

25 September 2024

Indus Gas Limited

("Indus" or the "Company")

Audited Final Results for the 12 months ended 31 March 2024

Indus Gas Limited (AIM:INDI), an oil & gas exploration and development company, announces its full year audited results for the 12 months to 31 March 2024, which will be made available on its website and sent to shareholders.

The Company will shortly publish its notice of annual general meeting and a further announcement will be made in due course.

For further information please contact:

Indus Gas Limited

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Highlights

- As per revised Domestic gas pricing Guidelines, Sales gas price shall be 10 pct of monthly average of Indian crude basket as notified by PPAC on monthly basis from 8th April, 2023. The Gas sale price in the year ended March 2024 ranged from highest of US 9.20 per MMBTU to the lowest of US 7.48 per MMBTU.
- New development wells produced rich Gas with lower CO2 content.

OPERATIONAL

- Drilling and completion of production wells for the field development continued
- Continued testing of previously drilled wells.

FINANCIAL

- Total Revenues were US 42.93 million (2022-23: US 63.03 million).
- Operating profit decreased to US 36.56 million (2022-23: US 54.76 million).
- Profit before tax decreased to US 36.12 million (2022-23: US 54.87 million).
- Net Investments made in property, plant and equipment amounting to US 70.96 million (2022-23: US 74.21 million).
- All repayments under the existing debt terms were made on a timely basis.

Chairman's Statements

The Board would like to thank employees, shareholders, bankers and all other stakeholders for their loyalty and continued support. The management team will continue to focus on the execution of the Company's long-term strategy of achieving both growth in reserves and commercial production.

Jonathan Keeling
Chairman

Board of Directors' Review

We are pleased to announce the consolidated total revenues totaling US 42.93 million (2022-23: US 63.03 million).

Operations

Operational activities over the last year have followed the Group's objectives and are summarized below:

- a) drilling and completion of production wells for the SGL, SSG and SSF field development continued.
- b) testing various wells previously drilled where gas shows were encountered to enable the Group to increase its reserve base; and
- c) testing the B&B gas recovery potential in addition to gas discovered in the Pariwar formation.

Additional testing is an important element of the operational programme to enhance production and maximize recovery of gas through efficient asset management. Activities such as these will continue to increase as we obtain and act on new data and production history. An important development in respect of the SGL Field was the discovery of new intervals within Pariwar. These were located below the existing producing P10 sands. These reservoirs were successfully exploited for production and going forward will add to the reserves and production from both existing and new wells.

Financials

During the financial year, the Company achieved total revenue of US 42.93 million (2022-23: US 63.03 million), resulting in reported operating profit of US 36.56 million (2022-23: US 54.76 million). The reported profit after tax was US 20.19 million (2022-23: US 30.87 million).

While the Company is not expected to pay any significant taxes on its income for many years in view of the 100% deduction allowed on the capital expenses incurred in the Block, the Company recognized a deferred tax expense of US 15.75 million (2022-23: US 23.99 million) as per IFRS requirements.

Post this deferred tax liability provision, the net profit for the year was US 20.19 million (2022-23: US 30.87 million).

The net expenditure on the purchase of property, plant & equipment was US 70.96 million (2022-23: US 74.21 million). The property plant and equipment, including development assets and production assets, increased to US 1,291.62 million (2022-23: US 1,223.43 million).

The current assets (excluding cash) as of 31 March 2024 stood at US 116.87 million (2022-23: US 123.92 million), which majorly includes US 8.94 million (2022-23: US 9.93 million) of inventories, US 107.31 million (2022-23: US 107.35 million) of receivables from related party and US 0.62 million (2022-23: US 6.64 million) of trade receivables and another receivable. The current liabilities of the Company, excluding the related party liability of US 0.01 million (2022-23: US 0.33 million) and current portion of long-term debt of US 20.58 million (2022-23: US 28.46 million), stood at US 1.53 million (2022-23: US 2.03 million).

As of 31 March 2024, the outstanding debt of the Company to banks was US 180.26 million (2022-23: US 203.93 million), of which US 20.58 million (2022-23: US 28.46 million) was categorized as repayable within a year. During the year, the Company repaid an amount of US 23.65 million of the outstanding term loan facilities, as per the scheduled repayment plan. As of 31 March 2024, the outstanding unsecured debt from bonds was US 164.03 million (2022-23: US 163.92 million), of which US 4.34 million (2022-23: US 4.30 million) was categorized as repayable within a year and the remaining US 159.68 million (2022-23: US 159.61 million) has been categorized as a long-term liability.

Outlook

The company continues to see disruption to the quantity of gas supplied to its ultimate customer's power plant due to ongoing maintenance of the turbine at the plant. The company will announce the PSC extension when granted. Due to the ongoing disruption of gas supply the company will seek further external funding and/or shareholder funding in near future if required.

Jonathan Keeling

Executive Chairman

Board of Directors

JONATHAN KEELING - EXECUTIVE CHAIRMAN

Jonathan was a founding partner and a main board member of Arden Partners plc, a small and mid-cap institutional stockbroker and Jonathan's career in equity capital markets spans in excess of 30 years. Prior to Arden, Jonathan worked at Albert E Sharp, Harris All day and Old Mutual Securities. Jonathan is a Fellow of the Chartered Institute for Securities and Investment.

ATIQ ANJARWALLA - DIRECTOR

During the year, Mr. Atiq joined the board of director as independent non-executive director on 3rd October 2022. Mr. Atiq is an experience Lawyer and is a Solicitor of the Supreme Court of England and Wales Advocate of the High Court of Kenya and a Legal Consultant in Dubai. Atiq has a Master of Law from Jesus College Cambridge, England. Atiq's legal experience spans Corporate, Private Client, Banking, Project Finance and Capital Markets.

ELIZABETH POWELL - DIRECTOR

During the year, Mrs. Elizabeth Powell joined the board of director as independent non-executive director on 7th March 2023. Liz's background is primarily in Human Resources through her work with a major Guernsey based independent fiduciary. She has a CIPD qualification in HR and has become skilled in

international payroll matters. In recent years, in addition to her personnel skills, she has taken on directorships in companies employing staff in the Oil & Gas sector as well as companies owning assets for international oil companies.

NICHOLAS SAUL - DIRECTOR

During the year, Mr. Nicholas Saul joined the board of director as independent non-executive director on 7th March 2023. Nick started his career as a Merchant Navy Officer with Texaco in 1980 and has been working in the Oil & Gas industry since. Today, he owns successful Guernsey business that manages the employment of thousands working in the hydrocarbons industry as well over 10,000 mariners. Nick has a BSc in Maritime Commerce, is an Associate Fellow of the Nautical Institute and a Chartered Member of The Chartered Institute of Logistics and Transport.

Directors' Report

The Directors present their report and the financial statements of Indus Gas Limited ("the Company") and its subsidiaries, iServices Investments Ltd and Newbury Oil Co. Ltd (collectively the "Group"), which covers the year from 1 April 2023 to 31 March 2024.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Company and Group is that of oil and gas exploration, development and production and other related services.

RESULTS AND DIVIDENDS

The trading results for the year and the Group's financial position at the end of the year are shown in the attached financial statements. The Group has earned a profit before tax of USD 36.12 million (2022-23: US 54.87 million) during the year.

The Directors have not recommended a dividend for the year (2023-24) : Nil.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

A review of the business and likely future developments of the Company are contained in the Chairman's statement and the Board of Director's review, given above.

BOARD CHANGES

The Company announces the following changes to its Board:

- Mr. Clive Gibbons has stepped down from the Board effective from 26th September 2023.
- Fareed Soreefan* has stepped down from the Board effective from 04 August 2023.
- Ms Wendy Ramakrishnan* has been appointed as a Non-Executive Director with effect from 04 August 2023.

DIRECTORS REMUNERATION

The Directors' remuneration for the year ended 31 March 2024 was:

	Remuneration (£)	Remuneration (US)
Jonathan Keeling	100,000	126,962
Clive Gibbons (until 26 September 2023)	7,000	8,554
Atiq Anjarwalla	14,620	18,392
Mr. Nicholas Saul	5,000	7,202
Mrs. Elizabeth Powell	5,000	7,202
Fareed Soreefan (until 04 August 2023)*	260	343
Ms Wendy Ramakrishnan (w.e.f. 04 August 2023)*	499	657
Sangeeta Bissessur*	759	1,000
Angelos Alexandrou*	745	981
Paschalis Magnitis*	745	981
Total Directors' Remuneration	134,628	172,274

*Directors of subsidiary companies (i Services and Newbury)

The Directors' remuneration for the year ended 31 March 2023 was:

	Remuneration (£)	Remuneration (US)
Jonathan Keeling	100,000	119,166
Clive Gibbons	14,620	17,323
Atiq Anjarwalla	3,655	4,405
Fareed Soreefan*	759	1,000
Sangeeta Bissessur*	759	1,000
Angelos Alexandrou*	745	981
Paschalis Magnitis*	745	981
Total Directors' Remuneration	121,283	144,856

*Directors of subsidiary companies (i Services and Newbury)

The Director remuneration consists of monthly/quarterly compensation as per the agreed terms. There are no further cash payments or benefits provided to Directors.

GAS MARKETS IN INDIA

India has a significant deficit of hydrocarbons which we believe will result in a long-term, steady demand for gas produced by our Block. According to the Petroleum and Natural Gas Regulatory Board ("PNGRB") Report, Vision 2030, India's natural gas demand will grow significantly to 746 MMSCM/d (26.3 BCF/d) by the end of Fiscal 2030. India is expected to have approximately 32,727 km of natural gas pipeline with a design capacity of 815 MMSCM/d in place by 2030. In order to further boost the consumption of natural gas in the country, the Government established a Gas Trading Hub/ Exchange (GTHE), where natural gas can be traded and supplied through a market-based mechanism instead of multiple formula driven prices. Initial trading has already started on Indian Gas Exchange.

From April 2023 to March 2024 gas sales were invoiced at prices ranging from the highest of US 9.20 per MMBTU to the lowest of US 7.48 per MMBTU.

FINANCIAL INSTRUMENTS

Details of the use of financial instruments by the Company are contained in note 28 to the attached financial statements.

RELATED PARTY TRANSACTIONS

Details of significant related party transactions are contained in note 16 and note 23 to the attached financial statements.

INTERNAL CONTROL

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage the risk of failure to achieve the Company's strategic objectives. It cannot totally eliminate the risk of failure but will provide reasonable, although not absolute, assurance against material misstatement or loss.

GOING CONCERN

Production Sharing Contract (PSC) of the Group has expired on 20 August 2024. Further, the contract of the Group with its sole customer will expire on 30 September 2024. At the date of signing the financial statements, considering expiry of above mentioned two contracts and an obligation of the Group to pay current portion of borrowings of US\$0,575,321 (2022-23: US 28,458,200), in line with the accounting and auditing framework, this indicates a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern.

The group has considered following factors relevant to support going concern.

The Group has applied for an extension of the Production Sharing Contract (PSC) which expired on 20 August 2024. The Board is confident that the extension will be received considering that Clause 2.1 of PSC provides that PSC can be extended up to 35 years. Further, the Group is in process of renewing the existing contract with the sole customer (GAIL) for supply of gas which will expire on 30 September 2024. Moreover, the power plant in this region is the customer of GAIL and for running that plant, the supply of gas from the block is essential. The Board is confident that the customer contract will be renewed soon along with PSC extension considering the ongoing discussions with the customer and accordingly, the Group will be able to supply the gas based on a mutually agreed contract.

Subsequent to the year end, the Group has repaid an amount of US15,315,827 and accordingly the amount of US\$5,259,494 (including interest payable) is due for repayment within the next 12 months, which the Group expects to meet from its internal generation of cash from operations (as evident from the group cash flow forecast and support from largest shareholder). The Group has sufficient cash flows to repay the maturing debt as the Group is financially sound. The Group has net working capital of US 96,827,206 (2022-23: US 104,859,475) as at 31 March 2024.

Based on business strategies and operating plans/forecasts of the Group, and based on the above reasons, the management is confident that the Group will continue to meet all its obligations as and when they fall due in the normal course of business. Accordingly, these financial statements have been prepared on a going concern basis.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' report and consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the consolidated statement of comprehensive income of the Group for that year. In preparing those financial statements the Directors are required to:

- o Select suitable accounting policies and apply them consistently;
- o Make judgements and estimates that are reasonable and prudent;
- o State whether International Financial Reporting Standards as adopted by EU have been followed subject to any material departures disclosed and explained in the financial statements; and
- o Prepare consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group to enable them to ensure that the financial statements comply with the requirements of the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the provision and detection of fraud and other irregularities.

The Directors are responsible for maintaining the integrity of the corporate financial information included on the Group's website. Legislation in Guernsey governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

To the best of our knowledge and belief:

- The financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union;
- Give a true and fair view of the financial position and results of the Group; and
- The financial statements include an analysis of the principal financial instruments specific risks and uncertainties faced by the Group.

AUDITOR

All of the current Directors have taken all steps that they ought to have taken to make themselves aware of any information needed by the Group's Auditor for the purposes of their audit and to establish that the Auditor is aware of that information. The Directors are not aware of any relevant audit information of which the Auditor is unaware.

By order of the Board

Jonathan Keeling

Risks and Risk Management

In planning our future activities and reacting to changes in our ongoing business environment, we seek to identify, assess, mitigate and monitor the risks that we face. Considerable effort is made during our planning process to reduce and mitigate the various risks to the extent that this is practical and commercially sound. Ideally large decisions taken early means that any later adaptation or reaction should be small.

We cannot remove the Company from all risk and the oil and gas industry brings with it many special challenges in specific risks. What we can and do strive to achieve is to understand and manage the risk environment we work within.

The Company faces the appraisal, development and production risks of the oil and gas industry. The business relies on extensive engineering, geological and geophysical judgements.

As activities on the Block have grown and generated actual data and experience, we have used this knowledge to reduce these risks. There has been an increase in the number of wells to find hydrocarbons through the knowledge gained from almost complete 3D seismic data and analysis of drilling results. We shall continue to de-risk this area of our operations but the risk of a dry hole will never reach zero. The risk of mechanical issues or well construction failing remains. However, with greater standardization of well design and repetition of activities this has reduced.

We currently depend on one customer for the sale of gas and substantially all of our revenues. Discussions are on-going to find and develop new customer relationships.

GAIL has significant financial resources and maintains a strong credit rating providing comfort in meeting any obligations under our Agreement. Our gas is purchased at our field and shipped via a GAIL owned pipeline to the power plant. The pipeline is purpose built and operating well within its design specification.

The Company has one bank debt facility outstanding from its group of lenders. These facilities were obtained on attractive terms in difficult lending markets. Debt service for the facility remains strong and contributes to our sound borrower track record. Additional amounts were raised during 2018 through unsecured bonds, which were further re-financed with the additional bond offering made by the Company in November 2022. The Company has benefited from consistent support of the majority shareholder particularly reducing the risk of any funding gaps due to the delay in closing external finance. The Production Sharing Contract that includes cost recovery and sales contract for gas provide an enhanced cash flow to service debt and give protection to lenders.

Our business, revenues and profits may fluctuate with changes in oil and gas prices. Our production is mainly gas and has been sold on strong "Take or Pay" contracts that significantly reduce the impact of fluctuations in the wider global energy market. However, the prevailing prices of oil and gas can have some bearing on new contracts and price revisions.

As per the revised Domestic gas pricing Guidelines, Sales gas price shall be 10 pct of monthly average of Indian crude basket as notified by PPAC on a monthly basis from 8th April, 2023. The Gas sale price in the year ended March 2024 ranged from highest of US 9.20 per MMBTU to the lowest of US 7.48 per MMBTU.

The oil and gas industry are subject to laws and regulations relating to environmental and safety matters in exploration for and the development and production of hydrocarbons. We are bound by the environmental laws and regulations applicable to India and satisfy and in some areas exceed these requirements by using good industry practice, trained staff and quality equipment.

We are committed to upholding procedures to protect the environment and enforce environmental, health, safety and security mechanisms through accountability at all levels, suitable policies, feedback and full compliance by each employee and contractor to all policies we develop.

The Government has historically played a key role, and is expected to continue to play a key role in

The Government has industry policy in May 2018, and is expected to continue to play a key role in regulating, reforming and restructuring the Indian oil and natural gas industry. A major platform for shaping the industry has been the award of assets by various rounds under the NELP. Our Block was awarded before the formation of NELP and therefore places greater emphasis on our Production Sharing Contract (PSC) in our dealings with Government in various forms. To date the Block Management Committee created under our PSC and including multiple Government agencies has assisted the development progress we have made so far. The Field Development Plan for the area beyond SGL was approved by Management Committee consisting representatives of DGH and government created under PSC.

Corporate Governance

The Directors recognize the importance of sound corporate governance and have chosen to apply the Quoted Companies Alliance ("QCA") Corporate Governance Code and Guernsey regulations in so far as they are appropriate given the Company's size and stage of development. The Company may take additional Corporate Governance measures beyond QCA guidelines and Guernsey regulations as may be appropriate considering the Company's operations from time to time.

The Company has not adopted the UK Corporate Governance Code ("the Code") and has chosen to apply the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies which is in line with most growing AIM companies adopted practices. The disclosure requirements under the code have been complied with and the detailed report is available on the official website (<http://www.indusgas.com/>) of the company.

Corporate Governance standards and procedures adopted by the Company are regularly reviewed by the Chairman who has maintained dialogue and answered questions of shareholders throughout the year. The Chairman has consulted the Nomad on the objectives of Corporate Governance within the Company.

BOARD OF DIRECTORS

The Board is responsible for the proper management of the Company. The resumes of the current board members are as outlined in the section 'Board of Directors' on page no. 6.

Mr. Ajay Kalsi brings knowledge of the oil and gas industry and a range of general business skills and continues to be an advisor to the company.

All Directors have access to independent professional advice, at the Company's expense, when required.

SUB-COMMITTEES

The Board had constituted the nomination and remuneration sub-committees, which were then disbanded in March 2022 as a result of the Board's reduced size. Given the Board's new directors appointed recently, nomination and remuneration sub-committees may reform in future. Further, currently, all the responsibilities of these sub committees are being carried out directly by the Board in line with defined policies and processes.

AUDIT COMMITTEE

The committee is responsible for ensuring that the financial performance of the Company is monitored and reported on, for meeting with the Auditor and reviewing findings of the audit with the external auditor. It is authorized to seek any information it properly requires from any employee and may ask questions of any employee. It meets the Auditor once per year without and is responsible for considering and making recommendations regarding the engagement and remuneration of the Auditor.

SHARE DEALING

The Company has adopted a share dealing code (based on the Model Code) and the Company takes all proper and reasonable steps to ensure compliance by Directors and relevant employees.

THE CITY CODE ON TAKEOVERS AND MERGERS

Being a Channel Islands incorporated company, the Company is subject to the UK City Code on Takeovers and Mergers.

DISCLOSURE AND TRANSPARENCY RULES

As a Company incorporated in Guernsey, Shareholders are not obliged to disclose their interests in the Company in the same way as shareholders of certain companies incorporated in the UK. In particular, the relevant provisions of chapter 5 of the Disclosure and Transparency Rules (DTR) do not apply. While the Articles contain provisions requiring disclosure of voting rights in Ordinary Shares, which are similar to the provisions of the DTR, this may not always, ensure compliance with the requirements of Rule 17 of the AIM Rules. Furthermore, the Articles may be amended in the future by a special resolution of the Shareholders.

CONTROL BY SIGNIFICANT SHAREHOLDER

Gynia Holdings Limited, along with its wholly owned subsidiary Focus oil Inc. own a significant percentage of outstanding shares of the Company. As a significant shareholder, Gynia could exercise significant influence over certain corporate governance matters requiring shareholder approval, including the election of directors and the approval of significant corporate transactions and other transactions requiring a majority vote.

The Company, Strand Hanson Limited (Nomad and Broker), Gynia and Mr. Ajay Kalsi have entered into a relationship agreement to regulate the arrangements between them. The relationship agreement applies for as long as Gynia directly or indirectly holds in excess of thirty per cent of the issued share capital of the Company and the Company's shares remain admitted to trading on AIM. The relationship agreement

includes provisions to ensure that:

- a) The Board and its committees are able to carry on their business independently of the personal interests of Gynia;
- b) The constitutional documents of the Company are not changed in such a way which would be inconsistent with the relationship agreement.
- c) All transactions between the Group and Gynia (or its affiliates) are on a normal commercial basis and at arm's length;
- d) In the event of a conflict of interest between Gynia and the Board, no person who is connected with Gynia is appointed as a Non-Executive Director of the Company and no existing Non-Executive Director is removed as a director of the Company unless such an appointment or removal has been previously approved by the nomination committee of the Board and that to the extent that any previously approved by the nomination committees concerns the composition of the Board which has been approved by the Board requiring the approval of the shareholders of the Company then Gynia will vote its Ordinary Shares in favour; and
- e) The Shareholder puts certain restrictions in place to prevent interference with the business of the Company.

INDEPENDENT AUDITOR'S REPORT

To the members of Indus Gas Limited

Opinion

We have audited the Consolidated financial statements of Indus Gas Limited (the "Company") and its subsidiary (the "Group") for year ended 31 March 2024, which comprise the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated financial statements, including material accounting policy information. The Consolidated financial statements framework that has been applied in their preparation is applicable law and IFRS Accounting Standards as adopted by the European Union (EU).

In our opinion, the consolidated financial statements:

- give a true and fair view of the financial position of the Group as at 31 March 2024, and of its financial performance and its cashflows for the year then ended;
- are in accordance with IFRS Accounting Standards as adopted by the European Union (EU); and
- comply with the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to going concern

We draw attention to note 6.16 in the consolidated financial statements, which indicates that the Production Sharing Contract (PSC) of the Group expired on 20 August 2024, and at the date of approval of the financial statements, had not yet been extended by the approving authority to ensure continued operations of business. The Group transfers its complete production of gas to its sole customer, Gas Authority of India Limited (GAIL) in accordance with the Gas Sales and Purchase Agreement (GSPA), and pursuant to the expiry of the PSC contract, the GSPA will expire on 30 September 2024. These events or conditions, along with the other matters set forth in note 6.16, indicate that a material uncertainty exists that may cast a significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Impairment of production and development assets ("P&D assets") We identified the impairment of P&D assets as one of the most significant assessed risks of material misstatement due to error. At 31 March 2024, the Group held P&D assets of US 1,280,828,308 (31 March 2023: US 1,212,726,514). Recoverability of P&D assets is dependent on the expected future success of exploration and development activities. Under International Accounting Standard (IAS) 16 "Property, plant and equipment", an impairment test is required, using the principles of IAS 36 "Impairment of Assets", for P&D assets. Based on our professional judgement, we determined the recoverability of the carrying amount of P&D assets amounting to US 1,280,828,309 is dependent upon the future cashflows of the business. The Group has capitalised taking into account the IFRS 6	In responding to the key audit matter, we performed the following audit procedures: <ul style="list-style-type: none">• We have compared the carrying value of assets to management's assessment of the recoverable amount to assess that the carrying value is not in excess of recoverable amount.• We agreed the recoverable amount to management's future cash flow model and performed the following detailed procedures over the model, along with impairment assessment and disclosures in financial statements:• We corroborated, through obtaining supporting documentation and audit evidence, estimates of future cash flows and challenged whether these were appropriate in light of the future price,

The key audit matter	Evaluation of Mineral Resources and IAS 16 "Property, Plant and Equipment" recognition criteria. In the previous years, the Group obtained approval on the reserves for the SSG and SSF field from the Directorate General of Hydrocarbons ('DGH'). Further the Management Committee has also approved the revised Field Development Plan ('FDP') in respect of the SGL area for the enhancement of production. Bearing in mind the generally long-lived nature of the Group's assets, the most critical assumption in relation to the management's assessment of future cash flows, which are used to project the recoverability of P&D assets are management's views on sales volume and gas price outlook.	Volume assumptions and the costs budgets.
<p>Impairment of P&D assets has been identified as a key audit matter as the assessment of the recoverable amount of the Company's cash generating units (CGUs) and investments involves significant judgements about the future cash flow forecasts and the discount rate applied.</p> <p>Relevant disclosures in the Annual Report and Accounts 2023-24;</p> <ul style="list-style-type: none"> Consolidated Financial statements: Note 6.7, Impairment testing for exploration and evaluation assets and property, plant and equipment; Consolidated Financial Statements: Note 7, Property, plant and equipment. 	<ul style="list-style-type: none"> We assessed the sensitivity analysis over inputs to the cash flow models wherein we have challenged the assumptions taken by management (including price, discount rate, operating cost etc); We have assessed the appropriateness of management's defined cash generating units ("CGUs") and impairment testing methodology under IFRSs as adopted by the European Union and whether disclosures in the consolidated financial statements are appropriate, complete and in accordance with IFRSs as adopted by the European Union; and We examined the methodology used at the CGU level by the management to assess the carrying value of P&D assets assigned to the Group's principal CGU to evaluate its compliance with accounting standards and consistency of application. <p>Our result Based on our procedures we have not identified any material misstatements in relation to the impairment of production and development costs.</p>	

Other information in the Annual Report

The directors are responsible for the other information. The other information comprises the information included in the 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, except to the extent otherwise explicitly stated in our report, 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, 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 the directors for the consolidated financial statements

As explained more fully in the directors' responsibilities, the Directors are responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union (EU), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors 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 the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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 ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty

Significant doubt on 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 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- 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.

We communicate with the directors 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 the directors 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, 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.

The engagement partner on the audit resulting in this independent auditor's report is Michael Carpenter.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Group's consolidated financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Grant Thornton Limited

Chartered Accountants
St Peter Port
Guernsey

Date: 23 September 2024

Consolidated Statement of Financial Position

(All amounts in United States Dollars, unless otherwise stated)

	Note	31 March 2024	31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	7	1,291,623,066	1,223,434,478
Tax assets		763,236	1,140,605
Other assets		9,132	7,891
Total non-current assets		1,292,395,434	1,224,582,974
Current assets			
Inventories	10	8,944,689	9,932,047
Trade and other receivables	11	621,664	6,640,424
Prepayment and other assets due from a related party	16	107,305,566	107,348,170
Cash and cash equivalents	12	2,069,244	11,765,514
Total current assets		118,941,163	135,686,155
Total assets		1,411,336,597	1,360,269,129
LIABILITIES AND EQUITY			
Shareholders' equity			
Share capital	13	3,619,443	3,619,443
Additional paid-in capital	13	46,733,689	46,733,689

	Note	31 March 2024	31 March 2023
Currency translation reserve	13	19,570,288	19,570,288
Merger reserve			
Retained earnings	13	303,018,938	282,833,686
Total shareholders' equity		363,628,576	343,443,324
Liabilities			
Non-current liabilities			
Long term debt, excluding current portion	14	159,689,118	175,475,431
Provision for decommissioning	15	1,881,606	1,894,795
Deferred tax liabilities (net)	8	160,142,858	144,392,951
Payable to related parties, excluding current portion	16	678,410,347	633,924,200
Deferred revenue	18	-	30,311,748
Total non-current liabilities		1,000,123,929	985,999,125
Current liabilities			
Current portion of long-term debt	14	20,575,321	28,458,200
Current portion payable to related parties	16	12,656	333,611
Trade and other payables	17	1,525,980	2,034,869
Deferred revenue	18	25,470,135	-
Total current liabilities		47,584,092	30,826,680
Total liabilities		1,047,708,021	1,016,825,805
Total equity and liabilities		1,411,336,597	1,360,269,129

(The accompanying notes are an integral part of these consolidated financial statements)

These consolidated financial statements were approved and authorized for issue by the board on 23 September 2024 and was signed on its behalf by:

JONATHAN KEELING
Chairman

Consolidated Statement of Comprehensive Income

(All amounts in United States Dollars, unless otherwise stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Revenues	18	42,930,441	63,034,644
Cost of sales		(5,462,071)	(7,362,450)
Gross profit		37,468,370	55,672,194
Cost and expenses			
Administrative expenses		(912,835)	(915,858)
Operating profit		36,555,535	54,756,336
Foreign currency exchange gain, net	20	(434,837)	118,066
Profit before tax		36,120,698	54,874,402
Income taxes	9		
- Deferred tax expense		(15,749,907)	(23,994,518)
- Tax For Earlier Years		(186,266)	-
Profit for the year (attributable to the shareholders of the Group)		20,184,525	30,879,884
Total comprehensive income for the year (attributable to the shareholders of the Group)		20,184,525	30,879,884
Earnings per share			
Basic		0.11	0.17
Diluted		0.11	0.17

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Statement of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Common stock		Additional paid in capital	Currency translation reserve	Merger reserve	Retained earnings	Total shareholders' equity
	No. of shares	Amount					
Balance as at 1 April 2022	182,973,924	3,619,443	46,733,689	(9,313,782)	19,570,288	251,953,802	312,563,440
Total comprehensive income for the year	-	-	-	-	-	30,879,884	30,879,884
Balance as at 31 March 2023	182,973,924	3,619,443	46,733,689	(9,313,782)	19,570,288	282,833,686	343,443,324
Total comprehensive income for the year	-	-	-	-	-	20,185,252	20,185,252
Balance as at 31 March 2024	182,973,924	3,619,443	46,733,689	(9,313,782)	19,570,288	303,018,938	363,628,576

(The accompanying notes are an integral part of these consolidated financial statements)

Consolidated Statement of Cash Flow

(All amounts in United States Dollars, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	36,120,698	54,874,402
Adjustments		
Unrealized exchange loss/(gain)	434,837	(118,066)
Depreciation	4,821,537	6,443,735
Changes in operating assets and liabilities		
Inventories	987,358	(472,294)
Trade receivables	6,019,121	11,736,924
Deferred Revenue	(4,841,613)	(3,355,936)
Payable to related party-operating activities	5,551,919	13,059,954
Provisions for decommissioning	(13,190)	(92,528)
Accrued expenses and other liabilities	(831,032)	(7,724,358)
Cash generated from operations	48,249,635	74,351,833
Income taxes (paid)/received	191,826	73,384
Net cash generated from operating activities	48,441,461	74,425,217
Cash flow from investing activities		
Purchase of property, plant and equipment	(22,034,131)	(12,237,220)
Net cash used in investing activities	(22,034,131)	(12,237,220)
Cash flow from financing activities		
Proceeds from long term bonds	-	159,839,930
Repayment of long-term Bonds	-	(150,000,000)
Repayment of long-term debt from banks	(23,652,000)	(18,936,000)
Proceeds from loans by related parties	9,877,100	6,000,000
Repayment of loans by related parties	(6,500,000)	(37,250,000)
Payment of interest	(15,393,864)	(14,646,488)
Net cash generated from financing activities	(35,668,764)	(54,992,558)
Net increase in cash and cash equivalents	(9,261,434)	7,195,439
Cash and cash equivalents at the beginning of the year	11,765,515	4,452,010
Effects of exchange differences on cash and cash equivalents	(434,837)	118,066

(The accompanying notes are an integral part of these consolidated financial statements)

Notes to Consolidated Financial Statements

(All amounts in United States Dollars, unless otherwise stated)

1. INTRODUCTION

Indus Gas Limited ("Indus Gas" or "the Company") was incorporated in the Island of Guernsey on 4 March 2008 pursuant to an Act of the Royal Court of the Island of Guernsey. The Company was set up to act as the holding Company of iServices Investments Limited. ("iServices") and Newbury Oil Co. Limited ("Newbury"). iServices and Newbury are companies incorporated in Mauritius and Cyprus, respectively. iServices was incorporated on 18 June 2003 and Newbury was incorporated on 17 February 2005. The Company was listed on the Alternative Investment Market (AIM) of the London Stock Exchange on 6 June 2008. Indus Gas through its wholly owned subsidiaries iServices and Newbury (hereinafter collectively referred to as "the Group") are engaged in the business of oil and gas exploration, development and production.

Focus Energy Limited ("Focus"), an entity incorporated in India, entered into a Production Sharing Contract ("PSC") with the Government of India ("GOI") and Oil and Natural Gas Corporation Limited ("ONGC") on 30 June 1998 for petroleum exploration and development concession in India known as RJ-ON/06 ("the Block"). Focus is the Operator of the Block. On 13 January 2006, iServices and Newbury entered into an interest sharing agreement with Focus and obtained a 65 per cent and 25 per cent share respectively in the Block. The balance of 10 per cent of participating interest is owned by Focus. The participating interest explained above is subject to any option exercised by ONGC in respect of individual fields (already exercised for all the wells in SGL field as further explained in note 3).

2. GENERAL INFORMATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU'). The consolidated financial statements have been prepared on a going concern basis (refer to note 6.16), and are presented in United States Dollar (US\$). The functional currency of the Company as well as its subsidiaries is US\$.

3. JOINTLY CONTROLLED ASSETS

As explained above, the Group through its subsidiaries iServices and Newbury has an "Interest sharing arrangement" with Focus in the block, which under IFRS 11 Joint Arrangements, is classified as a 'Joint operation'. All rights and obligations in respect of exploration, development and production of oil and gas resources under the 'Interest sharing agreement' are shared between Focus, iServices and Newbury in the ratio of 10 per cent, 65 per cent and 25 per cent respectively.

Under the PSC, the GOI, through ONGC has an option to acquire a 30 per cent participating interest in any discovered field, upon such successful discovery of oil or gas reserves, which has been declared as commercially feasible to develop.

The block is divided into 3 fields - SGL, SSF and SSG.

The SGL field received its declaration of commercial discovery on 21 January 2008. Subsequent to the declaration of commercial discovery in SGL field, ONGC exercised the option to acquire a 30 per cent participating interest in the discovered fields on 6 June 2008. The exercise of this option reduced the interest of the existing partners proportionately.

However, on exercise of this option, ONGC is liable to pay its share of 30 per cent of the SGL field development costs and production costs incurred after 21 January 2008 and are entitled to a 30 per cent share in the production of gas subject to recovery of contract costs as explained below.

The allocation of the production from the field to each participant in any year is determined on the basis of the respective proportion of each participant's cumulative unrecovered contract costs as at the end of the previous year or where there is no unrecovered contract cost at the end of previous year on the basis of participating interest of each such participant in the field.

On the basis of the above, gas production for the year ended 31 March 2024 is shared between Focus, iServices and Newbury in the ratio of 10 percent, 65 percent and 25 percent,

respectively. ONGC will not be entitled to any participating interest in the production until the full exploration and development cost and production cost is recovered by other participants.

The aggregate amounts relating to jointly controlled assets, liabilities, expenses and commitments related thereto that have been included in the consolidated financial statements are as follows:

	31 March 2024	3
Non-current assets		
Current assets	1,291,623,477	1,223
	116,250,255	111
Non-current liabilities	1,881,607	1
Expenses (net of finance income)	5,551,919	6

Further, the SSF and SSG field also received its declaration of commerciality on 24th November 2014. Subsequent to the declaration of commerciality for SSF and SSG discovery, ONGC did not exercise the option to acquire 30 percent in respect of SSG and SSF field. The participating interest in SSG and SSF field between Focus, iServices and Newbury will remain in ratio of 10 percent, 65 percent and 25 percent respectively for exploration, evaluation and development cost, and production revenue for SSG and SSF in the block.

4. NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

There are few Standards, interpretations or amendments that have been issued prior to the date of approval of these financial statements and endorsed by IASB. Following are the amendments that applicable from financial year beginning 1 January 2023.

- a) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- b) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- c) Definition of Accounting Estimates (Amendments to IAS 8)
- d) International Tax Reform-Pillar Two Model Rules (Amendments to IAS 12)

These amendments do not have a significant impact on the Financial Statements and therefore the disclosures have not been made.

5 . STANDARDS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE AND YET TO BE APPLIED BY THE GROUP

A number of new and amended accounting standards and interpretations have been published that are not mandatory for the Group's accounts ended 31 March 2024, nor have they been early adopted. These standards and interpretations are not expected to have a material impact on the Group's consolidated financial statements:

- i. Supplier Finance Arrangements - Amendments to IAS 7
- ii. Amendment to IFRS 16 - Leases on sale and leaseback
- iii. Amendments to IAS 1: Classification of Liabilities as Current or Non-current" - effective for annual reporting periods beginning on or after 1 January 2024.

These amendments will be effective for annual reporting periods beginning on or after 01 January 2024.

6. SUMMARY OF ACCOUNTING POLICIES

The consolidated financial statements have been prepared on a historical basis, except where specified below. A summary of the material accounting policies applied in the preparation of the accompanying consolidated financial statements are detailed below.

6.1. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the parent company and all of its subsidiary undertakings drawn up to 31 March 2024. The Group consolidates entities which it controls. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

The Group recognises in relation to its interest in a joint operation:

- a. its assets, including its share of any assets held jointly;

- b. its liabilities, including its share of any liabilities incurred jointly;
- c. its revenue from the sale of its share of the output arising from the joint operation;
- d. its share of the revenue from the sale of the output by the joint operation; and
- e. its expenses, including its share of any expenses incurred jointly.

Intra-Group balances and transactions, and any unrealised gains and losses arising from intra-Group transactions are eliminated in preparing the consolidated financial statements. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or losses of subsidiaries acquired or disposed of during the year are recognised from the date of control of acquisition, or up to the effective date of disposal, as applicable.

6.2. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing consolidated financial statements, the Group's management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The management's estimates for the useful life and residual value of tangible assets, impairment of tangible assets and recognition of provision for decommissioning represent certain particularly sensitive estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized 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. Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, revenues and expenses is provided in note 25.

6.3. FOREIGN CURRENCIES

The consolidated financial statements have been presented in US which is the functional currency of the Company and the group entities.

Foreign currency transactions are translated into the functional currency of the respective Group entities, using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Functional currency is the currency of the primary economic environment in which the entity operates.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items and other foreign currency transactions are recognized in consolidated statement of comprehensive income.

Non-monetary items measured at historical cost are recorded in the functional currency of the entity using the exchange rates at the date of the transaction.

6.4. REVENUErecognition

In accordance with IFRS 15, Revenue from contracts with customers is recognised when or as the Company satisfies a performance obligation by transferring control of a promised goods to a customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the sale of products, net of taxes on sales, estimated rebates and other similar allowances.

Sale of gas

The contracts with customers establish a single performance obligation in relation to supply of natural gas. The transfer of control of natural gas coincides with title passing to the customer and the customer taking physical possession. The whole of the transaction price of the contract is allocated to supply of natural gas and the revenue has been recognised on point in time basis when the quantities of natural gas are supplied to the customers.

The Group has only one contractual arrangement for sale of gas to Gas Authority of India Limited (GAIL), wherein the revenue gets recognised on the basis of delivery i.e. point in time revenue recognition. Further, there are no other performance obligations which the company is liable to perform. As per the contract signed with customer, entity is eligible to recover the amount from customer within 15 days of raising invoice.

Take or pay: Any payment received on account of lesser gas volume lifted by the customer against the 'annual contracted volume' for which an obligation exists to make-up such differential gas in subsequent periods is recognised as Contract Liabilities in the year of receipt.

Revenue in respect of take or pay obligation is recognised when such gas is actually supplied or when the customer's right to make up is expired, whichever is earlier. For other contracts, where the Company does not have any obligation to make up such gas in subsequent period is directly recognised as revenue.

6.5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise development assets and other properties, plant and equipment used in the gas fields and for administrative purposes. These assets are stated at cost plus decommissioning cost less accumulated depreciation and any accumulated impairment losses.

Development assets are accumulated on a field-by-field basis and comprise costs of developing the commercially feasible reserve, expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and other costs of bringing such reserves into production. It also includes the exploration and evaluation costs incurred in discovering the commercially feasible reserve, which have been transferred from the exploration and evaluation assets as per the policy mentioned in note 6.6. As consistent with the full cost method, all exploration and evaluation expenditure incurred up to the date of the commercial discovery have been classified under development assets of that field.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income of the year in which the asset is derecognized. However, where the asset is being consumed in developing exploration and evaluation assets, such gain or loss is recognized as part of the cost of the asset.

The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each period end. No depreciation is charged on development assets until production commences.

Depreciation on property, plant and equipment is provided at rates estimated by the management. Depreciation is computed using the straight-line method of depreciation, whereby each asset is written down to its estimated residual value evenly over its expected useful life. The useful lives estimated by the management are as follows:

Extended well test equipment	20 years
Bunk houses	5 years
Vehicles	5 years
Other assets	
Furniture and fixture	5 years
Buildings	10 years
Computer equipment	3 years
Other equipment	5 years

Land acquired is recognized at cost and no depreciation is charged as it has an unlimited useful life.

Production assets are depreciated from the date of commencement of production, on a field-by-field basis with reference to the unit of production method for the commercially probable and proven reserves in the particular field.

Advances paid for the acquisition/ construction of property, plant and equipment which are outstanding as at the end of the reporting period and the cost of property, plant and equipment under construction before such date are disclosed as 'Capital work-in-progress'.

6.6. EXPLORATION AND EVALUATION ASSETS

The Group adopts the full cost method of accounting for its oil and gas interests, having regard to the requirements of *IFRS 6: Exploration for and Evaluation of Mineral Resources*. Under the full cost method of accounting, all costs of exploring for and evaluating oil and gas properties, whether productive or not are accumulated and capitalized by reference to appropriate cost pools. Such cost pools are based on geographic areas and are not larger than a segment. The Group currently has one cost pool being an area of land located in Rajasthan, India.

Exploration and evaluation costs may include costs of license acquisition, directly attributable exploration costs such as technical services and studies, seismic data acquisition and processing, exploration drilling and testing, technical feasibility, commercial viability costs, finance costs to the extent they are directly attributable to financing these activities and an allocation of administrative and salary costs as determined by management. All costs incurred prior to the award of an exploration license are written off as a loss in the year incurred.

Exploration and evaluation costs are classified as tangible asset according to the nature of the assets acquired and the classification is applied consistently. Tangible exploration and evaluation assets are recognized and measured in accordance with the accounting policy on property, plant and equipment. To the extent that such a tangible asset is consumed in developing exploration and evaluation asset, the amount reflecting that consumption is recorded as part of the cost of the asset.

Exploration and evaluation assets are not amortized prior to the conclusion of appraisal activities. Where technical feasibility and commercial viability is demonstrated, the carrying value of the relevant exploration and evaluation asset is reclassified as a development and production asset and tested for impairment on the date of reclassification. Impairment loss, if any, is recognized.

The group has completed exploration and evaluation phase in 2017 when field development plan has been approved by Directorate General of Hydrocarbons ('DGH') i.e., technical feasibility and commercial viability were demonstrable. Therefore, any cost incurred thereafter on development activities is capitalized directly to development assets.

6.7. IMPAIRMENT TESTING FOR EXPLORATION AND EVALUATION ASSETS AND PROPERTY, PLANT AND EQUIPMENT

An impairment loss is recognized for the amount by which an asset's cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation.

Where there are indicators that an exploration asset may be impaired, the exploration and evaluation assets are grouped with all development/producing assets belonging to the same geographic segment to form the Cash Generating Unit (CGU) for impairment testing. Where there are indicators that an item of property, plant and equipment asset is impaired, assets are grouped at the lowest levels for which there are separately identifiable cash flows to form the CGU. The combined cost of the CGU is compared against the CGU's recoverable amount and any resulting impairment loss is written off in the profit or loss of the year. No impairment has been recognized during the year.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at a re-valued amount, in which case the reversal is treated as a revaluation increase.

6.8. FINANCIAL ASSETS

Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires. Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried subsequently at fair value through profit or loss, which are measured initially at fair value. Trade receivables that do not contain a significant financing component are measured at the transaction price. The value of interest free financial assets and financial liabilities with short term maturities are not discounted at initial recognition if the impact is not material. Financial assets and financial liabilities are measured subsequently as described below.

Recognition of Financial Asset

On initial recognition, a financial asset is classified as measured at

- Amortized cost;
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The category determines subsequent measurement and whether any resulting income

and expense is recognized in consolidated statement of comprehensive income.

After initial recognition, financial assets at amortized cost are measured at amortized cost using the effective interest method.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses - the 'expected credit loss (ECL) model'. The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.
- financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach required by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

6.9. FINANCIAL LIABILITIES

The Group's financial liabilities include borrowings, trade payables and other payables which are classified as financial liabilities recognized at amortized cost. Financial liabilities are measured subsequently at amortized cost using the effective interest method except for financial liabilities at fair value through profit or loss ("FVTPL"), that are carried subsequently at fair value with gains or losses recognized in profit or loss in consolidated statement of comprehensive income.

6.10. INVENTORIES

Inventories are measured at the lower of cost and net realizable value. Inventories of drilling stores and spares are accounted at cost including taxes, duties and freight. The cost of all inventories other than drilling bits is computed on the basis of the first in first out method. The cost for drilling bits is computed based on specific identification method.

6.11. ACCOUNTING FOR INCOME TAXES

Income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period that are unrecovered/unpaid at the date of the statement of financial position. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in consolidated statement of comprehensive income.

Deferred income taxes are calculated using the balance sheet method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statement with their tax base. The cost incurred on each field is claimed as deduction from the year of commercial production. Deferred tax is, however, neither provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates and laws that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the date of the statement of financial position.

Changes in deferred tax assets or liabilities are recognized as a component of tax expense in profit or loss of the year, except where they relate to items that are charged or credited directly to other comprehensive income or equity in which case the related deferred tax is also charged or credited directly to other comprehensive income or equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

6.12. BORROWING COSTS

Any interest payable on funds borrowed for the purpose of obtaining qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, is capitalized as a cost of that asset until such time as the assets are substantially ready for their intended use or sale. While the Group has not made any specific borrowings for construction of a qualifying asset, they have capitalized certain borrowing costs on account of general borrowings at an average rate of borrowings for the Company in terms of IAS 23 'Borrowing Costs'.

Any associated interest charge from funds borrowed principally to address a short-term cash flow shortfall during the suspension of development activities is expensed in the period. Transaction costs incurred towards an unutilized debt facility is treated as prepayments to be adjusted against the carrying value of debt as and when drawn.

6.13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, at bank in demand deposits and deposit with maturities of 3 months or less from inception, which are readily convertible to known amounts of cash. These assets are subject to an insignificant risk of change in value.

6.14. OTHER PROVISIONS AND CONTINGENT LIABILITIES

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

Where the Group expects some or all of provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision net of any reimbursement is recognized in profit or loss of the year. To the extent such expense is incurred for construction or development of any asset, it is included in the cost of that asset. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as other finance expenses.

Provisions include decommissioning provisions representing management's best estimate of the Group's liability for restoring the sites of drilled wells to their original status. Provision for decommissioning is recognized at the present value of the estimated future expenditure when the Group has an obligation and a reliable estimate can be made, with a corresponding addition to property, plant and equipment which is subsequently depreciated as part of the asset.

Commitments and contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized but disclosed in the financial statements when an inflow of economic benefits is probable but when it is virtually certain than the asset is recognized in the financial statements.

In those cases, where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the statement of financial position and no disclosure is made.

6.15. SEGMENT REPORTING

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segments and to assess their performance. The Company considers that it operates in a single operating segment being the production and sale of gas.

6.16. BASIS OF GOING CONCERN ASSUMPTION

Production Sharing Contract (PSC) of the Group has expired on 20 August 2024. Further, the contract of the Group with its sole customer will expire on 30 September 2024. At the date of signing the financial statements, considering expiry of above mentioned two contracts and an obligation of the Group to pay current portion of borrowings of US 20,575,321 (2022-23: US 28,458,200), in line with the accounting and auditing framework, this indicates a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern.

The group has considered following factors relevant to support going concern.

The Group has applied for an extension of the Production Sharing Contract (PSC) which expired on 20 August 2024. The Board is confident that the extension will be received considering that Clause 2.1 of PSC provides that PSC can be extended up to 35 years. Further, the Group is in process of renewing the existing contract with the sole customer (GAIL) for supply of gas which will expire on 30 September 2024. Moreover, the power plant in this region is the customer of GAIL and for running that plant, the supply of gas from the block is essential. The Board is confident that the customer contract will be renewed soon along with PSC extension considering the ongoing discussions with the customer and accordingly, the Group will be able to supply the gas based on a mutually agreed contract.

Subsequent to the year end, the Group has repaid an amount of US15,315,827 and accordingly the amount of US 5,259,494 (including interest payable) is due for repayment within the next 12 months, which the Group expects to meet from its internal generation of cash from operations (as evident from the group cash flow forecast and support from largest shareholder). The Group has sufficient cash flows to repay the maturing debt as the Group is financially sound. The Group has net working capital of US 96,827,206 (2022-23: US 104,859,475) as at 31 March 2024.

Based on business strategies and operating plans/forecasts of the Group, and based on the above reasons, the management is confident that the Group will continue to meet all its obligations as and when they fall due in the normal course of business. Accordingly, these financial statements have been prepared on a going concern basis.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

Cost	Land	Extended well test equipment	Development assets	Production Assets	Bunk Houses	Vehicles
Balance as at 31 March 2022	167,248	5,172,729	865,416,249	329,916,943	7,869,575	4,917,035
Additions	-	3,958,473	77,050,148	-	-	46,888
Transfers	-	-	(63,779,513)	63,779,513	-	-
Disposals	-	-	-	-	-	-
Balance as at 31 March 2023	167,248	9,131,202	878,686,885	393,696,456	7,869,575	4,963,923
Additions	-	82,242	71,726,970	1,196,361	-	-
Transfers	-	-	(14,609,388)	14,609,388	-	-
Disposals	-	-	-	-	-	-
Balance as at 31 March 2024	167,248	9,213,444	935,804,466	409,502,205	7,869,575	4,963,923
Accumulated Depreciation						
Balance as at 1 April 2022	-	2,898,821	-	53,213,091	6,217,175	4,897,781
Depreciation for the year	-	230,847	-	6,443,735	195,53	18,543
Balance as at 31 March 2023	-	3,129,668	-	59,656,825	6,412,709	4,916,324
Depreciation for the year	-	426,124	-	4,821,537	196,072	47,551
Balance as at 31 March 2024	-	3,555,792	-	64,478,363	6,608,781	4,963,875
Carrying values						
At 31 March 2022	167,248	2,273,908	865,416,249	276,703,852	1,652,400	19,254
At 31 March 2023	167,248	6,001,534	878,686,884	334,039,630	1,456,864	47,599
At 31 March 2024	167,248	5,657,652	935,804,466	345,023,842	1,260,794	48

The balances above represent the Group's share in property, plant and equipment as per note 3. Tangible assets comprise development /production assets in respect of SGL, SSG and SSF fields.

Development assets of SGL, SSG and SSF fields includes the amount of exploration and evaluation expenditure transferred to development cost on the date of the first commercial discovery declared by the Group and also includes expenditure incurred for the drilling of further wells in these fields to enhance the production activity.

Production assets in respect of SGL field includes completed production facilities. The Group commenced the production facility in October 2012, and accordingly such production assets have been depreciated since this date.

The additions in development assets also include borrowing costs US 56,485,719 (previous year: US 55,091,974). The weighted average capitalization rate on funds borrowed generally is 6.80 per cent per annum (previous year 6.76 per cent).

The depreciation has been included in the following headings-

	31 March 2024	31 March 2023
Depreciation included in assets other than production assets	670,189	446,843
Depreciation included in statement of comprehensive income under the head cost of sales for production assets	4,821,537	6,443,735
Total	5,491,726	6,890,578

8. DEFERRED TAX ASSETS/ LIABILITIES (NET)

Deferred taxes arising from temporary differences are summarized as follows:

	31 March 2024	31 March 2023
Deferred tax assets		
Unabsorbed losses/credits	404,038,277	385,508,089
Total	404,038,277	385,508,089
Deferred tax liability		
Development assets/ property, plant and equipment	564,181,135	529,901,040
Total	564,181,135	529,901,040
Net deferred tax liabilities	160,142,858	144,392,951

- a) The Group has recognized deferred tax assets on all of its unused tax losses/unabsorbed depreciation considering there is convincing evidence of availability of sufficient taxable profit in the Group in the future as summarized in note 9.
- b) The deferred tax movements during the current year have been recognized in the consolidated statement of comprehensive income.

9. INCOME TAXES

Income tax is based on the tax rates applicable on profit or loss in various jurisdictions in which the Group operates. The effective tax at the domestic rates applicable to profits in the country concerned as shown in the reconciliation below have been computed by multiplying the accounting profit by the effective tax rate in each jurisdiction in which the Group operates. The individual entity amounts have then been aggregated for the consolidated financial statements. The effective tax rate applied in each individual entity has not been disclosed in the tax reconciliation below as the amounts aggregated for individual Group entities would not be a meaningful number.

Income tax charge is arising on account of the following:

	31 March 2024	31 March 2023
Deferred tax charge	(15,749,906)	(23,994,518)
Total	(15,749,906)	(23,994,518)

The relationship between the expected tax expense based on the domestic tax rates for each of the legal entities within the Group and the reported tax expense in consolidated statement of comprehensive income is reconciled as follows:

	31 March 2024	31 March 2023
Accounting profit for the year before tax	36,120,698	54,873,961
Effective tax at the domestic rates applicable to profits in the country concerned	15,696,477	23,968,946
Tax impact of brought forward losses lapsed during the year	-	-
Non-taxable income	53,429	25,572
Other	-	-
Tax expense	15,749,907	23,994,518

The reconciliation shown above has been based on the rate 43.68 per cent (previous year: 43.68 per cent) as applicable under Indian tax laws.

The Company's profits are taxable as per the tax laws applicable in Guernsey where zero per cent tax rate has been prescribed for corporate. Accordingly, there is no tax liability for the Group in Guernsey. IServices and Newbury being participants in the PSC are covered under the Indian Income tax laws as well as tax laws for their respective countries. However, considering the existence of double tax avoidance arrangement between Cyprus and India, and Mauritius and

India, profits in Newbury and iServices are not likely to attract any additional tax in their local jurisdiction. Under Indian tax laws, Newbury and iServices are allowed to claim the entire expenditure incurred in respect of the respective fields in the Oil Block until the start of commercial production (whether included in the exploration and evaluation assets or development assets) as deductible expense in the first year of commercial production or over a period of 10 years. The Group has opted to claim the expenditure in the first year of commercial production. As the Group has commenced commercial production for SGL, SSG and SSF field and has generated profits in Newbury and iServices, the management believes there is reasonable certainty of utilization of such losses in the future years and thus a deferred tax asset has been created in respect of these.

10. INVENTORIES

Inventories comprise the following:

	31 March 2024	31 March 2023
Drilling and production stores and spares	8,862,398	9,778,466
Fuel	36,024	109,357
Goods in transit	46,267	44,224
Total	8,944,689	9,932,047

The above inventories are held for use in the exploration, development and production activities. These are valued at cost determined based on policy explained in paragraph 6.10. Inventories of US 275,190 (previous year: US 552,413) were recorded as an expense under the heading 'cost of sales' in the consolidated statement of comprehensive income during the year ended 31 March 2024. Inventories of US 8,623,730 (previous year: US 9,248,791) were capitalized as part of development assets.

11. TRADE AND OTHER RECEIVABLES

	31 March 2024	31 March 2023
Trade receivable	579,028	6,598,149
Other Current Asset	42,636	42,275
Total	621,664	6,640,424

The carrying amount of trade receivables approximates their fair values. Refer "Credit risk" in note 28 for further information.

12. CASH AND CASH EQUIVALENTS

	31 March 2024	31 March 2023
Cash at banks in current accounts	2,069,244	11,765,514
Total	2,069,244	11,765,514

The Group only deposits cash surpluses with major banks of high-quality credit standing.

13. EQUITY

Authorized share capital

The total authorized share capital of the Company is GBP 5,000,000 divided into 500,000,000 shares of GBP 0.01 each.

Issued share capital

The total issued share capital of the Company is USD 3,619,443 (previous year: 3,619,443) divided into 182,973,924 shares (previous year: 182,973,924).

--For all matters submitted to vote in the shareholders meeting of the Company, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting has one vote in respect of each share held.

All shareholders are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the individual entities of the Group.

Additional paid in capital

Additional paid-in capital represents excess over the par value of share capital paid in by shareholders in return for the shares issued to them, recorded net of expenses incurred on issue of shares.

Currency translation reserve

Currency translation reserve represents the balance of translation of the entity's financial

statements into US until 30 November 2010 when its functional currency was assessed as GBP. Subsequent to 1 December 2010, the functional currency of Indus Gas was reassessed as US .

Merger reserve

The balance on the merger reserve represents the fair value of the consideration given in excess of the nominal value of the ordinary shares issued in an acquisition made by the issue of shares of subsidiaries from other entities under common control.

Retained earnings

Retained earnings include current and prior period retained profits.

14. LONG TERM DEBT

From Banks

	Maturity	31 March 2024	31 March 2023
Non-current portion of long-term debt	November 2024 (PY: November 2024)	-	15,859,060
Current portion of long-term debt		16,237,543	24,155,800
Total		16,237,543	40,014,860

Current interest rates are variable and weighted average interest for the year was 5.80 per cent per annum (previous year: 6.76 per cent per annum). The fair value of the above variable rate borrowings is considered to approximate their carrying amounts. The maturity profile (undiscounted) is explained in note 27.

Interest capitalised on loans above have been disclosed in notes 7.

The term loans are secured by following: -

- First charge on all project assets of the Group both present and future, to the extent of SGL Field Development and to the extent of capex incurred out of this facility in the rest of RJ-ON/6 field.
- First charge on the current assets (inclusive of condensate receivable) of the Group to the extent of SGL field.
- First Charge on the entire current assets of the SGL Field and to the extent of capex incurred out of this facility in the rest of RJON/6 field.

From Bonds

	Maturity	31 March 2024	31 March 2023
Non-current portion of long-term debt	2027	159,689,118	159,616,371
Current portion of long-term debt		4,337,778	4,302,400
Total		164,026,896	163,918,771

The Group had issued US Dollar 160.00 million bonds which carries interest at the rate of 8 per cent per annum, for the purpose of re-financing the bonds which were repayable in December 2022. These bonds are unsecured bonds and are fully repayable at the end of 5 years i.e., November 2027, further interest on these notes is paid semi-annually.

15. PROVISION FOR DECOMMISSIONING

	Amount
Balance at 1 April 2022	1,987,325
(Decrease) in provision	(92,529)
Balance as at 31 March 2023	1,894,796
(Decrease) in provision	(13,190)
Balance as at 31 March 2024	1,881,606

As per the Production Sharing Contract ("PSC"), the Group is required to carry out certain decommissioning activities on gas wells. The provision for decommissioning relates to the estimation of future disbursements related to the abandonment and decommissioning of gas wells. The provision has been estimated by the Group's engineers, based on individual well filling and coverage. This provision will be utilized when the related wells are fully depleted. The majority of the cost is expected to be incurred within a period of next 10 years.

16. PAYABLE TO / RECEIVABLE FROM TO RELATED PARTIES

Related parties payable comprise the following:

	Maturity	31 March 2024	31 March 2023
<i>Current</i>			
Payable to directors		12,656	333,611
		12,656	333,611
<i>Other than current</i>			
Borrowings from Gynia Holdings Ltd.*		678,410,347	633,924,200
		678,410,347	633,924,200
Total		678,423,003	634,257,811

* Borrowings from Gynia Holdings Ltd. carries interest rate of 6.5 per cent per annum compounded annually. The entire outstanding balance (including interest) is subordinate to the loans taken from the banks (detailed in note 14) and therefore, is payable along with related interest subsequent to repayment of bank loan.

Interest capitalised on loans above have been disclosed in note 7.

Related parties' receivable comprises the following:

	Maturity	31 March 2024	31 March 2023
<i>Current</i>			
Prepayments and other assets due from Focus	On demand	107,305,566	107,348,170
Total		107,305,566	107,348,170

Prepayments and other assets due from Focus

Prepayments to Focus represents excess amounts paid to them in respect of the Group's share of contract costs, for its participating interest in Block RJ-ON/6 pursuant to the terms of Agreement for Assignment dated 13 January 2006 and its subsequent amendments from time to time.

17. TRADE AND OTHER PAYABLES

	31 March 2024	31 March 2023
Trade payables	1,129,705	1,139,946
VAT payables	52,974	483,957
Other liabilities	343,301	410,966
Total	1,525,980	2,034,869

The carrying amount of trade and other payable approximates their fair values and are non-interest bearing.

18. REVENUE

The Group's revenue disaggregated by primary geographical markets is as follows:

	31 March 2024	31 March 2023
Asia	42,930,441	63,034,644
	42,930,441	63,034,644

The Group's revenue disaggregated by the portion of revenue recognition is as follows:

	31 March 2024	31 March 2023
Goods transferred at a point in time	42,930,441	63,034,644
	42,930,441	63,034,644

Sale of Goods (Gas)

The revenue majorly pertains to the sale of natural gas and condensate production (by-product). The Group sells its natural gas to GAIL at a price fixed under the agreement. The condensate is sold in the open market through bidding. Further, the Company has entered into a gas sale

agreement wherein the customer is to be liable to pay 41 % (Previous year: 41%) of the annual contracted quantity if the customer does not purchase gas during the financial year.

Contractual assets and Contractual Liabilities

	31 March 2024		31 March 2023	
	Current	Non-current	Current	Non-current
Opening balance of Contract liabilities	-	30,311,748	5,077,086	25,563,995
- Deferred revenue				
Less: Amount adjusted against trade receivables	-	(4,841,613)	-	-
Add: Transfer from non-current to current liabilities	25,470,135	(25,470,135)	(4,474,753)	4,747,753
Less: Amount written off during the year	-	-	(602,333)	-
Closing balance of Contract liabilities - Deferred revenue	25,470,135			30,311,748

19. EMPLOYEE COST

Per the PSC, Focus is the Operator of the Block. For SGL field, ONGC has a participative interest of 30% in the development cost. Hence, the share of iServices and Newbury are proportionately reduced (i.e., 45.5% and 17.5% respectively). For the Non-SGL field, the share of iServices, Newbury and Focus are in the ratio of 65%, 25% and 10% respectively. The Employee cost attributable to Indus Gas Limited has been allocated in the agreed ratio (refer note 3) by Focus and recorded as cost of sales and administrative expenses in the consolidated statement of comprehensive income amounting to US 197,976 (previous year US 212,270) and US 317,758 (previous year US 201,627) respectively. Cost pertaining to the employees of the Group have been included under administrative expense is US 172,274 (previous year US 144,856).

19.1. AUDITOR'S REMUNERATION

The Group has obtained statutory audit services from the statutory auditor during FY 2023-24. Further, there are no other services rendered by the statutory auditor during the financial year.

20. FOREIGN CURRENCY EXCHANGE (LOSS)/ GAIN, NET

The Group has recognized the following in the consolidated statement of comprehensive income on account of foreign currency fluctuations:

	31 March 2024	31 March 2023
(Loss) on restatement of foreign currency monetary receivables and payables	(22,284)	(31,336)
Gain arising on settlement of foreign currency transactions and restatement of foreign currency balances arising out of Oil block operations.	(412,553)	149,402
Total	(434,837)	118,066

21. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year. Calculation of basic and diluted earnings per share is as follows:

	31 March 2024	31 March 2023
Profits attributable to shareholders of Indus Gas Limited, for basic and dilutive	20,185,252	30,879,884
Weighted average number of shares (used for basic earnings per share)	182,973,924	182,973,924
Diluted weighted average number of shares (used for diluted earnings per share)	182,973,924	182,973,924
Basic earnings per share	0.11	0.17
Diluted earnings per share	0.11	0.17

22. RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarised in the table below:

Nature of the relationship	Related Party's Name
I. Holding Company	Gynia Holdings Ltd.
II. Ultimate Holding Company	Multi Asset Holdings Ltd. (<i>Holding Company of Gynia Holdings Ltd.</i>)
III. Enterprises over which Key Management Personnel (KMP) exercise control (with whom there are transactions)	Focus Energy Limited

Disclosure of transactions between the Group and related parties and the outstanding balances as at 31 March 2024 and 31 March 2023 is as under:

Transactions with Holding Company

Particulars	31 March 2024	31 March 2023
<i>Transactions during the year with the holding Company</i>		
Amount Received	9,877,100	6,000,000
Amount Paid	(6,500,000)	37,250,000
Interest	41,109,047	39,731,697
<i>Balances at the end of the year</i>		
Total payable*	678,410,347	633,924,200

*Including interest

Transactions with KMP and entity over which KMP exercise control

Particulars	31 March 2024	31 March 2023
<i>Transactions during the year</i>		
Remuneration to KMP		
Short term employee benefits	172,274	144,856
Total	172,274	144,856
<i>Entity over which KMP exercise control</i>		
Cost incurred by Focus on behalf of the Group in respect of the Block	17,320,604	26,812,100
Remittances to Focus	17,278,000	7,472,670
<i>Balances at the end of the year</i>	107,305,566	107,348,170
Total receivables		
Total payable	(12,656)	(333,611)

Directors' remuneration

Directors' remuneration is included under administrative expenses, evaluation and exploration assets or development assets in the consolidated financial statements allocated on a systematic and rational manner. Remuneration by director is separately disclosed in the directors' report on page 7.

23. SEGMENT REPORTING

The Chief Operating Decision Maker being the Chief Executive Officer of the Group, reviews the business as one operating segment being the extraction and production of gas. The operating segments have been aggregated due to similar economic characters and allied nature of product and services. Hence, no separate segment information has been furnished herewith.

All of the non-current assets other than financial instruments and deferred tax assets (there are no employment benefit assets and rights arising under insurance contracts) are located in India and amounted to US 1,291,623,477 (previous year: US 1,223,434,478).

Revenue from customers have been identified on the basis of the customer's geographical location and are disclosed in note 18. The total revenue from the Group is from the sale of natural gas, its by-products (i.e., condensate) to Oil and gas exploration companies. The revenue from the top three customer comprises 95.10% (Previous year: 99.93%) of the Group's total revenue.

24. COMMITMENTS AND CONTINGENCIES

The Group has no contingent liabilities as at 31 March 2024 (previous year Nil).
The Group has no commitments as at 31 March 2024 (previous year Nil).

25. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing consolidated financial statements, the Group's management is required to make judgments and estimates that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The judgments and estimates are based on management's best knowledge of current events and actions and actual results from those estimates may ultimately differ.

Significant judgments applied in the preparation of the consolidated financial statements are as under:

Determination of functional currency of individual entities

Following the guidance in IAS 21 "The effects of changes in foreign exchange rates", the functional currency of each individual entity is determined to be the currency of the primary economic environment in which the entity operates. In the management's view each of the individual entity's functional currency reflects the transactions, events and conditions under which the entity conducts its business. The management believes that US has been taken as the functional currency for each of the entities within the Group. US is the currency in which each of these entities primarily generate and expend cash and also generate funds for financing activities.

Full cost accounting for exploration and evaluation expenditure

The Group has followed 'full cost' approach for accounting for exploration and evaluation expenditure against the 'successful efforts' method. As further explained in note 6.6, exploration and evaluation assets recorded using 'full cost' approach are tested for impairment prior to reclassification into development assets on successful discovery of gas reserves.

Impairment of tangible assets

The Group follows the guidance of IAS 36 and IFRS 6 to determine when a tangible asset is impaired. This determination requires significant judgment to evaluate indicators triggering impairment. The Group monitors internal and external indicators of impairment relating to its tangible assets. For the purpose of impairment assessment, judgements are involved in estimating the expected gas extraction from production assets, based on which, indicators are identified necessary for determining that an impairment assessment is necessary. Based on management assessment, the management has carried out impairment testing for impairment of property, plant and equipment considering different assumptions and projections as at 31 March 2024.

Estimates used in the preparation of the consolidated financial statements:

Useful life and residual value of tangible assets

The Group reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. Specifically, production assets are depreciated on a basis of unit of production (UOP) method which involves significant estimates in respect of the total future production and estimate of reserves. The calculation of UOP rate of depreciation could be impacted to the extent that the actual production in future is different from the forecasted production. During the financial year, the directors determined that no change to the useful lives of any of the property, plant and equipment is required. The carrying amounts of property, plant and equipment have been summarized in note 7.

Recognition of provision for decommissioning cost

As per the PSC, the Group is required to carry out certain decommissioning activities on gas wells. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing and amount of expenditure can also change, for example, in response to changes in reserves or changes in laws and regulations or their interpretation. As a result, there could be adjustments to the provisions established which would affect future financial results. The liabilities estimated in respect of decommissioning provisions have been summarized in note 15.

Impairment testing

As explained above, management carried out impairment testing of property, plant and equipment as on 31 March 2024. An impairment loss is recognized for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount.

To determine the recoverable amount, management estimates expected future cash flows from the Block and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future gross profits. These assumptions relate to future events and circumstances. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk

factors.

The recoverable amount was determined based on value-in-use calculations; basis gas reserves confirmed by an independent competent person. The gas price has been revised to US 8.38 per Metric Million British Thermal Unit (MMBTU) on Gross Calorific Value (GCV) basis from 1 April 2024 to 30 April 2024 resulting in price increase of 6.88% on the existing price. The discount rate calculation is based on the Company's weighted average cost of capital adjusted to reflect pre-tax discount rate and amounts to 7% p.a.

USD (In million)

Sensitivity analysis has been performed by the management with respect to the assumptions as mentioned below:

Particulars	Carrying value of Property, Plant & Equipment
Reduction in projected revenue by 1% and increasing discount rate by 1%	1,520
Increase in projected revenue by 1% and decreasing discount rate by 1%	1,702

Deferred tax assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the management's assessment, which is adjusted for specific limits to the use of any unused tax loss or credit. The tax rules in the jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, then deferred tax asset is usually recognized in full. The recoverability of deferred tax assets is monitored as an ongoing basis based on the expected taxable income from the sale of gas.

26. CAPITAL MANAGEMENT POLICIES

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Debt is calculated as total liabilities (including 'current and non-current liabilities' as shown in the consolidated Statement of Financial Position). Total capital employed is calculated as 'equity' as shown in the consolidated statement of financial position plus total debt.

	31 March 2024	31 March 2023
Total debt (A)	1,047,708,021	1,016,825,804
Total equity (B)	363,628,576	343,443,324
Total capital employed (A+B)	1,411,336,597	1,360,269,128
Gearing ratio	74.26 %	74.75 %

The gearing ratio has marginally decreased in the current year due to proportionately lesser increase in the draw-down of loans from related party to fund additional exploration, evaluation and development activities for the Group as compared to increase in equity.

The Group is not subject to any externally imposed capital requirements. There were no changes in the Group's approach to capital management during the year.

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

A summary of the Group's financial assets and liabilities by category are mentioned in the table below. The carrying amounts of the Group's financial assets and liabilities recognized at the end of the reporting period are as follows:

	31 March 2024	31 March 2023
Non-current assets		
<i>Loans</i>		
- Security deposits	8,722	7,891

Current assets	31 March 2024	31 March 2023
- Trade receivables	621,664	6,598,149
- Cash and cash equivalents	2,069,244	11,765,514
- Prepayment and other assets due from a related party	107,305,566	107,348,170
Total financial assets under loans and receivables	110,005,196	125,719,724

Non-current liabilities

Financial liabilities measured at amortized cost:

- Long term debt	159,689,118	175,475,431
- Payable to related parties	678,410,347	633,924,200

Current liabilities

Financial liabilities measured at amortized cost:

- Current portion of long-term debt	20,575,321	28,458,200
- Current portion of payable to related parties	12,656	333,611
- Trade and other payables (other than VAT payable)	1,473,006	1,550,911
Total financial liabilities measured at amortized cost	860,160,448	839,742,353

The fair value of the financial assets and liabilities described above closely approximates their carrying value on the statement of financial position date.

Risk management objectives and policies

The Group finances its operations through a mixture of loans from banks and related parties and equity. Finance requirements such as equity, debt and project finance are reviewed by the Board when funds are required for acquisition, exploration and development of projects.

The Group treasury functions are responsible for managing funding requirements and investments which includes banking and cash flow management. Interest and foreign exchange exposure are key functions of treasury management to ensure adequate liquidity at all times to meet cash requirements.

The Group's principal financial instruments are cash held with banks and financial liabilities to banks and related parties and these instruments are for the purpose of meeting its requirements for operations. The Group's main risks arising from financial instruments are foreign currency risk, liquidity risk, commodity price risk and credit risks. Set out below are policies that are used to manage such risks.

Foreign currency risk

The functional currency of each entity within the Group is US and the majority of its business is conducted in US. All revenues from gas sales are received in US and substantial costs are incurred in US. No forward exchange contracts were entered into during the year.

Entities within the Group conduct the majority of their transactions in their functional currency other than amounts of cash held in GBP, SGD and INR. All other monetary assets and liabilities are denominated in functional currencies of the respective entities. The currency exposure on account of assets and liabilities which are denominated in a currency other than the functional currency of the entities of the Group as at 31 March 2024 and 31 March 2023 is as follows:

Particulars	Functional currency	Foreign currency	31 March 2024	31 March 2023
			(Amount in US)	(Amount in US)
Short term exposure-				
Cash and cash equivalents	US	Great Britain Pound	36,730	87,781
	US	Singapore Dollar	10,647	7,968
	US	Indian Rupee	147,906	27,756
Total exposure			195,283	123,505

As at March 31, 2024 every 1% (increase)/decrease of the respective foreign currencies compared to the functional currency of the Group entities would impact profit before tax by approximately US (1,952) and US 1,952 respectively.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summaries the maturity profile of the Group's financial liabilities based on contractual undiscounted payments for the liquidity analysis.

	3 months to 0-3 months	1-2 1 year	years	2-5 years	5+ years	Total
31 March 2024						
Non-interest bearing	1,485,662	-	-	-	-	1,485,662
Variable interest rate liabilities	5,588,323	10,649,222	-	-	-	16,237,545
Fixed interest rate liabilities	4,337,778	-	-	838,099,463	-	842,437,241
	11,411,763	10,649,222	-	838,099,463	-	860,160,448

	3 months to 0-3 months	1 year	1-2 years	2-5 years	5+ years	Total
31 March 2023						
Non-interest bearing	1,884,522	-	-	-	-	1,884,522
Variable interest rate liabilities	6,587,800	17,568,000	15,866,697	-	-	40,022,497
Fixed interest rate liabilities	4,302,400	-	-	793,532,935	-	797,835,335
	12,774,722	17,568,000	15,866,697	793,532,935	-	839,742,354

Interest rate risk

The Group's policy is to minimize interest rate risk exposures on the borrowing from the banks and the sum payable to Focus Energy Limited. Borrowing from the Gynia Holdings Ltd. is at fixed interest rate and therefore, does not expose the Group to risk from changes in interest rate. The interest rate on bond is fixed at 8% per annum. The Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

The Group's interest rate exposures are concentrated in US .

The analysis below illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates. Based on volatility in interest rates in the previous 12 months, the management estimates a range of 50 basis points to be approximate basis for the reasonably possible change in interest rates. All other variables are held constant.

	Interest rate	
	+ 0.50 per cent	- 0.50 per cent
31 March 2024	81,188	81,188
31 March 2023	278,772	(278,772)

Since the loans are taken for the general corporate purpose and according to the Group's policy the certain borrowing costs related to development activities are capitalized on account of general borrowings at an average rate of borrowings to the cost of the development asset.

Commodity price risks

The Group's share of production of gas from the Block is sold to GAIL. Group currently get gas price as per the domestic gas price amount over month by PTAC based on 10% of the monthly average of Indian crude basket. No commodity price hedging contracts have been entered into.

Credit risk

The Group has concentration of credit risk against the receivable balance from customers with reputable credit standing and hence the Group does not consider credit risk in respect of these to be significant. The management has evaluated the impact of expected credit loss on the receivable balance. While evaluating the same, macroeconomic factors affecting the customer's ability to settle the amount outstanding have been considered. The Group has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors. The impact was insignificant and accordingly no adjustment has been recorded in the financial statements.

Other receivables such as security deposits and cash and cash equivalents do not comprise of a significant balance and thus do not expose the Group to a significant credit risk.

The tables below detail the credit quality of the Group's financial assets and other items, as well

as the Group's maximum exposure to credit risk by credit risk rating grades.

	Internal credit rating	12M or Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
31 March 2024					
Security deposits	Performing	12 Month ECL	8,722	-	8,722
			621,664	-	621,664
Trade receivables	Performing	Lifetime ECL (simplified approach)			
Cash and cash equivalents	Performing	12 Month ECL	2,069,244	-	2,069,244
Prepayment and other assets due from a related party	Performing	12 Month ECL	107,305,566	-	107,305,566
			110,005,196	-	110,005,196

	Internal credit rating	12M or Lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
31 March 2023					
Security deposits	Performing	12 Month ECL	7,891	-	7,891
Trade receivables	Performing	Lifetime ECL (Simplified approach)	6,598,149	-	6,598,149
Cash and cash equivalents	Performing	12 Month ECL	11,765,514	-	11,765,514
Prepayment and other assets due from a related party	Performing	Lifetime ECL	107,348,170	-	107,348,170
			125,719,724	-	125,719,724

An asset is performing when the counterparty has a low risk of default.

28. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

	Borrowings
As at April 01, 2022	837,429,581
Cash Movement:	
Net utilisation	(54,992,558)
Other non- cash movements	
Impact of effective interest rate adjustment	662,445
Impact of exchange fluctuations	-
Interest accruals	55,091,974
Net debts as at March 31, 2023	838,191,442
	Borrowings
As at April 01, 2023	838,191,442
Cash Movement:	
Net proceeds	9,877,100
Net utilisation	(34,454,400)
Other non- cash movements	
Impact of effective interest rate adjustment	(694,512)
Impact of exchange fluctuations	-
Interest accruals	45,767,811
Net debts as at March 31, 2024	858,687,441

29. POST REPORTING DATE EVENT

No adjusting or significant non-adjusting event have occurred between 31 March 2024 and the date of authorization.



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