ltd (1375 Eq. Shares of Rs. 10/- each, paid up Rs. 626.71/- each)	0.00	861.72
Bharat Rasayan Ltd (250 Eq. Shares of Rs. 10/- each, paid up Rs. 3927.11/- each)	0.00	981.78
Gujarat AMB Exp Ltd (12212 Eq. Shares of Rs. 1/- each, paid up Rs. 91.88/- each)	0.00	1,121.99
Nila Space Ltd (2,00,000 Eq. Shares of Rs. 10/- each, paid up Rs. /- each)-(Bonus Shares 1:1)	0.00	0.00
Birla Corporation (2015 Eq. Shares of Rs. 10/- each, paid up Rs. 768.15/- each)	0.00	1,547.82
Deep Industries (1,60,000 Eq. Shares of Rs. 10/- each, paid up Rs. 133.03/- each)	0.00	21,285.57
Deep Energy Resources Limited (1,60,000 Eq. Shares of Rs. 10/- each, paid up Rs. 23.20/- each)	3,712.16	3,712.16
Transpek Industries Ltd (460 Eq. Shares of Rs. 10/- each, paid up Rs. 1280.17/- each)	0.00	588.88
Ujivan Financial Service Ltd (3,200 Eq. Shares of Rs. 10/- each, paid up Rs. 273.79/- each)	0.00	876.14
Ujivan Small Finance Bank Ltd (11,0000 Eq. Shares of Rs. 10/- each, paid up Rs. 56.10/- each)	0.00	617.10
Adore Welding Ltd (3750 Eq. Shares of Rs. 10/- each, paid up Rs. 320.85/- each)	0.00	1,203.19
Delta Corp Ltd (17500 Eq. Shares of Rs. 1/- each, paid up Rs. 125.97/- each)	0.00	2,204.53
Dynamic Product Limited (4009 Eq. Shares of Rs. 10/- each, paid up Rs. 338.36/- each)	0.00	1,356.48
ISGEC heavy Eng Ltd (2000 Eq. Shares of Rs. 1/- each, paid up Rs. 361.06/- each)	0.00	722.13
Mayur Uniquoters Ltd (4000 Eq. Shares of Rs. 10/- each, paid up Rs. 250/- each)	0.00	1,000.00
NOCIL Ltd	0.00	2,110.51
Oriental Aromatics Ltd (975 Eq. Shares of Rs. 10/- each, paid up Rs. 611.81/- each)	0.00	596.51
Polycab India Ltd (1150 Eq. Shares of Rs. 10/- each, paid up Rs. 1065.40/- each)	0.00	1,225.21
Thangamayli Jewellers Ltd (3165 Eq. Shares of Rs. 10/- each, paid up Rs. 464.43/- each)	0.00	1,469.91
Raas Equipment Pvt ltd (160 Eq. Shares of Rs. 10/- each, paid up Rs. 10/- each)	0.00	1.60
Hikal Chemical Ind Ltd (5400 Eq. Shares of Rs. 2/- each, paid up Rs. 174.39/- each)	0.00	941.69
Kolte-Patil Developers (3900 Eq. Shares of Rs. 10/- each, paid up Rs. 253.35/- each)	0.00	988.06
Kirti Industries (7000 Eq. Shares of Rs. 1/- each, paid up Rs. 119.50/- each)	0.00	836.48
Pratap Snacks Ltd (1300 Eq. Shares of Rs. 5/- each, paid up Rs. 752.02/- each)	0.00	977.62
TD Power System Ltd	0.00	1,895.82
Infosys (1 Eq. Shares of Rs. 5/- each, paid up Rs. 1897/- each)	0.00	1.90
<b>Total</b>	<b>3,712.16</b>	<b>71,581.99</b>





₹ in thousand

**Note No. 7(b) Investment in other Indian companies equity instruments unquoted trade**

Particulars	31st March 2023	31st March 2022
Investment in Prabha Energy Pvt Ltd (Associate)	12,470.63	12,020.03
Add : Goodwill on consolidation	38,525.00	38,525.00
Prabha Energy Private Limited (574059 shares of Rs.10 Each converted against optionally convertible preference shares)	195900.30	0.00
<b>Total</b>	<b>2,46,895.93</b>	<b>50,545.03</b>

**Note No. 7(c) Investment in other Indian companies preference shares unquoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Prabha Energy Pvt Ltd (5,20,000 Preference Shares of Rs. 10/- each, paid up Rs. 200 /- each)	0.00	1,04,000.00
Prabha Energy Pvt Ltd (37,850 Preference Shares of Rs. 10/- each, paid up Rs. 1700 /- each)	0.00	91,900.30
Prabha Energy Private Limited (10% Non convertible preference shares (15,93,000 shares of Rs.10 Each)	15,930.00	0.00
<b>Total</b>	<b>15,930.00</b>	<b>1,95,900.30</b>

**Note No. 7(d) Mutual funds long-term quoted trade**

₹ in thousand

Particulars	31st March 2023	31st March 2022
IDFC Cash Fund	3,599.14	1,909.42
HDFC Fund - G	0.00	2,527.91
Nippon Liquid Base	0.00	11.21
<b>Total</b>	<b>3,599.14</b>	<b>4,448.55</b>

**Note No. Loans and advances : Other loans and advances: Unsecured, considered good (Head)**

₹ in thousand

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
PRABHA ENERGY PRIVATE LIMITED	0.00	2,18,601.33	0.00	60,000.00
<b>Total</b>	<b>0.00</b>	<b>2,18,601.33</b>	<b>0.00</b>	<b>60,000.00</b>

**Note No. 12(a) Other expenses: Miscellaneous expenditure**

₹ in thousand

Particulars	31st March 2023	31st March 2022
Other expenditure	0.22	0.35
Office expense	2.11	0.00
<b>Total</b>	<b>2.32</b>	<b>0.35</b>



*Signature*



## M/s SAVLA OIL AND GAS PRIVATE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

Note No. : 1

#### A. Significant Accounting Policies

##### 1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

##### 2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### 3. Revenue Recognition: -

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### 4. Principles of consolidation (\*only in case where consolidation is made)

- a. The consolidated financial statements relate to M/s SAVLA OIL AND GAS PRIVATE LIMITED ('the Company') and its **associate** company Prabha Energy Limited.
- b. The consolidated financial statements have been prepared in accordance with requirement of section 129 read with schedule- III of the Companies Act 2013, Accounting Standard (AS) 23 -'Accounting for investments in associates in Consolidated Financial Statements' as specified under section 133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts) Rules,2014 and generally accepted accounting principles.
- c. **In case of associates\*** Equity Method as stated in AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements is followed for preparation of consolidated financial statements.

The difference between the cost of investment in the Associate, over the net assets at the time of acquisition of shares in the Associate is disclosed in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.



*Rant*





- d. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- e. Entities controlled by the company are consolidated from the date control commences until the date control ceases.
- f. **In case of associates\*** If, under the equity method, an investor's share of losses of an associate equals or exceeds the carrying amount of the investment, the investor ordinarily discontinues recognising its share of further losses and the investment is reported at nil value. Additional losses are provided for to the extent that the investor has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the investor has guaranteed or to which the investor is otherwise committed. If the associate subsequently reports profits, the investor resumes including its share of those profits only after its share of the profits equals the share of net losses that have not been recognised.

5. Property, Plant & Equipment :-

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

6. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method/SLM method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

All fixed assets individually costing Rs. 5,000/- or less are fully depreciated in the year of installation/purchase.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale.

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



*Signature*





7. Foreign currency Transactions: -

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

8. Investments :-

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

9. Inventories :-

Inventories are valued as under:-

1. Inventories : Lower of cost(FIFO/specific cost/Weighted avg) or net realizable value

2. Scrap : At net realizable value.

10. Borrowing cost:-

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence. The amount of borrowing cost capitalized during the year is NIL.

11. Retirement Benefits:-

The retirement benefits are accounted for as and when liability becomes due for payment.

12. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.

13. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

General:



*Handwritten signature*



Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

**(B) Notes on Financial Statements**

1. The SSI status of the creditors is not known to the Company; hence the information is not given.
2. Salaries includes directors remuneration on account of salary Rs. /- (Previous Year Rs. /-)
3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

4. Payments to Auditors:

<b>Auditors Remuneration</b>	<b>2022-2023</b>	<b>2021-2022</b>
Audit Fees	15000	17700
Tax Audit Fees		
Company Law Matters		
GST		
<b>Total</b>	<b>15000</b>	<b>17700</b>

5. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
6. No provision for retirement benefits has been made, in view of accounting policy No. 11. The impact of the same on Profit & Loss is not determined.
7. Advance to others includes advances to concerns in which directors are interested:

<b>Name of Concern</b>	<b>Current Year Closing Balance</b>	<b>Previous Year Closing Balance</b>
<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

8. Additional Regulatory Information/disclosures as required by General Instructions to Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.



*Signature*



9. % of imported & indigenous raw material & consumables

Particulars	2023		2022	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	0.00	0.00	0.00	0.00

10. Value of Imports

Raw Material	Nil	Nil
Finished Goods	Nil	Nil

11. Expenditure in Foreign Currency Nil Nil

12. Earning in Foreign Exchange Nil Nil

13. Previous year figures have been regrouped/rearranged wherever necessary.

Signature to notes 1 to 14

In terms of Our Separate Audit Report of Even Date Attached.

For KEYUR BAVISHI & CO

Chartered Accountants

*Keyur Bavi*  
(KEYUR DILIP BAVISHI)  
PROPRIETOR  
Membership No. 136571  
Registration No. 0131191W



Place:- AHMEDABAD  
Date: - 27/08/2023  
UDIN: 23136571BGRSJA2578

For M/s SAVLA OIL AND GAS PRIVATE LIMITED

*Rupesh Kantilal Savla*  
RUPESH KANTILAL SAVLA  
Director  
DIN : 00126303

*Manoj Shantilal Savla*  
MANOJ SHANTILAL SAVLA  
Director  
DIN : 01529306





# Annexure-4

**PRABHA ENERGY PRIVATE LIMITED**  
**CIN: U40102GJ2009PTC057716**  
**BALANCE SHEET AS ON SEPTEMBER 30,2023**

Particulars	Note No.	As at 30th September, 2023	As at 31st March, 2023
(₹ in lakh)			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment		-	-
(b) Capital Work in Progress	4	19,492.27	17,670.28
(c) Financial Assets			
(i) Investments			
(ii) Loans	5	-	0.10
(iii) Others	6	-	0.00
(d) Deferred Tax Assets (Net)	7	1.96	1.96
(e) Other Non-Current Assets		-	-
		<b>19,494.23</b>	<b>17,672.34</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	8	1,160.57	584.37
(b) Current tax assets (net)	9	6.80	4.74
(c) Financial Assets			
(i) Investments			
(ii) Trade Receivables	13	-	-
(iii) Cash and Cash Equivalents	10	291.96	88.13
(iv) Bank Balance other than (ii) above	11	-	-
(v) Loans	12	-	-
(vi) Others balance with bank	11	459.96	474.79
(vii) Others	12	5,499.86	6,219.59
(d) Other Current Assets	13	129.00	453.98
		<b>7,548.15</b>	<b>7,825.61</b>
<b>TOTAL ASSETS</b>		<b>27,042.38</b>	<b>25,497.95</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	178.06	178.06
(b) Other Equity	15	5,309.51	5,409.82
		<b>5,487.57</b>	<b>5,587.88</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	5,164.60	4,977.28
(ii) Other Financial Liabilities	17	-	296.52
(b) Provisions	18	231.74	231.74
(c) Deferred Tax Liabilities (Net)	8	-	-
		<b>5,396.35</b>	<b>5,505.54</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	1,634.63	1,578.23
(ii) Trade Payables			
a. Due to micro and small enterprises	20	17.27	32.50
b. Due to other than micro and small enterprises	21	13,380.98	12,464.09
(iii) Other Financial Liabilities	22	1,096.73	274.41
(b) Other Current Liabilities	22	28.85	55.30
		<b>16,158.46</b>	<b>14,404.52</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>27,042.38</b>	<b>25,497.95</b>

The accompanying notes are an integral part of the Standalone Financial Statements

For, Prabha Energy Private Limited



*Prabha*  
**Prem Singh Sawhney**  
 Director  
 DIN :03231054  
 Place:Ahmedabad  
 Dated : Nov 06,2023

*Prabha*  
**Visal Akhiwala**  
 Director  
 DIN:09695011  
 Place:Ahmedabad  
 Dated : Nov 06,2023

PRABHA ENERGY PRIVATE LIMITED

CIN: U40102GJ2009PTC057716

STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED ON SEPTEMBER ,2023

(₹ in lakh)

Particulars	Note No.	For the quarter ended September 30th, 2023	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from operations		-	-
Revenue from operations	23	-	1,612.06
Other income	24	15.26	28.91
<b>TOTAL INCOME</b>		15.26	1,640.97
<b>EXPENSES</b>			
Consumption of provisions, beverages, smokes and others		-	-
Purchase of Traded Goods	25	-	1,464.69
Employee benefits expense	26	41.46	40.86
Finance Costs	27	73.33	108.34
Depreciation and amortization expenses		-	-
Other expenses	28	0.76	17.46
<b>TOTAL EXPENSES</b>		115.56	1,631.35
<b>Profit before exceptional items and tax</b>		(100.30)	9.62
Exceptional items (net)		-	-
<b>Profit before tax</b>		(100.30)	9.62
Tax items			
Current tax		-	-
Earlier years tax provisions (written back)		-	-
Short / Excess Tax of earlier years		-	-
Deferred tax asset / (liability)		-	-
Total tax items		-	-
<b>Profit for the year</b>		(100.30)	9.62
<b>Other Comprehensive Income</b>			
Items that will not be re-classified to Profit or Loss			
Re-measurement gains/ (losses) on post employment benefit plans			
Additional depreciation on account of revaluation			
<b>Other Comprehensive Income/ (Loss) for the year</b>		-	-
<b>Total Comprehensive Income for the year</b>		(100.30)	9.62
<b>Net profit / (loss) attributable to:</b>			
Owners		(100.30)	9.62
Non-controlling interest		-	-
<b>Other comprehensive income / (loss) attributable to:</b>			
Owners		-	-
Non-controlling interest		-	-
<b>Total comprehensive income / (loss) attributable to:</b>			
Owners		(100.30)	9.62
<b>Earnings Per Equity Share (Basic)</b>		(6.08)	0.58
<b>Earnings Per Equity Share (Diluted)</b>	29	(6.08)	0.58
<b>Corporate Information, Basis of Preparation &amp; Significant Accounting Policies</b>	1-3		

The accompanying notes are an integral part of the Standalone Financial Statements

For, Prabha Energy Private Limited



Pemsingh Sawhney

Director

DIN :03231054

Place:Ahmedabad

Dated : Nov 06,2023

Vishal Palkhiwala

Director

DIN:09695011

Place:Ahmedabad

Date: Nov 06, 2023



**PRABHA ENERGY PRIVATE LIMITED**  
CIN: U40102GJ2009PTC057716  
**CASH FLOW STATEMENT FOR THE QUARTER ENDED 30th September, 2023**

Particulars	(₹ in lakh)	
	For the quarter ended September 30th, 2023	For the year ended March 31, 2023
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax	(100.30)	9.62
Adjustments for:		
Interest and finance charges	73.33	108.34
Interest income	(8.38)	(16.62)
<b>Operating Profit before Working Capital Changes</b>	<b>(35.35)</b>	<b>101.35</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	1,042.76	746.84
(increase)/decrease in inventories	(576.20)	55.33
Increase/(decrease) in trade payables, other liabilities and provisions	1,400.99	383.59
<b>Cash Generated from Operations</b>	<b>1,832.20</b>	<b>1,287.10</b>
Income taxes paid	-	4.74
<b>Net Cashflow from Operating Activities</b>	<b>1,832.20</b>	<b>1,282.36</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions in capital work in progress	(1,821.99)	(1,989.01)
Investments in Fixed Deposit	-	(14.68)
Sale of Investments	-	-
Proceeds from bank deposits (with original maturity over 3 months)	-	-
Interest received	8.38	16.62
<b>Net Cashflow from Investing Activities</b>	<b>(1,813.60)</b>	<b>(1,987.08)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings		
Receipts	243.73	5,955.50
Payments	-	-
Reduction in Security Premium	-	(4,421.70)
Proceeds from share capital	-	-
Repayment of Share Capital	-	(159.31)
Share Issue Expense	-	(1.31)
Interest and finance charges	(73.33)	(108.34)
<b>Net Cashflow from Financing Activities</b>	<b>170.39</b>	<b>1,264.84</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>189.00</b>	<b>560.13</b>
Cash and bank balances at the beginning of the year	88.13	2.80
Cash and bank balances at the end of the year	277.13	562.94

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

**Cash And Cash Equivalents At The End Of The Year**

(₹ in lakh)

DETAIL OF CASH AND CASH EQUIVALENTS	As at 30th September, 2023	As at 31st March, 2023
Balances with banks		
In current accounts	291.61	87.69
In deposits with original maturity of less than 3 months	-	-
Fixed Deposit- Margin Money (12 Months)	459.96	474.79
Cash on hand	0.15	0.43
Cheque on hand	-	-
	<b>751.93</b>	<b>562.93</b>

For, Prabha Energy Private Limited



*(Signature)*

Prem Singh Sawhney  
Director

DIN :03231054

Place:Ahmedabad

Dated : Nov 06,2023

Vishal Palkhiwala  
Director

DIN:09695011

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30TH SEPTEMBER, 2023

(A) EQUITY SHARE CAPITAL

For the quarter ended 30th September, 2023

(₹ in lakh)

Balance as at 30th September, 2023	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the quarter ended 30th September, 2023
120.66	-	120.66	-0.01	120.65

Balance as at 1st April, 2023	Change in equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the year ended 31st March, 2023
120.66	-	120.66	-	120.66
120.66	-	-	-	120.66

(B) PREFERENCE SHARE CAPITAL

For the quarter ended 30th September, 2023

(₹ in lakh)

Balance as at 30th September, 2023	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the quarter ended 30th September, 2023
218.33	-	218.33	-218.33	-

For the year ended 31<sup>st</sup> March, 2023

(₹ in lakh)

Balance as at 1st April, 2023	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the year ended 31st March, 2023
216.71	-	216.71	1.62	218.33

(C) OTHER EQUITY

For the year ended 30th September, 2023

(₹ in lakh)

Particulars	Security Premium Account	Retained Earnings	Compulsory Convertible Debentures	Capital Reserve	Total Equity
Balance as at 1st April, 2023	4,127.55	(1.33)	-	1,283.60	5,409.82
Profit/(Loss) for the Period	-	(100.30)	-	-	(100.30)
Addition during the Period	-	-	-	-	-
Issued during the Period	-	-	-	-	-
forfeited during the Period	-	-	-	-	-
Balance as at September 30, 2023	4,127.55	(101.63)	-	1,283.60	5,309.51

For the year ended 31<sup>st</sup> March, 2023

(₹ in lakh)

Particulars	Security Premium Account	Retained Earnings	Compulsory Convertible Debentures	Capital Reserve	Total Equity
Balance as at 1st April, 2022	8,549.25	(9.64)	-	1,283.60	9,823.21
Profit/(Loss) for the year	-	9.62	-	-	9.62
Addition during the year	-	-	-	-	-
Issued during the year	(4,421.70)	(1.31)	-	-	(4,423.01)
forfeited during the year	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2023	4,127.55	(1.32)	-	1,283.60	5,409.83

"As per our report of even date attached"

For, Prabha Energy Private Limited

  
 P. RAMESH SINGH SAWHNEY  
 Director  
 DIN :03231054  
 Place:Ahmedabad

  
 Vishal Palkhiwala  
 Director  
 DIN:09695011

**PRABHA ENERGY PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE QUARTER ENDED**  
**30TH SEPTEMBER, 2023**

<b>4 - Capital Work-In progress</b>	<b>(₹ in lakh)</b>
<b>Cost:</b>	
As at 31st March ,2022	15,681.27
Additions	1,989.01
Disposals / transfers	-
As at 31st March ,2023	<b>17,670.28</b>
Additions	1,821.99
Disposals / transfers	-
<b>As at 30th September, 2023</b>	<b>19,492.27</b>

The company does not have any projects temporarily suspended or any CWIP which is overdue or has exceeded its cost as compared to originally planed.





**PRABHA ENERGY PRIVATE LIMITED**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2023

	(₹ in lakh)	
	As at 30-09-2023 (Rs. In Lakhs)	As at 31-03-2023 (Rs. In Lakhs)
<b>5 - NON - CURRENT FINANCIAL ASSETS - LOANS</b>		
Unsecured, considered good, unless otherwise stated		
Loans to employee	-	0.10
	-	0.10
<b>6 - NON - CURRENT FINANCIAL ASSETS - OTHERS</b>		
Fixed Deposit- Margin Money	-	-
	-	-
<b>7 - TAXATION - DEFERRED TAX</b>		
Deferred Tax Liabilities		
Difference between Tax Base and Book Base	-	-
Gross Deferred Tax Liabilities (a)	-	-
Deferred Tax Assets		
Difference between Tax Base and Book Base	1.96	1.96
Deferred Tax Assets (b)	1.96	1.96
Net Deferred Tax Assets	1.96	1.96
Movement in Deferred Tax is recognised through Profit and Loss statement and nothing is recognised in Other Comprehensive Income.		
<b>8 - INVENTORIES</b>		
(valued at lower of cost and net realizable value)		
Raw Material	-	-
Work in Progress	-	-
Finished Goods	-	-
Consumable Stores and Spares	1,160.57	584.37
Others	-	-
	1,160.57	584.37
- As per inventory taken and valued by the Management		
<b>9 - CURRENT TAX ASSETS (NET)</b>		
Advance tax and TDS (Net of provisions)	6.80	4.74
	6.80	4.74
<b>10 - CASH AND CASH EQUIVALENTS</b>		
Balances with banks		
In current accounts	291.81	87.69
Cash in hand	0.15	0.44
	291.96	88.13
<b>11- Other balance with banks</b>		
Fixed Deposit- Margin Money deposits with bank more then 3 Month but less than 12 Months.	459.96	474.79
	459.96	474.79



	As at 30-09-2023 (Rs. In Lakhs)	As at 31-03-2023 (Rs. In Lakhs)
<b>12 - CURRENT FINANCIAL ASSETS - OTHERS</b>		
Others (Receivable from Consortium Partners)	5,444.53	6,072.03
Security deposits	24.11	147.56
Interest Receivable	31.22	-
	<b>5,499.86</b>	<b>6,219.59</b>

	As at 30-09-2023 (Rs. In Lakhs)	As at 31-03-2023 (Rs. In Lakhs)
<b>13 - CURRENT ASSETS - OTHERS</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
Preliminary Expense	-	-
Prepaid expenses	1.62	15.74
Balance with statutory authorities	127.38	114.36
Loan given to staff	-	2.50
Advances to Trade Payables	-	317.46
Income Receivable	-	3.92
	<b>129.00</b>	<b>453.98</b>

	As at 30-09-2023 (Rs. In Lakhs)	As at 31-03-2023 (Rs. In Lakhs)
<b>14 - SHARE CAPITAL</b>		
<b>Authorised:</b>		
17,80,610 Equity Shares of Rs. 10/- each.	178.06	178.06
37,60,060 Preference Shares of Rs. 10/- each.	376.01	376.01
<b>Issued, Subscribed and paid-up:</b>		
17,80,609 Equity Shares of Rs. 10 each fully paid up	178.06	178.06
17,80,609 with voting rights	-	-
	<b>178.06</b>	<b>178.06</b>

**14.1 Reconciliation of number of equity shares & Preference Shares outstanding at the beginning & at the end of the reporting year**

Particulars (Equity Shares)	As at 30th September,2023		As at 31 st March,2023	
	No of Shares	Value Rs.	No of Shares	Value Rs.
-- At the beginning of the year	17,80,609.00	1,78,06,090	12,06,550.00	1,20,65,500
-- Movement during the period	-	-	5,74,059.00	57,40,590.00
-- Outstanding at the end of the year	<b>17,80,609.00</b>	<b>1,78,06,090</b>	<b>17,80,609.00</b>	<b>1,78,06,090</b>

Particulars (Preference Shares)	As at 30th September,2023		As at 31 st March,2023	
	No of Shares	Value Rs.	No of Shares	Value Rs.
-- At the beginning of the year	-	-	21,67,059	2,16,70,590
-- Movement during the period	-	-	-	-
-- Redemption of Preference shares during the period	-	-	21,67,059	2,16,70,590
-- Outstanding at the end of the year	-	-	-	-

**14.2 Details of Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders (Equity Shares of Rs 10/- Each)	As at 30th September,2023		As at 31 st March,2023	
	No. of Share held	% of Holding	No. of Share held	% of Holding
DEEP ENERGY RESOURCES LIMITED	9,46,558	53.16%	9,46,558	53.16%
SAVLA OIL & GAS PRIVATE LIMITED	8,34,046	46.84%	8,34,046	46.84%
	<b>17,80,604</b>	<b>100.00%</b>	<b>17,80,604</b>	<b>100.00%</b>





	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>15 - OTHER EQUITY</b>		
<b>Securities Premium</b>		
Opening balance	4,127.55	8,549.25
Additions during the financial year	-	-
Deductions during the financial year	-	4,421.70
<b>Closing balance</b>	<b>4,127.55</b>	<b>4,127.55</b>
<b>Capital Reserve</b>		
Opening balance	1,283.60	1,283.60
Additions during the financial year	-	-
Deductions during the financial year	-	-
<b>Closing balance</b>	<b>1,283.60</b>	<b>1,283.60</b>
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	-1.33	(9.64)
Profit / (loss) during the year	(100.30)	9.62
Adjusted to profit / (loss) on account of Ind AS		
- Share Issue Expenses	-	(1.31)
<b>Closing balance</b>	<b>(101.64)</b>	<b>(1.33)</b>
<b>Total of other equity - as at 30th June,2023</b>	<b>5,309.51</b>	<b>5,409.82</b>

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>16 - NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
Non Convertible Preference Share	159.30	159.30
<b>Loan -From Company</b>		
Savia Oil & Gas Private Limited	2,186.01	2,186.01
Deep Energy Resources Limited	1,765.55	1,578.23
Horn Ok Please Transport private Limited	388.15	303.65
<b>Loan- From Director</b>		
Shail Savla	665.59	750.09
	<b>5,164.60</b>	<b>4,977.28</b>

**16.1 Rate of Interest:**

Interest Rate on borrowings range from 7.5% to 9.5%

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>17 - NON - CURRENT - OTHER FINANCIAL LIABILITIES</b>		
Payable to consortium partners	-	296.52
		<b>296.52</b>

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>18 - NON - CURRENT PROVISIONS</b>		
Abandonment Cost Provision	231.74	231.74
	<b>231.74</b>	<b>231.74</b>

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>19 - CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Unsecured Loan -From Company:</b>		
Deep Energy Resources Limited (Holding Company)	1,634.63	1,578.23
	<b>1,634.63</b>	<b>1,578.23</b>



**19.1 Rate of Interest:**

Interest Rate on borrowings range from 7.5% to 9.5%

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>20 - CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES</b>		
Due to micro and small enterprises	17.27	32.50
Due to other than micro and small enterprises	13,380.98	12,464.09
	<b>13,398.25</b>	<b>12,496.59</b>

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>21 - CURRENT - OTHER FINANCIAL LIABILITIES</b>		
Salary Payable	22.21	22.24
Unpaid Expenses	1,052.75	232.80
Bid Bond Deposits	21.77	19.37
Professional Tax Payable - Salary	0.02	
	<b>1,096.75</b>	<b>274.41</b>

	As at 30th September, 2023 (Rs. In lakhs)	As at 31st March, 2023 (Rs. In lakhs)
<b>22 - OTHER CURRENT LIABILITIES</b>		
Statutory Liabilities	28.85	55.30
	<b>28.85</b>	<b>55.30</b>

	For the quarter ended September 30th, 2023 (Rs. in Lakhs)	For the year ended March 31, 2023 (Rs. In Lakhs)
<b>23 - Revenue From Operation</b>		
Sale of Natural Gas	-	1,612.06
	-	<b>1,612.06</b>

	For the quarter ended September 30th, 2023 (Rs. In Lakhs)	For the year ended March 31, 2023 (Rs. In Lakhs)
<b>24 - OTHER INCOME</b>		
Interest On Fixed Deposit	8.38	16.62
Interest on IT refund	-	0.07
Miscellaneous income	6.87	7.22
Excess Provision written back	-	5.00
	<b>15.26</b>	<b>28.91</b>



	For the quarter ended September 30th, 2023 (Rs. In Lakhs)	For the year ended March 31, 2023 (Rs. In Lakhs)
<b>25 - Purchase</b>		
Purchase of Gas	-	1,358.50
Other Operating Expense	-	106.19
		<b>1,464.69</b>

	For the quarter ended September 30th, 2023	For the year ended March 31, 2023
<b>26 - EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and wages*	41.46	40.86
(*Including Directors Remunerations)	41.46	40.86

	For the quarter ended September 30th, 2023 (Rs. In Lakhs)	For the year ended March 31, 2023 (Rs. In Lakhs)
<b>27 - FINANCE COSTS</b>		
Bank Guarantee Charges	16.92	21.21
Interest on Loan	56.40	87.13
	<b>73.33</b>	<b>108.34</b>

	For the quarter ended September 30th, 2023 (Rs. In Lakhs)	For the year ended March 31, 2023 (Rs. In Lakhs)
<b>28 - OTHER EXPENSES</b>		
<b>OPERATING, ADMINISTRATION AND GENERAL EXPENSES</b>		
Consultation & Professional Fees	0.11	1.75
Travelling and Conveyance Expense	0.18	0.43
Payment to the auditors**		0.40
ROC Expenses	0.46	0.73
Transaction Charges	0.03	11.48
Other Miscellaneous Expenses		0.90
Rates and Taxes		0.12
Penalty Expense		1.65
Kasar/ Vatav		-
	<b>0.76</b>	<b>17.46</b>

\*\*Payments to the auditors for  
(including service tax)  
-statutory audit

	-	0.40
	-	<b>0.40</b>

	For the quarter ended September 30th, 2023 (Rs. In Lakhs)	For the year ended March 31, 2023 (Rs. In Lakhs)
<b>29 - EARNINGS PER EQUITY SHARE</b>		
Profit/(loss) available for equity shareholders	(100.30)	9.62
Weighted average numbers of equity shares	16,50,070	16,50,070
Nominal value per equity share (in Rupees)	10.00	10.00
<b>Earnings /(loss) Per Equity Share- Basic (in Rupees)</b>	<b>(6.08)</b>	<b>0.58</b>
Numbers of Potential equity shares on account of OCRPS	-	-
Numbers of equity shares for Diluted EPS	16,50,070	16,50,070
<b>Earnings /(loss) Per Equity Share-Diluted (in Rupees)</b>	<b>(6.08)</b>	<b>0.58</b>



# Audit Report

**Prabha Energy Pvt. Ltd.**

**For FY : 2022-23**

**MAHE NDRA NSHAH &CO.**

**(CHARTERED ACCOUNTANTS)**

**201, Pinnacle Business Park, Corporate Road**

**Prahladnagar, Ahmedabad- 380 015**

**TEL: 079-2970 5151/52**

**EMAIL : office@mnshahca.com**



**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
Prabha Energy Private Limited.

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

1. We have audited the accompanying standalone financial statements of **Prabha Energy Private Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2023, and the statement of Profit and Loss (including the statement of other comprehensive income), 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 (herein after referred as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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, 2023, and its profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

**Basis for Opinion**

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

**Information other than Financial Statements & Auditors Report thereon**

4. The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance report and Management Discussion and Analysis (but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon).

Our opinion on the standalone financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information; we are required to report that fact. We have nothing to report in this regard.





**Responsibilities of Management and those charged with Governance for the Standalone Financial Statements**

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements:-**

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.
9. As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 the management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.



10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

13. 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 are necessary for the purpose 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 the examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including statement of other comprehensive income and the Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
  - (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013;
  - (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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has disclosed the impact of pending litigations on the financial position of its financial statements – Refer Note 35 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any





manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provide under (a) & (b) above contain any material misstatement.

v. (a) The Company has not declared or paid any dividend during the current year.

(b) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Date: May 25, 2023  
Place: Ahmedabad



For Mahendra N. Shah & Co.

Chartered Accountants

Firm No. 105775W

CA Chirag M. Shah

Partner

M.No. 045706

UDIN:23045706BGUVTF1029

**Prabha Energy Private Limited,  
"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 14(f) of Independent Auditor's report of even date to the members of the Company on Standalone Financial Statements for the year ended March 31, 2023:

**Report on the Internal Financial Controls under Clause (1) 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 **Prabha Energy Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Opinion**

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports 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 Act.

**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 Act, 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 systems 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 Judgment, 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 purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in



reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

Date: May 25, 2023  
Place: Ahmedabad



For Mahendra N. Shah & Co.  
Chartered Accountants  
FBN 105775W  
*Chirag M. Shah*  
CA Chirag M. Shah  
Partner  
M.No. 045706  
UDIN:23045706BGUVTF1029



**Prabha Energy Private Limited**  
**"Annexure B" to the Independent Auditors' Report**

Referred to in paragraph 15 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

- i. In respect of Company's Plant Property and Equipment, Right to use of Assets and Intangible Assets:
  - (a) According to information and explanation given to us as the company is in project stage, no property, plant and equipment purchase/acquired during the year under review hence the provision of para 3(i)(a,b,c & d) of the order is not applicable.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
  - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii) (b) of the Order is not applicable.
- iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable
- iv. In our opinion and according to the information and explanations given to us, the company has complied with provisions of Section 185 and 186 of the Act in respect of investments made and loans granted, to the extent applicable to the Company. The company has not given guarantee or provided security as provided in section 185 and 186 of the Act.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. Having regard to the nature of the Company's business / activities, company is not required to maintain cost records as per Section 148. Hence reporting under clause (VI) of the Order is not applicable.
- vii. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,
  - (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues 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, 2023 for a period of more than six months from the date on when they become payable.
  - (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) The Company has not defaulted in respect of loans and other borrowings or in the payment of interest thereon to any lender during the year. Hence, reporting under clause 3(ix) (a) of the order is not applicable.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



(c) To the best of our knowledge and belief, in our opinion, term loans availed by the company were, applied by the company during the year for the purposes for which the loans were obtained, other than the funds lying with the company pending application at the end of the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associate company. Hence, reporting under clause 3(ix)(f) of the order is not applicable.

x.

(a) According to 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) during the year and hence reporting under clause x(a) of the Order is not applicable.

(b) The Company has made private placement of equity and preference shares during the year. For such allotment of shares we further report that the requirements of Section 42 and 62 of the Companies Act, 2013 have been complied with and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment (fully or partly or optionally) convertible debentures during the year.

xi.

(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) & (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors of the Company during the year and no any issues, objections or concerns have been raised by the outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any



guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year



For Mahendra N. Shah & Co.  
Chartered Accountant

FR N105775W

CA Chirag M. Shah  
Partner

M.No. 045706

UDIN:23045706BGUVTF1029

Date: May 25, 2023  
Place: Ahmedabad



**PRABHA ENERGY PRIVATE LIMITED**  
**CIN: U40102GJ2009PTC057716**  
**BALANCE SHEET AS ON MARCH 31,2023**

(₹ in lakh)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment		-	-
(b) Capital Work in Progress	4	17670.28	15,681.27
(c) Financial Assets			
(i) Loans	5	0.10	0.10
(ii) Others	6	-	460.11
(d) Deferred Tax Assets (Net)	7	1.96	1.96
(e) Other Non-Current Assets		-	-
		<u>17,672.34</u>	<u>16,143.44</u>
<b>CURRENT ASSETS</b>			
(a) Inventories	8	584.37	639.70
(b) Current tax assets (net)	9	4.74	-
(c) Financial Assets			
(i) Investments		-	-
(ii) Cash and Cash Equivalents	10	88.13	2.80
(iii) Others balance with bank	11	474.79	-
(iv) Others	12	6,219.59	6,797.65
(d) Other Current Assets	13	453.98	147.96
		<u>7,825.61</u>	<u>7,588.11</u>
<b>TOTAL ASSETS</b>		<u>25,497.95</u>	<u>23,731.55</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	178.06	337.37
(b) Other Equity	15	5,409.82	9,823.21
		<u>5,587.88</u>	<u>10,160.57</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	4,977.28	-
(iii) Other Financial Liabilities	17	296.52	207.10
(b) Provisions	18	231.74	231.74
		<u>5,505.54</u>	<u>438.84</u>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	1,578.23	600.00
(i) Trade Payables			
a. Due to micro and small enterprises		32.50	40.11
b. Due to other than micro and small enterprises	20	12,464.09	11,049.00
(ii) Other Financial Liabilities	21	274.41	1,413.83
(b) Other Current Liabilities	22	55.30	29.20
		<u>14,404.53</u>	<u>13,132.14</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u>25,497.95</u>	<u>23,731.55</u>

The accompanying notes are an integral part of the Standalone Financial Statements.

For Mahendra N Shah & Co.,  
Chartered Accountants

Firm Registration Number: 105775W

C Hiraj N Shah  
Partner

Membership Number: 045706

Place: Ahmedabad

Dated: May 25, 2023



For, Prabha Energy Private Limited

*Prem Singh Sawhn*  
Prem Singh Sawhn  
Director

DIN :03231054

Place: Ahmedabad

Dated: May 25, 2023

*Shail Savla*

Shail Savla  
Director

DIN:08763064

**PRABHA ENERGY PRIVATE LIMITED**  
**CIN: U40102GJ2009PTC057716**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH,2023**

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	23	1,612.06	-
Other income	24	28.91	11.28
<b>TOTAL INCOME</b>		<b>1,640.97</b>	<b>11.28</b>
<b>EXPENSES</b>			
Purchase of Traded Goods	25	1,464.69	-
Employee benefits expense	26	40.86	-
Finance Costs	27	108.34	8.84
Other expenses	28	17.46	6.19
<b>TOTAL EXPENSES</b>		<b>1,631.35</b>	<b>15.03</b>
<b>Profit before exceptional items and tax</b>		<b>9.62</b>	<b>(3.75)</b>
Exceptional items (net)		-	-
<b>Profit before tax</b>		<b>9.62</b>	<b>(3.75)</b>
Tax items			
Current tax		-	-
Short / Excess Tax of earlier years		-	-
Deferred tax asset / (liability)		-	-
Total tax items		-	-
<b>Profit for the year</b>		<b>9.62</b>	<b>(3.75)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>9.62</b>	<b>(3.75)</b>
<b>Earnings Per Equity Share (Basic)</b>	29	<b>0.58</b>	<b>(0.31)</b>
<b>Earnings Per Equity Share (Diluted)</b>		<b>0.58</b>	<b>(0.11)</b>
<b>Corporate Information, Basis of Preparation &amp; Significant Accounting Policies</b>	1-3		

The accompanying notes are an integral part of the Standalone Financial Statements

For Mahendra N Shah & Co.,  
Chartered Accountants  
Firm Registration Number: 105775W

  
Chirag M Shah  
Partner

Membership Number: 045706  
Place: Ahmedabad  
Dated: May 25, 2023



For, Prabha Energy Private Limited

  
Preme Singh Sawhney  
Director

DIN :03231054  
Place: Ahmedabad  
Dated: May 25, 2023

  
Shail Savla  
Director

DIN:08763064



**PRABHA ENERGY PRIVATE LIMITED**

CIN: U40102GJ2009PTC057716

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

(₹ in lakh)

Particulars	2022-23	2021-22
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax	9.62	(3.75)
Adjustments for:		
Interest and finance charges	108.34	8.84
Interest income	(16.62)	(11.28)
<b>Operating Profit before Working Capital Changes</b>	<b>101.35</b>	<b>(6.19)</b>
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	746.84	(4,735.92)
(Increase)/decrease in inventories	55.33	644.46
Increase/(decrease) in trade payables, other liabilities and provisions	383.59	7,621.69
<b>Cash Generated from Operations</b>	<b>1,287.10</b>	<b>3,524.04</b>
Income taxes paid	4.74	2.18
<b>Net Cashflow from Operating Activities</b>	<b>1,282.36</b>	<b>3,521.86</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions in capital work in progress	(1,989.01)	(4,239.93)
Investments in Fixed Deposit	(14.68)	(460.11)
Interest received	16.62	11.28
<b>Net Cashflow from Investing Activities</b>	<b>(1,987.08)</b>	<b>(4,688.76)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings		
Receipts	5,796.20	600.00
Reduction in Security Premium	(4,421.70)	-
Proceeds from share capital	-	275.55
Share Issue Expense	(1.31)	-
Interest and finance charges	(108.34)	(8.84)
<b>Net Cashflow from Financing Activities</b>	<b>1,264.85</b>	<b>866.71</b>
<b>Net increase/(Decrease) in Cash and Cash Equivalents</b>	<b>560.13</b>	<b>(300.19)</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>2.80</b>	<b>302.99</b>
<b>Cash and bank balances at the end of the year</b>	<b>562.93</b>	<b>2.80</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

**Cash And Cash Equivalents At The End Of The Year**

(₹ in lakh)

DETAIL OF CASH AND CASH EQUIVALENTS	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
In current accounts	87.69	2.58
Fixed Deposit- Margin Money (12 Months)	474.79	-
Cash on hand	0.43	0.21
	<b>562.93</b>	<b>2.80</b>

The accompanying notes are an integral part of the Standalone Financial Statements

For Mahendra N Shah & Co.,

Chartered Accountants

Firm Registration Number: 115775W

*Chirag M Shah*  
Chirag M Shah  
Partner

Membership Number: 045706

Place: Ahmedabad

Dated : May 25, 2023



For, Prabha Energy Private Limited

*Prem Singh Sawhey*      *Shail Savla*

Prem Singh Sawhey  
Director

DIN :03231054

Place: Ahmedabad

Dated : May 25, 2023

Shail Savla  
Director

DIN:08763064

**PRABHA ENERGY PRIVATE LIMITED**  
CIN: U40102GJ2009PTC057716  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2023**

**(A) EQUITY SHARE CAPITAL**

For the year ended 31<sup>st</sup> March, 2023

(₹ in lakh)

Balance as at 1st April, 2023	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the year ended 31st March, 2023
120.66	-	120.66	57.40	178.06

Balance as at 1st April, 2022	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the year ended 31st March, 2022
120.66	-	120.66	-	120.66

**(B) PREFERENCE SHARE CAPITAL**

For the year ended 31<sup>st</sup> March, 2023

(₹ in lakh)

Balance as at 1st April, 2022	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the year ended 31st March, 2023
216.71	-	216.71	-216.71	-

For the year ended 31<sup>st</sup> March, 2022

(₹ in lakh)

Balance as at 1st April, 2021	Change in Equity share capital due to prior period error	Resulted balance at the beginning of current reporting period	Changes during the year	For the year ended 31st March, 2022
215.09	-	215.09	1.62	216.71

**(C) OTHER EQUITY**

For the year ended 31<sup>st</sup> March, 2023

(₹ in lakh)

Particulars	Security Premium Account	Retained Earnings	Compulsory Convertible Debentures	Capital Reserve	Total Equity
Balance as at 1st April, 2022	8,549.25	(9.64)	-	1,283.60	9,823.21
Profit/(Loss) for the Period	-	9.62	-	-	9.62
Addition during the Period	-	-	-	-	-
Issued during the Period	(4,421.70)	(1.31)	-	-	(4,423.01)
forfeited during the Period	-	-	-	-	-
Balance as at March 31, 2023	4,127.55	(1.32)	-	1,283.60	5,409.82

For the year ended 31<sup>st</sup> March, 2022

(₹ in lakh)

Particulars	Security Premium Account	Retained Earnings	Compulsory Convertible Debentures	Capital Reserve	Total Equity
Balance as at 1st April, 2021	8,275.32	(5.89)	-	1,283.60	9,553.03
Profit/(Loss) for the year	-	(3.75)	-	-	(3.75)
Addition during the year	273.93	-	-	-	273.93
forfeited during the year	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2022	8,549.25	(9.64)	-	1,283.60	9,823.21

"As per our report of even date attached"

For Mahendra N Shah & Co.,  
Chartered Accountants  
Firm Registration Number: 105775W

Chrag M Shah  
Partner  
Membership Number: 045706  
Place: Ahmedabad  
Dated : May 25, 2023



For, Prabha Energy Private Limited

PREMSINGH SAWHNEY  
Director  
DIN :03231054  
Place:Ahmedabad  
Dated : May 25, 2023

SHAIL SAVLA  
Director  
DIN:08763064

**1. Corporate information**

Prabha Energy Private Limited ("PEPL") is a private limited company domiciled in India having its registered business office situated at 12A, Abhishree corporate park, Opp Swagat BRTS bus stop Amlhi-Bopal Road, Bhopal, Ahmedabad GJ 300058. The company was incorporated on the 5th August, 2009 under the provision of the company's Act 1956 applicable in Indian company is incorporated to generate electrical power by conventional and non-conventional methods including biomass, natural gas, nuclear, waste, thermal, solar, ideal, geo thermal, wind and tidal waves or any of the activities of prospecting, exploring, developing conventional and non-conventional business in India. In addition to that company it also carry out all or any of the activities of oil and gas CBM, shale, hydrocarbon onshore and offshore business services as defined in Memorandum. The company has entered into a tri-party agreement with ONGC and Indian Oil Corporation Limited (hereinafter referred as "IOC") for exploration and production of Coal Bed Methane (CBM) with participating interest of 55%:25%:20% to ONGC, PEPL and IOC respectively. The contracted area for exploitation and production is identified as Block NK-CBM-2001/1 (hereinafter referred to as "NKCBM").

**2. Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

These financial statements have been prepared on a historical cost convention basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments).
- Defined benefit plans assets measured at fair value.
- Derivative financial instruments

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

**2.1 Summary of significant accounting policies**

**a) Current versus non-current classification**

**An asset is treated as current when it is:**

- (i) Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- (ii) Held primarily for the purpose of trading; or
- (iii) Expected to be realized within twelve months after the reporting period; or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.





**A liability is treated as current when it is:**

- (i) Expected to be settled in normal operating cycle; or
- (ii) Held primarily for the purpose of trading; or
- (iii) Due to be settled within twelve months after the reporting period; or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b) Foreign currencies**

The Company financial statements are presented in Indian Rupees. The Company determines the functional currency and items included in the financial statements are measured using that functional currency.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. 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 (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**c) Fair value measurement**



The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value are disclosed in the relevant notes.

**d) Revenue from contract with customer**





Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

**Sale of products/ Service**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Company collects Goods & Service Tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Company adjusts estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

**Interest Income**

Other revenue streams Interest Income For all debt instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in "other income" in the Statement of Profit and Loss.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Dividend income**

Dividend on financial assets is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**Contract balances**

**Contract assets**

A contract asset is initially recognised for revenue earned from sale of goods or services. Upon acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.



Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

**Trade receivables**

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**e) Taxes**

**Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

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

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



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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

**f) Property, plant and equipment (PPE)**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a Straight Line Method (SLM) over the estimated useful lives of assets.

The Company has based on a technical review and re-assessment by the management, decided to adopt the existing useful life for certain asset blocks which is lower as against the useful life recommended in Schedule II to the Companies Act, 2013, since the Company believes that the estimates followed are reasonable and appropriate, considered current usage of such assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**g) Intangible Assets**

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





Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**Software**

Cost of software is amortised over its useful life of 36 months starting from the month of project implementation. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**h) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**i) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any



lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section "Impairment of non-financial assets".

**ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of guest house. (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of guest house that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**j) Inventories**

Inventories are stated at lower of cost and net realisable value.





Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads (to the extent apportioned based on the stage of completion) based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

**k) Impairment of non-financial assets**

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus, if any, taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.



**l) Provisions, contingent liabilities and contingent assets**

**Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent liabilities**

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. Contingent liabilities are disclosed by way of note to the financial statements.

**Contingent Assets**

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Contingent assets are neither recognised nor disclosed in the financial statements.

**m) Retirement and other employee benefits**

**Provident fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Company contributes to Life Insurance Corporation of India (LIC) and SBI Life Insurance Company Limited, a funded defined benefit plan for qualifying employees.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.



Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ▶ Net interest expense or income

#### **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 recognised on an undiscounted accrual basis during the year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

#### **Long-term employee benefits**

Other long term employee benefits comprise of compensated absences/leaves. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

#### **n) Financial instruments**

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

##### **Financial assets**

##### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for





which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section "Revenue from contracts with customer".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Subsequent measurement**

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

- ▶ financial assets at amortised cost
- ▶ financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- ▶ financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- ▶ financial assets at fair value through profit or loss

#### **Financial assets at amortised cost**

Financial assets is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the



Statement of Profit and Loss. This category generally applies to trade receivables, security deposits and other receivables.

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

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through other comprehensive income (OCI), interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss

The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

**Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its non-listed equity investments under this category.

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

**Derecognition**





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

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Interests in joint operations**

The company has entered into a joint operating agreement with the Oil and Natural Gas Corporation Limited and Indian Oil Corporation Limited for extraction of Methane Gas at North Karanpura Block (NK-CBM)

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Company has Joint Operations in the nature of Production Sharing Contracts (PSC) and Revenue Sharing Contracts (RSC) with the Oil and Natural Gas Corporation Limited and Indian Oil Corporation Limited for exploration, development and production activities related to Coal Bed Methane. The company handles all the operating activities related to the production as per the tri-partiate arrangement and accounting for the same is done as per the applicable laws. The assets and liabilities directly attributable to the block are disclosed in the books only to the extent of the share of the company in the arrangement.

#### **Impairment of financial assets**

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

- a) financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.



The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward-looking estimates are analysed.

### **Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

#### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- ▶ Financial liabilities at fair value through profit or loss
- ▶ Financial liabilities at amortised cost (loans and borrowings)

#### **Financial liabilities at fair value through profit or loss**

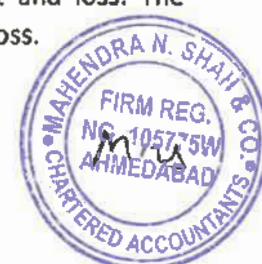
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes 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 recognised in the profit or loss.

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

#### **Financial liabilities at amortised cost (Loans and borrowings)**



After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### **Derecognition**

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

#### **Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **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.

#### **o) Derivative financial instruments**

The Company uses derivative financial instruments such as foreign currency forward contracts and option currency contracts to hedge its foreign currency risks arising from highly probable forecast transactions. The counterparty for these contracts is generally a bank.

#### **Derivatives not designated as hedging instruments**

This category has derivative assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109. Any derivative that is either not designated a hedge, or is so designated but is ineffective, is recognized on balance sheet





and measured initially at fair value. Subsequent to initial recognition, derivatives are re-measured at fair value, with changes in fair value being recognized in the statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**p) Cash & Cash Equivalents**

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

**q) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**r) Dividend**

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

**s) Investment in subsidiaries, joint ventures and associates**

Equity investments in subsidiaries, joint ventures and associates are shown at cost less impairment, if any. The Company tests these investments for impairment in accordance with the policy applicable to 'Impairment of non-financial assets'. Where the carrying amount of an investment or CGU to which the investment relates is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognized in the Statement of Profit and Loss.

**2.2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

**Useful lives of Intangible assets**

The intangible assets are amortised over the estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Useful lives of depreciable tangible assets**

Management reviews the useful lives of depreciable assets at each reporting date. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Company.

**Defined benefit plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for determined period and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows, the growth rate used for extrapolation purposes and the impact of general economic environment (including competitors).

**Impairment of Goodwill**

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.





Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.”

**3. Regulatory Updates - Standards notified but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

Ind AS 1: Presentation of Financial Statements is amended to replace the term “significant accounting policies” with “material accounting policy information” and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty.”

Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

The Company does not expect this amendment to have any significant impact on its Financial Statements.



**PRABHA ENERGY PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31 ST MARCH, 2023**

4 - Capital Work-In progress	(₹ in lakh)
<b>Cost:</b>	
As at 31 <sup>st</sup> March, 2021	11,441.33
Additions	4,239.94
Disposals / transfers	-
As at 31 <sup>st</sup> March, 2022	<u>15,681.27</u>
Additions	1,989.01
Disposals / transfers	-
As at 31 <sup>st</sup> March, 2023	<u>17,670.28</u>

Capital Work-In-Progress Ageing Schedule	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	>3 Year	
Project in Progress as at 31 <sup>st</sup> March 2022	4,239.93	1,928.81	3,877.78	5,634.74	15,681.27
Project in Progress as at 31 <sup>st</sup> March 2023	1,989.01	4,239.93	1,928.81	9,512.52	17,670.28

The company does not have any projects temporarily suspended or any CWIP which is overdue or has exceeded its cost as compared to originally planned.



**PRABHA ENERGY PRIVATE LIMITED**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in lakh)

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>5 - NON - CURRENT FINANCIAL ASSETS - LOANS</b>		
Unsecured, considered good, unless otherwise stated		
Loans to employee	0.10	0.10
	<u>0.10</u>	<u>0.10</u>

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>6 - NON - CURRENT FINANCIAL ASSETS - OTHERS</b>		
Fixed Deposit- Margin Money	-	460.11
	-	<u>460.11</u>

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>7 - TAXATION - DEFERRED TAX</b>		
Deferred Tax Liabilities		
Difference between Tax Base and Book Base	-	-
Gross Deferred Tax Liabilities (a)	-	-
Deferred Tax Assets		
Difference between Tax Base and Book Base	1.96	1.96
Deferred Tax Assets (b)	1.96	1.96
Net Deferred Tax Assets	<u>1.96</u>	<u>1.96</u>

Movement in Deferred Tax is recognised through Profit and Loss statement and nothing is recognised in Other Comprehensive Income.

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>8 - INVENTORIES</b>		
(valued at lower of cost and net realizable value)		
Raw Material	-	-
Work in Progress	-	-
Finished Goods	-	-
Consumable Stores and Spares	584.37	639.70
Others	-	-
	<u>584.37</u>	<u>639.70</u>

- As per inventory taken and valued by the Management

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>9 - CURRENT TAX ASSETS (NET)</b>		
Advance tax and TDS (Net of provisions)	4.74	-
	<u>4.74</u>	<u>-</u>

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>10 - CASH AND CASH EQUIVALENTS</b>		
Balances with banks		
In current accounts	87.69	2.58
Cash in hand	0.43	0.21
	<u>88.13</u>	<u>2.80</u>

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>11- Other balance with banks</b>		
Fixed Deposit- Margin Money deposits with bank more than 3 Month but less than 12 Month	474.79	-
	<u>474.79</u>	<u>-</u>



	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>12 - CURRENT FINANCIAL ASSETS - OTHERS</b>		
Others (Receivable from Consortium Partners)	6,072.03	5,789.77
Security deposits	147.56	7.88
	<b>6,219.59</b>	<b>6,797.65</b>

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>13 - CURRENT ASSETS - OTHERS</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
Preliminary Expense	-	-
Prepaid expenses	15.74	36.11
Balance with statutory authorities	114.36	102.42
Loan given to staff	2.50	-
Advances to Trade Payables	317.46	7.08
Income Receivable	3.92	-
	<b>453.98</b>	<b>145.61</b>

	As at 31-03-2023 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)
<b>14 - SHARE CAPITAL</b>		
<b>Authorised:</b>		
17,80,610 (P.Y. 13,00,000) Equity Shares of Rs. 10/- each.	178.06	130.00
37,60,060 (P.Y. 25,00,000) Preference Shares of Rs. 10/- each.	376.01	250.00
<b>Issued, Subscribed and paid-up:</b>		
17,80,609 (P. Y. 12,06,550) Equity Shares of Rs. 10 each fully paid up	178.06	120.66
17,80,609 ( 12,06,550 Equity Shares of Rs. 10/- each ) with voting rights		
C.Y. Nil Preference share & P.Y. 21,67,059 Preference Shares of Rs. 10/- each.		216.71
Nil- C.Y & 21,67,059 P.Y optionally convertible redeemable Preference Shares of Rs 10/- each full paid )		
As per Ind As 109 and Ind As 32,15,93,000 number of Non-convertible preference shares having its carrying value of Rs. 1,59,30,000 as at 31st March, 2023 is considered as financial liability and the same is presented under the heading "Non-Current Financial Liabilities-Borrowing " Refer note no. 15		
	<b>178.06</b>	<b>337.37</b>

**14.1 Reconciliation of number of equity shares & Preference Shares outstanding at the beginning & at the end of the reporting year**

Particulars (Equity Shares)	As at 31 st March, 2023		As at 31st March, 2022	
	No of Shares	Value Rs.	No of Shares	Value Rs.
-- At the beginning of the year	12,06,550.00	1,20,65,500	12,06,550.00	1,20,65,500
-- Movement during the period	5,74,059.00	57,40,590		
-- Outstanding at the end of the year	<b>17,80,609.00</b>	<b>1,78,06,090</b>	<b>12,06,550.00</b>	<b>1,20,65,500</b>

Particulars (Preference Shares)	As at 31 st March, 2023		As at 31st March, 2022	
	No of Shares	Value Rs.	No of Shares	Value Rs.
-- At the beginning of the year	21,67,059	2,16,70,590	21,50,850	2,15,08,500
-- Movement during the period			16,209	1,62,090
-- Redemption of Preference shares during the period	21,67,059	2,16,70,590	-	-
-- Outstanding at the end of the year	<b>-</b>	<b>-</b>	<b>21,67,059</b>	<b>2,16,70,590</b>





**14.2 Details of Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders (Equity Shares of Rs 10/- Each)	As at 31st March, 2023		As at 31st March, 2022	
	No. of Share held	% of Holding	No. of Share held	% of Holding
DEEP ENERGY RESOURCES LIMITED	946,558	53.16%	946,563	78.45%
SAVLA OIL & GAS PRIVATE LIMITED	834,046	46.84%	259,987	21.55%
	<b>1,780,604</b>	<b>100.00%</b>	<b>1,206,550</b>	<b>100.00%</b>

**14.3 Terms / Rights attached to Equity Shares**

(I) The Company has equity shares having a par value of Rs. 10 per share, each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders. The equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(II) Company has not allotted any bonus shares, Shares without consideration in cash and/or bought back any equity shares during the period of five years immediately preceding the Balance sheet date.

(III) The Company had previously issued preference shares having face value of Rs. 10 per share. These share are redeemed during the year.

Preference share holder	Number of Preference Shares	Redemption Value
Deep Energy Resources Limited	1,500,000.00	200.00
Deep Industries Limited	93,000.00	1,700.00
Savla Oil & Gas Private Limited	574,059.00	-*

\*Preference Share hold by SOGPL are converted into equity share in ratio of 1:1





	As at 31st March, 2023 (Rs. In lakhs)	As at 31st March, 2022 (Rs. In lakhs)
<b>15 - OTHER EQUITY</b>		
<b>Securities Premium</b>		
Opening balance	8,549.25	8,275.32
Additions during the financial year	-	273.93
Deductions during the financial year	4,421.70	-
<b>Closing balance</b>	<b>4,127.55</b>	<b>8,549.25</b>
<b>Capital Reserve</b>		
Opening balance	1,283.60	1,283.60
Additions during the financial year	-	-
Deductions during the financial year	-	-
<b>Closing balance</b>	<b>1,283.60</b>	<b>1,283.60</b>
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	(9.64)	(5.89)
Profit / (loss) during the year	9.62	(3.75)
Adjusted to profit / (loss) on account of Ind AS		
- Share Issue Expenses	(1.31)	-
<b>Closing balance</b>	<b>(1.33)</b>	<b>(9.64)</b>
<b>Total of other equity - as at 31st March, 2023</b>	<b>5,409.82</b>	<b>9,823.21</b>

	As at 31st March, 2023 (Rs. In lakhs)	As at 31st March, 2022 (Rs. In lakhs)
<b>16 - NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
Non Convertible Preference Share (1,593,000 (P.Y.-Nil) Preference Shares)	159.30	-
<b>Loan -From Company</b>		
Savla Oil & Gas Private Limited	2,186.01	-
Deep Energy Resources Limited	1,578.23	-
Horn Ok Please Transport private Limited	303.65	-
<b>Loan- From Director</b>		
Shail Savla	750.09	-
	<b>4,977.28</b>	<b>-</b>

**16.1 Rate of Interest:**

Interest Rate on borrowings range from 7.5% to 9.5%

	As at 31st March, 2023 (Rs. In lakhs)	As at 31st March, 2022 (Rs. In lakhs)
<b>17 - NON - CURRENT - OTHER FINANCIAL LIABILITIES</b>		
Payable to consortium partners	296.52	207.10
	<b>296.52</b>	<b>207.10</b>

	As at 31st March, 2023 (Rs. In lakhs)	As at 31st March, 2022 (Rs. In lakhs)
<b>18 - NON - CURRENT PROVISIONS</b>		
Abandonment Cost Provislon	231.74	231.74
	<b>231.74</b>	<b>231.74</b>

	As at 31st March, 2023 (Rs. In lakhs)	As at 31st March, 2022 (Rs. In lakhs)
<b>19 - CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Unsecured Loan -From Company:</b>		
Deep Energy Resources Limited (Holding Company)	1,578.23	-
Savla Oil & Gas Private Limited	-	600.00
	<b>1,578.23</b>	<b>600.00</b>

**19.1 Rate of Interest:**

Interest Rate on borrowings range from 7.5% to 9.5%



20 - CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	As at 31st March, 2023	As at 31st March, 2022
	(Rs. In lakhs)	(Rs. In lakhs)
Due to micro and small enterprises	32.50	40.11
Due to other than micro and small enterprises	12,464.09	11,049.00
	<b>12,496.59</b>	<b>11,089.11</b>

**Trade payables ageing schedule as at 31 March, 2023**

	Not Due	< 1 year	1-2 years	2-3 years	>3 Year	Total
(i) MSME	7.22	25.29				32.50
(ii) Others	3,480.60	3,336.54	5,434.06	42.11	170.78	12,464.09
(iii) Disputed Dues-MSME						
(iv) Disputed Dues-Others						-
<b>Total</b>	<b>3,487.82</b>	<b>3,361.83</b>	<b>5,434.06</b>	<b>42.11</b>	<b>170.78</b>	<b>12,496.59</b>

**Trade payables ageing schedule as at 31 March, 2022**

	Not Due	< 1 year	1-2 years	2-3 years	>3 Year	Total
(i) MSME	29.87	10.24				40.11
(ii) Others		9,465.05	1,407.84	48.33	127.78	11,049.00
(iii) Disputed Dues-MSME						-
(iv) Disputed Dues-Others						-
<b>Total</b>	<b>29.87</b>	<b>9,475.29</b>	<b>1,407.84</b>	<b>48.33</b>	<b>127.78</b>	<b>11,089.11</b>

21 - CURRENT - OTHER FINANCIAL LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
	(Rs. In lakhs)	(Rs. In lakhs)
Salary Payable	22.24	21.67
Unpaid Expenses	232.80	1,377.79
Bid Bond Deposits	19.37	14.37
	<b>274.41</b>	<b>1,413.83</b>

22 - OTHER CURRENT LIABILITIES	As at 31st March, 2023	As at 31st March, 2022
	(Rs. In lakhs)	(Rs. In lakhs)
Statutory Liabilities	55.30	29.20
	<b>55.30</b>	<b>29.20</b>

23 - Revenue From Operation	For the year ended March 31, 2023	For the year ended March 31, 2022
	(Rs. In Lakhs)	(Rs. In Lakhs)
Sale of Natural Gas	1,612.06	-
	<b>1,612.06</b>	<b>-</b>

24 - OTHER INCOME	For the year ended March 31, 2023	For the year ended March 31, 2022
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest On Fixed Deposit	16.62	11.28
Interest on IT refund	0.07	-
Miscellaneous income	7.22	-
Excess Provision written back	5.00	-
	<b>28.91</b>	<b>11.28</b>



	For the year ended March 31, 2023 (Rs. In Lakhs)	For the year ended March 31, 2022 (Rs. In Lakhs)
<b>25 - Purchase</b>		
Purchase of Gas	1,358.50	-
Other Operating Expense	106.19	-
	<b>1,464.69</b>	<b>-</b>

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>26 - EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and wages*	40.86	-
(*Including Directors Remunerations)	40.86	-

	For the year ended March 31, 2023 (Rs. In Lakhs)	For the year ended March 31, 2022 (Rs. In Lakhs)
<b>27 - FINANCE COSTS</b>		
Bank Guarantee Charges	21.21	8.84
Interest on Loan	87.13	-
	<b>108.34</b>	<b>8.84</b>

	For the year ended March 31, 2023 (Rs. In Lakhs)	For the year ended March 31, 2022 (Rs. In Lakhs)
<b>28 - OTHER EXPENSES</b>		
<b>OPERATING, ADMINISTRATION AND GENERAL EXPENSES</b>		
Consultation & Professional Fees	1.75	5.52
Travelling and Conveyance Expense	0.43	-
Payment to the auditors**	0.40	0.24
ROC Expenses	0.73	0.10
Transaction Charges	11.48	-
Other Miscellaneous Expenses	0.90	0.33
Rates and Taxes	0.12	-
Penalty Expense	1.65	-
Kasar/ Vatav	-	0.00
	<b>17.46</b>	<b>6.19</b>
**Payments to the auditors for (including service tax) -statutory audit	0.40	0.03
	<b>0.40</b>	<b>0.03</b>

	For the year ended March 31, 2023 (Rs. In Lakhs)	For the year ended March 31, 2022 (Rs. In Lakhs)
<b>29 - EARNINGS PER EQUITY SHARE</b>		
Profit/(loss) available for equity shareholders	9.62	(3.75)
Weighted average numbers of equity shares	16,50,070	12,06,550
Nominal value per equity share (in Rupees)	10.00	10.00
Earnings /(loss) Per Equity Share- Basic (in Rupees)	0.58	(0.31)
Numbers of Potential equity shares on account of OCRPS	-	21,67,059
Numbers of equity shares for Diluted EPS	16,50,070	33,73,609
Earnings /(loss) Per Equity Share-Diluted (in Rupees)	0.58	(0.11)





## 30 - RELATED PARTY DISCLOSURES

## 30.1 Name of the Related Parties and Nature of the Related Party Relationship

## (1) Holding Company

Deep Energy Resources Limited

## (2) Key Management Personnel

Name	Designation
Mr. Vishal Palkhiwala	Director (w.e.f. 01.08.2022)
Mr. Shail M Savla	Director
Mr. Premeisingh Sawhney	Director
Ms. Shaily Dedhia	Director

## (3) Relative of Key Management Personnel

Mrs. Mita Manoj Savla  
Mr. Manoj Savla  
Shantilal Savla Family Trust  
Manoj Savla Family Trust

## (4) Entities Controlled by Directors

Savla Oil and Gas Private Limited  
Shree Saibaba Petroleum Services

## 30.2 Transactions with Related Party

Nature of Transaction	Name of Related Party	As at	As at
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Managerial Remuneration	Shail Savla	40.80	7.50
	Vishal Palkhiwala	9.00	-
	Dharen Savla	-	11
	Ajay Singaniya	-	7.20
	Prem Singh	96.00	97.00
Rent Paid	Dharen Shantilal Savla	9.61	9.04
	Mita Manoj Savla	9.61	9.04
	Priti Paras Savla	9.61	9.04
	Rupesh Kantilal Savla	14.41	13.55
	Shital Rupesh Savla	14.41	13.55
Security Deposit Given	Dharen Shantilal Savla	0.68	0.64
	Mita Manoj Savla	0.68	0.64
	Priti Paras Savla	0.68	0.64
	Rupesh Kantilal Savla	0.96	0.91
	Shital Rupesh Savla	1.06	1.01
Interest Paid	Shail Savla	33.51	-
	Deep Energy Resources Limited	173.84	-
Loan/Advances Repaid	Shail Savla	300.07	-
Loan/Advances Received	Shail Savla	300.00	-
	Deep Energy Resources Limited	3,000.00	-
Redemption of Preference Shares	Deep Energy Resources Limited	3,000.00	-
Preference Shares Issue	Deep Energy Resources Limited	-	3,000.00
Corporate Guarantee Taken	Deep Energy Resources Limited	920.00	920.00

## 30.3 Balances with Related Party

(\* in lakhs)

Particular	Payable		Receivable	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Holding Company Loan outstanding	3,156.45	-	-	-
Key Management Personnel and their relatives - Loan Outstanding	750.09	-	2.50	-
Entities controlled by Directors or their relatives - Loan outstanding	2,186.01	-	-	-
Key Management Personnel and their relatives - Salary outstanding	12.53	-	-	-
Key Management Personnel and their relatives - Rent Payable	2.31	-	-	-
<b>Total</b>	<b>6,107.40</b>	<b>-</b>	<b>2.50</b>	<b>-</b>

## Note:

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.  
ii) Entity under common control are disclosed only transaction has taken place during the year.  
iii) All related party transaction have been taken at arm's length price.



**Note - 31. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES**

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

Particulars	(₹ in lakhs)	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	32.50	40.11
(i) Principal amount due to micro enterprises and small enterprises		
(ii) Interest due on above		
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) "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 the MSMED Act, 2006".	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) 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 of the MSMED Act, 2006	-	-
<b>Total</b>	<b>32.50</b>	<b>40.11</b>





**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**32. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS**

32.1 All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 2 and Level 3 during the period.

32.2 The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32.3 The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

32.4 The following methods and assumptions were used to estimate the fair values:

- The fair value of The Company's interest bearing borrowings are determined using discount rate that reflects The entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.

- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

32.5 Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments.

Particulars	AMORTISED COST		FVTPL		FVTOCI	
	As At	As At	As At	As At	As At	As At
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Financial assets</b>						
<b>Non-current</b>						
Other Financial Assets	-	460.11	-	-	-	-
Loans	0.10	0.10	-	-	-	-
<b>Current</b>						
Cash and Cash Equivalents	562.93	2.80	-	-	-	-
Other Financial Assets	6,219.59	6,797.66	-	-	-	-
<b>TOTAL</b>	<b>6,782.62</b>	<b>7,260.67</b>	-	-	-	-
<b>Financial Liabilities</b>						
<b>Non-current</b>						
Other Financial Liabilities	296.52	207.10	-	-	-	-
Borrowings	4,977.28	-	-	-	-	-
<b>Current</b>						
Borrowings	1,578.23	600.00	-	-	-	-
Trade Payables	12,496.59	11,089.11	-	-	-	-
Other Financial Liabilities	274.41	1,423.82	-	-	-	-
<b>TOTAL</b>	<b>19,623.02</b>	<b>13,310.03</b>	-	-	-	-



**33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's Risk Management framework encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational controls risks to achieving the Company's business objectives. It seeks to minimize the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, other receivables and cash and bank balances directly related to the business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are outlined hereunder:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors. They provide principles for overall risk management, as well as policies covering specific risk areas.

The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

**(A) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks and other financial instruments.

**(i) Cash and cash equivalents:**

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The Company does not maintain significant deposit balances other than those required for its day to day operations. Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

**(B) Liquidity Risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs.

The table below provides undiscounted cash flows towards non-derivative financial assets/ (liabilities) into relevant maturity based on the remaining period at the Balance Sheet date to the contractual maturity date and where applicable, their effective interest rates.

Particulars	As At 31 <sup>st</sup> March, 2023			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
<b>Financial Liabilities</b>				
<b>Non-current</b>				
Other Financial Liabilities	-	296.52	-	296.52
Borrowings		4,977.28		
<b>Current</b>				
Borrowings	1,578.23	-	-	1,578.23
Trade Payables	12,496.59	-	-	12,496.59
Other Financial Liabilities	274.41	-	-	274.41
<b>TOTAL</b>	<b>14349.22</b>	<b>5273.79</b>	<b>-</b>	<b>14645.74</b>

Particulars	As At 31 <sup>st</sup> March, 2022			Total
	Not later than 1 year	Later than 1 and not later than 5 years	Later than 5 years	
<b>Financial Liabilities</b>				
<b>Non-current</b>				
Other Financial Liabilities	-	207.10	-	207.10
<b>Current</b>				
Borrowings	600.00	-	-	600.00
Trade Payables	11,089.11	-	-	11,089.11
Other Financial Liabilities	1,413.82	-	-	1,413.82
<b>TOTAL</b>	<b>13102.93</b>	<b>207.10</b>	<b>-</b>	<b>13310.03</b>



**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

**(i) Interest rate risk**

The Company's exposure to the risk of changes in market interest rates relates primarily to debts having floating rate of interest. Its objective in managing its interest rate risk is to ensure that it always maintains sufficient headroom to cover interest payment from anticipated cashflows which are regularly reviewed by the Board. However, the risk is very low due to negligible borrowings by the Company.

The Company's borrowings from banks are Nil as at 31st March, 2023 and 31st March, 2022 respectively. As a result, the sensitivity affecting the loss before tax due to the Company's exposure to the risk of changes in market interest rates is almost nil.

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows approved policy parameters utilizing forward foreign exchange contracts whenever felt necessary. The Company does not enter into financial instrument transactions for trading or speculative purpose. The company does not have any outstanding foreign currency exposure at the end of the reporting periods.

**(iii) Commodity Risk:**

The Company is exposed to the movement in the price of key raw materials and other traded goods in the domestic and international markets. The Company has in place policies to manage exposure to fluctuation in prices of key raw materials used in operations. The Company enters into contracts for procurement of raw materials and traded goods, most of the transactions are short term fixed price contracts and a few transactions are long term fixed price contracts.

**(D) Capital management**

The Company manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balances. For the purpose of calculating gearing ratio, debt is defined as non current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company. The Company is not subject to externally imposed capital requirements. The Board reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Board of Directors.



**34. ADDITIONAL REGULATORY INFORMATION - RATIOS**

Sr. No.	Ratios	Numerator	Denominator	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	Current ratio (in times)	Total Current assets	Total Current liabilities	0.54	0.58
2	Debt Equity ratio	Total Debt (Non-Current + Current)	Total Equity	1.17	0.03
3	Debt service coverage ratio	Earnings available for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease payments + Principal repayments #	0.04	-
4	Return on equity	Profit / (loss) attributable to owners of the Company	Shareholder's equity**	0.17%	0%
5	Inventory turnover ratio	Revenue from Operations (Net)	Inventory	2.76	-
6	Trade receivable turnover ratio	Revenue from Operations (Net)	Trade receivable	-	-
7	Trade Payable turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Trade payables	0.12	-
8	Net capital turnover ratio	Revenue from Operations (Net)	Working capital = Current assets - Current liabilities	-	-
9	Net profit percentage	Net profit	Revenue from Operations (Net)	1.00%	0.00%
10	Return on capital employed*	Earnings before interest and taxes	Capital employed = Shareholder's Equity + Non Current Borrowing	2.74%	-0.02%
11	Return on investment	Earnings before interest and taxes	Total Assets	0.00%	-0.02%

**Reason for more than 25% deviations in Ratios :**

**(1) Debt Equity Ratio ( in times) :**

The company has significantly borrowed fund and the same are parked in CWIP.

**(2) Debt service coverage ratio ( in times) :**

Variance on account of increase in borrowing as compared to previous year.

**(3) Return on equity (%) :**

Due to increase in profitability of the company compared to previous year

**(4) Inventory turnover ratio ( in times) :**

Variance on account of commencement of Partial Business Operation.

**(5) Trade Payable turnover Ratio ( in times) :**

Variance on account of commencement of Partial Business Operation.

**(6) Net Profit Ratio ( in times) :**

Due to increase in profitability of the company compared to previous year

**(7) Return on capital employed(in times) :**

Due to increase in profitability of the company, increase in borrowing compared to previous year & commencement of Partial Business Operation.



**PRABHA ENERGY PRIVATE LIMITED****NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

	(₹ in lakhs)	
	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>35- COMMITMENTS AND CONTINGENT LIABILITIES</b>		
<b>CONTINGENT LIABILITIES</b>		
(a) Claims against the Company not acknowledged as debts (Net of Payments)	109.27	61.02
(b) Guarantees given (Net)	445.00	445.00
* Total outstanding GST Demand of Rs. 109.11 lakh consist of Interest of Rs.18.52 lakh and Penalty of Rs.8.23 Lakh		
<b>CAPITAL COMMITMENT</b>	4,500.00	-

**36 - OPERATING SEGMENTS**

Since there is no operational revenue, there are no separate reportable segments as per IND AS 108 - ' Operating Segment '. The Revenue from transactions with the single external customer amounting to 10% or more of the Company's Revenue is Nil.

**37- STRUCK OFF COMPANIES**

The Group does not have any transactions with companies struck - off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

- 38 Balances of Other Current Liabilities and Trade Payables are subject to confirmation, reconciliation and adjustments if any.
- 39- In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.
- 40 Previous period figures have been regrouped, re-classified and re-arranged wherever considered necessary to confirm to the current year's
- 41 The MCA wide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the above results.





**PRABHA ENERGY PRIVATE LIMITED**

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

**42- Additional information as required under para 2 of General Instruction of Division II of Schedule III to the Companies Act, 2013.**

A. The Company has not carried out any revaluation of Property, Plant and Equipment in any of the period reported in this Financial Statements hence reporting is not applicable.

B. The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

C. As on the balance sheet date, company have approved sanction limits from banks but the same is pending for disbursement hence the Company is not required to submit Stock statement to Banks on quarterly basis for the period covered under the audit.

D. The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

E. The Company does not have any such trasaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

F. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

G. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether  
(a) directly or indlrectly lend or Invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

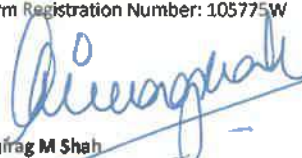
H. During FY 2022-23, the company has raised any amount from issue of securities and long term borrowings from banks and financial institutions.

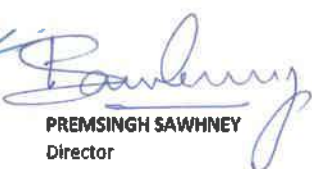
I. The Company has not traded or invested in crypto currency or virtual currency during the financial year.

J. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (

**For Mahendra N Shah & Co.,**  
Chartered Accountants  
Firm Registration Number: 105775W

**For, Prabha Energy Private Limited**

  
Chirag M Shah  
Partner  
Membership Number: 045706  
Place: Ahmedabad  
Dated : May 25,2023

  
PREMSINGH SAWHNEY  
Director  
DIN: 03231054  
Place: Ahmedabad  
Dated : May 25,2023

  
SHAIL SAVLA  
Director  
DIN:08763064





# SECURITY COVER



STRICTLY PRIVATE AND CONFIDENTIAL

Date: 15<sup>th</sup> September 2022

Ref: ICON/2022-23/R/Deep

To,

**The Board of Directors  
Prabha Energy Private Limited**  
12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli,  
Ahmedabad – 380058

**The Board of Directors  
Deep Energy Resources Limited**  
12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli,  
Ahmedabad - 380058

**The Board of Directors  
Savla Oil and Gas Private Limited**  
12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli,  
Ahmedabad - 380058

Dear Madam / Sir,

**Re: Recommendation of fair equity share exchange ratio for the Proposed Merger of Deep Energy Resources Limited and Savla Oil and Gas Private Limited into Prabha Energy Private Limited**

This has reference to terms of our engagement letter Ref: ICON/2022-23/EL/Deep dated 4<sup>th</sup> May 2022 confirming the engagement of ICON VALUATION LLP with Registered Valuer Entity Registration No. IBBI/RV-E/06/2019/107 ('ICON') by Prabha Energy Private Limited ('Prabha'), Deep Energy Resources Limited ('DERL') and Savla Oil and Gas Private Limited ('SOGPL'). Prabha, DERL and SOGPL are hereinafter referred to as the 'Client(s)' / 'Company(ies)'. We enclose the report (the 'Report') prepared in connection with the services requested by the Clients.

We provided a draft of the Report to the managements of the Clients. The Report has been reviewed by the managements of the Clients and they have confirmed that the factual information contained in the Report is correct.

The Report is confidential to the Clients and is subject to the restrictions on use as per terms of our engagement. We disclaim any responsibility to any other person / party for any decision of such person / party based on the Report. We draw your attention to the sections titled 'Scope and Purpose' and 'Caveats, Scope Limitations and Disclaimers' included in the Report, wherein we refer to the scope of work and the limitations of the work undertaken. Any person who is not an addressee in the Report is not authorized to have access to the Report. The Report should not be copied or made available in whole or in part to any person other than the Clients without the express written permission of ICON. ICON accepts no responsibility for any reliance that may be placed on the Report should it be used by any party other than the Clients or for any purpose that has not been expressly agreed by ICON. Our name and the Report should not be referred to in any offering, circular or other document, without our prior written permission.

Trust the above is in order.

Yours faithfully,

For ICON VALUATION LLP

Registered Valuer Entity Registration Number: IBBI/RV-E/06/2019/107

*Aseem Mankodi*



**Aseem Mankodi**

Partner

Registered Valuer Registration Number: IBBI/RV/06/2018/10154

Date: 15<sup>th</sup> September 2022

Place: Mumbai



**Fair Equity Share Exchange Ratio  
for the  
Proposed Merger of  
Deep Energy Resources Limited  
and  
Savla Oil and Gas Private Limited  
into  
Prabha Energy Private Limited**

**Valuation Date: 30<sup>th</sup> June 2022**

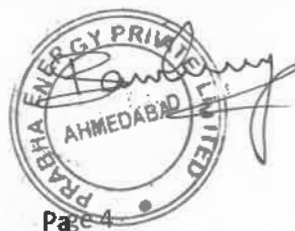
**Report Date: 15<sup>th</sup> September 2022**



## Contents

- **Scope and Purpose**
- **Sources of Information**
- **Background**
- **Valuation Standards**
- **Valuation Base**
- **Valuation Premise**
- **Relative Valuation Approaches & Methods**
- **Relative Valuation Analysis**
- **Recommendation of Ratio**
- **Relative Valuation Summary**
- **Caveats, Scope Limitations and Disclaimers**

- **About ICON**





## SCOPE AND PURPOSE

We understand that the managements of the Companies are exploring the possibility of the merger of DERL and SOGPL into Prabha (the 'Proposed Merger'), with effect from the appointed date of 1<sup>st</sup> April 2022, pursuant to a Composite Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 including any statutory modifications or re-enactments thereof (the 'Scheme').

We have been informed by the Companies that in consideration of the Proposed Merger, the equity shareholders of DERL and SOGPL would be issued equity shares of Prabha.

In connection with the above, the Companies have requested us to render professional services by way of recommendation of the fair equity share exchange ratio for the Proposed Merger (the 'Ratio') as at the valuation date of 30<sup>th</sup> June 2022 (the 'Valuation Date') for consideration of the respective Boards of Directors of the Companies.

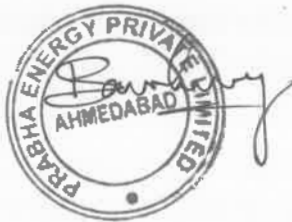
As requested we have carried out a relative valuation of the equity shares of DERL, SOGPL and Prabha as at the Valuation Date with a view to recommending a fair equity share exchange ratio of the equity shares of Prabha for the equity shares of DERL and SOGPL in the event of the Proposed Merger. The Report recommends, what in our opinion, is a fair equity share exchange ratio for the Proposed Merger and is our deliverable in respect of our recommendation of the fair equity share exchange ratio for the Proposed Merger.

We understand that our Report containing our opinion on the Ratio will be used by the Clients only for the purpose of obtaining regulatory approvals in connection with the Proposed Merger. We hereby give consent to such use of our Report on the basis that we owe responsibility to only the Clients and nobody else, and to the fullest extent permitted by law, we accept no responsibility or



liability to any person other than the Clients in connection with the Report. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Clients.

The Report does not look into the business / commercial reasons behind the Proposed Merger nor the likely benefits arising out of the same. Similarly, it does not address the relative benefits of the Proposed Merger as compared with any other alternative business transaction or other alternatives, or whether or not such alternatives could be achieved or are available. Any decision by the Companies regarding whether or not to proceed with the Proposed Merger shall rest solely with the Companies. In addition, we express no opinion or recommendation as to how the shareholders or creditors of the Companies should vote at any shareholders' or creditors' meeting(s) to be held in connection with the Proposed Merger.



## SOURCES OF INFORMATION

The valuation was undertaken on the basis of the following information relating to the Companies, furnished to us by the managements of the Clients and information available in public domain:

- Brief description and understanding of the business
- Audited financial statements of the Companies for the 3 years ended 31<sup>st</sup> March 2021
- Audited results of DERL and audited financial statements of SOGPL and Prabha for the year ended 31<sup>st</sup> March 2022
- Limited Review results of DERL, unaudited provisional balance sheet of DERL and audited financial statements of SOGPL and Prabha for the 3 months ended 30<sup>th</sup> June 2022
- Shareholding pattern as at the Valuation Date
- Details of changes in investments and the issued share capital (including corporate actions) of the Companies between the Valuation Date and the date of the Report
- Business Plan of Prabha for a period beginning from the Valuation Date and ending on 31<sup>st</sup> March 2049
- Draft Scheme for the Proposed Merger
- Discussions with the managements / representatives of the Companies
- Other relevant details



Page

We have also received the necessary explanations, information and representations which we believed were relevant to the present valuation exercise from the managements of the Clients and the necessary time to evaluate the same.



## BACKGROUND

### Prabha

Prabha is a private limited company, incorporated on 5<sup>th</sup> August 2009 and is, inter alia, engaged in business activities relating to exploration and production of oil and gas, coal based methane ('CBM'), shale, hydrocarbon, on shore and off shore business services. It is a subsidiary of DERL with the balance equity stake held by SOGPL.

As at the Valuation Date, Prabha has rights to extract CBM via 2 CBM Blocks at North Karanpura ('NK') and Jharia, both located in Jharkhand. In NK, Prabha has a 25% stake based on a production sharing model with ONGC & IOCL. In Jharia, Prabha has a 90% stake based on a revenue sharing model with Bharat Coking Coal Limited.

Prabha, as at the Valuation Date, does not earn any revenues and is expected to start generating revenues from the year ending 31<sup>st</sup> March 2024.

As at the Valuation Date, Prabha has an issued, subscribed and paid up equity share capital INR 17.81 million consisting of 1,780,609 equity shares of INR 10/- each fully paid up.

The shareholding pattern of Prabha as at the Valuation Date is as follows:

Shareholder	No. of equity shares	% shareholding
Deep Energy Resources Limited (including its nominees)	946,563	53.16%
Savla Oil and Gas Private Limited	834,046	46.84%
Total	1,780,609	100.00%

We have been informed that the Scheme envisages the following subsequent to the Valuation Date but prior to the Proposed Merger taking effect:



Page 9





- Additional 17,806,090 (One Crore Seventy Eight Lakh Six Thousand and Ninety) equity shares of Prabha having face value of INR 10/- (Indian Rupees Ten) each will be issued by way of a bonus issue by Prabha of 10 (Ten) equity shares for 1 (One) equity share held by the existing equity shareholders of Prabha (the 'Bonus Issue').
- Post the Bonus Issue but prior to the Proposed Merger taking effect, each equity share of Prabha having a face value of INR 10/- (Indian Rupees Ten) shall be sub-divided into 10 (Ten) equity shares of Prabha having a face value of INR 1/- (One) each (the 'Split').

Consequently, post the Bonus Issue and the Split, the total number of outstanding equity shares of Prabha as at the date of the Report but prior to the Proposed Merger taking effect works out to 195,866,990 equity shares of INR 1/- each fully paid up.

#### DERL

DERL, incorporated on 1<sup>st</sup> January 1991, is a public company whose equity shares are listed on BSE and NSE. DERL was incorporated with the purpose of engaging in the business of conventional and unconventional oil and / or gas and / or CBM and / or shale and / or hydrocarbons comprising of any or all of exploration, production, development, marketing and transportation operations. DERL is the holding company of Prabha.

DERL, as at the Valuation Date, does not have any significant business operations and we have been informed that DERL would derive its value primarily from the value of its investments.

As at the Valuation Date, DERL has an issued, subscribed and paid up equity share capital of INR 320 million consisting of 32,000,000 equity shares of INR 10/- each fully paid up.



Page 10

The shareholding pattern of DERL as at the Valuation Date is as follows:

Shareholder	No. of equity shares	% shareholding
Promoter and Promoter Group	21,756,845	67.99%
Public	10,243,155	32.01%
Total	32 000,000	1 00 00%

We have been informed that there has been no change in the issued, subscribed and paid up equity share capital of DERL from the Valuation Date till the date of the Report.

### SOGPL

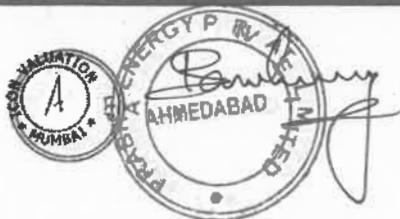
SOGPL is a private limited company, incorporated on 7<sup>th</sup> October 2009 and was incorporated with the purpose of engaging in the business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, coal bed methane, coal mine methane, shale gas and natural gas and all other petroleum / hydrocarbon products including those resulting from the manufacture and treatment of the same.

SOGPL, as at the Valuation Date, does not have any significant business operations and we have been informed that SOGPL would derive its value primarily from the value of its investments.

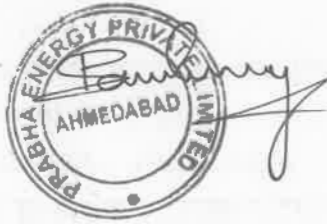
As at the Valuation Date, SOGPL has an issued, subscribed and paid up equity share capital of SOGPL as at the Valuation Date is **INR 64 million** consisting of 6,393,520 equity shares of INR 10/- each fully paid up.

The shareholding pattern of SOGPL as at the Valuation Date is as follows:

Shareholder	No. of equity shares	% shareholding
Promoter and Promoter Group	6,021,220	94.18%
Others	372,300	5.82%
Total	6, 393 520	100.00%



We have been informed that subsequent to the Valuation Date and prior to the date of the Report, SOGPL has allotted 149,123 additional equity shares of INR 10/- each fully paid up by way of a rights issue. Consequently, the total number of outstanding equity shares as at the date of the Report works out to 6,542,643 equity shares of INR 10/- each fully paid up.



## VALUATION STANDARDS

The present valuation exercise has been undertaken based on the ICAI Valuation Standards issued by The Institute of Chartered Accountants of India (the 'Standards').

## VALUATION BASE

Valuation base means the indication of the type of value and represents the fundamental premise on which the value will be based.

The Standards define the following valuation bases:

- 1) Fair Value
- 2) Participant Specific Value
- 3) Liquidation Value

In the present case, based on our discussions with the managements of the Clients and the purpose of the valuation, the present valuation analysis is on a going concern basis and is not specific to any identified participant. Accordingly, we have considered a **Fair Value** base for the present valuation exercise.



## VALUATION PREMISE

Valuation premise refers to the conditions and circumstances how an asset is deployed.

The Standards define the following valuation premises:

- 1) Highest and Best Use
- 2) Going Concern Value
- 3) As-is-where-is Basis
- 4) Orderly Liquidation
- 5) Forced Transaction

In a given set of circumstances, a single premise of value may be adopted while in some situations multiple premises of value may be adopted.

In the present case, as, the present valuation analysis is on a going concern basis we have considered a **Going Concern Value** premise for the present valuation exercise.





## RELATIVE VALUATION APPROACHES & METHODS

The Scheme envisages the Proposed Merger of DERL and SOGPL into Prabha. In consideration thereof, equity shares of Prabha will be issued to the equity shareholders of DERL and SOGPL. Arriving at the Ratio would require determining the relative fair value of the equity shares of Prabha in terms of the relative fair value of the equity shares of DERL and SOGPL i.e. a relative valuation of the equity shares of the Companies. As per the Standards, there are several commonly used and accepted valuation approaches and methods, which can be applied in the present valuation exercise, to the extent relevant and applicable, such as:

**1) Cost / Asset Approach**

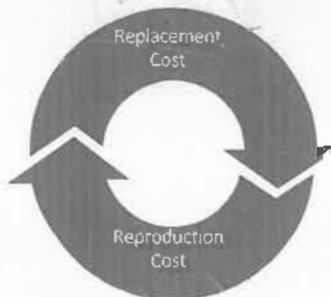
- a) Replacement Cost Method
- b) Reproduction Cost Method

**2) Market Approach**

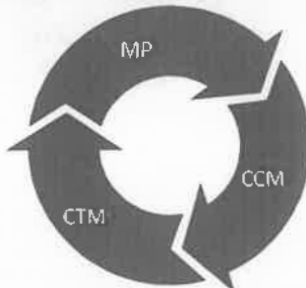
- a) Market Price ('MP') Method
- b) Comparable Companies Multiple ('CCM') Method
- c) Comparable Transaction Multiple ('CTM') Method

**3) Income Approach**

- a) Discounted Cash Flow ('DCF') Method



Methods under Cost / Asset Approach  
Replacement Cost  
Reproduction Cost



Methods under Market Approach  
Market Prices (MP)  
Comparable Companies Multiple (CCM)  
Comparable Transaction Multiple (CTM)



Methods under Income Approach  
Discounted Cash Flow (DCF)



## Cost / Asset Approach

Valuation Methodology	Applicability
<p><b>Replacement Cost</b></p>	<ul style="list-style-type: none"> <li>Derives the value of a company by reference to the replacement cost of its net assets. Involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.</li> <li>Generally appropriate for a company the value of which is derived primarily from its underlying assets rather than its earnings. Also appropriate when assets are intended to be disposed off or when the company no longer meets the going concern criteria.</li> <li>As mentioned earlier, DERL and SOGPL do not have significant business operations of their own and would derive their values primarily from the values of their respective underlying investments / assets rather than their earnings. We have hence used this method in the present valuation exercise for the valuation of the equity shares of DERL and SOGPL.</li> </ul> <p>As Prabha is an operating company, the value arrived at under this method is of relatively less relevance as compared to the value under the income / market approaches. Hence, we have not used this method in the present valuation exercise for the valuation of the equity shares of Prabha.</p>



## Cost / Asset Approach

Valuation Methodology	Applicability
<p><b>Reproduction Cost</b></p>	<ul style="list-style-type: none"> <li>Derives the value of a company by reference to the reproduction cost of its net assets. Involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.</li> <li>Generally appropriate for a company the value of which is derived primarily from its underlying assets rather than its earnings. Also appropriate when assets are intended to be disposed off or when the company no longer meets the going concern criteria.</li> <li>In the present case, we have used the above Replacement Cost method forming part of the Cost / Asset Approach as one of the methods for valuation of DERL and SOGPL. Hence, we have not used this method for the valuation of the equity shares of DERL and SOGPL.</li> </ul> <p>As Prabha is an operating company, the value arrived at under this method is of relatively less relevance as compared to the value under the income / market approaches. Hence, we have not used this method for the valuation of the equity shares of Prabha.</p>



## Market Approach

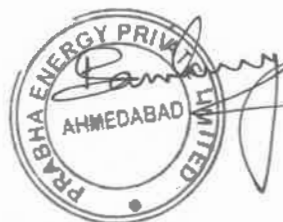
Valuation Methodology	Applicability
-----------------------	---------------

- Market Prices**
- Based on market prices of shares of the company from recognised stock exchanges over an appropriate period.
  - Can be adopted only in cases where the company's shares are listed and sufficiently traded on recognised stock exchanges.
  - In the present case, the equity shares of DERL are listed and are frequently traded. Consequently we have used this method for the valuation of the equity shares of DERL.

As the equity shares of SOGPL and Prabha are not listed, we have not used this method for the valuation of the equity shares of SOGPL and Prabha.

- Comparable Companies Multiple**
- Involves the application of multiples, derived from market prices of comparable listed companies, to the parameters of the company in order to derive a value for the company.
  - Causes subjectivity due to non-availability of exactly comparable listed companies.
  - As mentioned earlier, DERL and SOGPL do not have significant business operations of their own and would derive their values primarily from the values of their respective underlying investments / assets rather than their earnings. Hence, we have not used this method for the valuation of the equity shares of DERL and SOGPL.

In case of Prabha, the company is yet to start earning revenues and hence we have not used this method for the valuation of the equity shares of Prabha.



## Market Approach

Valuation Methodology	Applicability
<p><b>Comparable Transactions Multiple</b></p>	<ul style="list-style-type: none"> <li>▪ Involves the application of multiples, derived from prices of transactions in comparable companies, to the parameters of the company in order to derive a value for the company.</li> <li>▪ Generally difficult to find comparable transactions with complete details available in public domain.</li> <li>▪ Based on discussions with the Companies and our independent research, we understand that there are no transactions, with complete details available, in companies which could be considered as closely comparable to the Companies. Hence, we have not used this method in the present valuation exercise.</li> </ul>





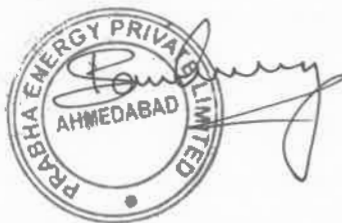
## Income Approach

Valuation Methodology	Applicability
-----------------------	---------------

**Discounted Cash Flow**

- Involves deriving the value of the company by calculating the present value of expected future cash flows. The cash flows and 'terminal value' are those of the underlying business of company.
- Inputs to this method require substantial subjective judgements to be made.
- Most scientific method – considers time value of money.
- As mentioned earlier, DERL and SOGPL do not have significant business operations of their own and would derive their values primarily from the values of their respective underlying investments / assets rather than their earnings. Hence, we have not used this method for the valuation of the equity shares of DERL and SOGPL.

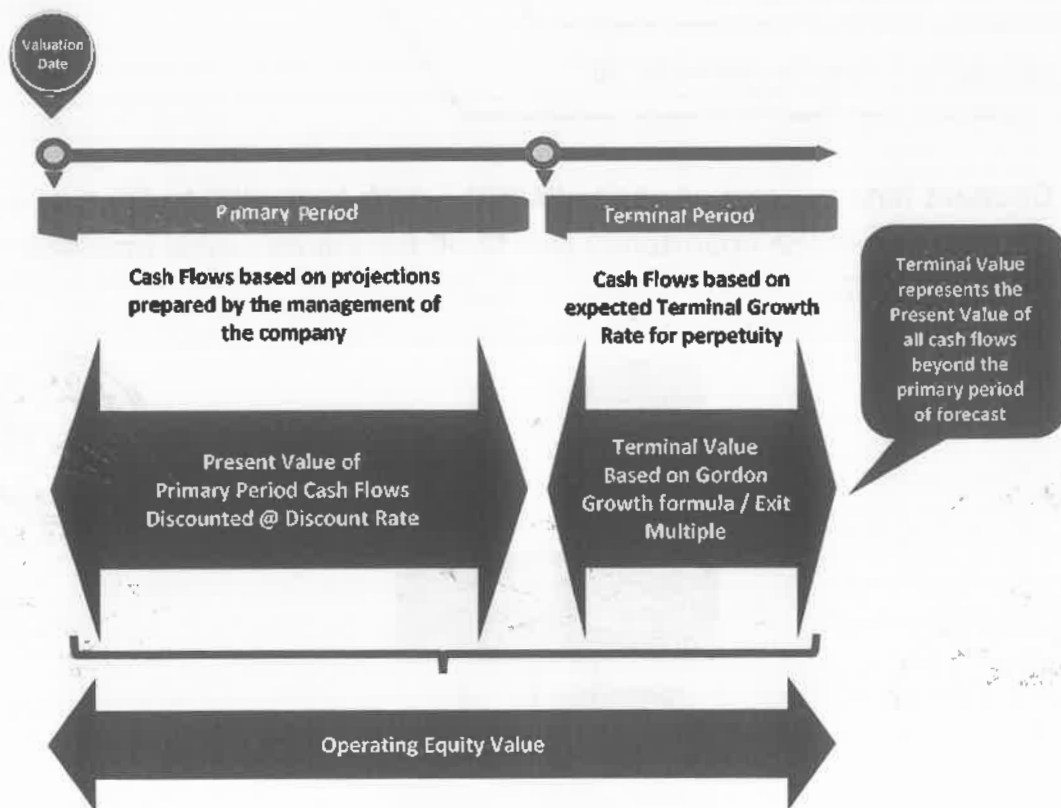
In case of Prabha, considering that Prabha is an operating company and would start earning revenues in the future, we have used this method for the valuation of the equity shares of Prabha based on the Business Plan provided to us by the management of the Clients.



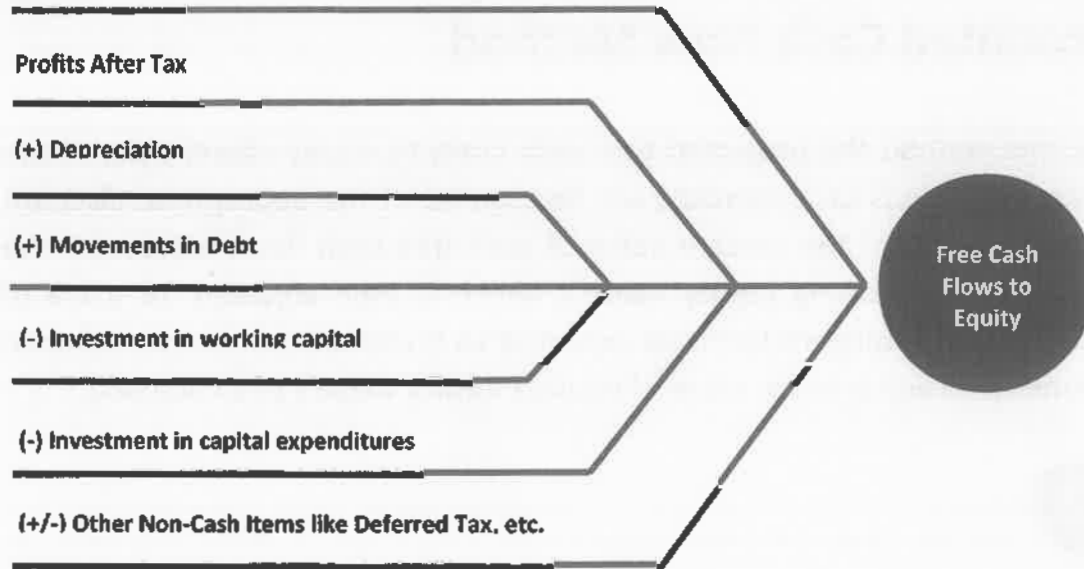
## RELATIVE VALUATION ANALYSIS

### Discounted Cash Flow Method

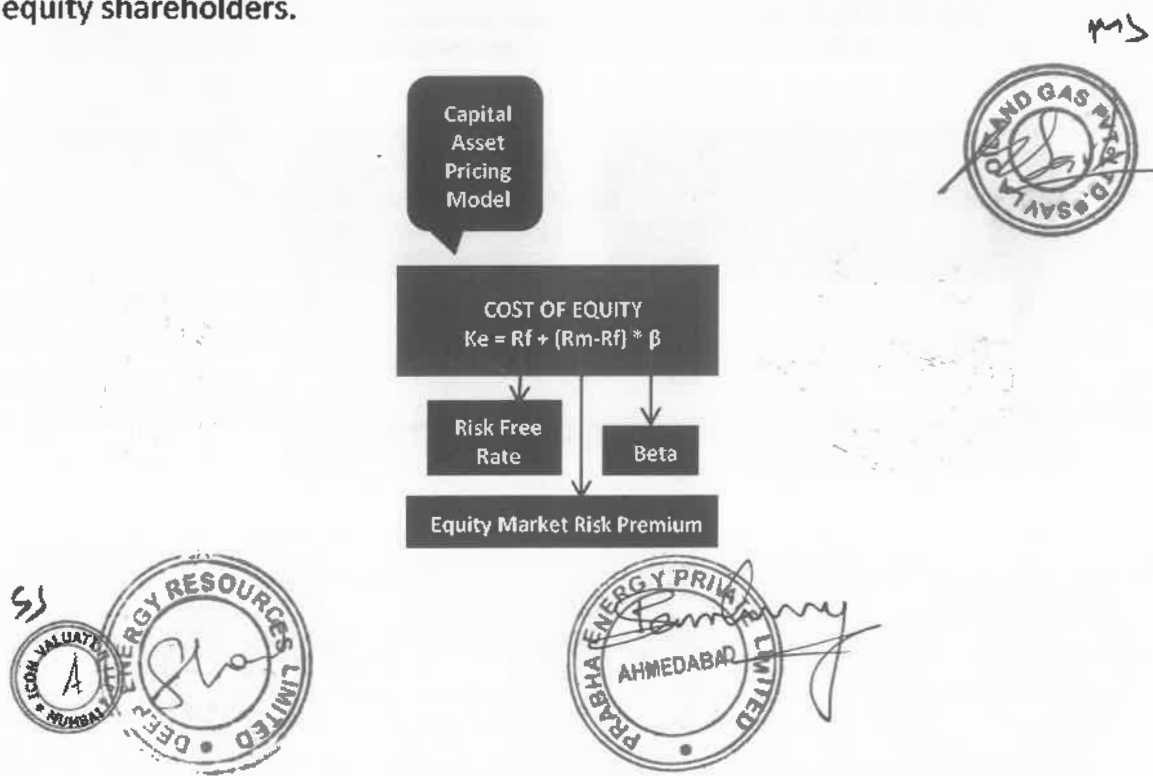
Under this method the projected free cash flows to equity shareholders from business operations of a company are discounted at the appropriate discount rate and the sum of the present value of such free cash flows represents the equity value ('Operating Equity Value'), which is then adjusted for value of surplus assets, contingent liabilities expected to materialize and other relevant adjustments to arrive at the value of equity ('Equity Value') of a company.



The Free Cash Flows to Equity for the purpose of DCF are based on projected profits, working capital requirements, capital expenditures and other related items.



The Discount Rate i.e. cost of equity ('COE'), which is applied to the free cash flows should reflect the opportunity cost to all the equity capital providers viz. equity shareholders.



## Valuation of the equity shares of Prabha based on DCF Method

In the present case, we have carried out a DCF valuation of the equity shares of Prabha considering the following:

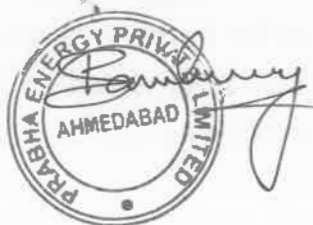
- Primary Period beginning from the Valuation Date and ending on 31<sup>st</sup> March 2049 i.e. up to the date of expected life of the projects based on the Business Plan of Prabha as provided by the managements of the Clients.
- Discount Rate based on Cost of Equity.
- Operating Equity Value, computed based on summation of the present value of free cash flows for Primary Period, has been adjusted for Surplus Cash & Cash Equivalents as provided to us by the managements of the Clients, to arrive at the Equity Value of Prabha as at the Valuation Date of 30<sup>th</sup> June 2022.
- The managements of the Companies have represented that there are no contingent liabilities or contingent assets that the managements expect to materialize on Prabha as at the Valuation Date.



## Replacement Cost Method

The replacement cost method is based on the value of the underlying net assets of the company, either on a book value basis or realizable value basis or replacement cost basis. This valuation method is mainly used in a case where the company is to be liquidated i.e. it does not meet the 'going concern' criteria or in a case where the asset base dominates earnings capability.

Under this method, the Equity Value of a company is derived by reference to the replacement cost of its net assets considering the cost that a market participant shall have to incur to recreate assets with substantially the same utility (comparable utility) as that of the assets valued, adjusted for obsolescence.





## Valuation of the equity shares of DERL and SOGPL based on Replacement Cost Method

In the present case, as mentioned earlier, the asset base of DERL and SOGPL dominate their earnings capability and hence we have used this method to value the equity shares of DERL and SOGPL.

In the present case, for arriving at the valuation under the Replacement Cost method, we have considered the unaudited provisional balance sheet of DERL and the audited balance sheet of SOGPL as at 30<sup>th</sup> June 2022. Since DERL and SOGPL have no significant operating activities other than their investments, such investments have been considered at their realizable fair market values. SOGPL's investment in Raas Equipment Private Limited, which has been sold subsequent to the Valuation Date and prior to the date of the Report, has been considered based on the value actually realized on such sale. For all other assets and liabilities, if any, we have considered their respective book values to be representative of their replacement cost, except for the realisable value of Goodwill in the books of DERL, which has been considered as nil, based on discussions with the Clients. We have also been informed that as at the Valuation Date, there are no contingent liabilities or contingent assets that could materially affect the valuation of the equity shares of DERL and SOGPL.



## Market Price Method

The market price of an equity share is the barometer of the true value of a company in case of listed companies. The market value of shares of a company quoted on a recognized stock exchange, where quotations are arising from regular trading, reflects the investor's perception about the true worth of the company. The valuation is based on the principle that market valuations arising out of regular trading captures all the factors relevant to the company with an underlying assumption that markets are perfect, where transactions are being undertaken between informed buyers and informed sellers on the floor of a recognised stock exchange.



## Valuation of the equity shares of DERL based on Market Price Method

In the present case, as mentioned earlier, the equity shares of DERL are listed, and are frequently traded and hence we have used this method to value the equity shares of DERL. For this purpose, to determine the market price, we have considered the market prices based on the relevant formula prescribed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. For this purpose, we have considered market prices of DERL up to and including 14<sup>th</sup> September 2022.



## RECOMMENDATION OF RATIO

The Ratio for the Proposed Merger would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company but at their relative values to facilitate the determination of a ratio.

Where different values have been arrived at under different methodologies, for the purpose of recommending a ratio of exchange it would be necessary to arrive at a single value for the shares of each company, for which purpose, it would be necessary to give appropriate weightages to the values arrived at under each methodology.

In the present case, as mentioned earlier,

- In case of DERL, the Replacement Cost Method and the Market Price Method have been used to value the equity shares of DERL. Considering that the equity shares of DERL are listed and frequently traded, we have given higher weightage (2/3<sup>rd</sup>) to the Market Price Method and lower weightage (1/3<sup>rd</sup>) to the Replacement Cost Method.
- In case of Prabha, the DCF Method was the only method used to value the equity shares of Prabha.
- In case of SOGPL, the Replacement Cost Method was the only method used to value the equity shares of SOGPL.

The Ratio has been determined on the basis of a relative valuation of the equity shares of the Companies based on the various methodologies explained herein earlier and various qualitative factors relevant to each Company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.



Page 28

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. Valuation is an art, not an exact science. There will always be factors which are not evident from the face of the balance sheets but which strongly influence the value of an asset, and that is where the valuer's judgment plays a part. The determination of an exchange ratio is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual professional judgment. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the fair share exchange ratio for the Proposed Merger. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their own assessment of the Proposed Merger.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and referred to in the Report, in our opinion, the fair equity share exchange ratio as at the Valuation Date, after taking into the effect the Bonus Issue and the Split, would be:

- For the Proposed Merger of DERL into Prabha: **11 (Eleven) equity shares of Prabha of INR 1/- each fully paid up for every 8 (Eight) equity shares of DERL of INR 10/- each fully paid up.**
- For the Proposed Merger of SOGPL into Prabha: **71 (Seventy One) equity shares of Prabha of INR 1/- each fully paid up for every 5 (Five) equity shares of SOGPL of INR 10/- each fully paid up.**

Kindly refer the section titled 'Relative Valuation Summary' for summary of recommendation of the Ratio.





## RELATIVE VALUATION SUMMARY

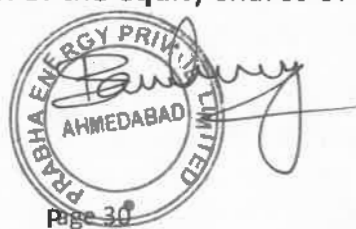
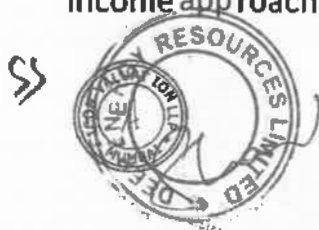
### For the Proposed Merger of DERL into Prabha

Valuation Approach	DERL		Prabha	
	Equity Value per Share (INR)	Weight (%)	Equity Value per Share (INR)	Weight (%)
Cost / Asset Approach	792	33%	NA \$	0%
Income Approach	NA *	0%	239	100%
Market Approach	96	67%	NA ^	0%
Relative Value per Share (INR)	328	100%	239	100%
Fair Equity Share Exchange Ratio	<b>8:11</b>			

### For the Proposed Merger of SOGPL into Prabha

Valuation Approach	SOGPL		Prabha	
	Equity Value per Share (INR)	Weight (%)	Equity Value per Share (INR)	Weight (%)
Cost / Asset Approach	3,397	100%	NA \$	0%
Income Approach	NA *	0%	239	100%
Market Approach	NA ^	0%	NA ^	0%
Relative Value per Share (INR)	3,397	0%	239	100%
Fair Equity Share Exchange Ratio	<b>5:71</b>			

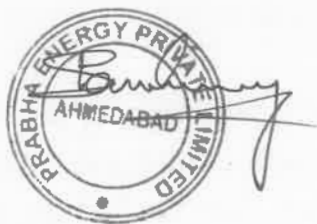
\* DERL and SOGPL do not have significant business operations of their own and derive their values primarily from the values of their respective underlying investments / assets rather than their earnings. Hence, we have not used the income approach for the valuation of the equity shares of DERL and SOGPL.



Page 30

^ The equity shares of SOGPL and Prabha are not listed. SOGPL does not have significant business operations of its own and derives its value primarily from the value of its respective underlying investments / assets rather than its earnings. Prabha is yet to start earning revenues. Hence, we have not used the market approach for the valuation of the equity shares of SOGPL and Prabha.

\$ Prabha is an operating company, so the value arrived at under the cost / asset approach is of relatively less relevance as compared to the value under the income / market approaches. Hence, we have not used the cost / asset approach for the valuation of the equity shares of Prabha.



## CAVEATS, SCOPE LIMITATIONS AND DISCLAIMERS

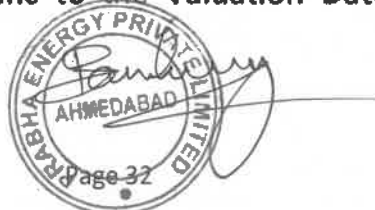
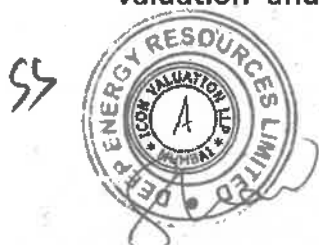
The Report is subject to the caveats, scope limitations and disclaimers detailed within the Report. The Report is to be read not in parts, but in totality and in conjunction with the relevant documents referred to in the Report. We had provided a draft of the Report to the managements of the Clients. The Report has been reviewed by the managements of the Clients and they have confirmed that the factual information contained in the Report is correct.

### Value Estimate and Actual Price

It should be understood that the price at which investments are made / price paid in a transaction between a willing buyer and a willing seller may differ from the value estimates indicated in the Report due to factors such as the competitive bidding environment, the motivation of parties, negotiation skills of the parties, perception of potential synergies, the structure of the transaction or other factors unique to the transaction. Accordingly, our valuation conclusion may not necessarily be the price at which the final transaction may take place. The final transaction price is something on which the parties themselves have to agree. We also emphasize that our opinion is not the only factor that should be considered by the parties in deciding the final transaction price.

### Valuation Date

Valuation and results are specific to the purpose of valuation, the valuation base and the valuation premise. The Valuation Date of 30<sup>th</sup> June 2022 mentioned in the Report is as agreed per terms of our engagement. It may not be valid for any other purpose or as at any other date. Due to possible changes in market forces and circumstances, the Report can only be regarded as relevant as at the Valuation Date of 30<sup>th</sup> June 2022. The Report should be read on the basis that valuation and results are specific to the Valuation Date and there may be

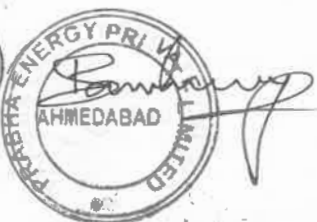


potential for later variations in value due to factors that are unforeseen as at the Valuation Date of 30<sup>th</sup> June 2022.

The Report is issued on the understanding that the Clients have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the determination of the Ratio, including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the Valuation Date of 30<sup>th</sup> June 2022. We have no responsibility to update the Report for events and circumstances occurring after the date of the Report.

**Restriction on Use**

The Report and the information contained therein is absolutely confidential. It is intended only for the sole use and information of the Clients and only for the purpose mentioned viz. obtaining regulatory approvals in connection with the Proposed Merger. The results of the valuation and the Report should not be used or relied by the Clients for any other purpose or by any other party for any purpose. We are not responsible to any other person / party for any decision of such person / party based on the Report. Any person / party intending to provide finance / invest in the shares / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of the Report or any part thereof other than for the purpose set out earlier in the Report, can be done only with our prior permission in writing. This restriction does not preclude the Clients from providing a copy of the Report to their third-party advisors whose review would be consistent with the intended use.



**Responsibility of the Valuer**

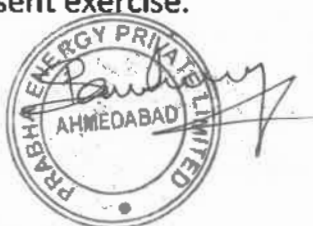
We do not take any responsibility for the unauthorized use of the Report and in no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Clients, their directors, employees or agents. In no circumstances shall our liability, including that of our partners, relating to the services provided in connection with the engagement set out in the Report, exceed the amount paid to us in respect of the fees charged by us for these services.

**Accuracy of Information**

We have applied the necessary levels of efforts, diligence and expertise which we believed were relevant and applicable to the present valuation exercise. While our work involved an analysis of financial information and financial statements, it does not constitute or include an audit, due diligence, forensic investigation, review or certification of the historical financial statements of the Companies referred to in the Report. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in the Report.

In the course of the valuation, we were provided with both written and verbal information. We have evaluated the information provided to us by the Clients through broad inquiry and analysis (but have not carried out an audit, due diligence, forensic investigation or review of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). Also, we have been given to understand by the managements of the Clients that they have not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility for any errors in the above information furnished by the Clients and their impact on the present exercise.

SS





**Achievability of the Business Plan**

We express no opinion on the achievability of the budgeted / projected results of Prabha as given to us by the Clients. These budgeted / projected results are the responsibility of the Clients. We were informed that the assumptions used in their preparation, are based on the Clients' present expectations of both – the most likely set of future business events and circumstances and the Clients' management's consequential course of action. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

**Data from External Sources**

We have also relied on data from external sources / databases for the present valuation exercise. These sources / databases are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources / databases, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context in relation to the present valuation exercise.

**Compliance with Relevant Laws**

The Report assumes that the Companies fully comply with applicable relevant laws and regulations. Further, the Report has given no consideration to matters of a legal nature. No investigation of the Companies' claim to title of assets has been made for the purpose of this valuation and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

The Report is not nor should it be construed as our opining or certifying the compliance with the provisions of any law / standards including company,



foreign exchange regulatory, accounting and taxation / transfer pricing laws / standards or as regards any legal, accounting or taxation implications or issues.

**Conflict of Interest**

We are independent of the Clients and have no current or expected interest in the Clients or their assets. The fee paid for our services in no way influenced the results of our analysis.



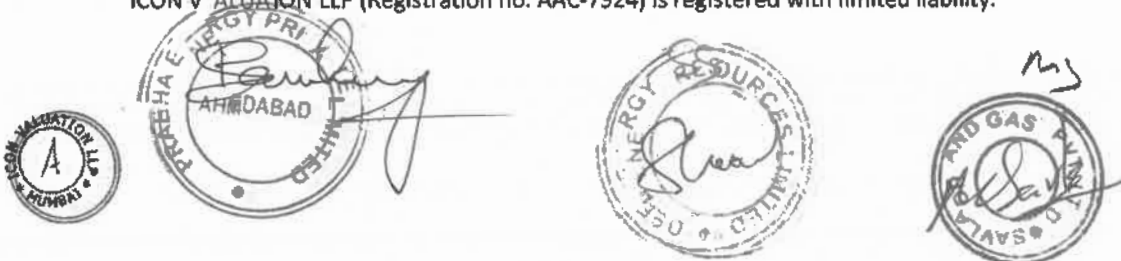
## ABOUT ICON

ICON VALUATION LLP is a limited liability partnership engaged in rendering valuation services and is a registered valuer under the Companies (Registered Valuers and Valuation) Rules 2017 of the Companies Act 2013, in the category of Securities or Financial Assets.

Mr. Aseem Mankodi and Mr. Devarajan Krishnan, the designated partners of ICON, have worked on this engagement. In addition to being registered valuers, both are also Chartered Accountants and have been specializing in the field of valuations since 2005 and 2008 respectively.



ICON VALUATION LLP (Registration no. AAC-7924) is registered with limited liability.



**VIVRO****Vivro Financial Services Private Limited**

Regd. Office :

Vivro House, 11, Shashi Colony, Opp. Suvidha Shopping Center,  
Paldi, Ahmedabad, Gujarat, India - 380 007

Tel. : + 91 (79) 4040 4242

www.vivro.net

September 15, 2022

Private and Confidential

To,

**The Board of Directors****Prabha Energy Private Limited**12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli, Ahmedabad,  
Gujarat, India – 380 058**The Board of Directors****Deep Energy Resources Limited**12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli, Ahmedabad,  
Gujarat, India –380 058

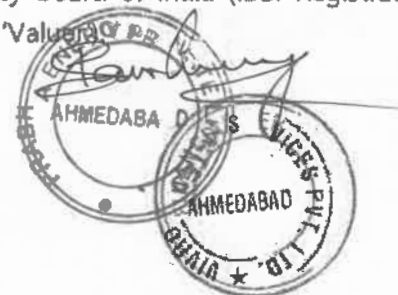
Dear Sir(s) / Madam(s),

**Subject: Fairness Opinion Report on the Valuation Report issued by ICON VALUATION LLP dated September 15, 2022 for the Proposed Scheme of arrangement amongst the Companies**

Deep Energy Resources Limited ('DERL', 'Transferor Company') is a company incorporated on January 1, 1991, engaged in the business of exploration and production of conventional and unconventional hydrocarbons. The equity shares of DERL are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') (together 'the Stock Exchanges'). Prabha Energy Private Limited ('the Company', 'Transferee Company', 'PEPL', 'you', 'your'), is a company incorporated on August 5, 2009, engaged in the business of exploration and production of Coal Bed Methane ('CBM') Gas. Savla Oil and Gas Private Limited ('SOGPL') is a company incorporated on October 7, 2009, engaged in the business of petroleum / hydrocarbons products. As on June 30, 2022, DERL holds 53.16% equity shares in PEPL and SOGPL holds 46.84% equity shares in PEPL ('PEPL', 'DERL' and 'SOGPL' are together known as 'the Companies').

We understand that a scheme of arrangement under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ('the Scheme') is proposed amongst PEPL, DERL and SOGPL and their respective shareholders and creditors, which, provides for the amalgamation of the Companies in the manner contemplated in the Scheme with effect from the appointed date; April 1, 2022. The terms not defined herein would carry meaning as per the Scheme.

Accordingly, PEPL has appointed Vivro Financial Services Private Limited, Category I Merchant Banker registered with SEBI having its Registration Number INM000010122 ('Vivro', 'VFSP', 'Merchant Banker', 'we', 'us', 'our'), through an Engagement Letter dated May 03, 2022 to issue a Fairness Opinion Report on the valuation report dated September 15, 2022 ('the Valuation Report') issued by ICON VALUATION LLP registered with the Insolvency and Bankruptcy Board of India (IBBI Registration Number: [IBBI/RV-E/06/2019/107]) (Registered Valuer, 'RV', the 'Valuer').



Page 1 of 13

In connection with the same, we hereby attach our Fairness Opinion Report ('the Fairness Opinion Report') as required for this Scheme under the extant SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, ('the SEBI Circular') issued under the extant regulations 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and other applicable provisions of law, as amended from time to time, on the Valuation Report for the proposed Scheme. The Fairness Opinion Report has been issued for the sole purpose to facilitate the Companies to comply with the extant provisions of the regulations as mentioned above and it shall not be valid for any other purpose.

Our Fairness Opinion Report is to be read in conjunction with the scope and purpose, the sources of information and the assumptions, exclusions, limitations, and the disclaimers, as have been detailed hereinafter. This letter should be read in conjunction with the Fairness Opinion Report.

Should you require any further information or explanations, please contact the undersigned.

**For, Vivro Financial Services Private Limited**

VIVEK  
NILESH  
VAISHNAV

Digitally signed  
by VIVEK NILESH  
VAISHNAV  
Date: 2023.01.13  
14:42:26 +05'30'

**Vivek Vaishnav**  
**Director**





## TABLE OF CONTENTS

---

1. BACKGROUND .....	4
2. SCOPE, PURPOSE AND USAGE OF THIS FAIRNESS OPINION REPORT .....	5
3. SOURCES OF INFORMATION .....	8
4. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS & DISCLAIMERS .....	9
5. RATIONALE OF THE SCHEME .....	11
6. VALUER'S RECOMMENDATION .....	12
7. CONCLUSION .....	13



## 1. BACKGROUND

### PRABHA ENERGY PRIVATE LIMITED

1.1 PEPL ('CIN: U40102GJ2009PTC057716') is a company incorporated under the provisions of the Companies Act, 1956 on August 5, 2009, having its registered office at 12A, Abhishree Corporate Park, Opp. Swagat BTRS Bus Stop, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat, India, engaged in the business of exploration and production of Coal Bed Methane (CBM) Gas.

1.2 The shareholding pattern of PEPL as on June 30, 2022, is as follows:

Particulars	Equity shares* (Face Value 10/-)	% Shares Held
Deep Energy Resources Limited	9,46,563	53.16
Savla Oil & Gas Private Limited	8,34,046	46.84
<b>Total</b>	<b>17,80,609</b>	<b>100.00</b>

\*Additional 17,806,090 equity shares of PEPL having face value of INR 10/- each will be issued by way of a bonus issue by PEPL of 10 equity shares for 1 equity share held by the existing equity shareholders of PEPL.

Post the bonus issue but prior to the Proposed Merger taking effect, each equity share of PEPL having a face value of INR 10/- shall be sub-divided into 10 equity shares of PEPL having a face value of INR 1/-.

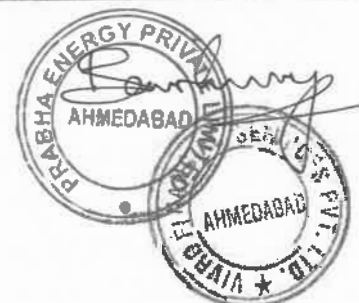
Consequently, post the bonus issue and the split, the total number of outstanding equity shares of PEPL as at the date of the Report but prior to the Proposed Merger taking effect works out to 195,866,990 equity shares of INR 1/- each fully paid up

### DEEP ENERGY RESOURCES LIMITED

1.3 DERL ('CIN: L63090GJ1991PLC014833') is a listed company incorporated under the provisions of the Companies Act, 1956 on January 1, 1991, having its registered office at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat, India, engaged in the business of exploration and production of conventional and unconventional hydrocarbons. The equity shares of DERL are listed on the Stock Exchanges.

1.4 The shareholding pattern of DERL as on June 30, 2022, is as follows:

Particulars	Equity shares (Face Value 10/-)	% Shares Held
Promoter and Promoter Group	21,756,845	67.99
Public	10,243,155	32.01
<b>Total</b>	<b>32,000,000</b>	<b>100.00</b>



**SAVLA OIL & GAS PRIVATE LIMITED**

- 1.5 SOGPL ('CIN: U11200GJ2009PTC058263') is a company incorporated under the provisions of the Companies Act, 1956 on October 7, 2009, having its registered office at 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat, India engaged in the business of petroleum / hydrocarbons products.
- 1.6 The shareholding pattern of SOGPL as on June 30, 2022, is as follows:

Particulars	Equity shares* (Face Value 10/-)	% Shares Held
Promoter and Promoter Group	6,021,220	94.18
Others	372,300	5.82
<b>Total</b>	<b>6,393,520</b>	<b>100.00</b>

\*As per the Valuation Report, subsequent to the Valuation Date and prior to the date of the Valuation Report, SOGPL has allotted 149,123 additional equity shares of INR 10/- each fully paid up by way of a rights issue. Consequently, the total number of outstanding equity shares as at the date of the Valuation Report works out to 6,542,643 equity shares of INR 10/- each fully paid up.



<<This space is intentionally left blank>>



## 2. SCOPE, PURPOSE AND USAGE OF THIS FAIRNESS OPINION REPORT

- 2.1 The Board of Directors of the Companies are planning to enter into a scheme of amalgamation in accordance with Section 230 to 232 and other applicable provisions of the Companies Act, 2013 as amended and rules framed thereunder and other applicable laws, regulations and applicable circulars. This Scheme provides for:
- (a) (i) amalgamation of DERL into PEPL;  
(ii) amalgamation of SOGPL into PEPL;
  - (b) issuance and allotment of PEPL Bonus Shares by way of a bonus issue by PEPL and subdivision of the equity shares of PEPL;
  - (c) conversion of PEPL into public company; and
  - (d) reclassification of promoters seeking reclassification from 'Promoter and Promoter Group' category to 'Public' category in PEPL.
- 2.2 For the aforesaid purpose, the Companies have appointed ICON VALUATION LLP, Registered Valuer, registered with the Insolvency and Bankruptcy Board of India (IBBI Registration Number: [IBBI/RV-E/06/2019/107]) to submit a Valuation Report recommending the share exchange ratio pursuant to Section II of the Scheme which provides for amalgamation of DERL into PEPL and SOGPL into PEPL, to be placed before the Board of Directors of the Companies.
- 2.3 The scope of our services is to issue a Fairness Opinion Report on the Valuation Report of the Registered Valuer pertaining to the share exchange ratio on the proposed amalgamation between DERL and PEPL as required and applicable under the SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, ('the SEBI Circular') issued under the extant regulations 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and other applicable provisions of law, as amended from time to time.
- 2.4 The scope of our services does not involve opining on the fairness or economic rationale of the Scheme per se.
- 2.5 As neither SOGPL nor PEPL are listed entities, we have not opined on the proposed amalgamation of SOGPL with and into PEPL.
- 2.6 This Fairness Opinion Report is our deliverable on this engagement. The Fairness Opinion Report has been issued for the sole purpose to facilitate the Companies to comply with the extant provisions of the regulations as mentioned above and it shall not be valid for any other purpose.



- 2.7 Our Fairness Opinion Report is prepared solely for the purpose outlined hereinabove. The distribution of this Fairness Opinion Report shall hence be restricted to the Companies, Shareholders, SEBI, Stock Exchanges and such other regulatory bodies required to give effect to the Scheme, including but not limited to the Registrar of Companies and the National Company Law Tribunal. This Fairness Opinion Report shall not be relied upon by any other person for any other purpose whatsoever and the Companies agree to this fact.
- 2.8 This Fairness Opinion Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Fairness Opinion Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.



<<This space is intentionally left blank>>





### 3. SOURCES OF INFORMATION

We have relied on the following information made available to us by the management of the Companies for the purpose of this Fairness Opinion Report:

- 3.1 Draft Scheme of Arrangement between PEPL, DERL and SOGPL and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 as may be submitted to the Stock Exchanges;
- 3.2 Share Holding Pattern of the Companies as on current date;
- 3.3 Valuation Report of ICON VALUATION LLP, Registered Valuer, dated September 15, 2022;
- 3.4 Audited Financial Statements of DERL for the year ended on March 31, 2021 and March 31, 2022 and Limited Review results of DERL for the 3 months ended June 30, 2022;
- 3.5 Audited Financial Statements of PEPL for the year ended on March 31, 2021, March 31, 2022 and June 30,2022;
- 3.6 Audited Financial Statements of SOGPL for the year ended on March 31, 2021, March 31, 2022 and June 30,2022;
- 3.7 Historical closing price for DERL on the Stock Exchanges;
- 3.8 Such other information and explanations as required and which have been provided by the management of the Companies, which were considered relevant for the purpose of Fairness Opinion Report.

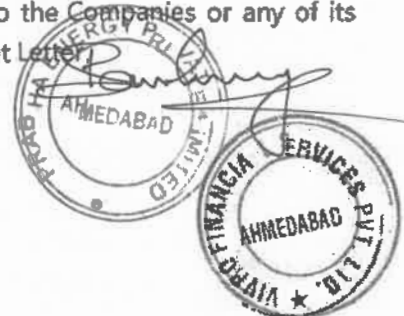
The Companies have been provided with the opportunity to review the draft Fairness Opinion Report (excluding our opinion on recommendation of the Valuation Report) as part of our standard practice to make sure that factual inaccuracy / omissions are avoided.



**4. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS & DISCLAIMERS**

---

- 4.1 This Fairness Opinion Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. This Fairness Opinion Report is restricted for the purpose indicated in the Engagement Letter but does not preclude the management of the Companies to provide a copy of this Fairness Opinion Report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for any unauthorized use of this Fairness Opinion Report.
- 4.2 In the course of the Fairness Opinion Report, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Companies through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by the Companies.
- 4.3 As informed by the management of the Companies, all transactions with related parties are on arm's length basis and for the projected period these are expected to continue as the same. We shall not be liable for any loss, damages, cost, or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Companies, their directors, employee, or agents.
- 4.4 This Fairness Opinion Report, its contents, and the results herein (i) are specific to the purpose agreed as per the terms of our engagement; (ii) are specific to the date of this Fairness Opinion Report and other conditions in general and the written and oral information made available to us by the management of the Company as on date of this Fairness Opinion Report. The events occurring after this date may affect this Fairness Opinion Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Fairness Opinion Report.
- 4.5 We have relied on data from external sources also to conclude the Fairness Opinion Report. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and / or reproduced in its proper form and context. These sources are believed to be reliable. We however assume no liability for the lack of accuracy of any data, opinions or estimates furnished by others that may have been used in this analysis.
- 4.6 We have not provided any accounting, tax, or legal advice to the Companies or any of its affiliates neither are we required to in terms of the Engagement Letter.



- 4.7 We have not examined the tax implication of the present transaction neither are we required to in terms of the Engagement Letter.
- 4.8 We have not revalued any asset, nor physically verified any assets of the Companies neither are we required to in terms of the Engagement Letter.
- 4.9 This Fairness Opinion Report assumes that the Companies are fully compliant with relevant laws and regulations applicable in its area of operations and that the Companies will be managed in a competent and responsible manner. Further, this Fairness Opinion Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded / reflected in the financials provided to us and not relevant or applicable to the subject matter of our analysis.
- 4.10 We are independent of the Companies and hold no specific interest in the Companies or its assets, nor do we have any conflict of interest with the Companies.
- 4.11 The fee for this engagement is not contingent upon the results reported and the conclusion arrived at by us.
- 4.12 This Fairness Opinion Report is furnished on a strictly confidential basis. Neither this Fairness Opinion Report nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above.



<<This space is intentionally left blank>>



## 5. RATIONALE OF THE SCHEME

As mentioned in the draft scheme, Section II the following is the rationale of the proposed scheme:

- 5.1 Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
- 5.2 Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
- 5.3 Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
- 5.4 Rationalization, standardization and simplification of business processes and systems;
- 5.5 Minimization of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
- 5.6 Provide opportunity to the public shareholders of DERL to directly participate in the business of PEPL, and increase long term value of all the stakeholders, by creating a standalone listed entity; and
- 5.7 Ability to pursue inorganic growth with consolidated financials and better operational control.



<< This space is intentionally left blank >>



## 6. VALUER'S RECOMMENDATION

6.1 As informed to us by the management of the Companies, the scope of valuation services of the RV for the proposed Scheme of arrangement is as under:

Recommendation of share exchange ratio pursuant to the proposed merger of DERL and SOGPL into PEPL.

As discussed and mentioned hereinabove, our responsibility is to issue a fairness opinion on the Valuation Report of the Registered Valuer pertaining to the share exchange ratio on the proposed amalgamation between DERL and PEPL as required and applicable under the SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, ('the SEBI Circular') issued under the extant regulations 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and other applicable provisions of law, as amended from time to time.

6.2 Merger of DERL into PEPL:

The basis of the valuation for equity shares of DERL and PEPL, has been arrived at by the Registered Valuer, based on the valuation approaches and methods considered appropriate for respective company. The Discounted Cash Flow Method under the Income Approach has been used to arrive at the value of PEPL. The Market Price Method under the Market Approach considering the minimum price based on the relevant formula prescribed by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as well as the Replacement Cost Method under the Cost Approach has been used to arrive at the value of DERL, after assigning appropriate weightage to Market Approach and Cost Approach.

On the basis of all the relevant factors and circumstances as discussed and outlined in the Valuation Report, the equity share exchange ratio under Section II, shall be as follows:

**'11 (Eleven) equity shares of Prabha Energy Private Limited of INR 1/- each fully paid up for every 8 (Eight) equity shares of Deep Energy Resources Limited of INR 10/- each fully paid up.'**



<<This space is intentionally left blank>>





**7. CONCLUSION**

Pursuant to and subject to the foregoing, we believe that the share exchange ratio for the proposed Scheme, as recommended by ICON VALUATION LLP, Registered Valuer, is fair.

**For, Vivro Financial Services Private Limited**

VIVEK  
NILESH  
VAISHNAV

Digitally signed by  
VIVEK NILESH  
VAISHNAV  
Date: 2022.09.15  
14:40:22 +05'30'

**Vivek Vaishnav**

**Director**

**Date: September 15, 2022**

**Place: Ahmedabad**





Date: 20<sup>th</sup> December, 2022

To,  
**BSE Limited**  
 Phiroze Jeejeebhoy Towers,  
 Dalal Street Fort,  
 Mumbai – 400 001

Scrip Code : 532760

**Sub: Report on Complaints in terms of Para 6 of Part I(A) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23<sup>rd</sup> November, 2021 ("SEBI Master Circular").**

**Ref: Case No. 160822 filed on 27<sup>th</sup> September, 2022 under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") for the Composite Scheme of Arrangement of Deep Energy Resources Limited ("Company"), Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, and other applicable laws including the rules and regulations ("Scheme").**

Dear Sir/Madam,

This is in reference to the Scheme filed by the Company with BSE Limited (BSE) under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") for the Composite Scheme of Arrangement of Deep Energy Resources Limited ("Company"), Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, and other applicable laws including the rules and regulations ("Scheme") on 27<sup>th</sup> September, 2022 vide Case number 160822 and subsequent hosting of the scheme along with other relevant documents by BSE on its website on 28<sup>th</sup> November, 2022.

The period of 21 days from the date of uploading of the draft Scheme along with related documents by BSE on its website has expired on 19<sup>th</sup> December, 2022.

It may be noted that the Company has not received any complaints with respect to the Scheme till the close of business hours of 19<sup>th</sup> December, 2022 either directly or through BSE Limited. In terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23<sup>rd</sup> November, 2021, please find enclosed the Report on Complaints in the prescribed format as "**Annexure-A**".

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad – 380 058  
 Tel -02717-298510 Fax :+91 2717 298520 E-Mail- info@deepenergy.co Website: www.deepenergy.co  
 CIN : L63090GJ1991PLC014833



**Deep Energy**  
Resources Limited

Request you to kindly take the above on record.

Thanking You,

Yours faithfully,

**For, Deep Energy Resources Limited,  
(Formerly known as Deep Industries Limited)**

*Divyeshkumar Senjaliya*

**Divyeshkumar Senjaliya  
(Company Secretary & Compliance Officer)**

**Encl: As Above**

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad 380 058  
Tel: +91 79 2717 298510 Fax: +91 79 2717 298520 E-Mail: info@deepenergy.com Website: www.deepenergy.com  
CIN: L63090GJ1991PLC014833



**REPORT ON COMPLAINTS**

**(Period: 29<sup>th</sup> November, 2022 to 19<sup>th</sup> December, 2022)**

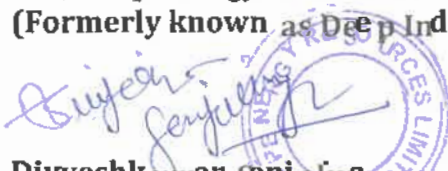

**Part A**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Number</b>
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

**Part B**

<b>Sr. No.</b>	<b>Name of complainant</b>	<b>Date of Complaint</b>	<b>Status (Resolved/Pending)</b>
	Not Applicable		

**For, Deep Energy Resources Limited,  
(Formerly known as Deep Industries Limited)**

**Divyesh Kumar Senjalia  
(Company Secretary & Compliance Officer)**

**Date: 20<sup>th</sup> December, 2022**

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address: 12 & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380 058

T: +91 79 12717 298510 Fax: +91 79 12717 298520 E-Mail: info@deepenergy.co Website: www.deepenergy.co

CIN : L63090GJ1991PLC014833



**Date: 06<sup>th</sup> December, 2022**

To,  
**The Manager – Listing Compliance Department**  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C-1, Block-G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 051

**Symbol: DEEPENR**

**Sub: Report on Complaints in terms of Para 6 of Part I(A) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23<sup>rd</sup> November, 2021 ("SEBI Master Circular").**

**Ref: Application number 32731 filed on 28<sup>th</sup> September, 2022 under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") for the Composite Scheme of Arrangement of Deep Energy Resources Limited ("Company"), Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, and other applicable laws including the rules and regulations ("Scheme").**

Dear Sir/Madam,

This is in reference to the Scheme filed by the Company with National Stock Exchange of India Limited (NSE) under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") for the Composite Scheme of Arrangement of Deep Energy Resources Limited ("Company"), Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013, and other applicable laws including the rules and regulations ("Scheme") on 28<sup>th</sup> September, 2022 vide application number 32731 and subsequent hosting of the scheme along with other relevant documents by NSE on its website on 14<sup>th</sup> November, 2022.

The period of 21 days from the date of uploading of the draft Scheme along with related documents by NSE on its website has expired on 05<sup>th</sup> December, 2022.

It may be noted that the Company has not received any complaints with respect to the Scheme till the close of business hours of 05<sup>th</sup> December, 2022 either directly or through National Stock Exchange of India Limited. In terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and

**DEEP ENERGY RESOURCES LIMITED**

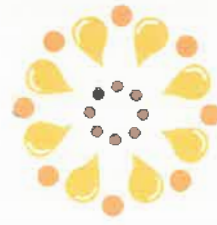
(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380 058

Tel: -02717-298510 Fax: +91 2717 298520 E-Mail: info@deepenergy.ooo Website: www.deepenergy.ooo

CIN : L63090GJ1991PLC014833





SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23<sup>rd</sup> November, 2021, please find enclosed the Report on Complaints in the prescribed format as "**Annexure-A**".

Request you to kindly take the above on record.

Thanking You,

Yours faithfully,

**For, Deep Energy Resources Limited,  
(Formerly known as Deep Industries Limited)**

  
**Divyeshkumar Senjaliya**  
**(Company Secretary & Compliance Officer)**

**Encl: As Above**

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address: 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380 058

Tel: +91 79 2717-298510 Fax: +91 79 2717 298520 E-Mail: info@deepenergy.com Website: www.deepenergy.com

CIN : L63090GJ1991PLC014833



**Annexure-A**

**REPORT ON COMPLAINTS**

**(Period: 15<sup>th</sup> November, 2022 to 05<sup>th</sup> December, 2022)**

**Part A**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Number</b>
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

**Part B**

<b>Sr. No.</b>	<b>Name of complainant</b>	<b>Date of Complaint</b>	<b>Status (Resolved/Pending)</b>
	Not Applicable		

**For, Deep Energy Resources Limited,  
(Formerly known as Deep Industries Limited)**

  
**Divyeshkumar Senjaliya**  
**(Company Secretary & Compliance Officer)**

**Date: 06<sup>th</sup> December, 2022**

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380 058  
Tel -02717-298510 Fax :+91 2717 298520 E-Mail- info@deepenergy.co Website: www.deepenergy.co

CIN : L63090GJ1991PLC014833

**National Stock Exchange Of India Limited**

Ref: NSE/LIST/D/2023/32731\_1

August 23, 2023

The Company Secretary  
Deep Energy Resources Limited  
12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli,  
Ahmedabad, Gujarat – 380058

**Kind Attn.: Ms. Dixita Soni**

Dear Madam,

**Sub: Observation Letter for draft Composite Scheme of Arrangement amongst Deep Energy Resources Limited (“Transferor Company 1” or “DERL”) and Savla Oil and Gas Private Limited (“Transferor Company 2” or “SOGPL”) and Prabha Energy Private Limited (“Transferee Company” or “PEPL”).**

We are in receipt for draft Composite Scheme of Arrangement amongst Deep Energy Resources Limited (“Transferor Company 1” or “DERL”) and Savla Oil and Gas Private Limited (“Transferor Company 2” or “SOGPL”) and Prabha Energy Private Limited (“Transferee Company” or “PEPL”) vide application dated September 28, 2022.

Based on our letter reference no. NSE/LIST/D/2023/32731 dated April 19, 2023, submitted to SEBI pursuant to SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI (LODR) Regulations, 2015 SEBI vide its letter dated August 22, 2023 has inter alia given the following comment(s) on the draft scheme of amalgamation:

- a. *Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock Exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*
- d. *Company shall ensure that information pertaining to all the unlisted Companies involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- g. *Company shall ensure that the proposed equity shares to be issued in terms of the “scheme” shall mandatorily be in demat form only.*

This Document is Digitally Signed.

Signer: DIPTI VIPIL CHINCHHEDE  
Date: Wed, Aug 23, 2023 18:13:13 IST  
Location: NSE



- h. Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.
- i. Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.
- j. Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.
- k. Company shall ensure that all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.
- l. Companies shall disclose the following information as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make informed decision in the matter.
- the details of the Assets & Liabilities which are being transferred by virtue of amalgamation.
  - balance sheet of the transferee Company for both post and pre scheme of amalgamation,
  - detailed rationale for arriving at the share entitlement ratio,
  - reasons for issuance of bonus shares and sub division and,
  - reclassification of promoters to public shareholders

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94A of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Prabha Energy Private Limited is at the discretion of the Exchange.

The listing of Prabha Energy Private Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Prabha Energy Private Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

***“The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the u***

This Document is Digitally Signed

Signature: DIP T V P M CHINCHIKHEDE

Date: Wed Aug 23, 2023 18:13:13 IST

Location: NSE



***take any responsibility for the financial or other soundness of the Prabha Energy Private Limited, its promoters, its management etc.”***

2. To publish an advertisement in the newspapers containing all the information about Prabha Energy Private Limited in line with the details required as per SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Prabha Energy Private Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme: a “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.” b. “There shall be no change in the shareholding pattern or control in Prabha Energy Private Limited between the record date and the listing which may affect the status of this approval.”

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from August 23, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Dipti Chinchkhede  
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>



DCS/AMAL/PB/R37/2881/2023-24

August 23, 2023

The Company Secretary,  
 Deep Energy Resources Ltd.  
 12A & 14, Abhishree Corporate Park, Ambli Bopal Road,  
 Ambli, Ahmedabad, Gujarat, 380058

**Sub: Observation letter regarding the Composite Scheme of Arrangement among Deep Energy Resources Limited and Savla Oil and Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors.**

We are in receipt of the Composite Scheme of Arrangement among Deep Energy Resources Limited and Savla Oil And Gas Private Limited and Prabha Energy Private Limited and their respective shareholders and creditors filed by Deep Energy Resources Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations 2015; SEBI vide its letter dated August 22, 2023 has inter alia given the following comment(s) on the draft Scheme of Arrangement:

- A. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- B. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- C. "Company shall ensure compliance with the SEBI circulars issued from time to time."
- D. "The entities involved in the Scheme shall duly comply with various provisions of the Circular."
- E. "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- F. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- G. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders."
- H. "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- I. "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- J. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- K. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- L. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."

M. "Company is advised to disclose additionally the following as a part of the Explanatory Statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013 so that the public shareholders can make an informed decision in the matter.

- The details Assets & Liabilities which are being transferred by virtue of amalgamation
- Balance sheet of the transferee company for both pre and post scheme of amalgamation
- detailed rationale for arriving at the share entitlement ratio
- reasons for issuance of bonus shares & sub-division
- reclassification of promoters to public shareholders

N. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Prabha Energy Private Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Prabha Energy Private Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such Company and also comply with other applicable statutory requirements. However, the listing of shares of Prabha Energy Private Limited is at the discretion of the Exchange. In addition to the above, the listing of Prabha Energy Private Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Prabha Energy Private Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Prabha Energy Private Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Prabha Energy Private Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.

4. The following provisions shall be incorporated in the scheme:

- "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
- "There shall be no change in the shareholding pattern of Prabha Energy Private Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

TL  
Yours faithfully,

  
Rupal Khandelwal  
Deputy General Manager

  
Tanmayi Lele  
Assistant Manager



**Details of Ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against Deep Energy Resources Limited and its promoters and directors.**

1. **Case 1: Workmen Compensation Act, 1923 in case of Deep Energy Resources Limited**  
An application was lodged by the claimant against our company in December 2011 under Section 10 of the Workmen Compensation Act, 1923. The claimants, family members of a deceased individual who allegedly drowned in a canal, assert that the decedent was an employee of our company and died while on duty. We are contesting this claim on the grounds that the decedent was not an employee of our company and the location of the incident is not associated with our workplace. The claimants are seeking compensation of Rs. 8,15,400/- along with an 18% interest. The case is currently pending before the Labour Court of Mehsana. Next hearing date is scheduled on 04.01.2024.
2. **Case 2: Road Accident Insurance Claim in case of Deep Energy Resources Limited**  
In 2011, one of rigs was involved in a road accident in Madhya Pradesh, resulting in injuries to three individuals and significant damage to the rig. We filed an insurance claim with United India Insurance Co. Ltd for an amount of Rs. 71,48,772/-. A consumer complaint has been lodged against the Company (United India Insurance Co. Ltd) before the State Commission (Gujarat). The case is currently pending before the consumer court. Next hearing date is scheduled on 11.01.2024.
3. **Case 3: Relinquishment of Block VN-ONN in case of Deep Energy Resources Limited**  
Company have filed a writ petition before the Hon'ble High Court of Gujarat challenging the order of the Director General of Hydrocarbons (DGH) refusing the relinquishment of block VN-ONN, situated in Madhya Pradesh. The case is currently pending to be adjudicated. Next hearing date is scheduled on 16.01.2024.
4. **Case 4: Relinquishment of Block SR-ONN in case of Deep Energy Resources Limited**  
A writ petition has been filed before the Hon'ble High Court of Delhi by DERL against the order of the DGH refusing the relinquishment of block SR-ONN, situated in the state of Chhattisgarh. The case is currently pending and has been adjourned to explore the possibility of an amicable settlement between the parties. Next hearing date is scheduled on 11.03.2024.
5. **Case 5: Income tax proceedings in case of Deep Energy Resources Limited**  
There are various cases pending with the various authorities such as CIT (Appeal) and ITAT under section 220(2), 154, 147, 234D of the Income-tax Act, 1961, where total amount involved is Rs. 277.33 lakh.
6. **Case 6 : Income tax proceedings in case of Paras Shantilal Savla**
  - A. Writ proceeding before the Hon'ble High Court for Assessment Year 2013-14 towards disallowance of Long Term Capital Gain with respect to amount of Rs.129.57 lakhs.
  - B. Demand is raised for Rs. 11.44 lakhs under section under section 143(1)(a) of the Income-tax Act, 1961 for Assessment Year 2021-22.



**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli-Bopal Road, Ambli, Ahmedabad-380 058.

Tel. : 02717-298510 Fax : +91 2717 298520 E-mail : info@deepenergy.ooo Website : www.deepenergy.ooo

CIN : L63090GJ1991PLC014833





- 7. Case 7: Income tax proceedings in case of Manoj Shantilal Savla**  
Appeal proceedings before CIT Appeals for Assessment Year 2017-18 and Assessment Year 2018-19 against demand raised under section 153C of the Income-tax Act, 1961 towards which amount involved Rs. 20.90 lakhs and Rs.181.57 lakhs respectively. For Assessment Year 2019-20 appeal filed with CIT Appeals against Sec. 69 read with section 115BBE of the Income-tax Act, 1961, where amount involved is Rs. 192.20 lakhs.
- 8. Case 8: Income tax proceedings in case of Dharen Shantilal Savla**  
Appeal proceedings with CIT Appeals for Assessment Year 2019-20 against Sec. 69 read with section 115BBE of the Income-tax Act, 1961 where amount involved is Rs. 191 Lakhs.
- 9. Case 9 : Income tax proceedings in case of Rupesh Kantialal Savla**  
Appeal proceedings with CIT Appeals 49, Mumbai for Assessment Year 2011-12 and Assessment Year 2018-19 against demand raised towards which amount is involved Rs. 244.82 lakhs and Rs. 2.77 lakhs respectively.
- 10. Case 10: Income tax proceedings in case of Manoj S. Savla jointly with Paras S. Savla on behalf of Shantilal Savla Family Trust**
  - A. Appeal proceedings with CIT Appeals for Assessment Year 2020-21 against demand raised under section 154 of the Income-tax Act, 1961 towards which amount involved is Rs. 5.55 lakhs.
  - B. Appeal proceedings with CIT Appeals for Assessment Year 2021-22 against demand raised under section 154 of the Income-tax Act, 1961 towards which amount involved is Rs. 160.85 lakhs.
  - C. Appeal proceedings with CIT Appeals for Assessment Year 2022-23 against demand raised under section 143(3) of the Income-tax Act, 1961 towards which amount involved is Rs. 136.76 lakhs.
- 11. Case 11: Income tax proceedings in case of Priti Paras Savla**
  - A. Appeal proceedings with CIT Appeals for Assessment Year 2017-18 against demand raised under section 153c of the Income-tax Act, 1961 for Rs. 28.05 lakhs.
  - B. Appeal proceedings with CIT Appeals for Assessment Year 2019-20 under section 69 read with section 115BBE of the Income-tax Act, 1961 towards which amount involved is Rs. 192.01 lakhs.
- 12. Case 12: Income tax proceedings in case of Avani Dharen Savla**  
Demand recovery proceedings for demand of Rs. 187.36 lakhs under section 154 of the Income-tax Act, 1961 for Assessment Year 2010-11.
- 13. Case 13: Income tax proceedings in case of Sheetal Rupesh Savla**  
Appeal proceedings with Appellant Tribunal G Bench Mumbai for Assessment Years 2011-12, 2012-13 and 2013-14 towards which amount involved Rs.151.21 lakhs., Rs.36.53 lakhs and Rs.168.44 lakhs respectively



**DEEP ENERGY RESOURCES LIMITED**  
(Formerly known as Deep Industries Limited)





**Deep Energy  
Resources Limited**

- 14. Case 14: Income tax proceedings in case of Mita Manoj Savla**  
Appeal proceedings with CIT Appeals for Assessment Year 2013-14 against disallowance of long term capital gain of Rs.19.93 lakhs.
- 15. Case 15: Income tax proceedings in case of Savla Oil and Gas Private Limited**
- A. Proceedings pending under section 143(1)(a) of the Income-tax Act, 1961 for Assessment Year 2019-20 where amount involved is Rs. 371.96 lakhs.
  - B. Proceedings pending under section 148 of the Income-tax Act, 1961 for Assessment Year 2021-22 where amount involved is Rs. 8.64 lakhs.

**FOR, DEEP ENERGY RESOURCES LIMITED**

**PREMSINGH M SAWHNEY**  
**CHAIRMAN AND NON EXECUTIVE DIRECTOR**  
**DIN:03231054**



**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli-Bopal Road, Ambli, Ahmedabad-380 058.

Tel. : 02717-298510 Fax : +91 2717 298520 E-mail : info@deepenergy.ooo Website : www.deepenergy.ooo

CIN : L63090GJ1991PLC014833

# Annexure-11

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH - I, AHMEDABAD

CA(CAA)/51(AHM)2023

Application under Sections 230-232 and read with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

In the matter of Scheme of Amalgamation

DEEP ENERGY RESOURCES LIMITED  
CIN NO: L63090GJ1991PLC014833  
12A & 14, Abhishree Corporate Park,  
Ambli Bopal Road, Ambli, Ahmedabad,  
Gujarat-380058

... Applicant / Transferor Company 1

SAVLA OIL AND GAS PRIVATE LIMITED  
CIN NO: U11200GJ2009PTC058263  
Having its registered office at  
14, Ground Floor, Abhishree Corporate  
Park, Ambli Bopal Road, Ambli, Ahmedabad,  
Gujarat- 380058

... Applicant/ Transferor Company 2

Prabha Energy Private Limited  
CIN NO: U40102GJ2009PTC057716  
Having its registered office at 12A,  
Abhishree Corporate Park, Opp. Swagat  
BRTS Bus Stop, Ambli Bopal Road, Ambli,  
Ahmedabad, Gujarat- 380058.

... Applicant/ Transferee Company  
and

Their Respective Shareholders and Creditors

Order Pronounced on 08.11.2023

CORAM:

SHAMMI KHAN, MEMBER (JUDICIAL)  
SAMEER KAKAR, MEMBER (TECHNICAL)

For Applicant(s): Mr. Ravi Pahwa, Advocate

O R D E R

Per: Bench.

1. This is a Joint Company Application Viz., CA(CAA)/51(AHM)/2023 filed by the Applicant Companies, namely Deep Energy Resources Limited (for brevity "Transferor Company 1"), Salva Oil and Gas Private Limited (for brevity "Transferor Company 2") and Prabha Energy Private Limited (for brevity "Transferee Company") under section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation (hereinafter referred to as the "SCHEME") proposed by the Applicant Companies. The said Scheme is also appended as "*Annexure -K*" to the typed set filed along with the Application.

2. The rationale of the Scheme of Amalgamation stated in the proposed Scheme is as under: -

(i) Simplification of the group structure to result into:

- a. Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
- b. Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
- c. Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
- d. Rationalization, standardization and simplification of business processes and systems;
- e. Minimization of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
- f. Provide opportunity to the public shareholders of the Transferor Company 1 to directly participate in the business of the Transferee Company, and increase long term

- value of all the stakeholders, by creating a standalone listed entity; and
- g. Ability to pursue inorganic growth with consolidated financials and better operational control.
- (ii) The rationale for reclassification of Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public' category in the Transferor Company 1 and upon this Scheme coming into effect, in the Transferee Company is that the Promoters Seeking Reclassification:
- a. are not engaged in the business, management, control or day-to-day affairs of the Transferor Companies (*as defined below*) and the Transferee Company;
  - b. do not have any right either to appoint any Director of the Transferor Companies and the Transferee Company; and
  - c. does not have an ability to control the management or policy decisions of the Transferor Companies and the Transferee Company in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Companies and the Transferee Company.



(iii) The Scheme does not have any adverse effect on either of the shareholders, the employees or the creditors of any of the Parties.

(iv) The Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders.

3. The Applicant Companies in this Company Application has sought for the following reliefs;

	EQUITY SHAREHOLDERS MEETING	SECURED CREDITORS MEETING	UNSECURED CREDITORS MEETING	PREFERENCE SHAREHOLDERS MEETING
TRANSFEROR COMPANY 1	To order Meeting	To Dispense with	To order Meeting	N/A
TRANSFEROR COMPANY 2	To Dispense with	N/A	To Dispense with	N/A
TRANSFEREE COMPANY	To Dispense with	To Dispense with	To order Meeting	To Dispense with

4. From the certificate of incorporation filed, it is evident that the Transferor Company 1 is a Listed Public Company incorporated under the provisions of the Companies Act, 1956 on 01.01.1991 with the Registrar of Companies, Gujarat, under the name and style of

"Deep Roadways Private Limited". Subsequently, the name of the Company was changed to "Deep Industry Private Limited", and thereafter the word Private was deleted by virtue of the Company being a Deemed Public Limited Company under 43A(IB) of the Company Act, 1956 on 06.02.1997. the Company became a Public Limited Company with effect from 02.05.2002 and a fresh certificate to change of name, was issued in the name of "Deep Energy Resources Limited" on 02.05.2002.

5. The authorized, issued subscribed and paid-up share capital of the Transferor Company<sup>1</sup> as on 31.03.2023 is as under:

AUTHORIZED SHARE CAPITAL	AMOUNT (IN Rs.)
3,20,00,000 Equity Shares of Rs.10/- each	32,00,00,000
Total	32,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	AMOUNT (IN Rs.)
3,20,00,000 Equity Shares of Rs. 10/-each	32,00,00,000
Total	32,00,00,000

6. From the certificate of incorporation filed, it is evident that the Transferor Company 2 was incorporated as Private Limited Company under the Companies Act, 1956 on 07.10.2009, with Registrar of Companies, Ahmedabad(Gujarat), under the name and style of "SALVA OIL AND GAS PRIVATE LIMITED ".
7. The authorized, issued subscribed, and paid-up share capital of the Transferor Company 2 as on 31.03.2023 is as under:

AUTHORIZED SHARE CAPITAL	AMOUNT (IN Rs.)
72,28,100 Equity Shares of Rs.10/- each	7,22,81,000
15,00,000 preference shares of Rs. 10/- each	1,50,00,000
Total	8,72,81,000
ISSUED, SUBSCRIBED, AND PAID-UP SHARE CAPITAL	AMOUNT (IN Rs.)
65,42,643 Equity Shares of Rs. 10/-each	6,54,26,430
Total	6,54,26,,430

8. From the certificate of incorporation filed, it is evident that the Transferee Company was incorporated as a Private Limited Company under the Companies Act, 1956 on 05.08.2009, with Registrar of Companies,

Ahmedabad(Gujarat), under the name and style of "PRABHA ENERGY PRIVATE LIMITED".

9. The authorized, issued subscribed and paid-up share capital of the Transferee Company as on 31.03.2023 is as under:

AUTHORIZED SHARE CAPITAL	AMOUNT (IN RS.)
17,80,610 Equity Shares of Rs.10/- each	1,78,06,000
37,60,060 preference shares of Rs. 10/- each	3,76,00,600
Total	5,54,06,700
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	AMOUNT (IN RS.)
17,80,609 Equity Shares of Rs. 10/-each	1,78,06,900
15,93,000 preference shares of Rs.10/- each	1,59,30,000
Total	3,37,36,,090

10. Affidavit in support of the above application was sworn on behalf of the applicant Companies has been filed by Mr. Shail Manoj Salva for the Transferor Company 1, by one Mr. Manoj Shantilal Salva for the Transfer Company 2 and by one Mr. Premsingh Sawhney for the Transferee Company along with the application and it is also represented that the Registered office of the

Transferor Company 1 is situated at 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat-380058, the Registered Office of the Transferor Company 2 is situated at 14, ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli , Ahmedabad, Gujarat-380058 and the Registered office of the Transferee Company is situated at 12A, Abhishree Corporate Park, Opp. Swagat BRTS Bus Stop, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat-380058 within the territorial jurisdiction of the Bench of this Tribunal and falling within the purview of Registrar of Companies, Ahmedabad.

11. DEEP ENERGY RESOURCES LIMITED  
TRANSFEROR COMPANY 1

- (i) There are 12,748(twelve Thousand Seven Hundred Forty-Eight) Equity Shareholders and the certificate issued by the Chartered Accountants to this effect is placed at Annexure L of the typed set filed with the application and sought for convening, holding, and conducting of meeting.



- (ii) There are Nil Preferential Shareholders and the certificate issued by the Chartered Accountant to this effect is placed at Annexure M of the typed set filed along with the Application. Hence the necessity of convening, holding and conducting the meeting does not arise.
  
- (iii) There is 1(One) Secured Creditor having an outstanding amount of Rs. Nil. The consents by way of affidavit having an outstanding amount of Rs. Nil i.e. more than 90% of the total outstanding amount is placed at Annexure N and the certificate issued by the Chartered Accountant to this effect is placed at Annexure O of the typed set filed along with the Application. Hence the necessity of convening, holding and conducting the meeting does not arise.
  
- (iv) There are 16(Sixteen) Unsecured Creditors having an outstanding amount of Rs. 1,24,84,092 and the certificate issued by the Chartered Accountant to this effect is placed at Annexure P of the typed set filed along with the Application. Applicant has sought for convening, holding and conducting of meeting.

12. SALVA OIL AND GAS PRIVATE LIMITED  
TRANSFEROR COMPANY 2

- (i) There are 15(Fifteen) Equity Shareholders and all the Equity Shareholders have given their consents in writing in approval of Scheme by way of affidavit. The consents by way of affidavit of all the Equity Shareholders along with Board Resolution in case of corporate equity shareholder to this effect is placed at Annexure Q colly and the certificate issued by the Chartered Accountant to this effect is placed at Annexure R of the typed set filed with the application and therefore, sought for Dispensation withholding of meeting.
  
- (ii) There are Nil Preferential Shareholders and the certificate issued by the Chartered Accountant to this effect is placed at Annexure S of the typed set filed along with the Application. Hence the necessity of convening, holding, and conducting the meeting does not arise.
  
- (iii) There are Nil Secured Creditors and the certificate issued by the Chartered Accountant to this effect is placed at Annexure T of the typed set filed along with the Application. Hence the necessity of convening, holding, and conducting the meeting does not arise.

(iv) There is 1(One) Unsecured Creditor having an outstanding amount of Rs. 15,000. The unsecured creditor of Applicant Company 2 has given its consent in writing in approval of Scheme by way of affidavit. The consent by way of affidavit of the unsecured creditor of Applicant Company is placed at Annexure V and the certificate issued by the Chartered Accountant to this effect is placed at Annexure U of the typed set filed along with the Application. Applicant has sought for dispensation with holding of meeting.

13. PRABHA ENERGY PRIVATE LIMITED  
TRANSFeree COMPANY

(i) There are 7(Seven) Equity Shareholders and all the Equity Shareholders have given their consents in writing in approval of the Scheme by way of affidavit. The consent by way of affidavit of all the Equity Shareholders along with Board Resolution in case of corporate equity shareholder to this effect is placed at Annexure W colly and the certificate issued by the Chartered Accountant to this effect is placed at Annexure X of the typed set filed with the application and sought for dispensation with the holding of the meeting.

- (ii) There is 1(One) Preferential Shareholder and the Preference Shareholder has given its consent in writing in approval of the Scheme by way of affidavit. The consent by way of affidavit of the Preference Shareholder along with Board Resolution in case of corporate equity shareholder is placed in Annexure Y and the certificate issued by the Chartered Accountant to this effect is placed in Annexure Z of the typed set filed along with the Application. Applicant has sought for Dispensation with the holding of the meeting.
- (iii) There is 1 (One) Secured Creditor and having an outstanding amount of Rs. Nil. The consent by way of affidavit having an outstanding amount of Rs. Nil i.e. more than 90% of the total outstanding amount is placed at Annexure AA and the certificate issued by the Chartered Accountant to this effect is placed at Annexure AB of the typed set filed along with the Application and sought for dispensation with holding of meeting.
- (iv) There are 120 (One Hundred and Twenty) Unsecured Creditors having an outstanding amount of Rs. 1,78,56,51,898 and the certificate issued by the Chartered Accountants to this effect is placed at Annexure AC of the typed set filed with

the application and sought for convening, holding and conducting of the meeting.

14. We have perused the application and the connected documents/papers filed therewith including the Scheme contemplated by the applicant companies.
15. The Applicant Companies has filed its Memorandum and Articles of Association *inter alia* delineating its object clauses as well as their last available Audited Annual Accounts for the year ended 31.03.2023 and Provisional/ Unaudited Financial Statements for the period ended on 30.06.2023.
16. The Board of Directors of the Applicant Companies vide meeting held on 15<sup>th</sup> September 2022 had unanimously approved the proposed Scheme as contemplated above and copies of resolutions passed thereon have been placed on record by the applicant companies.
17. The Appointed date as specified in the Scheme is 01.04.2022.



18. The Statutory Auditors of the Transferor and Transferee Companies have examined the Scheme in terms of provisions of Sec. 232 of the Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The said Certificates of the Statutory Auditors in this regard are placed at *Annexure AD colly* of the Applicant Companies typed set of Documents filed along with the application.
19. The copy of the valuation report dated 15.9.2022 by the registered valuer is annexed at *Annexure-AE* with the Company Application.
20. It is submitted by the Applicant Companies that the shares of Applicant Company 1 are listed on the BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges"). Both the Stock Exchanges have given them no objection to the proposed Composite Scheme of Arrangement. Copy of No Objection Certificate given by BSE Limited and National Stock Exchange of India Limited is placed at *Annexure-AF colly* of the Application.

20. Taking into consideration the application filed by the Applicant Company and the documents filed therewith as well as the position of law, this Tribunal proposes to issue the following directions: -

A. IN RELATION TO THE TRANSFEROR COMPANY 1:

(i) With respect to Equity shareholders:

Meeting of the Unsecured Creditors of the Transferee Company is directed to be held on 18/12/2023 at 10:00 AM at the Online & Planet Landmark, 139/1, Ambli-Bopal Road, Off S.G. Road, Nr. Ashok Vatika, Opp. Ekta Farm, Ahmedabad-380058, Gujarat, for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation.

(ii) With respect to Preferential shareholders:

Since it is represented by the Transferor Company that there are NIL Preferential shareholders in the Company, the necessity of Convening, holding and conducting a meeting *does not arise*.

(iii) With respect to Secured Creditors:

Since it is represented by the Transferor Company that there is only One Secured Creditor in the Company

whose consent by way of Affidavit have been obtained from the Secured Creditor and is placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

(iv) With respect to Unsecured Loan Creditors:

Meeting of the Unsecured Creditors of the Transferee Company is directed to be held on 18/12/2023 at 12:00 hours at the Online & Planet Landmark, 139/1, Ambli-Bopal Road, Off S.G. Road, Nr. Ashok Vatika, Opp. Ekta Farm, Ahmedabad-380058, Gujarat, for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation.

B. IN RELATION TO THE TRANSFEROR COMPANY 2:

i. With respect to Equity shareholders:

Since it is represented by the Transferee Company that there are 15 Equity shareholders in the Company whose consents by way of Affidavits have been obtained from all the equity shareholders and are placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

ii. With respect to Preferential shareholders:

Since it is represented by the Transferor Company that there are NIL Preferential shareholders in the

Company, the necessity of Convening, holding, and conducting a meeting *does not arise*.

iii. With respect to Secured Creditors:

Since it is represented by the Transferor Company that there are NIL Preferential shareholders in the Company, hence the necessity of Convening, holding and conducting a meeting *does not arise*.

iv. With respect to Unsecured Creditors:

Since it is represented by the Transferee Company that there is 1(One) Unsecured Creditor in the Company whose consent by way of Affidavit has been obtained from the Unsecured Creditor and are placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

C. IN RELATION TO THE TRANSFEE COMPANY:

(i) With respect to Equity shareholders:

Since it is represented by the Transferee Company that there are 7 Equity shareholders in the Company whose consents by way of Affidavits have been obtained from all the equity shareholders and are placed on record, the necessity of convening, holding, and conducting the meeting is *dispensed with*.

(ii) With respect to Preferential shareholders:

Since it is represented by the Transferee Company that there is 1(One) Preferential shareholder in the Company whose consent by way of Affidavits has been obtained from the Preferential shareholder and is placed on record, the necessity of convening, holding, and conducting the meeting is *dispensed with*.

(ii) With respect to Secured Creditors:

Since it is represented by the Transferee Company that there is 1(One) Secured Creditor in the Company whose consent by way of Affidavits obtained from the Secured creditor and are placed on record are placed on record, the necessity of convening, holding, and conducting the meeting is *dispensed with*.

(iii) With respect to Unsecured Creditors:

A meeting of the Unsecured Creditors of the Transferee Company is directed to be held on 18/12/2023 at 03:00 PM at the Online & Planet Landmark, 139/1, Ambli-Bopal Road, Off S.G. Road, Nr. Ashok Vatika, Opp. Ekta Farm, Ahmedabad-380058, Gujarat, for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation.



21. The quorum for the meeting of the Transferor Company 1 and Transferee Company shall be as per section 103 of the Companies Act, 2013 as follows;

For the Transferor Company 1:

S.No	CLASS	QUORUM
1	EQUITY SHAREHOLDERS	300
2	UNSECURED CREDITORS	5

For Transferee Company:

S.No	CLASS	QUORUM
1	UNSECURED CREDITORS	15

- i) The Chairperson appointed for the above-mentioned meetings shall be Mr. V.K. Rajasekhar, Adv. (8420463344), Practicing Company Secretary. The Fee of the Chairperson for the aforesaid meeting shall be *Rs. 50000/- (Rupees Fifty Thousand only)* in addition to meeting his incidental expenses. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above-said meetings
- ii) Mr. Gaurav Vesasi, Practicing Company Secretary, PCS, is appointed as a Scrutinizer and would be entitled to a fee of *Rs. 25000/- (Rupees Twenty-Five*

*Thousand Only*) for services in addition to meeting incidental expenses.

- iii) In case the quorum as noted above, for the above meeting of the Applicant Companies, is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum, the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with the Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.
- iv) The meetings shall be conducted as per the applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5<sup>th</sup> May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);

- v) That individual notices of the above said meetings shall be sent by the Applicant Company through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.
- vi) That the Applicant Company shall publish advertisement with a gap of at least 30 clear days before the aforesaid meetings, indicating the day, date and the place and time as aforesaid, to be published in the English Daily "*Business Standard*" (*Ahmedabad Edition*), and "*Jai Hind*" (*Ahmedabad Edition*) in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.

- vii) The Chairperson shall as aforesaid be responsible for reporting the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.
  
- viii) In compliance of sub-section (5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, the Applicant companies shall individually send notice to the concerned (i) Regional Director, MCA (ii) Registrar of Companies Ahmedabad, (iii) Official Liquidator, and (iv) the Income Tax Authorities as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.
  
- ix) The applicant companies shall further furnish a copy of the Scheme free of charge within 1 day of any requisition for the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.

- x) The Authorized Representative of the Applicant Companies shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.
- xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

22. The Applications stand allowed on the aforesaid terms.

-SD-

SAMEER KAKAR  
MEMBER (TECHNICAL)

-SD-

SHAMMI KHAN  
MEMBER (JUDICIAL)

Shubhanshu/LRA



IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH - I, AHMEDABAD

Comp. App./18(AHM)2023 in  
CA(CAA)/51(AHM)2023

An application under Rule 154 of NCLT Rules

In the matter of Scheme of Amalgamation

DEEP ENERGY RESOURCES LIMITED  
CIN NO: L63090GJ1991PLC014833  
12A & 14, Abhishree Crporate Park,  
Ambli Bopal Road, Ambli, Ahmedabad,  
Gujarat-380058

... Applicant / Transferor Company 1

SAVLA OIL AND GAS PRIVATE LIMITED  
CIN NO: U11200GJ2009PTC058263  
Having its registered office at  
14, Ground Floor, Abhishree Corporate  
Park, Ambli Bopal Road, Ambli, Ahmedabad,  
Gujarat- 380058

... Applicant/ Transferor Company 2

Prabha Energy Private Limited  
CIN NO: U40102GJ2009PTC057716  
Having its registered office at 12A,  
Abhishree Corporate Park, Opp. Swagat  
BRTS Bus Stop, Ambli Bopal Road, Ambli,  
Ahmedabad, Gujarat- 380058.

... Applicant/ Transferee Company  
and

Their Respective Shareholders and Creditors

Order Pronounced on 05.12.2023

CORAM:

SHAMMI KHAN, MEMBER (JUDICIAL)  
SAMEER KAKAR, MEMBER (TECHNICAL)

For Applicant(s): Mr. Ravi Pahwa, Advocate

O R D E R

Per: Bench.

1. The Present Application is filed under Rule 154 of National Company Law Tribunal Rules, 2016 for seeking rectification of the order dated 08.11.2023 passed by this Hon'ble Tribunal in C.A.(CAA)/51(AHM)2023.
2. The rectification sought by the Applicant Companies are as follows: -
  - i. Para 20 A(i)  
Meeting of Unsecured Creditors of Transferee Company to be changed to Meeting of Equity Shareholder of Transferor Company.
  - ii. Para 20 A(iv)  
Meeting of Unsecured Creditors of Transferee Company to be changed to Meeting of Unsecured Creditors of Transferor Company.
  - iii. Para 20 B(i) and 20(iv)  
The word "Transferee Company" be replaced with "Transferor Company".

iv. Para 21

In so far as the Quorum of Equity Shareholders of the Transferor Company 1 is concerned, as per sec 103 of the Companies act, 2013 the quorum required is only 30 and therefore, the Applicant Companies pray this Hon'ble Tribunal to rectify the quorum to 30.

v. Meeting to be conducted through online and physical

The order records that the meetings be conducted through online and physical mode. The Applicant companies pray this Hon'ble Tribunal to substitute the word "and" with "or" for all the meetings as directed by this Hon'ble Tribunal.

vi. Date of Meeting

As per the order, the meeting is directed to be held on 18.12.2023. The Applicant Companies pray this Hon'ble Tribunal to change the meeting date from 18.12.2023 to an appropriate date.

3. It is submitted by the applicant that this Hon'ble Tribunal is empowered to make such corrections in the order under Rule 154 of the NCLT Rules. Rule 154 of the Rules read as under: -

***"154. Rectification of Order. -***

*(1) Any clerical or arithmetical mistakes in any order of the Tribunal or error therein arising from any accidental slip or omission may, at any time, be corrected by the Tribunal on its own motion or on application of any party by way of rectification.*

*(2) An application under sub-Rule (1) may be made in Form No. NCLT 9 within two years from the date of the final order for rectification of the final order not being an interlocutory order."*

4. It is submitted by the Applicant that the above rectification is necessary for the effective implementation of the order dated 8.11.2023. The applicant therefore prays this Hon'ble Tribunal to allow this application, as prayed for.

Prayers in view of the facts mentioned above, the Applicant prays for the following relief(s):

“[A] That this Hon'ble Tribunal may be pleased to allow this application and rectify the order dated 8.11.2023 passed in CA (CAA) No.51/NCLT/AHM/2023 to the extent as stated in --Para 3 of this Application, in the interest of justice;

[B] That this Hon'ble Tribunal may be pleased to grant such other and further reliefs as may be deemed fit and proper by this Hon'ble Tribunal, in the interest of justice;”

5. we heard the Learned Counsel perused the records. It appears that in order dated 08.11.2023 passed in C.A.(CAA)/51(AHM)2023, certain rectification is required. Accordingly, we hereby rectify the said order as follows:

- a) In para 20 A(i), the word "Unsecured Creditors" will be read as "Equity Shareholder" and the word "Transferee" will be read as "Transferor" .
- b) In para 20 A(iv), the word "Transferee" will be read as "Transferor" .
- c) In para 20 B(i) & B(iv), the word "Transferee" will be read as "Transferor" .
- d) In para 21, the Quorum of Equity Shareholders will be "30" instead of 300.
- e) As regards the rectification sought in point (v) of para 3 of the application instead of at the Online & Planet Landmark it will be via Online/Physical mode at Hotel Planet Landmark.
- f) The date for the Meeting i.e. 18.12.2023 will be changed to 04.01.2024



6. Accordingly, Company Application No.18 of 2023 is allowed and is disposed off.

-SD-  
SAMEER KAKAR  
MEMBER (TECHNICAL)

-SD-  
SHAMMI KHAN  
MEMBER (JUDICIAL)

Shubhanshu/LRA

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**DIVISION BENCH**  
**COURT - 1**

**Comp. App. 18(AHM)2023 in  
C.A.(CAA)/51(AHM)2023**

**Order under Section 230-232 of Co. Act,2013**

**IN THE MATTER OF:**

Deep Energy Resources Ltd.  
Salva Oil and Gas Pvt. Ltd.  
Prabha Energy Pvt. Ltd.

.....Applicant

.....Respondent

**Order delivered on: 12/12/2023**

**Coram:**

Mr. Shammi Khan, Hon'ble Member(J)  
Mr. Sameer Kakar, Hon'ble Member(T)

**PRESENT:**

For the Applicant :  
For the Respondent :

**Corrigendum ORDER**

1. The Applicant has filed Speaking to minutes dated 08.12.2023 to change the date of meeting ordered in the Company Application No.18 of 2023 on 05.12.2023 and seeks rectification to order dated 8.11.2023 passed in CA (CAA) No.51/NCLT/AHM/2023.
2. In view of the above averments, the date of the Meetings of the applicant Companies as per the order dated 5.12.2023 is now changed to 29.01.2024.

3. This Corrigendum shall form part and parcel of the order of this Tribunal dated 8.11.2023 & 5.12.2023.

**-SD-**

**SAMEER KAKAR  
MEMBER (TECHNICAL)**

**-SD-**

**SHAMMI KHAN  
MEMBER (JUDICIAL)**

*Shubhanshu/LRA*

## SUMMARY OF VALUATION REPORT INCLUDING THE BASIS OF VALUATION

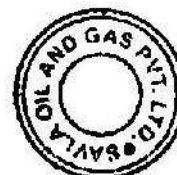
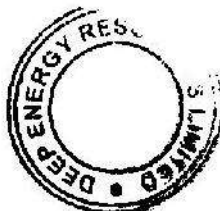
<p><b>Deep Energy Resources Limited</b> CIN: L63090GJ1991PLC014833</p> <p><u>Registered Office:</u> 12A &amp; 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat - 380058, India</p>
<p><b>Savla Oil and Gas Private Limited</b> CIN: U11200GJ2009PTC058263</p> <p><u>Registered Office:</u> 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat - 380058, India</p>
<p><b>Prabha Energy Private Limited</b> CIN: U40102GJ2009PTC057716</p> <p><u>Registered Office:</u> 12A, Abhishree Corporate Park, Opp. Swagat BTRS Bus Stop, Ambli Bopal Road, Bopal, Ahmedabad, Gujarat - 380058, India</p>

1. Deep Energy Resources Limited ("DERL"), Savla Oil and Gas Private Limited ("SOGPL") and Prabha Energy Private Limited ("PEPL"), engaged ICON Valuation LLP ("ICON") (IBBI/RV-E/06/2019/107), registered valuer for carrying out fair valuation of equity shares of the DERL, PEPL & SOGPL for the purpose of amalgamation of DERL and SOGPL with and into PEPL.

ICON issued its report dated 15<sup>th</sup> September, 2022.

2. DERL has appointed Vivro Financial Services Private Limited ("Vivro"), (Category I Merchant Banker SEBI Registration Number INM000010122) to provide an independent opinion as to the fairness of the share exchange ratio recommended by ICON for amalgamation of DERL and SOGPL with and into PEPL.
3. Vivro reviewed the valuation report issued by ICON and the draft Scheme and carried out independent analysis. Vivro vide its report dated 15<sup>th</sup> September, 2022 opined to the Board of Directors of DERL and PEPL that the valuation opined by ICON is fair.
4. The ICON, registered valuer had carried out independent analysis using, generally accepted valuation methodologies in arriving the valuation for amalgamation of DERL and SOGPL into PEPL. DERL is listed entity and SOGPL and PEPL are unlisted entities. The approach adopted by the registered valuer determining the same is summarized as under:

(a) DERL Valuation:



DERL does not have significant business operations of its own and would thus derive its value primarily from the value of its respective underlying investments / assets rather than the earnings. Accordingly, ICON has not considered Discounted Cash Flow Method under the Income Approach for valuation of DERL. The asset base of DERL dominates its earnings capability. Hence, ICON has used Replacement Cost Method under the Cost / Asset Approach for carrying out the valuation of the equity shares of DERL.

DERL is a listed company whose shares are frequently traded in both the BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and hence, Market Price Method under the Market Approach has been considered for carrying out the valuation of DERL. ICON has considered the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 as amended from time to time which provides guidance to estimate the market price.

**(b) SOGPL Valuation:**

SOGPL does not have significant business operations of its own and thus would derive its value primarily from the value of its respective underlying investments / assets rather than the earnings. Accordingly, ICON has not considered Discounted Cash Flow Method under the Income Approach. The asset base of SOGPL dominates its earnings capability. Hence, ICON has used Replacement Cost Method under the Cost / Asset Approach for carrying out the valuation of the equity shares of SOGPL.

SOGPL is not a listed company and hence, the Market Price Method under the Market Approach has not been considered by the ICON. Further, Comparable Companies Multiple Method and Comparable Transactions Multiple Method has not been considered for the valuation of SOGPL in absence of exact / closely comparable companies.

**(c) PEPL Valuation:**

PEPL is an operating company and would start earning revenues in future, and hence, ICON has considered Discounted Cash Flow Method under the Income Approach to derive value of the equity shares of PEPL.

PEPL is not a listed company and hence, the Market Price Method under the Market Approach has not been considered by ICON. Further, Comparable Companies Multiple Method and Comparable Transactions Multiple Method has not been considered for the valuation of PEPL in absence of exact / closely comparable companies. As PEPL is yet to start earning revenue, ICON has not considered Comparable Companies Multiple Method under the Market Approach for valuation of PEPL. Further, as PEPL is an operating company, the value arrived under Replacement Cost method would be of relatively less relevance as compared to the value derived under Income / Market Approaches and hence, ICON has considered Discounted Cash Flow method under Income Approach for the valuation of equity shares of PEPL.





5. No special valuation difficulties were found by the valuer. The valuation report and its fairness opinion as placed, were approved by the Board of Directors of the respective companies.

**For, Deep Energy Resources Limited**



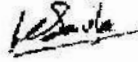
**Premeisingh Mangatsingh Sawhney**  
**Chairman and Non Executive Director**  
**DIN: 03231054**

Date: 19<sup>th</sup> December, 2023

Place: Ahmedabad



**For, Savla Oil and Gas Private Limited**



**Manoj Shantilal Savla**  
**Director**

**DIN: 01529306**

Date: 19<sup>th</sup> December, 2023

Place: Ahmedabad



**For, Prabha Energy Private Limited**



**Premeisingh Mangatsingh Sawhney**  
**Director**

**DIN: 03231054**

Date: 19<sup>th</sup> December, 2023

Place: Ahmedabad





**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF DEEP ENERGY RESOURCES LIMITED IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON THURSDAY, 15<sup>TH</sup> SEPTEMBER, 2022 AT 6:30 P.M THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) AND AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 12A & 14, ABHISHREE CORPORATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD - 380058.**

### 1. Background

- 1.1. The proposed Composite Scheme of Arrangement between the Deep Energy Resources Limited ("DERL"), Savla Oil and Gas Private Limited ("SOGPL") and Prabha Energy Private Limited ("PEPL") [DERL, SOGPL and PEPL are collectively hereinafter referred to as "Parties"] and their respective shareholders and creditors ("Scheme") under section 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of law, inter-alia, provides for:
- (a) amalgamation of the Deep Energy Resources Limited ("Transferor Company 1" or "DERL") and Savla Oil and Gas Private Limited ("Transferor Company 2" or "SOGPL"), Transferor Companies with and into Prabha Energy Private Limited ("Transferee Company" or "PEPL"), with effect from appointed date i.e. 01<sup>st</sup> April, 2022;
  - (b) issuance and allotment of bonus shares by way of bonus issue by the Transferee Company and sub-division of the share capital of the Transferee Company;
  - (c) conversion of the Transferee Company from 'private' company into a 'public' company and consequent amendment of the memorandum of association and articles of association of the Transferee Company;
  - (d) issue of equity shares of the Transferee Company to shareholders of the Transferor Company 1 and Transferor Company 2 on account of amalgamation;
  - (e) transfer of the authorized share capital of the Transferor Company 1 and Transferor Company 2 to the Transferee Company and the consequent amendment of Memorandum of Association of the Transferee Company;
  - (f) reclassification of Dharen Savla, Avani Savla, Prabhaben Savla, Shantilal Savla and Dharen Savla Family Trust ("Promoters Seeking Reclassification") from 'promoter and promoter group' category into 'public' category in Transferee Company; and
  - (g) listing of the equity shares of the Transferee Company on the Stock Exchanges.
- 1.2. In line with the provisions of section 232(2)(c) of the Act read with the rules made thereunder, the Board of directors of the Company requires to adopt a report explaining the effect of the Scheme on each class of shareholders (promoters and non-promoters), Directors and Key Managerial Personnel's, Creditors, Depositor and Deposit Trustee, Debenture Holders and Debenture Trustee, employees of each Company and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties, if any.
- 1.3. Accordingly, this Report of the Board is being made in pursuance of the requirements of Sections 232(2)(c) of the Act set out above.



**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli-Bopal Road, Ambli, Ahmedabad-380 058.  
Tel. : 02717-298510 Fax : +91 2717 298520 E-mail : info@deepenergy.ooo Website : www.deepenergy.ooo

CIN : L63090GJ1991PLC014833



- 1.4. The following documents were placed before the Board:
- (a) the draft Scheme;
  - (b) Valuation Report dated 15<sup>th</sup> September, 2022 issued by ICON Valuation LLP, an independent registered valuer, having registration number AAC-7924 ("Valuation Report") providing the share exchange ratio as under:
    - (i) *"11 [Eleven] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Deep Energy Resources Limited for every 8 [Eight] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of Deep Energy Resources Limited."*
    - (ii) *"71 [Seventy One] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of Savla Oil and Gas Private Limited for every 5 [Five] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of Savla Oil and Gas Private Limited."*
  - (c) Fairness opinion dated 15<sup>th</sup> September, 2022 issued by Vivro Financial Services Private Limited, an independent merchant banker registered with the Securities and Exchange Board of India ("SEBI") with registration number INM000010122 providing opinion on the fairness of the share exchange ratio proposed in the Valuation Report ("Fairness Opinion");
  - (d) Draft Compliance Report to be filed with the Stock Exchanges;
  - (e) Certificate issued by the statutory auditors of the Company, pursuant to para A(5) of Part I of the SEBI Master Circular;
  - (f) Report of the Audit Committee dated 15<sup>th</sup> September, 2022, recommending the Scheme to the Board for approval;
  - (g) Report of the Committee of Independent Directors dated 15<sup>th</sup> September, 2022 recommending the Scheme to the Board for approval; and
  - (h) Other presentations, documents and information made to / furnished before the Board pertaining to the draft Scheme.



**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhisree Corporate Park, Ambli-Bopal Road, Ambli, Ahmedabad-380 058.

Tel. : 02717-298510 Fax : +91 2717 298520 E-mail : info@deepenergy.ooo Website : www.deepenergy.ooo

CIN : L63090GJ1991PLC014833



**2. Effect of the proposed Scheme**

**2.1. Directors and Key Managerial Personnel (KMP):**

The Directors and/or Key Managerial Personnel (KMP) of DERL will be appointed as the Directors and/or Key Managerial Personnel, as the case may be, in PEPL. There is no impact on material interests of Directors and KMPs of DERL.

**2.2. Shareholders (including promoter and non-promoter)**

Under Section II of the Scheme, an arrangement is sought to be entered into between DERL and its equity shareholders. Upon Section II of the Scheme becoming effective, the equity shareholders of DERL, (which shall stand cancelled), shall become the equity shareholders of PEPL in the manner as stipulated in Clause 5.1 of the Scheme.

As on date, DERL has no preference shareholders and therefore, the effect of the Scheme on any such preference shareholders does not arise.

The Promoters Seeking Reclassification will be classified in the 'public' category in the Transferee Company.

**2.3. Creditors**

The rights of the creditors of DERL shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.

**2.4. Depositor and Deposit trustee**

As on date of Notice, DERL has no outstanding public deposits and therefore, the effect of the Scheme on any public deposit holders or deposit trustee(s) does not arise.

**2.5. Debenture Holders and Debenture trustee**

As on date of Notice, DERL has no outstanding debentures and therefore, the effect of the Scheme on any debenture holders or debenture trustee(s) or their material interests does not arise.

**2.6. Employees**

Under the Scheme, no rights of the staff and employees, if any, of DERL are being affected. The services of the staff and employees, if any, of DERL, shall continue on the same terms and conditions on which they were engaged by DERL, with the benefit of continuity of service and without any break or interruption in service as more particularly described in Scheme.



**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli-Bopal Road, Ambli, Ahmedabad-380 058.

Tel. : 02717-298510 Fax : +91 2717 298520 E-mail : [info@deepenergy.ooo](mailto:info@deepenergy.ooo) Website : [www.deepenergy.ooo](http://www.deepenergy.ooo)

CIN : L63090GJ1991PLC014833



**3. Valuation Report**

3.1. Based on the valuation reports, the Board of Directors approved the following:

*11 [Eleven] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 1 for every 8 [Eight] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 1, as on the Record Date.*

3.2. No special valuation difficulties were reported by the valuers.

**4. Adoption of the Report by the Board**

The Board has adopted this report after noting and considering the information set forth in this report

**By Order of the Board  
For Deep Energy Resources Limited  
(Formerly known as Deep Industries Limited)**



**Preamsingh Mangatsingh Sawhney  
Chairman and Non Executive Director  
DIN: 03231054**



Place: Ahmedabad  
Date: 15<sup>th</sup> September, 2022

**DEEP ENERGY RESOURCES LIMITED**

(Formerly known as Deep Industries Limited)

Regd. Office Address : 12A & 14, Abhishree Corporate Park, Ambli-Bopal Road, Ambli, Ahmedabad-380 058.  
Tel. : 02717-298510 Fax : +91 2717 298520 E-mail : info@deepenergy.ooo Website : www.deepenergy.ooo  
CIN : L63090GJ1991PLC014833



# Annexure-14

## **SAVLA OIL AND GAS PRIVATE LIMITED**

**Registered office:** 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad-380058, Gujarat

**Phone:** 027-17298510 **Fax:** 027-17298520

**CIN:** U11200GJ2009PTC058263 | **Email Id:** savla.manoj@yahoo.co.in

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAVLA OIL AND GAS PRIVATE LIMITED IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON 15<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 10:00 A.M AT 14, GROUND FLOOR, ABHISHREE CORPRATE PARK, AMBLI BOPAL ROAD, AMBLI, AHMEDABAD-380058.**

### **1. Background**

1.1. The proposed Composite Scheme of Arrangement between the Deep Energy Resources Limited ("DERL"), Savla Oil and Gas Private Limited ("SOGPL") and Prabha Energy Private Limited ("PEPL") [DERL, SOGPL and PEPL are collectively hereinafter referred to as "Parties"] and their respective shareholders and creditors ("Scheme") under section 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of law, inter-alia, provides for:

- (a) amalgamation of the Deep Energy Resources Limited ("Transferor Company 1" or "DERL") and Savla Oil and Gas Private Limited ("Transferor Company 2" or "SOGPL"), Transferor Companies with and into Prabha Energy Private Limited ("Transferee Company" or "PEPL"), with effect from appointed date i.e. 01<sup>st</sup> April, 2022;
- (b) issuance and allotment of bonus shares by way of bonus issue by the Transferee Company and sub-division of the share capital of the Transferee Company;
- (c) conversion of the Transferee Company from 'private' company into a 'public' company and consequent amendment of the memorandum of association and articles of association of the Transferee Company;
- (d) issue of equity shares of the Transferee Company to shareholders of the Transferor Company 1 and Transferor Company 2 on account of amalgamation;
- (e) transfer of the authorized share capital of the Transferor Company 1 and Transferor Company 2 to the Transferee Company and the consequent amendment of Memorandum of Association of the Transferee Company;
- (f) reclassification of Dharen Savla, Avani Savla, Prabhaben Savla, Shantilal Savla and Dharen Savla Family Trust ("Promoters Seeking Reclassification") from 'promoter and promoter group' category into 'public' category in Transferee Company; and
- (g) listing of the equity shares of the Transferee Company on the Stock Exchanges.

1.2. In line with the the provisions of section 232(2)(c) of the Act read with the rules made there under, the Board of directors of the Company requires to adopt a report explaining the effect of the Scheme on each class of shareholders (promoters and non-promoters), Directors and Key Managerial Personnel's, Creditors, Depositor and Deposit Trustee,



Debenture Holders and Debenture Trustee, employees of each Company and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties, if any..

1.3. Accordingly, this Report of the Board is being made in pursuance of the requirements of Sections 232(2)(c) of the Act set out above.

1.4. The following documents were placed before the Board:

(a) the draft Scheme;

(b) Valuation Report dated 15<sup>th</sup> September, 2022 issued by ICON Valuation LLP, an independent registered valuer, having registration number AAC-7924 ("Valuation Report") providing the share exchange ratio as under:

(i) *"11 [Eleven] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of Deep Energy Resources Limited for every 8 [Eight] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of Deep Energy Resources Limited."*

(ii) *"71 [Seventy One] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of Savla Oil and Gas Private Limited for every 5 [Five] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of Savla Oil and Gas Private Limited."*

(c) Fairness opinion dated 15<sup>th</sup> September, 2022 issued by Vivro Financial Services Private Limited, an independent merchant banker registered with the Securities and Exchange Board of India ("SEBI") with registration number INM000010122 providing opinion on the fairness of the share exchange ratio proposed in the Valuation Report ("Fairness Opinion");

(d) Other presentations, documents and information made to / furnished before the Board pertaining to the draft Scheme.

## 2. Effect of the proposed Scheme

### 2.1. Directors and Key Managerial Personnel (KMP)

Upon Scheme becoming effective, the Directors and/or Key Managerial Personnel (KMP) of SOGPL will not be appointed as Director and/or KMP with PEPL. There is no impact on material interests of Directors and KMPs of SOGPL.



2.2. Shareholders (including promoter and non-promoter)

Under Section II of the Scheme, an arrangement is sought to be entered into between SOGPL and its equity shareholders. Upon Section II of the Scheme becoming effective, the equity shareholders of SOGPL, shall become the equity shareholders of PEPL in the manner as stipulated in Clause 5.1 of the Scheme.

As on date, SOGPL has no preference shareholders and therefore, the effect of the Scheme on any such preference shareholders does not arise.

2.3. Creditors

The rights of the creditors of SOGPL shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.

2.4. Depositor and Deposit trustee

As on date of Notice, SOGPL has no outstanding public deposits and therefore, the effect of the Scheme on any public deposit holders or deposit trustee(s) does not arise.

2.5. Debenture Holders and Debenture trustee

As on date of Notice, SOGPL has no outstanding debentures and therefore, the effect of the Scheme on any debenture holders or debenture trustee(s) or their material interests does not arise.

2.6. Employees

Under the Scheme, no rights of the staff and employees, if any, of SOGPL are being affected. The services of the staff and employees, if any, of SOGPL, shall continue on the same terms and conditions on which they were engaged by SOGPL, with the benefit of continuity of service and without any break or interruption in service as more particularly described in Scheme.

3. **Valuation Report**

3.1. Based on the valuation reports, the Board of Directors approved the following:

*71 [Seventy One] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 2 for every 5 [Five] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 2, as on the Record Date.*


3.2. No special valuation difficulties were reported by the valuers.



**4. Adoption of the Report by the Board**

The Board has adopted this report after noting and considering the information set forth in this report

**By Order of the Board  
For Savla Oil and Gas Private Limited**

  
Mr. Shantilal Savla

**Director**

**DIN: 01529306**



Place: Ahmedabad

Date: 15<sup>th</sup> September, 2022





## PRABHA ENERGY PRIVATE LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PRABHA ENERGY PRIVATE LIMITED IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON 15<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 12:00 P.M AT 12A, ABHISHREE CORPORATE PARK, OPP SWAGAT BRTS BUS STOP, AMBLI BOPAL ROAD, BOPAL,AHMEDABAD-380058.

### 1. Background

1.1. The proposed Composite Scheme of Arrangement between the Deep Energy Resources Limited ("DERL"), Savla Oil and Gas Private Limited ("SOGPL") and Prabha Energy Private Limited ("PEPL") [DERL, SOGPL and PEPL are collectively hereinafter referred to as "Parties"] and their respective shareholders and creditors ("Scheme") under section 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions of law, inter-alia, provides for:

- (a) amalgamation of the Deep Energy Resources Limited ("Transferor Company 1" or "DERL") and Savla Oil and Gas Private Limited ("Transferor Company 2" or "SOGPL"), Transferor Companies with and into Prabha Energy Private Limited ("Transferee Company" or "PEPL"), with effect from appointed date i.e. 01<sup>st</sup> April, 2022;
- (b) issuance and allotment of bonus shares by way of bonus issue by the Transferee Company and sub-division of the share capital of the Transferee Company;
- (c) conversion of the Transferee Company from 'private' company into a 'public' company and consequent amendment of the memorandum of association and articles of association of the Transferee Company;
- (d) issue of equity shares of the Transferee Company to shareholders of the Transferor Company 1 and Transferor Company 2 on account of amalgamation;
- (e) transfer of the authorized share capital of the Transferor Company 1 and Transferor Company 2 to the Transferee Company and the consequent amendment of Memorandum of Association of the Transferee Company;
- (f) reclassification of Dharen Savla, Avani Savla, Prabhaben Savla, Shantilal Savla and Dharen Savla Family Trust ("Promoters Seeking Reclassification") from 'promoter and promoter group' category into 'public' category in the Transferee Company; and
- (g) listing of the equity shares of the Transferee Company on the Stock Exchanges.

1.2. In line with the provisions of section 232(2)(c) read with the rules made there under of the Act, the Board of Directors of the Company requires to adopt a report explaining the effect of the Scheme on each class of shareholders, (promoters and non-promoters), Directors and Key Managerial Personnels, Creditors, Depositor and Deposit trustee, Debenture Holders and Debenture trustee, employees of each Company and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties, if any.

1.3. Accordingly, this Report of the Board is being made in pursuance of the requirements of Sections 232(2)(c) of the Act set out above.







## **PRABHA ENERGY PRIVATE LIMITED**

1.4. The following documents were placed before the Board:

(a) the draft Scheme;

(b) Valuation Report dated 15<sup>th</sup> September, 2022 issued by ICON Valuation LLP, an independent registered valuer, having registration number AAC-7924 ("Valuation Report") providing the share exchange ratio as under:

(i) "11 [Eleven] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Deep Energy Resources Limited for every 8 [Eight] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Deep Energy Resources Limited."

(ii) "71 [Seventy One] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of Savla Oil and Gas Private Limited for every 5 [Five] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of Savla Oil and Gas Private Limited."

(c) Fairness opinion dated 15<sup>th</sup> September, 2022 issued by Vivro Financial Services Private Limited, an independent merchant banker registered with the Securities and Exchange Board of India ("SEBI") with registration number INM000010122 providing opinion on the fairness of the share exchange ratio proposed in the Valuation Report ("Fairness Opinion");

(d) Other presentations, documents and information made to / furnished before the Board pertaining to the draft Scheme.

## **2. Effect of the proposed Scheme**

### **2.1. Directors and Key Managerial Personnel (KMP)**

The Directors and/or Key Managerial Personnel (KMP) of DERL will be appointed as the Directors and/or Key Managerial Personnel, as the case may be, in PEPL. There is no impact on material interests of Directors and KMPs of PEPL.

### **2.2. Shareholders (including promoter and non-promoter)**

Under Section II of the Scheme, an arrangement is sought to be entered into between PEPL and its equity shareholders. Upon Section II of the Scheme becoming effective, the equity shareholders of DERL and SOGPL (except the shares held by DERL and SOGPL in PEPL, which shall stand cancelled), shall become the equity shareholders of PEPL in the manner as stipulated in Clause 5.1 of the Scheme.



# PRABHA ENERGY PRIVATE LIMITED

Under Section II of the Scheme, an arrangement is sought to be entered into between PEPL and its preference shareholders. All the preference shares of PEPL are held by SOGPL only. Upon Section II of the Scheme becoming effective, all the shares held by preference shareholders shall stand cancelled in the manner as stipulated in Clause 5.4 of the Scheme.

The Promoters Seeking Reclassification will be classified in the 'public' category in the Transferee Company.

## 2.3. Creditors

The rights of the creditors of PEPL shall not be affected by the Scheme. There will be no reduction in their claims on account of the Scheme. The creditors will be paid in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner as a result of the Scheme being sanctioned.

## 2.4. Depositor and Deposit trustee

As on date of Notice, PEPL has no outstanding public deposits and therefore, the effect of the Scheme on any public deposit holders or deposit trustee(s) does not arise.

## 2.5. Debenture Holders and Debenture trustee

As on date of Notice, PEPL has no outstanding debentures and therefore, the effect of the Scheme on any debenture holders or debenture trustee(s) or their material interests does not arise.

## 2.6. Employees

Under the Scheme, no rights of the staff and employees, if any, of PEPL are being affected. The services of the staff and employees, if any, of PEPL, shall continue on the same terms and conditions on which they were engaged by PEPL, as more particularly described in Scheme.

## 3. **Valuation Report**

### 3.1. Based on the valuation reports, the Board of Directors approved the following:

*11 [Eleven] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 1 for every 8 [Eight] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 1, as on the Record Date.*

*71 [Seventy One] fully paid-up Equity Shares of the Transferee Company of the face value of INR 1 (Indian Rupee One) each shall be issued and allotted, at par as fully paid-up to the equity shareholders of the Transferor Company 2 for every 5 [Five] Equity Shares of INR 10 (Indian Rupees Ten) each held by the shareholders of the Transferor Company 2, as on the Record Date.*



## **PRABHA ENERGY PRIVATE LIMITED**

---

3.2. No special valuation difficulties were reported by the valuers.

#### **4. Adoption of the Report by the Board**

The Board has adopted this report after noting and considering the information set forth in this report

**By Order of the Board  
FOR PRABHA ENERGY PRIVATE LIMITED**



**PREMSINGH M SAWHNEY  
Director  
DIN: 03231054**



Place: Ahmedabad

Date: 15<sup>th</sup> September, 2022

# Annexure-16

This is an abridged prospectus containing information pertaining to unlisted entities involved in the proposed Composite Scheme of Arrangement amongst Deep Energy Resources Limited (“DERL”), Savla Oil and Gas Private Limited (“SOGPL”) and Prabha Energy Private Limited (“PEPL”) and their respective shareholders and creditors in terms of requirement specified in SEBI Circular - CFD/DIL3/CIR/2017/21 dated March 10, 2017, SEBI Master Circular - SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and SEBI Master Circular - SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“SEBI Circular”). This abridged prospectus should be read with the Scheme of Amalgamation.

**THIS DOCUMENT CONTAINS 10 (Ten) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

Nothing in this abridged prospectus constitutes an offer or an invitation by on or behalf of the Company to subscribe for or purchase any of the securities of the Company.

## SAVLA OIL AND GAS PRIVATE LIMITED

CIN: U11200GJ2009PTC058263; Date of Incorporation: October 07, 2009

Registered & Corporate Office	Contact Person	Email and Telephone	Website
14 Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380058, Gujarat, India.	Mr. Manoj S Savla	Email: savla_manoj@yahoo.co.in Telephone: 02717 298510;	Not Applicable

### PROMOTER

Paras Shantilal Savla, Manoj Shantilal Savla, Dharen Shantilal Savla, Rupesh Kantilal Savla, Manoj S. Savla jointly with Paras S. Savla on behalf of Shantilal Savla Family Trust, Rupesh Savla Family Trust, Prity Paras Savla, Shail Manoj Savla, Avani Dharen Savla, Sheetal Rupesh Savla, Aarav Rupesh Savla, Horn Ok Please Financial Services Private Limited, Mita Manoj Savla, Shanil Paras Savla, Vidhi Shail Savla

### DETAILS OF THE SCHEME

The Composite Scheme of Arrangement is proposed amongst Deep Energy Resources Limited (“Transferor Company 1” or “DERL”), Savla Oil and Gas Private Limited (“Transferor Company 2” or “SOGPL”) and Prabha Energy Private Limited (“Transferee Company” or “PEPL”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and other applicable laws (“Scheme” or “Composite Scheme of Arrangement”). The Composite Scheme of Arrangement, *inter alia*, provides for a) Amalgamation of the Transferor Company 1 and Transferor Company 2 with and into the Transferee Company in accordance with Section 2(1B) of Income Tax Act, 1961 b) Issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company and sub-division of the Equity Shares of the Transferee Company c) Conversion of the Transferee Company into public company d) Reclassification of promoters seeking reclassification from 'Promoter and Promoter Group' category to 'Public' category in the Transferee Company e) Listing of Equity Shares of Transferee Company on the Stock Exchange(s) and various other matters consequential or otherwise integrally connected therewith.

### GENERAL RISK

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before making an investment decision. For making an investment decision, investors must rely on their own examination of the Company and Scheme, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”). Specified attention of the investors is invited to the section titled “Internal Risk Factors” on page 8 of this Abridged Prospectus.

### PROCEDURE

The procedure with respect to public issue/ offer would not be applicable as this Scheme. Hence, the procedure with respect to a General Information Document is not applicable.



Pursuant to the provisions of the Scheme, post receipt of approval of the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") and upon filing the certified copies of the sanction order(s) of NCLT approving the Scheme with the relevant Registrar of Companies, the Transferee Company shall issue and allot its Equity Shares to the shareholders of Transferor Company 1 and Transferor Company 2, as per the share exchange ratio set out in the Scheme.

The Transferee Company shall be making an application for listing of shares issued pursuant to the Scheme. The Equity Shares are proposed to be listed on the National Stock Exchange of India Limited and BSE Limited (collectively the "Stock Exchanges") where shares of the Transferor Company 1 are listed.

#### MERCHANT BANKER

Vivro Financial Services Private Limited  
**Address:** Vivro House, 11, Shashi Colony, Opposite Suvidha Shopping Center, Paldi,  
 Ahmedabad – 380 007, Gujarat, India.  
**Telephone:** +91-79-4040 4242; **Email:** [investors@vivro.net](mailto:investors@vivro.net)  
**SEBI Registration Number:** INM000010122

#### STATUTORY AUDITOR

M/s Keyur Bavishi & Co., Chartered Accountants  
**Address:** C-202, Indraprasth C-Tower, 2<sup>nd</sup> floor, Nr. Drive in Cinema, Drive in road, Ahmedabad-380054,  
 Gujarat, India.  
**Telephone:** +91 07948900794; **Email:** [keyurbavishi@yahoo.com](mailto:keyurbavishi@yahoo.com)

#### PROMOTERS OF PEPL

S. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	Parasbhai Shantilal Savla	Individual	<b>Experience:</b> Paras S. Savla, aged 52 years, has more than 32 years of experience in the Oil & Gas Industry. He holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> He is a Commerce Graduate from Gujarat University.
2.	Manoj Shantilal Savla	Individual	<b>Experience:</b> Manoj S. Savla, aged 55 years, has more than 35 years of experience in finance, investment, administration and marketing of petroleum products. He holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> He is a high school graduate from the Gujarat Board.
3.	Dharen Shantilal Savla	Individual	<b>Experience:</b> Dharen S. Savla, aged 43 years, has over 13 years of experience in handling human resources and organizing training programmes for implementing different jobs for different sites and looking after work over rig activities.  <b>Educational Qualification:</b> He holds a bachelor's degree in commerce from Gujarat University and a master's degree in business administration from Swinburne University of Technology.
4.	Rupesh Kantilal Savla	Individual	<b>Experience:</b> Rupesh K. Savla, aged 51 years, has an experience of 30 years in the coordination and execution of projects in the gas compression services. He holds 1 equity share of PEPL as a nominee of DERL.



PROMOTERS OF PEPL			
S. No.	Name	Individual/ Corporate	Experience & Educational Qualification
			<b>Educational Qualification:</b> He is a Commerce Graduate from Gujarat University and holds a Master's Degree in Business Administration from Bentley University, USA.
5.	Manoj S. Savla jointly with Paras S. Savla on behalf of Shantilal Savla Family Trust	Trust	Shantilal Savla Family Trust settled for the benefit of its beneficiaries and it's managed by Mr. Paras Shantilal Savla and Mr. Manoj Shantilal Savla. The trust is Specific in nature.
6.	Rupesh Savla Family Trust	Trust	Rupesh Savla Family Trust settled for the benefit of the Rupesh Savla family. The trust is managed by Mr. Rupesh Shantilal Savla and Mrs. Sheetal Rupesh Savla. The trust is discretionary in nature.
7.	Priti Paras Savla	Individual	<b>Experience:</b> Mrs. Priti Paras Savla, aged 52 years, is a promoter of the Company. She holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> She has experience in the commerce field.
8.	Shail Manoj Savla	Individual	<b>Experience:</b> Mr. Shail Savla, aged 30 years, has a business experience of over 7 years in the Oil and Gas Industries and has rich and wide experience in the Company's business, particularly in the areas of management, finance, human resources and operations.  <b>Education Qualification:</b> He is a Mechanical Engineer and MBA.
9.	Avani Dharen Savla	Individual	<b>Experience:</b> Avani D. Savla, aged 42 years, is a promoter of the Company.  <b>Education Qualification:</b> She holds a bachelor's degree in science from the University of Mumbai.
10.	Sheetal Rupesh Savla	Individual	<b>Experience:</b> Mrs. Sheetal Rupesh Savla, aged 45 years, is the promoter of the Company. She holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> She is a High School Graduate from Maharashtra State Board.
11.	Aarav Rupesh Savla	Individual	<b>Experience:</b> Mr. Aarav Rupesh Savla, aged 19 years, is a promoter of the Company.  <b>Education Qualification:</b> He is a High School Graduate and is undergoing further studies.
12.	Horn Ok Please Financial Services Private Limited	Corporate	Horn Ok Please Financial Services Private Limited is a private limited company incorporated under the provisions of the Companies Act, 1956 on 09th February, 1994 with the Registrar of Companies, Gujarat, and with the corporate identification number U74110GJ1994PTC021275. The registered office of the Company is situated at 13, Krishna Co. Op. H.S.L. Opp. Ellisbridge Jimkhana, Ellisbridge, Ahmedabad-380006, Gujarat, India. Initially, the

PROMOTERS OF PEPL			
S. No.	Name	Individual/ Corporate	Experience & Educational Qualification
			Company was incorporated with the name of Visat Leasing and Finance Limited and then the name of the Company was changed to Horn Ok Please Transport Private Limited and later on to Horn Ok Please Financial Services Private Limited.
13.	Mita Manoj Savla	Individual	<b>Experience:</b> Mita M. Savla, aged 53 years, is a promoter of the Company.  <b>Education Qualification:</b> She is a high school graduate from Gujarat Board.
14.	Shanil Paras Savla	Individual	<b>Experience:</b> Mr. Shanil Savla, aged 28, possesses two years of experience in the oil and gas industry.
15.	Vidhi Shail Savla	Individual	<b>Experience:</b> Mr. Vidhi Shai Savla, aged 30 years, has exposure in the area of Marketing and Administration.

### BUSINESS OVERVIEW AND STRATEGY

#### Company Overview:

SOGPL is a private limited company incorporated on October 07, 2009, under the Companies Act, 1956 with the Registrar of Companies, Gujarat. The corporate identification number (CIN) of the SOGPL is U11200GJ2009PTC058263 and having its registered office at 14 Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad - 380058, Gujarat, India.

#### Product/Service Offering:

SOGPL is authorised by its memorandum to carry on the business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, coal bed methane, coal mine methane, shale gas and natural gas and all other petroleum/hydrocarbon products including those resulting from the manufacture and treatment of the same.

However, currently, it is not generating any revenue from its operations. Pursuant to the Scheme, inter alia, DERL and SOGPL are proposed to be amalgamated with and into PEPL to, inter alia, simplify group structure, create enhanced value for stakeholders, and attain higher efficiency in business, business process and systems and overall growth.

**Revenue segmentation by product/services offering:** Not Applicable. There are no different revenue segments of the SOGPL.

**Geographies Served:** Not Applicable

#### Key Performance Indicators:

SOGPL does not publish any key performance indicators other than financial information as stated in its financial statements.

**Client Profile or Industries Served:** Not Applicable

**Revenue segmentation in terms of top 5/10 clients or Industries:** Not Applicable

Intellectual Property, if any: Not Applicable

Market Share: Not Applicable

Manufacturing Plant, if any: Not Applicable

Employee Strength: Nil

**BOARD OF DIRECTORS OF SOGPL**

Sr. No.	Name of Directors	DIN	Designation (Independent / Whole time / Executive / Nominee)	Educational Qualification & Experience including current / past position held in other firms
1.	Rupesh Kantilal Savla	00126303	Non-Executive Director	<p>He is a Graduate from Gujarat University and a Master's Degree in Business Administration from Bentley University, USA. He has an experience of 30 years in the coordination and execution of projects in the gas compression services.</p> <p><i>Other current Directorship in Indian companies:</i></p> <ol style="list-style-type: none"><li>1. Deep Onshore Drilling Services Private Limited</li><li>2. Breitling Drilling Private Limited</li><li>3. Horn Ok Please Financial Services Private Limited</li><li>4. Deep Industries Limited</li><li>5. Deep Methane Private Limited</li><li>6. Deep Onshore Services Private Limited</li></ol> <p><i>Other current Directorship/ Key Managerial Position in Foreign companies:</i></p> <ol style="list-style-type: none"><li>1. Deep Energy LLC (Member - Manager)</li></ol>
2.	Parasbhai Shantilal Savla	00145639	Non-Executive Director	<p>He holds a Bachelor's degree in Commerce from Gujarat University. He has a business experience of more than 32 years in the Oil and Gas Industry.</p> <p><i>Other current Directorship in Indian companies:</i></p> <ol style="list-style-type: none"><li>1. Deep Onshore Drilling Services Private Limited</li><li>2. Breitling Drilling Private Limited</li><li>3. Deep Industries Limited</li><li>4. Deep Methane Private Limited</li><li>5. Deep Onshore Services Private Limited</li></ol>

Sr. No.	Name of Directors	DIN	Designation (Independent / Whole time / Executive / Nominee)	Educational Qualification & Experience including current / past position held in other firms
				<i>Other current Directorship in Foreign companies: NIL</i>
3.	Manoj Shantilal Savla	01529306	Non-Executive Director	<p>He is a high school graduate from Gujarat Board. He has a business experience of more than 35 years in finance, investment, administration and marketing of petroleum products.</p> <p><i>Other current Directorship in Indian companies:</i></p> <ol style="list-style-type: none"> <li>1. Orpat Marketing Private Limited</li> <li>2. Adinath Exim Resources Limited</li> <li>3. S.P. Organisers Private Limited</li> <li>4. Jay Khodiyar Properties Private Limited</li> </ol> <p><i>Other current Directorship in Foreign companies: NIL</i></p>

#### SHAREHOLDING PATTERN AS ON SEPTEMBER 30, 2023

Particulars	Number of Equity Shares	% of total share capital
Promoter and Promoter Group	65,42,643	100.00
Public	Nil	0.00
<b>Total</b>	<b>65,42,643</b>	<b>100.00</b>

#### AUDITED/ UNAUDITED FINANCIALS

##### Standalone Financials

(in ₹ thousand, except as stated otherwise)

Particulars	For the Financial Year			
	September 30, 2023	2022-23	2021-22	2020-21
Total income from operations (net)	0.00	0.00	0.00	0.00
Other Income	8,066.82	49,022.79	3,986.08	11,357.07
Net Profit / (Loss) before tax and extraordinary items	8,043.22	30,934.04	(2,169.56)	(470.84)
Net Profit / (Loss) after tax and extraordinary items	8,043.22	27,934.04	(2,169.56)	(470.84)
Equity Share Capital	65,426.43	65,426.43	56,028.28	53,923.00
Reserves and Surplus / Other Equity	4,29,388.67	4,21,345.44	1,34,962.28	79,236.65
Net Worth	4,94,815.10	4,86,771.87	1,90,990.56	1,33,159.65
Basic Earnings per share (₹)	0.00	4.99	(0.40)	(0.09)
Diluted Earnings per share (₹)	0.00	4.99	0.40	0.09



Return on Net Worth (%)	1.63	5.74	-	-
Net Asset value per share (₹)	75.63	74.40	34.09	24.69

Summary for the period ended on September 30, 2023, has been extracted from Provisional Financial Statements and March 31, 2023, March 31, 2022, and March 31, 2021, have been extracted from Audited Financial Statements prepared based on Generally Accepted Accounting Principles (GAAP).

Note:

- (1) Total Income from Operations excludes Other Incomes.
- (2) Net worth is computed by adding the Equity Share Capital and the Reserves and Surplus/Other Equity as disclosed in the above table.
- (3) Return on Net Worth is computed as net profit/loss after tax divided by Net Worth as disclosed in the above table.
- (4) Net Assets value per equity share is computed as Net Worth attributable to equity shareholders divided by the total number of outstanding Equity Shares at the end of the respective period.

### Consolidated Financials

(in ₹ thousand, except as stated otherwise)

Particulars	For the Financial Year			
	September 30, 2023	2022-23	2021-22	2020-21
Total income from operations (net)	0.00	0.00	0.00	0.00
Other Income	8,066.82	49,022.79	3,986.08	11,357.07
Net Profit / (Loss) before tax and extraordinary items	3,345.17	30,934.04	(2,169.56)	(470.84)
Net Profit / (Loss) after tax and extraordinary items	3,345.17	27,934.04	(2,169.56)	(470.84)
Equity Share Capital	65,426.43	65,426.43	56,028.28	53,923.00
Reserves and Surplus / Other Equity	4,25,576.36	4,22,231.18	1,35,397.43	79,752.59
Net Worth	4,91,002.79	4,87,657.61	1,91,425.71	1,33,675.59
Basic Earnings per share (₹)	0.03	4.55	(0.40)	(0.09)
Diluted Earnings per share (₹)	0.03	4.55	(0.40)	(0.09)
Return on Net Worth (%)	0.68*	5.73	-	-
Net Asset value per share (₹)	87.63	74.54	34.17	24.79

\*Not Annualized

Summary for the period ended on September 30, 2023, has been extracted from Provisional Financial Statements and March 31, 2023, March 31, 2022, and March 31, 2021, have been extracted from Audited Financial Statements prepared based on Generally Accepted Accounting Principles (GAAP).

Note:

- (1) Total Income from Operations excludes Other Incomes
- (2) Net worth is computed by adding the Equity Share Capital and the Reserves and Surplus/Other Equity as disclosed in the above table.
- (3) Return on Net Worth is computed as net profit/loss after tax divided by Net Worth as disclosed in the above table.
- (4) Net Assets value per equity share is computed as Net Worth attributable to equity shareholders divided by total number of outstanding Equity Shares as at the end of the respective period.



## INTERNAL RISK FACTORS

1. Implementation of the Composite Scheme of Arrangement is dependent on the approval from the regulatory authorities and if we are unable to manage timely compliance of regulatory requirements, it may impact the Scheme. Any modification or revision in the Scheme suggested / directed by the competent authorities, which is not acceptable to the Board of Directors of the respective companies may adversely impact the proposals in the Scheme.
2. The loss, shutdown or slowdown of operations at any of facilities or underutilization of our facilities may have material adverse effect on our business and results of operations.
3. SOGPL is an unlisted company and its equity shares are not listed on any stock exchange and hence not available for trading.
4. If we are unable to accurately forecast demand for our business, our cash flows, financials conditions and prospects may be adversely affected.
5. SOGPL has negative cash flow from operations during previous financial years.

## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

- A. Total number of outstanding litigations against SOGPL and amount involved -

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in lacs)
<b>SOGPL</b>						
By SOGPL	Nil	Nil	Nil	Nil	Nil	Nil
Against SOGPL	Nil	2	Nil	Nil	Nil	380.56
<b>Directors of SOGPL</b>						
By Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters of SOGPL</b>						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	19	Nil	1	Nil	2,060.00
<b>Subsidiaries of SOGPL</b>						
	Nil	Nil	Nil	Nil	Nil	Nil

- B. Brief details of top 5 material outstanding litigations against SOGPL and the amount involved –

- Proceedings pending under section 143(1)(a) of the Income-tax Act, 1961 for Assessment Year 2019-20 where amount involved is Rs. 371.96 lakhs.
- Proceedings pending under section 148 of the Income-tax Act, 1961 for Assessment Year 2021-22 where amount involved is Rs. 8.64 lakhs.

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters of the company in last 5 financial years including outstanding action, if any:

- In September 2019, Mr. Rupesh Kantilal Savla, the promoter of a company, received an order from the Whole Time Member of the Securities and Exchange Board of India. He was asked to deposit a sum of Rs. 1,74,57,816/-, which in the allegation of SEBI earned through wrongful gains and was banned from accessing the securities market for six months. This was because Mr. Rupesh Kantilal Savla was accused of trading on Unpublished Price Sensitive Information in the shares of Deep Industries Limited. Mr. Rupesh Kantilal Savla has already served the debarment period of 6 months, which ended on 31st March 2020 and has even paid a sum of Rs 1,74,57,816/- towards the penalty imposed by SEBI on 19th October 2019. Although Mr. Rupesh Kantilal Savla filed an appeal against the order, the Securities Appellate Tribunal upheld the decision of the SEBI. Being aggrieved, Mr. Savla has filed an appeal with the Hon. Supreme Court of India against the order where the matter is currently under consideration.

D. Brief details of outstanding criminal proceedings against the Promoters of the company: Nil

#### RATIONALE OF COMPOSITE SCHEME OF ARRANGEMENT

(a) The proposed Composite Scheme of Arrangement, *inter alia*, would result in business and operational synergies as mentioned herein under:

(i) The amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and simplification of the group structure to result into:

- a. Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
- b. Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
- c. Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
- d. Rationalization, standardization and simplification of business processes and systems;
- e. Minimisation of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
- f. Provide opportunity to the public shareholders of the Transferor Company 1 to directly participate in the business of the Transferee Company, and increase long term value of all the stakeholders, by creating a standalone listed entity; and
- g. Ability to pursue inorganic growth with consolidated financials and better operational control.

(ii) The rationale for reclassification of Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public' category in the Transferor Company 1 and upon this Scheme coming into effect, in the Transferee Company is that the Promoters Seeking Reclassification:

- a. are not engaged in the business, management, control or day-to-day affairs of the Transferor Companies (as defined below) and the Transferee Company;
- b. do not have any right either to appoint any Director of the Transferor Companies and the Transferee Company; and

- c. does not have an ability to control the management or policy decisions of the Transferor Companies and the Transferee Company in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Companies and the Transferee Company.
- (b) The Scheme is in the best interests of shareholders, employees and creditors of all the Parties. The Scheme does not have any adverse effect on either of the shareholders, the employees or the creditors of any of the Parties.
- (c) The Board of all the Parties believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders.
- (d) In view of the aforesaid advantages, the Board of all the Parties have considered and proposed this Scheme under the provisions of Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, the SEBI Circular, the Listing Regulations and other Applicable Laws.

#### DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

**For, Savla Oil and Gas Private Limited**



**Manoj S. Savla**  
**Director**  
**DIN: 01529306**

**Place: Ahmedabad**

**Date: 23<sup>rd</sup> December, 2023**

*Capitalized terms used but not defined in this Document shall have the same meaning as ascribed to them under the Composite Scheme of Arrangement.*



# Annexure-17

This is an abridged prospectus containing information pertaining to unlisted entities involved in the proposed Composite Scheme of Arrangement amongst Deep Energy Resources Limited (“DERL”), Savla Oil and Gas Private Limited (“SOGPL”) and Prabha Energy Private Limited (“PEPL”) and their respective shareholders and creditors in terms of requirement specified in SEBI Circular - CFD/DIL3/CIR/2017/21 dated March 10, 2017, SEBI Master Circular - SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and SEBI Master Circular - SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“SEBI Circular”). This abridged prospectus should be read with the Scheme of Amalgamation.

**THIS DOCUMENT CONTAINS 11 (ELEVEN) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

Nothing in this abridged prospectus constitutes an offer or an invitation by on or behalf of the Company to subscribe for or purchase any of the securities of the Company.

## PRABHA ENERGY PRIVATE LIMITED

CIN: U40102GJ2009PTC057716; Date of Incorporation: August 05, 2009

Registered & Corporate Office	Contact Person	Email and Telephone	Website
12A, Abhishree Corporate Park, Opp Swagat BRTS Bus Stop, Ambli-Bopal Road, Bopal, Ahmedabad - 380058, Gujarat, India.	Mr. Premsingh Sawhney	Email: <a href="mailto:info@prabhaenergy.com">info@prabhaenergy.com</a> ; Telephone: 02717 298510;	<a href="http://www.prabhaenergy.com">www.prabhaenergy.com</a>

### PROMOTER

Deep Energy Resources Limited, Savla Oil and Gas Private Limited, Sheetal Rupesh Savla, Rupesh Kantilal Savla, Parasbhai Shantilal Savla, Priti Parasbhai Savla and Manoj Shantilal Savla

### DETAILS OF THE SCHEME

The Composite Scheme of Arrangement is proposed amongst Deep Energy Resources Limited (“Transferor Company 1” or “DERL”), Savla Oil and Gas Private Limited (“Transferor Company 2” or “SOGPL”) and Prabha Energy Private Limited (“Transferee Company” or “PEPL”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and other applicable laws (“Scheme” or “Composite Scheme of Arrangement”). The Composite Scheme of Arrangement, *inter alia*, provides for a) Amalgamation of the Transferor Company 1 and Transferor Company 2 with and into the Transferee Company in accordance with Section 2(1B) of Income Tax Act, 1961 b) Issuance and allotment of PEPL Bonus Shares by way of a bonus issue by the Transferee Company and subdivision of the Equity Shares of the Transferee Company c) Conversion of the Transferee Company into public company d) Reclassification of promoters seeking reclassification from ‘Promoter and Promoter Group’ category to ‘Public’ category in the Transferee Company e) Listing of Equity Shares of Transferee Company on the Stock Exchange(s) and various other matters consequential or otherwise integrally connected therewith.

### GENERAL RISK

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before making an investment decision. For making an investment decision, investors must rely on their own examination of the Company and Scheme, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”). Specified attention of the investors is invited to the section titled “Internal Risk Factors” on page 9 of this Abridged Prospectus.

### PROCEDURE

The procedure with respect to public issue/ offer would not be applicable as this Scheme. Hence, the procedure with respect to a General Information Document is not applicable.

Pursuant to the provisions of the Scheme, post receipt of approval of the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") and upon filing the certified copies of the sanction order(s) of NCLT approving the Scheme with the relevant Registrar of Companies, the Transferee Company shall issue and allot its Equity Shares to the shareholders of Transferor Company 1 and Transferor Company 2, as per the share exchange ratio set out in the Scheme.

The Transferee Company shall be making an application for listing of shares issued pursuant to the Scheme. The Equity Shares are proposed to be listed on the National Stock Exchange of India Limited and BSE Limited (collectively the "Stock Exchanges") where shares of the Transferor Company 1 are listed.

#### MERCHANT BANKER

Vivro Financial Services Private Limited  
**Address:** Vivro House, 11, Shashi Colony, Opposite Suvridha Shopping Center, Paldi,  
 Ahmedabad – 380 007, Gujarat, India.  
**Telephone:** +91-79-4040 4242; **Email:** investors@vivro.net  
**SEBI Registration Number:** INM000010122

#### STATUTORY AUDITOR

M/s Mahendra N. Shah & Co., Chartered Accountants  
**Address:** 201, Pinnacle Business Park, Corporate Road, Opp. Royal Orchid Flats, Prahladnagar, Ahmedabad-  
 380015, Gujarat, India.  
**Telephone:** +91 79297 05151; **Email:** office@mshahca.com

#### PROMOTERS OF PEPL

S. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	Deep Energy Resources Limited	Corporate	<p>The Company was incorporated on 01st January 1991 under the name and style of Deep Roadways Private Limited, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956, and now deemed to be incorporated under the Act. Its name was changed to Deep Industries Private Limited; and thereafter the word Private was deleted by virtue of the company being a Deemed Public Limited Company under the provisions of section 43A(IB) of the Companies Act, 1956 on 6th February 1997. The company became a Public Limited Company with effect from 2nd May 2002 and a fresh certificate of incorporation, consequent to change of name, was issued in the name of Deep Industries Limited on 2nd May 2002. Pursuant to the scheme of demerger, the name was changed to Deep Energy Resources Limited. The Corporate Identification Number of DERL is L63090GJ1991PLC014833. The registered office of the Company is situated at 12A &amp; 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat – 380058. The equity shares of DERL are listed on BSE Limited and National Stock Exchange of India Limited.</p> <p>The Company is engaged in the business of conventional and unconventional oil and/or gas and/or CBM and/or shale and/or hydrocarbons comprising any or all of exploration, production, development, marketing and transportation</p>



<b>PROMOTERS OF PEPL</b>			
<b>S. No.</b>	<b>Name</b>	<b>Individual/ Corporate</b>	<b>Experience &amp; Educational Qualification</b>
			operations.  DERL is holding 9,46,563 equity shares (including 5 equity shares held through nominee members) of PEPL, constituting 53.16% of the total equity share capital of PEPL.
2.	Savla Oil and Gas Private Limited	Corporate	Savla Oil and Gas Private Limited, is a private limited company incorporated under the provisions of the Companies Act, 1956 on October 07, 2009 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, and with the corporate identification number U11200GJ2009PTC058263. The registered office of the Company is situated at 14, Ground Floor, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad, Gujarat - 380058. The Company is, inter alia, engaged in the business of exploration, exploitation, development, production, processing, refining, marketing, distribution, retailing, transportation and trading of crude oil, associated gas, coal bed methane, coal mine methane, shale gas and natural gas and all other petroleum/hydrocarbon products including those resulting from the manufacture and treatment of the same. SOGPL is holding 8,34,046 equity shares of PEPL, constituting 46.84% of the total equity share capital of PEPL. SOGPL is also holding 15,93,000 preference shares of PEPL constituting 100% of the total preference share capital of PEPL.
3.	Sheetal Rupesh Savla	Individual	<b>Experience:</b> Mrs. Sheetal Rupesh Savla, aged 45 years, is the promoter of the Company. She holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> She is a High School Graduate from Maharashtra State Board.
4.	Rupesh Kantilal Savla	Individual	<b>Experience:</b> Rupesh K. Savla, aged 51 years, has an experience of 30 years in the coordination and execution of projects in the gas compression services. He holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> He is a Commerce Graduate from Gujarat University and holds a Master's Degree in Business Administration from Bentley University, USA.
5.	Parasbhai Shantilal Savla	Individual	<b>Experience:</b> Paras S. Savla, aged 52 years, has more than 32 years of experience in the Oil & Gas Industry. He holds 1 equity share of PEPL as a nominee of DERL.  <b>Educational Qualification:</b> He is a Commerce Graduate from Gujarat University.

PROMOTERS OF PEPL			
S. No.	Name	Individual/ Corporate	Experience & Educational Qualification
6.	Priti Parasbhai Savla	Individual	<p><b>Experience:</b> Mrs. Priti Paras Savla, aged 52 years, is a promoter of the Company. She holds 1 equity share of PEPL as a nominee of DERL.</p> <p><b>Educational Qualification:</b> She has experience in the commerce field.</p>
7.	Manoj Shantilal Savla	Individual	<p><b>Experience:</b> Manoj S. Savla, aged 55 years, has more than 35 years of experience in finance, investment, administration and marketing of petroleum products. He holds 1 equity share of PEPL as a nominee of DERL.</p> <p><b>Educational Qualification:</b> He is a high school graduate from the Gujarat Board.</p>

### BUSINESS OVERVIEW AND STRATEGY

#### Company Overview:

PEPL is a private limited company incorporated on August 05, 2009, under the Companies Act, 1956 with the Registrar of Companies, Gujarat. The corporate identification number (CIN) of the PEPL is U40102GJ2009PTC057716 and it has its registered office at 12A, Abhishree Corporate Park, Opp Swagat BRTS Bus Stop, Ambli-Bopal Road, Bopal, Ahmedabad - 380058, Gujarat, India.

#### Product/Service Offering:

PEPL is authorised by its memorandum to carry on inter-alia the business of activities of oil and gas, coal bed methane, shale, hydrocarbon, onshore and offshore business services. PEPL is a subsidiary company of DERL.

PEPL has a participatory interest in 2 CBM (Coal Bed Methane) blocks situated in Jharkhand. These CBM blocks are currently under development and hence commercial production of natural gas as well as the revenues are yet to start.

PEPL has also recently involved in the trading of natural gas. In FY 2022-23, PEPL reported Revenues from operations of INR 1,612.06 Lakhs which were entirely coming from the trading of natural gas.

**Revenue segmentation by product/service offering:** Not Applicable – There are no different revenue segments of the PEPL.

**Geographies Served:** Not Applicable

#### Key Performance Indicators:

PEPL does not publish any key performance indicators other than financial information as stated in its financial statements.

**Client Profile or Industries Served:** Not Applicable

**Revenue segmentation in terms of top 5/10 clients or Industries:** Not Applicable

**Intellectual Property, if any:** Not Applicable

Market Share: Not Applicable

Manufacturing Plant, if any: Not Applicable

Employee Strength:

As of November 30, 2023, the company currently employs 9 individuals.

**BOARD OF DIRECTORS OF PEPL**

Sr. No.	Name of Directors	DIN	Designation (Independent / Whole time / Executive / Nominee)	Educational Qualification & Experience including current/past positions held in other firms
1.	Prem Singh Mangatsingh Sawhney	03231054	Executive Director	<p>He holds a B.Tech degree in Chemical Engineering from REC, Warangal University. He has over 39 years of broad-based experience in conventional and unconventional hydrocarbon exploration and production businesses and other related businesses such as Coal Bed Methane and Underground Coal Gasification projects. He has acquired extensive experience in project management, field implementation of drilling programs, well completion, production operations, designing and construction of surface facilities such as gathering systems, compression and oil &amp; gas processing. CBM experience encompasses three commercial discoveries that have moved to development out of the four in total in India.</p> <p><i>Other current Directorship in Indian companies:</i></p> <p>1. Deep Energy Resources Limited</p> <p><i>Other current Directorship in Foreign companies: NIL</i></p>
2.	Shail Manoj Savla	08763064	Managing Director	<p>He holds a degree in Mechanical Engineering and a Master's in Business Administration. He has a business experience of more than 7 years in the Oil and Gas Industries and has rich and wide experience in the Company's business, particularly in the areas of management, finance, human resources and operations.</p> <p><i>Other current Directorship in Indian companies:</i></p>



Sr. No.	Name of Directors	DIN	Designation (Independent / Whole time / Executive / Nominee)	Educational Qualification & Experience including current/past positions held in other firms
				<ol style="list-style-type: none"> <li>1. Syahee Pigments Private Limited</li> <li>2. Deep Energy Resources Limited</li> </ol> <p><i>Other current Directorship in Foreign companies: NIL</i></p>
3.	Vishal Gautambhai Palkhiwala	09695011	Executive Director	<p>He holds a Bachelor's degree in Commerce and Law from Gujarat University. He has experience of more than 25 years in finance, Accounts &amp; Taxation and Administrations Hotel, Restaurants, Trading &amp; Manufacturing companies. He has acquired his diverse experience from Chartered Accountant Firms, Private Assignments with Multinational Companies, Hotel Industry as well as Oil &amp; Gas Industry.</p> <p><i>Other current Directorship in Indian companies:</i></p> <ol style="list-style-type: none"> <li>1. Deep Energy Resources Limited</li> </ol> <p><i>Other current Directorship in Foreign companies: NIL</i></p>
4.	Shaily Jatin Dedhia	08853685	Independent Director	<p>She is a qualified Company Secretary and holds a Bachelor's degree in Commerce &amp; Law from Mumbai University. She also holds a Master's degree in commerce with management as subject from Mumbai University. Her profile includes vast experience of more than 14 years in legal, secretarial, compliance and other ancillary matters. Throughout her career, she has been associated with Companies like MMRDA (Mumbai Metropolitan Region Development Authority) (State Government Authority) &amp; Sheth Creators Group of Companies, Sunteck Realty Limited and Group companies.</p> <p><i>Other current Directorship in Indian companies:</i></p> <ol style="list-style-type: none"> <li>1. Dolphin Offshore Enterprises (India) Limited</li> <li>2. Deep Industries Limited</li> <li>3. Corrtch International Limited</li> <li>4. Deep Energy Resources Limited</li> </ol>

Sr. No.	Name of Directors	DIN	Designation (Independent / Whole time / Executive / Nominee)	Educational Qualification & Experience including current/past positions held in other firms
				<p>5. Vadilal Industries Limited</p> <p><i>Other current Directorship in Foreign companies: NIL</i></p>
5.	Priyanka Kishorbhai Gola	09384530	Independent Director	<p>She is a qualified Company Secretary from the Institute of Company Secretaries of India (ICSI) and holds a bachelor's degree in law (LLB) and Commerce (B.Com) from Saurashtra University. She has more than 6 years of experience in Listed Companies and she is also the founder and proprietor of a well-known Corporate Law firm namely M/s. Priyanka Gola and Associates, Practicing Company Secretaries, Ahmedabad. She has more than 10 years of work experience in diversified areas including Corporate Law, Corporate Governance, Tax, ITes and amongst other services across a wide range of industries and also worked with NBFCs and SEBI Regulatory RIAs and handling all the compliances of PoSH, Foreign Investments, PIT regulations etc.</p> <p><i>Other current Directorship in Indian companies:</i></p> <ol style="list-style-type: none"> <li>1. Ankit Gold Limited</li> <li>2. Mercury Tradelinks Limited</li> <li>3. Falcon Technoprojects India Limited</li> <li>4. City Crops Agro Limited</li> <li>5. Chartered Logistics Limited</li> </ol> <p><i>Other current Directorship in Foreign companies: NIL</i></p>
6.	Navin Chandra Pandey	08252350	Independent Director	<p>He is a BE (Mechanical) with honors' from Motilal Nehru Regional Engineering College, Allahabad (NIT, Allahabad), Uttar Pradesh, India and has more than 38 years diverse experience across field operations (onshore and offshore), procurement and contracting, deep water projects, project execution and delivery, oil &amp; gas asset management, alternate energy ventures such Coal Bed Methane development, solar &amp; wind energy initiatives, digital initiatives and other integration projects at ONGC.</p>



Sr. No.	Name of Directors	DIN	Designation (Independent / Whole time / Executive / Nominee)	Educational Qualification & Experience including current/past positions held in other firms
				<p><i>Other current Directorship in Indian companies:</i></p> <p>1. Deep Energy Resources Limited</p> <p><i>Other current Directorship in Foreign companies: NIL</i></p>

#### SHAREHOLDING PATTERN AS ON SEPTEMBER 30, 2023

Particulars	Number of Equity Shares	% of total share capital	Number of Preference Shares	% of total share capital
Promoter and Promoter Group	17,80,609	100.00	15,93,000	100.00
Public	Nil	Nil	Nil	Nil
<b>Total</b>	<b>17,80,609</b>	<b>100.00</b>	<b>15,93,000</b>	<b>100.00</b>

#### AUDITED/ UNAUDITED FINANCIALS

##### Standalone Financials

(in ₹ lakh, except as stated otherwise)

Particulars	For the Financial year			
	September 30, 2023	2022-23	2021-22	2020-21
Total income from operations (net)	0.00	1,612.06	0.00	0.00
Other income	15.26	28.91	11.28	1.14
Net Profit / (Loss) before tax and extraordinary items	(100.30)	9.62	(3.75)	(4.81)
Net Profit / (Loss) after tax and extraordinary items	(100.30)	9.62	(3.75)	(4.81)
Equity Share Capital	178.06	178.06	337.37	335.75
Reserves and Surplus / Other Equity	5,309.51	5,409.82	9,823.21	9,553.03
Net Worth	5,487.57	5,587.88	10,160.57	9,888.78
Basic Earnings per share (₹)	(6.08)	0.58	(0.31)	(0.40)
Diluted Earnings per share (₹)	(6.08)	0.58	(0.11)	(0.14)
Return on Net Worth (%)	-	0.17	-	-
Net Asset value per share (₹)	308.18	313.82	842.12	819.59

Summary for the period ended on September 30, 2023, has been extracted from Provisional Financial Statements and March 31, 2023, March 31, 2022, and March 31, 2021, have been extracted from Audited Financial Statements prepared based on Indian Accounting Standards (IndAS).

Note:

- (1) Net worth is computed by adding the Equity Share Capital and the Reserves and Surplus/Other Equity as disclosed in the above table.
- (2) Return on Net Worth is computed as net profit/loss after tax divided by Net Worth as disclosed in the above table.

(3) *Net Assets value per equity share is computed as Net Worth attributable to equity shareholders divided by the total number of outstanding Equity Shares as at the end of the respective period.*

**Consolidated Financials – Not applicable**

#### INTERNAL RISK FACTORS

1. Implementation of the Composite Scheme of Arrangement is dependent on the approval from the regulatory authorities and if we are unable to manage timely compliance of regulatory requirements, it may impact the Scheme. Any modification or revision in the Scheme suggested / directed by the competent authorities, which is not acceptable to the Board of Directors of the respective companies may adversely impact the proposals in the Scheme.
2. The loss, shutdown or slowdown of operations at any of our facilities or underutilization of our facilities may have material adverse effect on our business and results of operations.
3. PEPL is an unlisted company and its equity or preference shares are not listed on any stock exchange and hence not available for trading.
4. If we are unable to accurately forecast demand for our business, our cash flows, financial conditions and prospects may be adversely affected.
5. Climate change is the most important strategic issue faced by the oil and gas industry in recent years. Given this threat, governments are increasingly enacting policies to mitigate greenhouse gas emissions, and investors in companies are putting increasing pressure on management to show how they will navigate an energy system in transition. Climate-related major physical risks arise from rising sea levels and more frequent extreme weather such as cyclones, heat waves, floods, and changing seasonal patterns that adversely impact the company's assets, disrupt the supply chain, and economic performance, and alter consumer demand.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against PEPL and the amount involved -

Name of Entity	Criminal proceedings	Tax proceedings	Statutory or Regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Civil Litigations	Aggregate amount involved (₹ in lacs)
<b>PEPL</b>						
By PEPL	Nil	Nil	Nil	Nil	Nil	Nil
Against PEPL	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors of PEPL</b>						
By Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters of PEPL</b>						
By Promoters	Nil	Nil	Nil	Nil	3	71.49
Against Promoters	Nil	21	Nil	1	1	1653.64
<b>Subsidiaries of PEPL</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.



- B. Brief details of top 5 material outstanding litigations against PEPL and the amount involved – Nil
- C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters of the company in last 5 financial years including outstanding action, if any:
- In September 2019, Mr. Rupesh Kantilal Savla, the promoter of a company, received an order from the Whole Time Member of the Securities and Exchange Board of India. He was asked to deposit a sum of Rs. 1,74,57,816/-, which in the allegation of SEBI earned through wrongful gains and was banned from accessing the securities market for six months. This was because Mr. Rupesh Kantilal Savla was accused of trading on Unpublished Price Sensitive Information in the shares of Deep Industries Limited. Mr. Rupesh Kantilal Savla has already served the debarment period of 6 months, which ended on 31st March 2020 and has even paid a sum of Rs 1,74,57,816/- towards the penalty imposed by SEBI on 19th October 2019. Although Mr. Rupesh Kantilal Savla filed an appeal against the order, the Securities Appellate Tribunal upheld the decision of the SEBI. Being aggrieved, Mr. Savla has filed an appeal with the Hon. Supreme Court of India against the order where the matter is currently under consideration.
- D. Brief details of outstanding criminal proceedings against the Promoters of the company: Nil

#### RATIONALE OF COMPOSITE SCHEME OF ARRANGEMENT

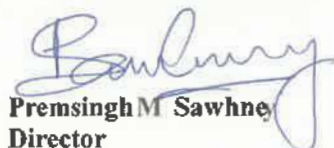
- (a) The proposed Composite Scheme of Arrangement, *inter alia*, would result in business and operational synergies as mentioned herein under:
- (i) The amalgamation of the Transferor Company 1 and the Transferor Company 2 with and into the Transferee Company and simplification of the group structure to result into:
- a. Creating enhanced value for the shareholders through potential unlocking of value through listing of businesses of all the Parties.
  - b. Efficiency in management, control and running of businesses of the companies concerned and create a financially strong amalgamated company;
  - c. Pooling of financial and other resources of both the companies for optimum utilization of resources in the businesses and increased bargaining power;
  - d. Rationalization, standardization and simplification of business processes and systems;
  - e. Minimisation of compliances, compliance cost and elimination of duplication and rationalization of administrative cost of legal entities;
  - f. Provide opportunity to the public shareholders of the Transferor Company 1 to directly participate in the business of the Transferee Company, and increase long term value of all the stakeholders, by creating a standalone listed entity; and
  - g. Ability to pursue inorganic growth with consolidated financials and better operational control.
- (ii) The rationale for reclassification of Promoters Seeking Reclassification from 'Promoter and Promoter Group' category to 'Public' category in the Transferor Company 1 and upon this Scheme coming into effect, in the Transferee Company is that the Promoters Seeking Reclassification:
- a. are not engaged in the business, management, control or day-to-day affairs of the Transferor Companies (as defined below) and the Transferee Company;
  - b. do not have any right either to appoint any Director of the Transferor Companies and the Transferee Company; and

- c. does not have an ability to control the management or policy decisions of the Transferor Companies and the Transferee Company in any manner whatsoever including by virtue of their shareholding and none of their act would influence the decisions taken by the Transferor Companies and the Transferee Company.
- (b) The Scheme is in the best interests of shareholders, employees and creditors of all the Parties. The Scheme does not have any adverse effect on either of the shareholders, the employees or the creditors of any of the Parties.
- (c) The Board of all the Parties believe that the Scheme would ensure benefit to all the stakeholders and will enhance the value for all shareholders.
- (d) In view of the aforesaid advantages, the Board of all the Parties have considered and proposed this Scheme under the provisions of Sections 230 to 232 and other applicable provisions of the Act and rules made thereunder, the SEBI Circular, the Listing Regulations and other Applicable Laws.

#### DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

**For, Prabha Energy Private Limited**



**Preamsingh M Sawhne**  
Director  
DIN: 03231054

**Place: Ahmedabad**

**Date: 23<sup>rd</sup> December, 2023**

*Capitalized terms used but not defined in this Document shall have the same meaning as ascribed to them under the Composite Scheme of Arrangement.*