

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Great Eastern Energy Corporation Limited

### Report on the Audit of Special Purpose Financial Statements (IFRS)

#### Opinion

We have audited the accompanying special purpose financial statements of Great Eastern Energy Corporation Limited ("the Company"), which comprise the statement of financial position as at 31 March, 2024, and the statement of profit or loss and statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies (collectively known as "Special Purpose Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Financial Statements have been prepared, in all material respect and give a true and fair view in accordance with the basis of preparation set out in note 2.1 (which includes that the financial statements have been prepared for overseas investors in accordance with International Financial Reporting Standards ("IFRSs") as issued by International Accounting Standards Board ("IASB")) of accompanying Special Purpose Financial Statements.

#### Basis for Opinion

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

#### Basis of Accounting

We draw attention to Note 2.1 of the Special Purpose Financial Statements, which describes purpose and basis of preparation (which include that the financial statements have been prepared for overseas investors in accordance with IFRS as issued by IASB). The Special Purpose Financial Statements are prepared by management solely for overseas investors. As a result, the Special Purpose Financial Statements may not be suitable for another purpose.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the special purpose financial statements of the current period. These matters were addressed in the context of our audit of the special purpose financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<b>Estimation of Gas Reserves</b> (as described in note 2.2 (i) of the special purpose financial statements)	
The estimation of gas reserves and resources is a significant area of judgement due to the technical uncertainty in assessing quantities. Reserves and resources are key inputs for calculation of depreciation and also, it's a fundamental indicator of the future potential of the Company's performance.	<p>Our work included following procedures:</p> <ul style="list-style-type: none"><li>We have assessed the competence and objectivity of the experts that they were qualified to carry out the volume's estimation.</li><li>Through inquiries and reading of reports, we have understood that the guidelines and methodology used by the expert to estimate the reserves with the relevant industry practices.</li><li>We assessed that the updated reserves and resources estimates were included in the Company's consideration of impairment assessment and in accounting for depletion, depreciation and amortisation.</li><li>Assessed the adequacy of disclosure made by the Company in the financial statements.</li></ul>

#### Management's responsibility for the Special Purpose Financial Statements

The Board of Directors of GEECL (referred to as “Management”) is responsible for the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view in accordance with the basis of preparation set out in note 2.1 (which includes that the financial statements have been prepared for overseas investors in accordance with IFRS as issued by IASB) of the accompanying notes to the Special Purpose Financial Statements. This includes design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor’s Responsibilities for the Audit of the Special Purpose Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Special Purpose 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 management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting in preparation of Special Purpose Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Special Purpose 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during the audit.

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

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

**Other Matters**

The Company has also prepared financial statements in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and we have issued an audit report of even date on the same.

Our opinion is not modified in respect of these matters.

**For S.N. Dhawan & Co LLP**  
**Chartered Accountants**  
**Firm Registration No.: 000050N/N500045**

**Manish Surana**  
Partner  
Membership No.: 503812  
UDIN : 24503812BKFMUK7501

Place: Gurugram  
Date: 24th June 2024

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

## Statement of financial position

	Note	As at	
		31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4.1	102,212,283	111,420,235
Right-of-use asset	4.2	991,635	1,074,889
Capital work-in-progress (including Wells in progress)	5	5,312,945	5,553,664
Intangible assets	6	61,712	69,873
Prepayments	7	132,622	49,969
Trade and other receivables	8	237,644	213,303
Deposits with bank	9b	-	16,050
Tax assets (net)		565,799	423,922
<b>Total non-current assets</b>		<b>109,514,640</b>	<b>118,821,905</b>
<b>Current assets</b>			
Inventories	8a	1,358,087	1,507,706
Trade and other receivables	8	1,523,052	1,329,364
Liquid investments	9a	10,281,782	10,179,160
Prepayments	7	63,726	88,514
Deposits with bank	9b	6,194,610	1,696,837
Cash and cash equivalents	10	747,691	37,986
<b>Total current assets</b>		<b>20,168,948</b>	<b>14,839,567</b>
<b>Total assets</b>		<b>129,683,588</b>	<b>133,661,472</b>
<b>Equity</b>			
Issued capital	11	13,306,007	13,306,007
Share premium		91,006,858	91,006,858
Reserves		(46,356,668)	(45,004,130)
Retained earnings		29,076,886	25,733,614
<b>Total equity attributable to equity holders of the Company</b>		<b>87,033,083</b>	<b>85,042,349</b>
<b>Non-current Liabilities</b>			
Interest bearing loans and borrowings	12	27,614,783	36,947,924
Trade and other payables	14	28,601	1,517
Employee benefit liabilities	13	3,537,486	1,261,278
Deferred tax liabilities (net)	16	1,344,779	161,394
Provisions	15	264,235	259,803
<b>Total non-current liabilities</b>		<b>32,789,884</b>	<b>38,631,916</b>
Interest bearing loans and borrowings	12	5,925,876	5,887,057
Trade and other payables	14	2,923,856	3,191,471
Employee benefit liabilities	13	1,010,889	908,679
<b>Total current liabilities</b>		<b>9,860,621</b>	<b>9,987,207</b>
<b>Total liabilities</b>		<b>42,650,505</b>	<b>48,619,123</b>
<b>Total equity and liabilities</b>		<b>129,683,588</b>	<b>133,661,472</b>

The accompanying notes form an integral part of the financial statements.

On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary  
Place: Gurugram  
Date: 24 June 2024

Jasmeet Singh Chandhok  
Chief Financial Officer & Sr. Vice President- Finance & Accounts  
Place: Gurugram  
Date: 24 June 2024

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

## Statement of profit or loss

	Note	For the year ended	
		31 March	31 March
		2024	2023
Revenue from operations	27	34,836,124	29,783,577
Other income	17	1,151,543	581,521
		<b>35,987,667</b>	<b>30,365,098</b>
Employee benefit expenses	18	(7,219,937)	(4,656,753)
Other expenses	19	(10,930,647)	(9,981,246)
Finance income	20	462,330	102,751
Finance costs	21	(4,601,789)	(4,623,842)
Depletion, depreciation and amortisation	4,6, 2.3 (f)	(8,220,738)	(5,646,454)
Exchange fluctuation gain / (loss) (net)		(111,529)	(997,724)
		<b>(30,622,310)</b>	<b>(25,803,268)</b>
<b>Profit before tax</b>		<b>5,365,357</b>	<b>4,561,830</b>
<b>Income tax expense</b>			
Current tax	16	(924,813)	(792,286)
Income tax for earlier years	16	7,293	-
Deferred tax (expense)/income	16	(1,193,917)	(607,996)
<b>Profit for the year</b>		<b>3,253,920</b>	<b>3,161,548</b>
<b>Profit attributable to:</b>			
Equity holders of the Company		<b>3,253,920</b>	<b>3,161,548</b>
<b>Earnings per share</b>			
Basic earnings per share	22	0.05	0.05
Diluted earnings per share	22	0.05	0.05

The accompanying notes form an integral part of the financial statements.

### On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary

Jasmeet Singh Chandhok  
Chief Financial Officer &  
Sr. Vice President- Finance & Accounts

Place: Gurugram  
Date: 24 June 2024

Place: Gurugram  
Date: 24 June 2024

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

## Statement of other comprehensive income

	For the year ended	
	31 March	31 March
	2024	2023
Profit for the year	3,253,920	3,161,548
Other comprehensive income/ (loss)		
(a) items not to be reclassified to statement of profit or loss in subsequent periods:		
Remeasurements gains/ (losses) on defined benefit plan	(67,953)	(77,988)
Tax on remeasurement gains/ (losses) on defined benefit plan	19,788	22,710
(b) items to be reclassified to statement of profit or loss in subsequent periods:		
Foreign currency translation adjustment	(1,215,021)	(7,027,045)
Net other comprehensive income/ (loss) (net of tax):	(1,263,186)	(7,082,323)
Total comprehensive income/ (loss) for the year, net of tax	1,990,734	(3,920,775)
Total comprehensive income/ (loss) attributable to:		
Equity holders of the Company	1,990,734	(3,920,775)

The accompanying notes form an integral part of the financial statements.

On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary

Jasmeet Singh Chandhok  
Chief Financial Officer &  
Sr. Vice President- Finance & Accounts

Place: Gurugram  
Date: 24 June 2024

Place: Gurugram  
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## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### Statement of Changes in Equity

For the year ended 31 March 2024

Attributable to equity shareholders of the Company

	Issued capital	Securities premium	Retained Earnings	Foreign currency translation reserve	Debenture redemption reserve	Total equity
Balance as at 1 April 2023	13,306,007	91,006,858	25,733,614	(45,938,805)	934,675	85,042,349
Total comprehensive income/ (loss) for the year						
Profit for the year	-	-	3,253,920	-	-	3,253,920
Other comprehensive income/(loss)	-	-	(48,165)	(1,215,021)	-	(1,263,186)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>3,205,755</b>	<b>(1,215,021)</b>	<b>-</b>	<b>1,990,734</b>
Transfer from / (to) retained earnings			137,517	-	(137,517)	-
Balance as at 31 March 2024	13,306,007	91,006,858	29,076,886	(47,153,826)	797,158	87,033,083

The accompanying notes form an integral part of the financial statements.

On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary

Jasmeet Singh Chandhok  
Chief Financial Officer &  
Sr. Vice President- Finance & Accounts

Place: Gurugram  
Date: 24 June 2024

Place: Gurugram  
Date: 24 June 2024

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### Statement of Changes in Equity

For the year ended 31 March 2023

Attributable to equity shareholders of the Company

	Issued capital	Securities premium	Retained Earnings	Foreign currency translation reserve	Debenture redemption reserve	Total equity
<b>Balance as at 1 April 2022</b>	13,306,007	91,006,858	22,536,677	(38,911,760)	1,025,342	88,963,124
<i>Total comprehensive income/ (loss) for the year</i>						
Profit for the year	-	-	3,161,548	-	-	3,161,548
Other comprehensive income/(loss)	-	-	(55,278)	(7,027,045)	-	(7,082,323)
<b>Total comprehensive income/(loss) for the year</b>	-	-	<b>3,106,270</b>	<b>(7,027,045)</b>	-	<b>(3,920,775)</b>
Transfer from / (to) retained earnings			90,667	-	(90,667)	-
<b>Balance as at 31 March 2023</b>	<b>13,306,007</b>	<b>91,006,858</b>	<b>25,733,614</b>	<b>(45,938,805)</b>	<b>934,675</b>	<b>85,042,349</b>

The accompanying notes form an integral part of the financial statements.

On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary

Jasmeet Singh Chandhok  
Chief Financial Officer &  
Sr. Vice President- Finance & Accounts

Place: Gurugram  
Date: 24 June 2024

Place: Gurugram  
Date: 24 June 2024



# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

## Statement of Cash Flows

	For the year ended	
	31 March	31 March
	2024	2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	5,365,356	4,561,830
<b>Adjustments for:-</b>		
Finance cost	4,575,357	4,612,628
Finance income	(462,330)	(102,751)
Net gain on financial instruments measured at fair value through profit or loss	(832,981)	(424,290)
Provisions/ liabilities no longer required written back	(160,384)	(98,923)
Provision for inventory	-	(72,855)
Unrealised foreign exchange difference (net)	113,939	995,609
Loss/ (profit) on disposal of property, plant and equipments	19,921	(5,687)
Depletion, depreciation & amortisation	8,220,738	5,646,454
<b>Changes in:</b>		
(Increase) / Decrease in Trade and other receivables	89,106	(66,086)
(Increase) / Decrease in prepayments	(60,194)	57,620
(Increase) / Decrease in inventories	129,725	(162,611)
Increase / (Decrease) in Trade and other payables	2,640,429	448,003
<b>Cash generated from operating activities</b>	<b>19,638,682</b>	<b>15,388,941</b>
Income tax paid	(1,066,278)	(837,889)
<b>Net cash from operating activities (A)</b>	<b>18,572,404</b>	<b>14,551,052</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipments / capital work in progress/ intangible assets	(614,391)	(315,643)
Proceeds from sale of property, plant and equipment	2,346	25,509
Purchases of liquid investments (mutual funds)	(36,198,093)	(37,127,350)
Proceeds from sale of liquid investments (mutual funds)	36,786,339	32,452,940
Deposits made during the year	(7,006,119)	(2,304,095)
Deposits matured during the year	2,453,265	2,115,298
Interest received	157,762	94,719
<b>Net cash from investing activities (B)</b>	<b>(4,418,891)</b>	<b>(5,058,622)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from short term borrowings	12,344	-
Repayment of long term borrowings	(9,048,247)	(5,065,605)
Interest paid	(4,407,905)	(4,410,811)
<b>Net cash (used in) financing activities (C)</b>	<b>(13,443,808)</b>	<b>(9,476,416)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>709,705</b>	<b>16,014</b>
Cash and cash equivalents at 1 April	37,986	21,972
<b>Cash and cash equivalents at 31 March (refer note 10)</b>	<b>747,691</b>	<b>37,986</b>

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### Changes in liabilities arising from financing activities

Particulars	Interest bearing loans and borrowings			
	Long Term	Short Term	Long Term	Short Term
	For the year ended		For the year ended	
	31 March 2024		31 March 2023	
As at April 1	41,740,357	1,094,624	49,393,133	1,187,178
Cash flow (net)	(9,048,247)	12,344	(5,065,606)	-
Transaction costs impact	152,900	-	190,313	-
Accrued Interest	28,695	-	23,083	-
Exchange difference	(424,829)	(15,185)	(2,800,566)	(92,554)
As at March 31	<b>32,448,876</b>	<b>1,091,783</b>	<b>41,740,357</b>	<b>1,094,624</b>

The accompanying notes form an integral part of the financial statements.

### On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary

Jasmeet Singh Chandhok  
Chief Financial Officer &  
Sr. Vice President- Finance & Accounts

Place: Gurugram  
Date: 24 June 2024

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Date: 24 June 2024

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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## 1. Corporate Information

Great Eastern Energy Corporation Limited ('GEECL' or 'the Company') is a Public Limited Company incorporated in India. Some of GEECL's shares are in the form of Global Depository Receipts (GDR) which were earlier listed for trading on the London Stock Exchange Plc's Main Market. The listing pursuant to 'Notice of Intention to Delist from London Stock Exchange' dated 20th March 2023 has been cancelled and the GDR have become unlisted securities with effect from close of trading hours on 21st April 2023. The Company, as an initiative beyond its obligation, to provide ease to holders of its unlisted GDRs, has engaged with J P Jenkins, which provides a well-established platform for trading of unlisted securities.

The Company was incorporated in 1992 to explore, develop, distribute and market Coal Bed Methane gas or CBM gas in India. GEECL originally entered into a license agreement in December 1993 with Coal India Limited (CIL) for exploration and development of CBM over an area of approximately 225 Sq. km (approximately 55,600 acres) in the state of West Bengal (the block).

The Contract for exploration & Production of CBM gas was signed on 31 May 2001 for an area of 210 Sq. km (approximately 52,000 acres) in Raniganj (South), West Bengal. The Petroleum Exploration License (PEL) was granted by the Government of West Bengal on 9 November, 2001. The Contract provides for a five year initial assessment and market development phase, followed by a five year development phase and then a twenty-five year production phase, extendable with the approval of the Government of India (GOI).

Besides this, the Company was awarded with Mannargudi block located in Tamil Nadu under CBM IV round for which the Contract for exploration & Production of CBM gas was signed with the Government of India on 29 July 2010. In this regard, two PEL had been granted to the Company on 13 September 2011 and 4 November 2011. The Environmental Clearance for the block was granted by the Ministry of Environment & Forest, Government of India on 12 September 2012 (also refer Note 29).

The financial statements of the Company as at and for the year ended 31 March 2024 are available upon request from the Company's registered office at M-10, ADDA Industrial Area, Asansol-713305, West Bengal, India, or at [www.geecl.com](http://www.geecl.com).

## 2. Material accounting policies

### 2.1 Basis of preparation

- a. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board ('IASB').

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

- b. Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company is Indian Rupees ("Rs." or "INR"). The financial statements are presented in US Dollar (US \$), which is the Company's presentation currency, which the Company considers most appropriate for its investors being an overseas unlisted Company.
- c. The financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of material items in financial statement.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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- d. The financial statements of the Company for the year ended 31 March 2024 have been prepared on a going concern basis.
- e. The Company does not have any subsidiary and accordingly, does not require any consolidated financial statements. Since the Company does not have any investments in associates and joint ventures also, hence these financial statements are standalone financial statements.

The financial statements have been authorized for issue by the Board of Directors in their meeting held on June 24, 2024.

### 2.2 Use of estimates and judgments

#### Use of estimates

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

##### *(i) Gas reserves*

Reserves are those quantities of hydrocarbons anticipated to be commercially recoverable by application of development projects to known accumulations from a given date onwards under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial and remaining (as of the evaluation date) based on the development projects applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by development and production status.

The reserves are estimated annually by the management based on internal best estimates or independent expert's evaluation, as considered appropriate.

Annual adjustments in reserves include changes in estimates, volume of produced gas as well as fresh discoveries made during the year. A reduction in the reserves would result in increased rate of depletion charge.

Refer note 2.3 (f) for the Company's policy in this regard.

##### *(ii) Recoverability of deferred tax and other income tax assets*

The Company has carry forward unabsorbed depreciation and Minimum Alternate Tax (MAT) credit that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilized. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the statement of profit or loss. The details of deferred tax assets are set out in note 16.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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### *(iii) Useful life and Impairment*

The management reviews the useful lives of the assets at the end of each year. The estimated useful lives are estimated by the management based on technical estimates. Uncertainties in these estimates relate to technical obsolescence and physical wear and tear that may change the useful life.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

### *(iv) Defined benefit plans (gratuity benefits)*

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 13.

### *(v) Defined contribution plans (superannuation)*

The cost of the defined contribution Superannuation plan and the present value of the superannuation obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined contribution obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined contribution obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

## 2.3 Summary of material accounting policies

Except as described in note 2.4 below, the accounting policies set out below have been applied consistently to all the years presented in these financial statements.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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### a) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### b) Fair value measurement

The Company measures financial instruments such as liquid Investments at fair value at each balance sheet date. Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarised in note 3.

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

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

The principal or the most advantageous market is accessible by the Company.

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

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

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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

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

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

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

### c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company satisfies a performance obligation by transferring control of a promised good or service to a customer. The Company is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer. The transfer of control of Coal Bed Methane ('CBM') coincides with title passing to the customer and the customer taking physical possession.

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are net of trade allowances, rebates. Amounts collected on behalf of third parties such as sales tax and value added tax (VAT) are excluded from revenue.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Performance obligations in respect of advance from customers (contract liabilities) expected to be materialize within one year.

Income from minimum guarantee offtake is recognised on accrual basis as per contractual arrangements with customers.

### Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Company's future performance. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in Financial instruments - initial recognition and subsequent

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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measurement.

### Trade receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### Interest Income

Interest income is recognized on an effective interest basis. Interest income is included under the head “Finance income” in the statement of profit or loss.

### d) Taxes

#### *Current income tax*

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

Current income tax relating to items recognised directly in equity or in Statement of Other comprehensive income (“OCI”) is recognised in equity or in OCI, respectively and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Deferred tax*

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

Deferred tax liabilities are recognised for all taxable temporary differences except, when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.



## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits can be utilized.

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

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

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

### ***Minimum alternate tax (MAT)***

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit or loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit or loss and shown as part of deferred tax asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.”

### **e) Foreign currencies**

The Company’s financial statement are presented in US Dollar (US \$) and the functional currency is Indian Rupees.

#### ***Transactions and balances***

Transactions in foreign currencies are initially recorded by the Company in Indian rupees by applying the exchange rate prevailing at the date the transaction first qualifies for recognition.

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

Differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in statement of profit or loss or other comprehensive income are also recognised in statement of profit or loss or other comprehensive income, respectively).

For the purpose of conversion from the functional currency to the presentation currency, the assets and liabilities, for each statement of financial position presented, are translated at the closing rate at the date of that statement of financial position. Income and expense for each statement of profit or loss presented are converted using a rate approximately the rate on the date of transaction or average rate and all resulting exchange differences are recognized as a separate component of equity viz, foreign currency translation reserve.

### f) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgement, estimate and assumption (Note 2.2) and provisions (Note 2.3 (n)) for further information about the recognised decommissioning provision.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance expenditures are charged to the statement of profit or loss during the financial year in which they are incurred. When any major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied and the carrying value of past such inspection costs are charged off in the statement of profit or loss.

### ***Capital work in progress/ intangible assets under development (including exploration and evaluation assets)***

The following costs with respect to oil and gas extraction activities, are treated as capital work-in-progress/intangible assets under development when incurred:

- i. All acquisition costs;
- ii. All exploration costs; and
- iii. All development costs.

All the costs other than the above are charged as expense when incurred.

### ***Depletion, depreciation and amortisation***

Depreciation (other than Gas producing properties) on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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The Company, based on technical estimates, has assessed the useful life of its property, plant and equipment's as follows:-

### Useful lives estimated by the management (years)

Office Equipment's	5
Vehicles	8
Buildings	30 - 60
Furniture & Fixture	10
Pipeline	30
Plant & Machinery	
-Cranes	8
-Desktops, laptops, etc.	3
-Servers and networks	6
-Drilling Equipment's	8
-Compressors/Cascades/Others	15
-Gas Gathering Station	25
-Drilling Rigs	30
-Electric Installations	10

The Company has reassessed the economic useful life of all these assets excepts for Buildings and has restricted the same to the technical useful life or up to the end of the license period i.e. September 3, 2038, whichever is earlier. However, building constructed on freehold land continues to be depreciated over its technically assessed useful life. Freehold land is stated at cost net of accumulated impairment losses and is not depreciated.

Gas producing properties is depleted according to the 'Unit of Production' method by reference to the ratio of production in the year to the related proved developed reserves.

Proved developed reserves are estimated by the management based on internal best estimates or independent expert's evaluation as considered appropriate using the Petroleum Resource Management system method. These estimates are reviewed at least annually.

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

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

### g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding Capitalised development costs, are not Capitalised and the related

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is as follows:

- Gas exploration rights are capitalized at historical costs.
- Computer software-costs associated with identifiable and unique software products controlled by the Company having probable economic benefits exceeding the costs beyond one year are recognized as intangible assets. These costs are amortized using the straight line method over their useful lives.

Particulars	Gas exploration rights and Other Intangible Assets	Computer software
Useful lives	Finite	Finite
Amortisation method used	Amortized on a straight line basis over the period of 25 years	Amortized on a straight line basis over the period of 5 years
Internally generated or acquired	Acquired	Acquired

### h) Leases

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

#### Company as a lessee

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

#### Right-of-use assets

The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold land 25 to 99 years

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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The depreciation charge is recognized in the statement of Profit or loss. Right-of-use assets are assessed for impairment as per the accounting policy for impairment of non-financial assets (Note 2.3 (k)).

### Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### Short-term leases and leases of low-value assets

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

#### i) Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received and all the conditions attached to it will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Government grants relating to the purchase of property, plant and equipment are adjusted against the carrying amount of the related asset.

#### j) Financial instruments

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

### A. Financial assets

#### (i) Initial recognition and measurement

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

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

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

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

### (ii) Subsequent measurement

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

#### *Financial assets at amortised cost (debt instruments)*

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective interest (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

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

A 'debt instrument' is classified as at the fair value through other comprehensive income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Company does not have any debt instrument as at FVTOCI.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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### *Financial assets at fair value through profit or loss (debt instruments)*

Fair value through profit or loss (FVTPL) is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

### *Equity investments*

All equity investments in scope of IFRS 9 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies are classified as at fair value through profit or loss. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Equity instruments included within FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

### **(iii) Impairment of financial assets**

The Company assesses on a forward-looking basis the Expected Credit Losses (“ECL”) associated with its assets carried at amortised cost and Fair value through comprehensive income (“FVTOCI”) debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Also refer note 3.

For trade receivables only, the Company applies the simplified approach permitted by IFRS 9 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (EIR). The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense / income in the statement of profit or loss. This amount is reflected under the head 'other expenses' in the statement of profit or loss. The statement of financial position presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the statement of financial position. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI:

Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the statement of Other Comprehensive income

### (iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of similar financial assets) is derecognised when:

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

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



## **Great Eastern Energy Corporation Limited**

(All amounts in US dollars unless otherwise stated)

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### **B. Financial liabilities**

#### **(i) Initial recognition and measurement**

The Company's financial liabilities consists of trade and other payables and loans and borrowings, which are recognized on the trade date when the Company becomes a party to the contractual provisions of the instrument. These are initially measured at fair value less any attributable transaction costs. Subsequent to initial measurement, trade and other payables and borrowings are measured at amortised cost using the effective interest rate (EIR) method and derivative financial instruments (not designated as hedges) are measured at fair value through statement of profit or loss.

#### **(a) Trade and other payables**

Trade and other payables represent unpaid liabilities for goods and services provided to the Company prior to the end of financial year and are presented as current liabilities unless payment is not due within 12 months after the reporting period. These are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### **(b) Loans and Borrowings**

Loans and Borrowings are initially recognized at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is considered as a prepayment and amortised over the period of the facility to which it relates.

Loans and Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss as other gains/(losses).

Loans and Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

#### **Borrowing costs**

Borrowing cost includes interest expense as per effective interest rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## **Great Eastern Energy Corporation Limited**

(All amounts in US dollars unless otherwise stated)

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Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example: prepayment, extension, call and similar options) but does not consider the expected credit losses.

### **(c) Financial liabilities at fair value through statement of profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

### **(ii) Derecognition of financial liabilities**

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

## **C. Reclassification of financial assets**

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

## **D. Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## **Great Eastern Energy Corporation Limited**

(All amounts in US dollars unless otherwise stated)

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculation. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of operations are recognised in the statement of profit or loss.

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

### **l) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### **m) Employee benefit**

#### ***Defined contribution plans***

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into fund maintained by the Government of India and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

## **Great Eastern Energy Corporation Limited**

(All amounts in US dollars unless otherwise stated)

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### *State administered provident fund*

Under Indian law, employees are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a pre-determined rate (currently 12%) of the employee's basic salary to a government recognised provident fund. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they accrue, i.e. when the services are rendered by the employees. Upon retirement or separation, an employee becomes entitled for this lump sum benefit, which is paid directly to the concerned employee by the fund.

### *Superannuation*

The superannuation (pension) plan for the Company is a defined contribution plan for certain level of management where monthly contribution at the rate of 15% of salary is payable. These contributions will accumulate at the prevailing rate of interest. At the time of retirement, termination or separation of employees, accumulated contribution will be utilised to buy pension annuity from an Insurance Company.

### *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value and reduced by the fair value of plan assets, if any. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by an actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the assets ceiling (if any, excluding interest), are recognized immediately in the Other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as expense immediately in the statement of profit or loss.

### *Other long term employee benefits*

Benefits under the Company's compensated absences constitute other long-term employee benefits.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed by an independent actuary using the projected unit credit method. Any actuarial gains or losses are recognised in the statement profit or loss in the period in which they arise.

The Company presents the leave as a current liability in the statement of financial position, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### ***Short-term benefits***

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **n) Provisions**

Provisions are recognised when the Company 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. When the Company expects some or all of a 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 a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

### ***Decommissioning/Site restoration liability***

The Company records a provision for decommissioning/ site restoration costs of facility for the extraction of gas. The initial costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to these liabilities. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

### **o) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Refer note 23.

### p) Exploration and evaluation expenditure

Exploration and evaluation cost are related to each exploration license ('block' or 'production sharing contract' or 'permit') are initially Capitalised within 'intangible under development'. Such exploration and evaluation cost may include costs of license acquisition, technical services and studies, seismic acquisition, exploration drilling testing, directly attributable overhead and administrative expenses, including remuneration of personnel and supervisory management, and the projected cost of retiring the assets (if any), but do not include general prospecting or evaluation cost incurred prior to having obtained the legal rights to explore an area, which are expensed directly to the statement of profit or loss as they are incurred.

### q) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.4 Changes in accounting policies and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning 1 April 2023 (unless otherwise stated) but do not have an impact on the financial statements of the Company. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

## 2.5 New standards and interpretations not yet adopted

There are certain new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

The Company is evaluating the requirements of the standards, improvements and amendments and has not yet determined the impact on financial statements.

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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## 3 Financial risk management

### Overview

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development and production of CBM gas and also financing activities. These are as under:

- a) Market risk
- b) Credit risk
- c) Liquidity risk
- d) Operational risk

### Risk management framework

This note presents information about the Company's exposure to each of the above risks, the Company's objectives; policies; and processes for measuring and managing such risks, and the Company's management of capital. Further, quantitative disclosures are included through these financial statements, wherever considered appropriate.

The Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Risk Management Committee, which is merged into Finance Committee. The Finance Committee (hitherto Risk Management Committee) is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company has a risk management policy to identify, analyse and address each type of identified risks faced by the Company.

The Board of Directors is also responsible for reviewing and updating the risk profile, monitoring the effectiveness of the risk management framework and reviewing the implementation of the risk management policy and framework.

The purpose of the Finance Committee is to assist the Board in fulfilling its corporate governance in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environment risks.

The Committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company. The Finance Committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

The Board of Directors approves the Risk Management Policy and associated frameworks, processes and practices of the Company. There are periodic reviews to update the policy by the Board of Directors on its own, or as recommended by the Finance Committee.

The Board reviews the performance of the Finance Committee annually.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. The Company's Risk management policies are to identify and analyse the risks faced by the Company, to set appropriate risk controls, and to monitor risks and adherence to market conditions and the Company's activities.

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

The Company has established policies covering all the financial risks, namely market risk, credit risk and liquidity risk.

## Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in notes 2 to the financial statements.

### a) Market risk

Market risk is the risk that arises from changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices and will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is exposed to interest rate risk that arises mainly from debt. The Company is exposed to interest rate risk because the fair value of fixed rate borrowings and the cash flows associated with floating rate borrowings fluctuate with changes in interest rates.

The Company is exposed to market risk with respect to change in foreign exchange rates.

### i) Currency risk:

The Company's exposure to foreign currency risk arises from foreign-currency denominated liabilities on account of purchase of services and materials from foreign contractors and suppliers and foreign currency denominated borrowings. The Company does not hold any financial assets denominated in any currency other than INR.

The Company's exposure to foreign currency risk was based on the following amounts as at the reporting dates (in equivalent US dollars):

	As at 31 March 2024		
	USD	Euro	GBP
<b>Financial liabilities</b>			
Trade and other payables	27,417	-	2,592
Interest bearing loans and borrowings	-	12,376,648	-
	<b>27,417</b>	<b>12,376,648</b>	<b>2,592</b>

  

	As at 31 March 2023		
	USD	Euro	GBP
<b>Financial liabilities</b>			
Trade and other payables	177,042	2,083	19,048
Interest bearing loans and borrowings	-	15,907,840	-
	<b>177,042</b>	<b>15,909,923</b>	<b>19,048</b>



## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

The following were the exchange rates against USD and EURO during the year:

	Average rate for the year ended 31 March		Reporting date spot rate as at 31 March	
	2024	2023	2024	2023
USD/INR	82.79	80.39	83.37	82.22
EUR/INR	89.80	83.73	90.22	89.61
GBP/INR	104.07	96.83	105.29	101.87

### Sensitivity analysis

A strengthening / weakening of the USD, Euro and GBP, as indicated below, against the INR as at 31 March 2024 and 31 March 2023 would have (decreased) / increased the profit after tax (using the tax rate applicable for the current year) by the amounts shown below (without considering any consequential impact). This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables remain constant.

	For the year ended 31 March	
	2024	2023
5 percent strengthening of USD against INR	(972)	(6,274)
5 percent strengthening of EURO against INR	(474,668)	(614,527)
5 percent strengthening of GBP against INR	(116)	(836)
5 percent weakening of USD against INR	972	6,274
5 percent weakening of EURO against INR	474,668	614,527
5 percent weakening of GBP against INR	116	836

Any change in the exchange rate of INR against currencies other than USD, Euro and GBP is not expected to have material impact on the Company's profit or loss.

### ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term borrowings obligations with floating interest rates. All the financial assets and financial liabilities of the Company are either interest-free or at a fixed rate of interest except for borrowings at various floating rates linked to prime lending rates of respective banks. The carrying value of borrowings with floating interest rates as at 31 March 2024 is USD 27,433,743 (31 March 2023: 35,279,788). Accordingly, the Company is exposed to cash flows interest rate risk on its loans.

The Company analyses its interest rate exposure regularly. Various scenarios are analysed taking into consideration such as refinancing, alternative financing, etc., based on these scenarios, the Company calculates the impact on profit or loss of a defined interest rate shift.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### Fair value sensitivity analysis for fixed rate instruments and derivative financial instruments

The Company does not account for any fixed rate financial asset and liabilities at fair value through profit or loss and the Company does not designate derivatives as hedging instruments, under fair value hedge accounting model. Therefore, change in interest rate at reporting date will not affect profit or loss.

### Cash flow sensitivity analysis for variable rate instruments

A change of 100 bps in interest rates as at the reporting dates would have decreased/ (increased) profit after tax (using the tax rate applicable for the current year) by the amounts shown below:

#### As at 31 March 2024

	Impact on profit or loss	
	100 bps increase	100 bps decrease
Indian rupee loan	102,164	(102,164)
Euro loan	94,846	(94,846)

#### As at 31 March 2023

	Impact on profit or loss	
	100 bps increase	100 bps decrease
Indian rupee loan	130,820	(130,820)
Euro loan	122,841	(122,841)

### iii) Price risk:

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for CBM gas are impacted by not only the relationship between INR and US dollars and international market prices, but also economic events that dictate the levels of supply and demand.

The Company did not have any receivables or contracts as at year-end which had a provisional price which could be affected by fluctuations.

### b) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company makes advances to suppliers and vendors in the normal course of its business and generally requires bank guarantees from them against these advances. The Company also makes advances to employees and places security deposits with related parties and restricted margin money deposits with banks. The majority of Company's sale to its customer is on credit basis. In certain cases, customer provides bank guarantees against the sale made to them. These transactions expose the Company to credit risk on account of default by any of the counterparties. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of counterparties. On that basis, and upon consideration of the fact that there has been no material history of defaults the Company does not estimate any provision on its outstanding trade receivables.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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As at 31 March 2024, the Company has 1 customer (31 March 2023: 1 customer) that accounts more than 50% of the trade receivables.

The maximum amounts of exposures to credit risk as at the statement of financial position date is disclosed in the fair value estimation section of this note.

The Company holds bank guarantees against trade receivables amounting to USD 535 (31 March 2023: USD 1,283,765). The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (where available) or to historical information about counterparty default rates. As per the terms and condition of the agreement the Company has the right to encash bank guarantee in case of any default.

During the year, based on specific assessment, the Company recognized bad debts and advances amounting to USD Nil (31 March 2023: USD Nil). The year-end trade receivables do not include any amount with such parties. All trade receivables were not due on the statement of financial position date.

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

### c) Liquidity Risk

The Company's liquidity risk management policy involves management of short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining, banking facilities and reserve borrowing facilities by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's Finance department is responsible for managing the short-term and long-term liquidity requirements of the Company. The liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses on a regular basis. To achieve this objective, the Company prepares annual capital expenditure budgets, which are regularly monitored and updated as considered necessary. The Company also attempts to match its payment cycle with collection of gas revenue.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

The contractual maturity profile (including interest) of the Company's obligations is as under:

As at 31 March 2024	Transaction currency	Carrying amount (USD)	Contractual maturities	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>Non -derivative financial liabilities</b>							
14% non-convertible redeemable debentures	INR	4,986,438	7,101,354	1,359,257	5,742,096	-	7,101,353
<b>Loans and Borrowings</b>							
Indian currency loan from banks	INR	14,111,290	19,368,656	3,808,326	15,298,431	261,899	19,368,656
External Commercial Borrowing	Euro	13,351,147	16,783,207	2,955,042	12,990,423	837,742	16,783,207
Bank Overdraft	INR	12,258	12,258	12,258	-	-	12,258
Loan from Director	INR	1,079,526	1,273,840	1,273,840	-	-	1,273,840
Trade and other payable	INR	2,523,812	2,523,812	2,523,812	-	-	2,523,812
<b>Total</b>		<b>36,064,471</b>	<b>47,063,127</b>	<b>11,932,535</b>	<b>34,030,950</b>	<b>1,099,641</b>	<b>47,063,125</b>

As at 31 March 2023	Transaction currency	Carrying amount (USD)	Contractual maturities	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>Non -derivative financial Liabilities</b>							
14% non-convertible redeemable debentures	INR	6,438,000	9,958,522	1,575,234	5,913,331	2,469,956	9,958,522
<b>Loans and Borrowings</b>							
Indian currency loan from banks	INR	18,025,162	26,161,555	4,132,643	14,999,612	7,029,300	26,161,555
External Commercial Borrowing	Euro	17,277,195	22,243,170	3,101,153	12,328,346	6,813,671	22,243,170
Loan from Director	INR	1,094,624	1,291,657	1,291,657	-	-	1,291,657
Trade and other payable	INR	2,844,307	2,844,307	2,844,307	-	-	2,844,307
<b>Total</b>		<b>45,679,288</b>	<b>62,499,211</b>	<b>12,944,994</b>	<b>33,241,289</b>	<b>16,312,927</b>	<b>62,499,211</b>

The Company expects to generate sufficient sales volume in the coming year, due to increase in demand, which will help settle these liabilities.

### Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure in terms of evaluating the funding of potential new investments.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents, liquid investment, other bank balances. Total capital is the equity and debt as shown in the statement of financial position.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
Interest bearing loans and borrowings	33,540,659	42,834,981
Less: Cash and cash equivalents	747,691	37,986
Less: Other Bank balances	6,194,610	1,712,887
Less: Liquid investments	10,281,782	10,179,160
<b>Net debt ( A)</b>	<b>16,316,576</b>	<b>30,904,948</b>
<b>Total equity ( B)</b>	<b>87,033,083</b>	<b>85,042,349</b>
<b>Total capital (C=A+B)</b>	<b>103,349,659</b>	<b>115,947,297</b>
<b>Capital Gearing Ratio(A/C)</b>	<b>0.16</b>	<b>0.27</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 2023

### Fair value estimation

#### Fair Values

#### Fair Values Carrying Amounts

The fair values of financial assets and liabilities, together with carrying amounts shown in the statement of financial position, are as follow:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets Carried at fair value</b>				
Investments measured at FVTPL (measured using Level 1 valuation technique)	10,281,782	10,281,782	10,179,160	10,179,160
<b>Financial assets carried at amortised cost</b>				
Trade and other receivables	1,586,076	1,586,076	1,394,668	1,394,668
Deposits with banks( including restricted deposits)	6,194,610	6,194,610	1,696,837	1,696,837
Cash and cash equivalents	747,691	747,691	37,986	37,986
	<b>18,810,159</b>	<b>18,810,159</b>	<b>13,308,651</b>	<b>13,308,651</b>
<b>Financial liabilities carried at amortized cost</b>				
14% non-convertible redeemable debentures	4,986,438	5,166,212	6,438,000	6,667,092
Indian currency loan from banks and financial institutions	14,111,290	14,430,048	18,025,162	18,472,301
External Commercial Borrowing	13,351,147	13,393,561	17,277,195	17,337,650
Bank Overdraft	12,258	12,258	-	-
Trades and other payables	2,523,812	2,523,812	2,844,307	2,844,307
Director Loan	1,079,526	1,079,526	1,094,624	1,094,624
	<b>36,064,471</b>	<b>36,605,417</b>	<b>45,679,288</b>	<b>46,415,974</b>

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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### Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The different levels are defined as follows:

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

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

### Financial assets and liabilities at amortised cost:

Fair value of trade and other receivables, bank deposits, cash and cash equivalents, Director's loan, trade and other payables has been taken as their carrying amounts due to their short-term maturity. Fair value of long term debts is based on level 3 valuation technique.

#### d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes; personnel; technology; and infrastructure, and from external factors (other than credit; market; and liquidity risks) such as those arising from perspective of legal and regulatory requirements and generally accepted standards of corporate behavior.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness.

The Company has an Internal Control Framework which identifies key controls and supervision of operational efficiency of designed key controls. The framework is aimed to providing elaborate system of checks and balances based on self-assessment. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements of appropriate segregation of duties, including the independent authorization of transactions;
- requirements of reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements of periodic assessment of adequacy of controls and procedures to address the risks identified;
- requirements of reporting of operational losses and proposed remedial action;
- development of contingency plans;
- training and professional development;
- ethical and business standards;
- risk mitigation, including insurance, where this is effective.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 4.1 Property, plant and equipment

	Freehold land	Building	Plant and machinery	Pipeline	Gas producing properties	Furniture, fixture & office equipment	Vehicles	Total
<b>Carrying amount as at 1 April 2022, net of accumulated depreciation/ depletion</b>	<b>623,293</b>	<b>2,360,836</b>	<b>11,018,314</b>	<b>12,264,686</b>	<b>99,758,416</b>	<b>52,155</b>	<b>364,905</b>	<b>126,442,605</b>
Additions during the year	-	-	269,489	-	-	17,998	8,044	295,531
Disposals/ retirements	-	-	(133,243)	-	-	(3,389)	(10,899)	(147,531)
Depreciation/ depletion charge for the year [refer 2.3 (f)]	-	(87,186)	(1,343,623)	(722,360)	(3,330,047)	(11,909)	(62,860)	(5,557,985)
Depreciation on retirement	-	-	114,230	-	-	3,124	10,354	127,708
Exchange fluctuation	(48,593)	(182,113)	(834,676)	(940,095)	(7,703,207)	(4,194)	(27,215)	(9,740,093)
<b>As at 31 March 2023, net of accumulated depreciation/ depletion</b>	<b>574,700</b>	<b>2,091,537</b>	<b>9,090,491</b>	<b>10,602,231</b>	<b>88,725,162</b>	<b>53,785</b>	<b>282,329</b>	<b>111,420,235</b>
<b>Carrying amount as at 1 April 2023, net of accumulated depreciation/ depletion</b>	<b>574,700</b>	<b>2,091,537</b>	<b>9,090,491</b>	<b>10,602,231</b>	<b>88,725,162</b>	<b>53,785</b>	<b>282,329</b>	<b>111,420,235</b>
Additions during the year	-	-	417,706	-	-	24,373	-	442,079
Disposals/ retirements	-	-	(165,165)	-	-	(13,796)	-	(178,961)
Depreciation/ depletion charge for the year [refer 2.3 (f)]	-	(84,890)	(1,322,958)	(620,891)	(6,040,592)	(13,343)	(61,908)	(8,144,582)
Depreciation on retirement	-	-	145,090	-	-	11,604	-	156,694
Exchange fluctuation	(7,927)	(28,261)	(118,958)	(141,925)	(1,181,843)	(804)	(3,464)	(1,483,182)
<b>As at 31 March 2024, net of accumulated depreciation/ depletion</b>	<b>566,773</b>	<b>1,978,386</b>	<b>8,046,206</b>	<b>9,839,415</b>	<b>81,502,727</b>	<b>61,819</b>	<b>216,957</b>	<b>102,212,283</b>
<b>As at 31 March 2023</b>								
Gross carrying amount	574,700	3,076,479	25,334,704	19,626,381	105,556,555	345,929	542,132	155,056,880
Accumulated depreciation	-	(984,942)	(16,244,213)	(9,024,150)	(16,831,393)	(292,144)	(259,803)	(43,636,645)
<b>Net Carrying amount</b>	<b>574,700</b>	<b>2,091,537</b>	<b>9,090,491</b>	<b>10,602,231</b>	<b>88,725,162</b>	<b>53,785</b>	<b>282,329</b>	<b>111,420,235</b>
<b>As at 31 March 2024</b>								
Gross carrying amount	566,773	3,034,042	25,236,023	19,355,656	104,100,515	351,661	534,654	153,179,324
Accumulated depreciation	-	(1,055,656)	(17,189,817)	(9,516,241)	(22,597,788)	(289,842)	(317,697)	(50,967,041)
<b>Net carrying amount</b>	<b>566,773</b>	<b>1,978,386</b>	<b>8,046,206</b>	<b>9,839,415</b>	<b>81,502,727</b>	<b>61,819</b>	<b>216,957</b>	<b>102,212,283</b>

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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### Well capitalization

During the year ended 31 March 2024, the Company has capitalized Nil wells (31 March 2023: Nil). All exploration/development cost involved in drilling, cementing, fracturing and drilling of exploratory core holes are initially considered as wells in progress (included in capital work-in-progress) till the time these are ready for commercial use when they are transferred to producing properties.

Depletion: Gas producing properties is depleted according to the 'Unit of Production' method by reference to the ratio of production in the year to the related proved developed reserves. Proved developed reserves are estimated by the management based on internal best estimates or independent expert's evaluation as considered appropriate. These estimates are reviewed at least annually.

As per accounting policies followed by the Company, gas producing properties are depleted according to the 'Unit of Production' method by reference to the ratio of production in the year to the related proved developed reserves.

During the year, due to a change in the field development plan and also extension of mining lease upto September 03, 2038, the company has with the help of its internal expert re-assessed the proved reserves and proved developed reserves as a part of its annual exercise and accordingly updated the same; which has resulted in increase in depletion of USD 2,968,724 for the year.

Refer note 12 of security details.

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## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 4.2 Right-of-use Asset

The Company has lease contracts for various items of leasehold lands, corporate office and equipment's used in its operations. The Company has taken different pieces of land on lease on which the wells are being developed. The lease period for these pieces of land generally ranges from 25 to 99 years. The Company is required to pay the entire amount of consideration as lease premium upfront upon entering into agreement for acquisition of these pieces of land and no further periodic lease rentals are payable for use of these pieces of land. Generally, the Company is restricted from assigning and subleasing the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Right of use (leasehold land)
<b>Carrying amount as at 1 April 2022, net of accumulated depreciation</b>	1,251,032
Additions during the year	-
Depreciation charge for the year [refer 2.3 (f)]	(80,399)
Exchange fluctuation	(95,744)
<b>As at 31 March 2023, net of accumulated depreciation</b>	<b>1,074,889</b>
<b>Carrying amount as at 1 April 2023, net of accumulated depreciation</b>	1,074,889
Additions during the year	-
Depreciation charge for the year [refer 2.3 (f)]	(68,906)
Exchange fluctuation	(14,348)
<b>As at 31 March 2024, net of accumulated depreciation</b>	<b>991,635</b>
<b>As at 31 March 2023</b>	
Gross carrying amount	1,690,685
Accumulated depreciation	(615,796)
<b>Net carrying amount</b>	<b>1,074,889</b>
<b>As at 31 March 2024</b>	
Gross carrying amount	1,690,685
Accumulated depreciation	(699,050)
<b>Net carrying amount</b>	<b>991,635</b>

Also Refer Note 28 for Leases and arrangements containing lease taken by the Company

Refer Note 12 for Security Details

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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### 5 Capital work-in-progress (CWIP) (including Wells in progress)

	As at 31 March	
	2024	2023
Opening balance	5,553,664	5,925,740
Additions during the period	-	-
Capitalisation/others	(165,262)	91,951
Effect of movement in foreign exchange rates	(75,457)	(464,027)
Closing balance	5,312,945	5,553,664

Note:-

a. Management based on independent assessment of the wells in progress, is confident of putting the same to commercial production.

b. As at 31 March 2024, CWIP includes advances to capital equipment supply vendors amounting to USD 51,496 (31 March 2023: USD 68,240) and capital inventory amounting to USD 1,825,644 (31 March 2023: 1,929,968), balance amount of CWIP represents value of wells in progress which have been delayed due to shifting out of field development activities due to finalization of new/advanced stimulation techniques.

c. Refer note 12 for security details.

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## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 6 Intangible assets

	Gas Exploration Right	Computer Software	Other Intangibles	Total
<b>As at 1 April 2022, net of accumulated amortization</b>	<b>81,971</b>	<b>2,367</b>	-	<b>84,338</b>
Additions during the year	-	-	-	-
Amortisation charge for the year	(7,464)	(606)	-	(8,070)
Exchange fluctuation	(6,227)	(168)	-	(6,395)
<b>As at 31 March 2023, net of accumulated amortization</b>	<b>68,280</b>	<b>1,593</b>	-	<b>69,873</b>
Additions during the year	-	-	-	-
Amortisation charge for the year	(7,247)	-	-	(7,247)
Exchange fluctuation	(891)	(23)	-	(914)
<b>As at 31 March 2024, net of accumulated amortization</b>	<b>60,142</b>	<b>1,570</b>	-	<b>61,712</b>
<b>As at 31 March 2023</b>				
Cost	171,491	202,228	-	373,719
Accumulated amortization / write off	(103,211)	(200,635)	-	(303,846)
<b>Net carrying amount</b>	<b>68,280</b>	<b>1,593</b>	-	<b>69,873</b>
<b>As at 31 March 2024</b>				
Cost	169,126	199,439	-	368,565
Accumulated amortization / write off	(108,984)	(197,869)	-	(306,853)
<b>Net carrying amount</b>	<b>60,142</b>	<b>1,570</b>	-	<b>61,712</b>

Refer note 12 for security details.

### 7 Prepayments

	As at 31 March	
	2024	2023
<b>Non-financial assets</b>		
Prepaid expenses	196,348	138,483
	<b>196,348</b>	<b>138,483</b>
<b>Less: Non current portion</b>		
- Prepaid expenses	132,622	49,969
<b>Total non-current portion</b>	<b>132,622</b>	<b>49,969</b>
<b>Current portion</b>	<b>63,726</b>	<b>88,514</b>

Prepaid expenses include an amount of USD 32,135 (31 March 2023: USD 32,584) on account of rent paid in advance to a related party, YKM Holdings Private Limited (refer note 25).

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 8 Trade and other receivables

	As at 31 March	
	2024	2023
<b>Financial assets</b>		
Trade receivables	535	1,283,765
Receivable towards minimum guarantee offtake	4,793	4,921
Unbilled revenue	1,184,218	7,547
Receivable from related parties (refer note 25)	32,135	32,584
Advances to employees	1,259	4,318
Security deposits	17,395	17,639
Interest receivable	332,246	30,213
Other receivable	13,495	13,681
	<b>(A)</b>	<b>1,394,668</b>
<b>Non-financial assets</b>		
Amount deposited with Government agencies under protest	59,974	60,812
Deposit with excise authorities	114,646	87,187
	<b>(B)</b>	<b>147,999</b>
<b>Total trade and other receivables</b>	<b>(A+B)</b>	<b>1,542,667</b>
<b>Less: Non current portion:</b>		
Receivable from related parties (refer note 25)	32,135	32,584
Advances to employees	-	1,399
Security deposits	17,395	17,639
Amount deposited with Government agencies under protest	59,974	60,812
Deposit with excise authorities	114,646	87,187
Other receivable	13,494	13,682
<b>Total non-current portion</b>	<b>237,644</b>	<b>213,303</b>
<b>Current portion</b>	<b>1,523,052</b>	<b>1,329,364</b>

#### Notes:

- Trade receivables are interest bearing post the normal credit period of 3 to 7 days (31 March 2023: 3 to 7 days). Post credit period, interest is charged @ 15% p.a.
- See note 3 (b) on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivable that are neither past due nor impaired.
- The other classes within trade and other receivables do not contain impaired assets.
- The trade receivables do not comprise of any balances more than 6 months.
- Refer note 12 for security details.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 8a Inventories

	As at 31 March	
	2024	2023
Stores and spares	1,358,087	1,507,706
	<b>1,358,087</b>	<b>1,507,706</b>

Out of the total inventories of USD 1,358,087 (31 March 2023: USD 1,507,706), the carrying amount of inventories carried at fair value less cost to sell USD Nil (31 March 2023: USD Nil).

The amount of written down of inventories to net realisable value amounting to USD Nil (31 March 2023: USD Nil)

The cost of Inventories recognised as an expense during the year in respect of continuing operations was USD 820,750 (31 March 2023: USD 587,025).

### 9a Liquid investments

	As at 31 March	
	2024	2023
<b>Investments</b>		
Investment carried at fair value through profit or loss		
Investment in mutual funds - Quoted		
ICICI Prudential Money market fund - Direct plan - Growth		
- 2,454,381 (31 March 2023: 2,580,509) units of market value USD 4.19 each (31 March 2023: USD 3.94 each)	10,281,167	10,178,579
SBI Saving Fund- Direct plan- Growth 1,250 (31 March 2023: 1,250) units of market value USD 0.49 (31 March 2023: USD 0.46)	606	571
ICICI Prudential liquid fund - Daily dividend		
- 8 (31 March 2023: 8) units of market value USD 1.22 each (31 March 2023: USD 1.22 each)	9	10
	<b>10,281,782</b>	<b>10,179,160</b>

### 9b Restricted deposits with banks

	As at 31 March	
	2024	2023
<b>Financial assets</b>		
Fixed deposits including margin money	6,194,610	1,712,887
Non-current portion	-	16,050
Current portion	6,194,610	1,696,837

All the restricted fixed deposits are denominated in INR.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

These fixed deposits earn fixed interest at the respective bank deposit rates. These are margin money against borrowings, security release by bank and bank guarantee/Letter of credit issued by bank on behalf of the Company and against court cases. Restrictions on such deposits are released on the expiry of terms of respective arrangements.

### 10 Cash and cash equivalents

	As at 31 March	
	2024	2023
<b>Financial assets</b>		
Cash in hand	271	235
Cash at banks	747,420	37,751
	<b>747,691</b>	<b>37,986</b>

- Cash at banks is non-interest bearing.
- Deposits earn fixed interest at the respective bank deposit rates.
- The carrying amounts of cash and cash equivalents are representative of their fair values as at the respective statement of financial position dates. The same has been considered as cash and cash equivalent for the purpose of the statement of cash flows. The carrying amounts of the cash and cash equivalents are all denominated in INR.

### 11 Issued capital and reserves

#### Share capital

	As at 31 March	
	2024	2023
<b>Authorised shares</b>		
70,000,000 (31 March 2023: 70,000,000 ordinary shares of INR 10 (equivalent to USD 0.22) each	15,857,418	15,857,418
	<b>15,857,418</b>	<b>15,857,418</b>
<b>Shares issued, subscribed and fully paid</b>		
59,561,950 (31 March 2023: 59,561,950 ordinary shares of INR 10 (equivalent to USD 0.22) each	13,306,007	13,306,007
	<b>13,306,007</b>	<b>13,306,007</b>

The Company has only one class of equity shares, having a par value of Rs.10 per share (USD 0.22). Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

43,193,995 equity shares (72.52% of total number of equity shares) represent 86,387,990 Global Depository Receipts (GDR) [31 March 2023: 43,193,995 equity shares (72.52% of total number of equity shares) represent 86,387,990 GDRs]. 2 GDRs are equivalent to 1 fully paid equity share of Rs. 10 (USD 0.22) each. The individual GDR holder do not have direct right to either attend the shareholder's meeting or vote therein.

## **Great Eastern Energy Corporation Limited**

(All amounts in US dollars unless otherwise stated)

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They are represented by the depository who represents the GDR holders at shareholder's meetings and vote on their behalf.

### **Nature and purpose of reserves**

#### **Securities premium**

Securities premium represents the premium paid by the shareholders on issue of shares and net of equity transaction cost. Under the Indian Companies Act 2013, such a reserve has a restricted use like issuance of bonus shares, etc.

#### **Debenture redemption reserve**

Debenture redemption reserve represents the reserve created for the redemption of debentures issued during the financial year 2013-14. Under the Indian Companies Act 2013, such a reserve has a restricted use until the redemption of debentures and necessary additions are made basis maturity profile of the debentures.

#### ***Retained Earning***

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit or Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders

#### **Foreign currency translation reserve**

The translation reserve comprises all foreign exchange differences arising from the translation of these financial statements from functional currency to presentation currency

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 12 Interest bearing loans and borrowings (including accrued interest)

	As at 31 March	
	2024	2023
<b>Financial liabilities</b>		
<b>Non-current</b>		
14% non-convertible redeemable debentures	4,291,224	5,733,062
Indian currency loan from banks and financial institutions	11,880,655	15,853,950
External commercial borrowing	11,442,904	15,360,912
<b>Total non-current</b>	<b>27,614,783</b>	<b>36,947,924</b>
<b>Current</b>		
<b>Current maturities</b>		
14% non-convertible redeemable debentures	695,214	704,938
Indian currency loan from banks and financial institutions	2,230,635	2,171,212
External commercial borrowing	1,908,243	1,916,283
<b>Total (A)</b>	<b>4,834,092</b>	<b>4,792,433</b>
<b>Short-term borrowings</b>		
Directors loan	1,079,526	1,094,624
Bank overdraft	12,258	-
<b>Total (B)</b>	<b>1,091,784</b>	<b>1,094,624</b>
<b>Total current (A+B)</b>	<b>5,925,876</b>	<b>5,887,057</b>

The Company has made accelerated prepayment of USD 3,975,340 during the year.

Details of effective interest rates of loans and borrowings are given below:-

Category of loan	Currency	Maturity	As at 31 March 2024	As at 31 March 2023
Non-Convertible redeemable debentures [refer (a) below]	INR	31-Mar-29	14.28%	14.28%
External commercial borrowing [refer (b) below]	Euro	30-June-29	Margin 4.372% + 6 month Euribor	Margin 4.372% + 6 month Euribor
Indian rupee loan [refer (c) below]	INR	30-June-29	Respective bank base rate + 3%, 2.5%, 2.55%, approximately	Respective bank base rate + 3%, 2.5%, 2.55%, approximately
Indian rupee loan [refer (d) below]	INR	15-Nov-26	11.55%	10.85%
			13.40%	13.65%



## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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- (a) 14% non-convertible redeemable debentures of USD 4,639 (Rs. 386,789) (31 March 2023: USD 4,704 (Rs. 386,789)) each, redeemable at face value, were allotted during the year ended 31 March 2014.

The debentures are secured by way of pari-passu charge created as under:

- i) First ranking mortgage and charge over all the immovable and movable properties of the Company, both present and future, including without limitation, the land pertaining to the CBM Project save all immoveable properties of the Company situated at Mouza Ishwarpura, Taluka Kadi, District Mehsana, Gujarat;
- ii) First charge by way of hypothecation over all movable assets in relation to the CBM Project including, without limitation plant and machinery, machinery spares, tools and accessories, both present and future related to the CBM Project;
- iii) First ranking charge over the Participating Interest of the Company under the Product Sharing Contract (“PSC”);
- iv) Assignment of (a) all the Project Documents in relation to the Contract Area or the intended CBM Project at Raniganj Block, (b) all rights, titles, interests, benefits, claims, whatsoever of the Company, in all Project Documents, Insurances, Clearances and all interests of the Company relating to the CBM Project including without limitation any letter of credit, guarantee or performance bond provided by any party under the Project Documents and all rights, titles, interests, benefits, claims, whatsoever of the Issuer on the PSC;
- v) First charge on all book debts, operating cash flows, commissions, all revenues, receivables and other current assets of the Company from or in relation to the CBM Project of whatsoever nature and whenever arising, both present and future, tangible and intangible assets, including, without limitation any know how rights, patents and the goodwill, related to the CBM Project, both present and future; and
- vi) First charge on all the Company’s bank accounts including, without limitation, project capex account, Trust and Retention Account and the Accounts to be established by the Company in consultation with the lenders and the Debenture Trustee and each of the other accounts required to be created by the Company in accordance with the Finance Documents and under any project document or contract and all moneys lying therein and/or to be credited therein.

The company has prepaid part of the debentures during the current year also.

- (b) During the year ended 31 March 2011, the Company had been sanctioned External Commercial Borrowings (‘ECB’) facility of EUR 36.50 million from ICICI Bank Ltd., Bahrain. Out of the sanctioned facility, the Company had drawn EUR 22.10 million on 29 December 2010, EUR 10 million on 7 July 2011 and Euro 4.40 million on 19 April 2012.

The Company has hypothecated the following assets as security by way of a first charge in favour of the lender:

- i) All rights, titles, interest, benefits, claims and demands whatsoever of the borrower, in, to, under and/or in respect of the project documents and the clearances (both of the above hereinafter referred to as the “Contracts”) whether now executed/ received or hereafter executed/ received and delivered, including

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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without limitation, the right to compel performance thereunder, and to substitute, or to be substituted for, the borrower thereunder, and to commence and conduct either in the name of the borrower or in its own name or otherwise any proceedings against any person in respect of any breach of, the contracts and, including without limitation, rights and benefits to all amounts owing to, or received or recovered by, the borrower and all claims thereunder and all other claims of the borrower under or in any proceedings against all or any such persons and together with the right to further assign any of the contracts (collectively, the “ First Hypothecated Properties”);

- ii) All and singular the moveable properties, accounts, plant and machinery, all other tangible moveable assets (both present and future) and in particular including, without limitation, all moveable plant and machinery (whether attached or otherwise), hardware, computer software, interface software, wiring, electronics spares, machinery spares, tools, meters, telephones, motor vehicles, accessories and all other equipment, whether installed or not and whether lying loose or in cases or which are lying or are stored in or to be stored in or to be brought upon the project site or into any of the borrower’s premises, warehouses, stockyards and godowns or those of the borrower’s agents, affiliates, associates or representatives or at various work sites, or at any place or places wherever else situated or wherever else the same may be whether now belonging to or that may at any time during the continuance of this deed belong to the borrower and/or that may at present or hereafter be held by any party anywhere to the order and disposition of the borrower or in the course of transit or delivery and all replacements, conversions, realization or otherwise howsoever together with all benefits, rights, and all incidentals attached thereto which are now or shall at any time hereafter be owned by the borrower and the uncalled capital, intellectual property/ intellectual property rights, goodwill, permitted investments, and all the other investments, rights, title and interest in the undertakings of the borrower and all rights, title interest, property, claims, and demand, whatsoever of the borrower up to and upon the same whether presently in existence, constructed or acquired hereafter (collectively, the second “ Second Hypothecated Properties”);
- iii) All amounts, revenues, receipts and other receivables owing to, and received by, the Company from whosoever person, all rights, titles, interest, benefits, claims and demands whatsoever of the Company in, to or in respect of all amounts owing to and received by, the Company from whomsoever person, including any amounts received by the Company under contract guarantees, performance bonds, letter of credit or receivables from the shareholders of the Company or otherwise, which description shall include all properties of the above description, including the accounts in which such amounts are held (including the Project Accounts), whether presently in existence or acquired hereafter, but excluding the Distribution Account (collectively the “Third Hypothecated Properties”);
- iv) All amounts, revenues, receipts owing to/receivable and/or received by, the Company in relation to the Project or otherwise and all rights, titles, interest, benefits, claims and demands whatsoever of the Company in to or in respect of all amounts owing to/receivable and/or received by, the Company, both present and future, which description shall include all properties of the above description whether presently in existence or acquired hereafter (collectively, the “Fourth Hypothecated Properties”); and
- v) By way of a first charge, all the other moveable assets of the Company both present and future including the Distribution Account [other than the property effectively charged pursuant to the provisions of Sub-clause (i) through (iv) above], (collectively the “General Assets”) provided that the charge created over the General Assets shall rank as a floating charge and shall not hinder the Company from dealing with the same or any part thereof in the ordinary course of its business in accordance with the terms of the Financing Documents and free of liens in each case unless the dealings have been restricted in accordance with the terms or its Deed or otherwise or the charge gets converted into a fixed charge and subject to and only as expressly permitted by the Financing Documents. The Company shall not, without the prior written consent of the lender, create or attempt to create any mortgage, charge, lien, pledge or hypothecation upon the Gen-

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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eral Assets.

The security interest created by the Company in favour of the lender on the hypothecated property by the deed rank pari passu with the security interest created/ to be created in favour of existing lenders and parallel lenders.

The Company has prepaid part of the installments during the current year also.

- (c) During the year ended 31 March 2012, the Company had been sanctioned Rupee Term Loan Facility equivalent to USD 29,387,070 (Rs. 2,450,000,000) from consortium of banks. The Company has drawn USD 28,621,352 (Rs. 2,386,162,091). As per the credit arrangement letter, the facility shall be secured by first ranking charge/ hypothecation/ mortgage/ assignment/ pledge/ security/ interest on the following, related to the project:
- i) All the immovable properties (including leasehold rights in case of leasehold land) and assets of the borrower, present and future, in relation to the CBM project and all immoveable properties of the borrower situated at Mouza Ishwarpura, Talukda Kadi, District Mehsana, Gujarat;
  - ii) All the borrower's movable properties and assets (including intangible assets) in relation to the CBM project, present and future, including but not limited to plant and machinery, machinery spares, tools, spares, accessories and current assets;
  - iii) All book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising of the borrower and all intangibles, goodwill, uncalled capital of the borrower, present and future, relating to the CBM project;
  - iv) All accounts of the borrower wherever maintained, present and future, including but not limited to the Trust and Retention Account together with all accounts/ sub-accounts thereof, including Debt Service Reserve Account; and
  - v) All rights, title, interest, benefits, claims and demands whatsoever of the borrower, present and future, in, to and in respect of the project documents including (but not limited to) all insurance contracts, clearances and CBM contract(s), and any letters of credit, guarantees or performance bonds provided by any party to any project documents in favour of the Borrower and all benefits incidental thereto.

The aforesaid security will rank pari passu with the security interest created/ to be created in favour of participating lenders.

The Company has prepaid part of the installments during the current year also.

- (d) Unsecured Indian Rupee loan is secured by first charge by way of mortgage of plot owned by YKM Holdings Private Limited and situated at Shivaji Marg, Rangpuri, New Delhi.
- (e) The Company has availed an unsecured loan from directors carrying an interest of 18% p.a. and payable monthly. The loan is repayable on demand.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 13 Employee benefit liabilities

	As at 31 March	
	2024	2023
Superannuation payable	1,974,111	407,346
Gratuity payable (defined benefit plan)	1,575,077	950,908
Compensated leave absences	999,187	811,703
	<b>4,548,375</b>	<b>2,169,957</b>
<b>Less: Non current portion</b>	<b>3,537,486</b>	<b>1,261,278</b>
<b>Current portion</b>	<b>1,010,889</b>	<b>908,679</b>

The following tables summarize the components of gratuity expense recognised in the statement of profit or loss and the other comprehensive income and the amounts recognised in the statement of financial position for the respective plans.

	For the year ended 31 March	
	2024	2023
Current service cost	109,936	65,993
Past service cost	415,410	-
Interest cost on benefit obligations	65,237	56,164
Remeasurements (gains) / losses recognised in the year	67,953	77,988
	<b>658,536</b>	<b>200,145</b>
Charged to the statement of profit or loss	590,583	122,157
Charged to other comprehensive income	67,953	77,988
	<b>658,536</b>	<b>200,145</b>

Changes in the present value of the defined benefit obligation are as follows:

	For the year ended 31 March	
	2024	2023
<b>Opening defined benefit</b>	950,908	835,304
Current service cost	109,936	65,993
Past service cost	415,410	-
Interest cost	65,237	56,164
Remeasurements (gains)/ losses arising from		
- financial assumptions	43,930	17,456
- demographic assumptions	1,884	-
- experience adjustment	22,139	60,532
Exchange fluctuation	(17,580)	(69,236)
Benefits paid	(16,787)	(15,305)
<b>Closing defined benefit obligation</b>	<b>1,575,077</b>	<b>950,908</b>

Gratuity is an unfunded obligation and accordingly disclosures with respect to the plan assets are not applicable.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

The principal actuarial assumptions used for gratuity were as follows:

	As at 31 March 2024	As at 31 March 2023
<b>Particulars</b>		
Salary growth	7.00%	7.00%
Inflation factor	7.00%	7.00%
Discount rate	6.97%	7.20%
Mortality rates have been taken as per	IIAM Ultimate 2012-2015	IALM Ultimate 2012-2014
Retirement age	65 and 85 years	65 years

The Actuarial valuation is carried out annually by an independent actuary. The discount rate used for determining the present value of obligation under the defined benefit plan is determined by reference to market yields at the end of the reporting period on Indian Government Bonds. The currency and the term of the Government Bonds are consistent with the currency and term of the defined benefit obligation.

The salary growth rate takes into account inflation, seniority, promotion and other relevant factor on long term basis.

### Sensitivity analysis

A quantitative sensitivity analysis of the changes in the defined benefit obligation due to changes in significant assumptions are shown below:

#### As at 31 March 2024

	1% increase	1% decrease
Discount rate	(178,881)	209,222
Future salary growth	206,387	(179,813)
Withdrawal rate	(1,727)	6,202

#### As at 31 March 2023

	1% increase	1% decrease
Discount rate	(113,329)	134,904
Future salary growth	133,082	(113,884)
Withdrawal rate	(3,102)	3,560

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the statement of financial position.

The method and types of assumptions used in the preparing the sensitivity analysis did not change com-

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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pared to the prior period.

### Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Changes in bond yields:** A decrease in bond yields will increase plan liabilities.

**Salary Growth :** Higher than expected increases in salary will increase the defined benefit obligation.

**Inflation risks:** In the gratuity plans, the gratuity payment are not linked to inflation, so this is a less material risk.

**Life expectancy:** The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

### Maturity profile of defined benefit obligation:

Year	As at 31 March	
	2024	2023
Within the next 12 months	11,772	96,972
Between 2 and 5 years	49,449	34,177
More than 5 years	1,513,856	819,760
<b>Total</b>	<b>1,575,077</b>	<b>950,909</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 and 18 Years (2023: 18 years).

### Compensated absences plan

The liability for the compensated absences plan is USD 999,187 (31 March 2023: USD 811,702). During the year, USD 209,051 (31 March 2023: USD 199,821) has been charged/(credited) to statement of profit or loss on account of the compensated absences plan.

Other employee benefit contribution plan:

### Defined contribution plans - Provident fund

The liability for provident fund payable is USD 46,872 (31 March 2023: USD 40,294). The Company contributed USD 280,771 (31 March 2023: USD 256,091) to the Provident fund which has been charged to statement of profit or loss.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### Defined contribution plans - Superannuation

The superannuation (pension) plan for the Company is a defined contribution plan for certain level of management where monthly contribution at the rate of 15% of salary is payable. These contributions will accumulate at the prevailing rate of interest. At the time of retirement, termination or separation of employees, accumulated contribution will be utilised to buy pension annuity from an Insurance Company.

The following table summarize the components of superannuation expense recognised in the statement of profit and loss and the recognised in the balance sheet.

Changes in the present value of superannuation representing reconciliation of opening and closing balances thereof:

	For the year ended 31 March	
	2024	2023
Present value of obligation at the beginning of the year	407,346	441,788
Current service cost	161,087	-
Past service cost	1,297,711	-
Interest cost	118,647	-
Actuarial (gains)/loss on obligation	5,954	-
Effect of movement in foreign exchange rates	(16,633)	(34,442)
Present value of obligation as at end of the year	<u>1,974,112</u>	<u>407,346</u>

### 14 Trade and other payables

	As at 31 March	
	2024	2023
<b>Financial liabilities</b>		
Trade payables for goods and services	2,019,809	2,394,780
Employee benefit liability	349,858	293,410
Security deposits	153,914	155,655
Other liabilities	231	462
(A)	<u>2,523,812</u>	<u>2,844,307</u>
<b>Non-financial liabilities</b>		
Statutory dues	299,646	267,256
Advances from customers	128,999	81,425
(B)	<u>428,645</u>	<u>348,681</u>
<b>Total</b>	<b>(A+B)</b> <u>2,952,457</u>	<u>3,192,988</u>
<b>Less:Non-current portion</b>		
Advances from customers	28,601	1,517
<b>Total Non-current portion</b>	<u>28,601</u>	<u>1,517</u>
<b>Current portion</b>	<u>2,923,856</u>	<u>3,191,471</u>

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

Terms and conditions of the above financial liabilities:

- Trade payable and other liabilities are non-interest bearing and repayable within 1 year.
- Security deposits have been received from contractors and are repayable on demand and do not carry interest.
- Employee benefit liabilities (other than retirement benefit) are payable over the next 0-180 days and without interest.

### 15 Provisions

#### Movement in provision for site restoration

	As at 31 March	
	2024	2023
Opening balance	259,803	284,202
Addition/Deletion during the year	-	(7,427)
Effect of discounting	8,071	5,134
Effect of movement in foreign exchange rates	(3,639)	(22,106)
Closing balance	264,235	259,803
Less: Non current portion	264,235	259,803
Current portion	-	-

A provision for restoring the land back to its originality is created by way of site restoration costs, on a well by well basis. Such expenses are provided when the wells have been drilled substantially. These are expected to be incurred when the Company has commercially exploited the proved reserves of the well or when a well which has been drilled, has been declared as dead.

Since there have been no additional drillings in the current year, management is not expecting any material change to the gross undiscounted decommissioning liability.

### 16 Deferred income taxes

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

The break-up of deferred tax assets and liabilities is as follows:

	As at 31 March	
	2024	2023
<b>Deferred tax liabilities:</b>		
Deferred tax liabilities	19,870,388	20,668,597
<b>Deferred tax assets:</b>		
Deferred tax assets	(18,525,609)	(20,507,203)
<b>Deferred tax (Assets)/liabilities (net)</b>	<b>1,344,779</b>	<b>161,394</b>



## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

The gross movement on deferred income tax account is as follows

Particulars	Employee benefits	Unabsorbed depreciation*	Others	Minimum alternate tax (MAT)**	Total
<b>Deferred tax assets</b>					
<b>At 1 April 2022</b>	<b>440,769</b>	<b>12,038,583</b>	<b>95,254</b>	<b>10,177,786</b>	<b>22,752,392</b>
Additions/(reversals) during the year	109,298	(1,404,240)	20,548	792,286	(482,108)
Exchange differences	(36,796)	(907,292)	(7,883)	(811,110)	(1,763,081)
<b>At 31 March 2023</b>	<b>513,271</b>	<b>9,727,051</b>	<b>107,919</b>	<b>10,158,962</b>	<b>20,507,203</b>
Additions/(reversals) during the year	245,139	(3,344,007)	463,436	924,812	(1,710,620)
Exchange differences	(8,785)	(110,910)	(4,713)	(146,566)	(270,974)
<b>At 31 March 2024</b>	<b>749,625</b>	<b>6,272,134</b>	<b>566,642</b>	<b>10,937,208</b>	<b>18,525,609</b>

\*Unabsorbed depreciation does not have any specific life for adjustment in current taxation law, further Company do not have any carry forward tax losses.

Additions / reversals during the year in deferred tax assets and liabilities have been recognized in the statement of profit or loss except for a (income)/charge of (USD 19,788) (previous year (Income)/charge of USD (22,710)) on employee benefits which has been recorded in other comprehensive income.

MAT assets represents tax paid to the Indian government which are allowed to be set off against regular tax liabilities in future years. The period of origination and carry forward are as below:

Amounts in USD	Year of origination	Available for utilization till
383,199	2012-13	2027-28
2,604,083	2013-14	2028-29
2,065,476	2014-15	2029-30
186,933	2015-16	2030-31
356,419	2017-18	2032-33
2,303,774	2018-19	2033-34
835,498	2019-20	2034-35
165,864	2020-21	2035-36
353,619	2021-22	2036-37
763,966	2022-23	2037-38
918,379	2023-24	2038-39
<b>10,937,210</b>		

The Company basis its current gas reserve estimates and business plan is hopeful of realising the same in the available carry forward period, considering the significant time gap between the expected time of utilisation and the permissible carry forward period. The Company does not have any unrecognised deferred tax assets.

The tax expense in the statement of profit or loss for the year differs from the standard tax rate of corporate tax in India. further the reconciliation between tax (expense) income and the product of accounting profit (loss) multiplied by India's standard corporate tax rate of 29.12% (31 March 2023: 29.12%) is as follows:

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

	Investments	Property, plant and equipment
<b>Deferred tax liabilities</b>		
<b>At 1 April 2022</b>	20,373	22,262,330
Additions/ (reversal) during the year	34,425	91,463
Exchange differences	(2,355)	(1,737,642)
<b>At 31 March 2023</b>	<b>52,443</b>	<b>20,616,151</b>
Additions/ (reversal) during the year	30,971	(547,670)
Exchange differences	(939)	(280,568)
<b>At 31 March 2024</b>	<b>82,475</b>	<b>19,787,913</b>

	For the year ended 31 March	
	2024	2023
Profit before tax:	5,365,357	4,561,830
Tax credit/ (expense) at domestic tax rate	(1,562,392)	(1,328,405)
Tax effects of:		
- Effect of evaluation of deferred tax balances in future years	(430,159)	(39,909)
- Non-deductible expenses	(126,179)	(31,968)
- 'Income tax for earlier years	7,293	-
<b>Tax (charge)</b>	<b>(2,111,437)</b>	<b>(1,400,282)</b>

	For the year ended 31 March	
	2024	2023
<b>Income tax expense</b>		
Current tax expense	(924,813)	(792,286)
Income tax for earlier years	7,293	-
Deferred tax expenses	(1,193,917)	(607,996)
	<b>(2,111,437)</b>	<b>(1,400,282)</b>

### 17 Other income

	For the year ended 31 March	
	2024	2023
Provisions/liabilities no longer required written back	160,384	98,923
Claims received*	17,177	31,494
Profit on disposal of property, plant and equipment	-	5,687
Miscellaneous income	141,000	21,127
Net gain on financial instruments measured at fair value through profit or loss	832,982	424,290
	<b>1,151,543</b>	<b>581,521</b>

\* Claims received includes the amount received from insurance companies against insurance policies during the current year and previous year and vendors on settlement of disputes in previous year.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 18 Employee benefit expenses

	For the year ended 31 March	
	2024	2023
Wages and salaries	4,744,644	4,260,822
Defined contribution plans (refer note 13)#	1,877,406	268,278
Provision for gratuity (refer note 13)	590,583	122,157
Staff Welfare	7,304	5,496
	<b>7,219,937</b>	<b>4,656,753</b>

#Includes provision of USD 1,583,400 on account of reinstatement of superannuation liability as on 31st March 2024.

### 19 Other expenses

	For the year ended 31 March	
	2024	2023
Stores and spares consumed	819,262	587,025
Workover expenses	255,120	242,991
Audit fees	70,144	60,389
Electricity charges	21,957	25,926
Repairs and maintenance	1,444,980	1,167,931
Insurance	86,316	93,967
Rent (refer note 28)	186,290	183,378
Rates and taxes	57,810	40,084
Postage, printing and stationery	4,243	4,158
Telephone charges	53,270	65,094
Travelling and conveyance	590,344	580,274
Consultancy charges	337,779	585,102
Fee and legal charges	670,348	646,309
Sitting fees/ commission paid to non-executive directors (refer note 25)	61,288	49,907
Hire charges	383,627	452,760
Security expenses	2,105,477	2,096,585
Selling and distribution expenses	-	307
Royalty	2,591,945	2,061,316
Production level payment	647,986	515,329
Conference and subscription	52,380	51,389
Loss on sale of property, plant and equipments	19,921	-
Provision for inventory	-	72,855
Deposits written off	728	3,805
Payment under legal settlements	-	237,134
Miscellaneous expenses	469,432	157,231
	<b>10,930,647</b>	<b>9,981,246</b>

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### 20 Finance income

	For the year ended 31 March	
	2024	2023
Interest on bank deposit	434,759	82,885
Interest from others	27,571	19,866
	<b>462,330</b>	<b>102,751</b>

### 21 Finance cost

	For the year ended 31 March	
	2024	2023
Interest	4,562,550	4,599,439
Unwinding of discount on site restoration cost	12,807	13,189
Bank charges	26,432	11,214
	<b>4,601,789</b>	<b>4,623,842</b>

### 22 Earnings per share (EPS)

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic and diluted income EPS computation.

	For the year ended 31 March	
	2024	2023
Profit after tax attributable to equity share holders for the year	3,253,920	3,161,548
Weighted average number of ordinary shares for basic and diluted earnings per share	59,561,950	59,561,950
Face value of share (INR)	10	10
Basic and diluted earnings per share (USD)	0.05	0.05

### 23 Contingent Liabilities

Based on a review of the legal position, the management believes that it is possible but not probable, that the demands mentioned below will arise and accordingly no provision for any liability has been made in these financial statements.

- (i) Petroleum and Natural Gas Regulatory Board (“PNGRB”) issued notice to the Company on 3 December 2010 to stop incremental activity of laying pipeline in Durgapur area. The Company objected to PNGRB’s notice and challenged the jurisdiction of PNGRB on this matter. PNGRB passed an Order against the Company of USD 119,947 (Rs. 10,000,000) (31 March 2023: USD 121,625) and a penalty of USD 2,399 (Rs. 200,000) (31 March 2023: USD 2,432) per day.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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The Company challenged the same in Delhi High Court and the Court directed PNGRB not to take any coercive action against the Company. It further directed that the Company shall continue to supply the gas as of today through the existing pipeline. The writ petition is currently pending in the Delhi High Court for final hearing. The Company believes that it has a strong case in its favour.

- (ii) One of the Contractor, D.S. Steel had filed a suit against the Company before the Civil Judge, Asansol for recovery of USD 96,122 (Rs. 8,013,685) (31 March 2023: USD 97,466) along with interest till realization for non-payment of bills for developing wells and enabling drilling to extract methane gas from certain sites. The Court passed the judgement in favour of the Contractor on 22 December 2015 of USD 70,945 (Rs. 5,914,685) (31 March 2023: USD 71,937) along with interest from the date of filing the suit till realization of the claim. The Company has preferred the appeal before the Hon'ble High Court of Calcutta which is pending before the Hon'ble Court. The Company is of the strong view of being successful in the matter.
  
- (iii) In the matter of Sopan Projects ("Sopan") for GGS North, the Arbitral Tribunal had passed four awards on August 25, 2017 whereby, the net amount payable was USD 35,106 (Rs. 2,926,810) (31 March 23: USD 35,597). Thereafter, the Arbitral Tribunal passed an amended award dated November 10, 2017 ("Amended Award"), which was in violation of prevailing law and net amount payable became USD 168,377 (Rs. 14,037,569) (31 March 2023: USD 170,732) plus interest. Being aggrieved by the amended award, both the parties had filed petitions before the Delhi High Court to set aside the amended award. Vide order dated April 26, 2023, Delhi High Court had set aside the amended award and also set aside the award dated August 25, 2017 ("Original Award"). Since the original award was set aside, which was against the prevailing laws and several judgments, the Company had filed an appeal before the Delhi High Court on May 8, 2023 to reinstate the original award. For the other three awards, Sopan had filed execution petition for a total USD 73,520 (Rs. 6,129,363) (31 March 2023: 74,548) before the Gurugram District Court, which have been stayed by an order dated April 20, 2023 passed by the Chandigarh High Court.

In August 2016, Sopan had filed two separate claim petitions before the Arbitral Tribunal for USD 1,804,613 (Rs. 150,450,546) (31 March 2023: USD 1,829,853) plus interest and USD 221,130 (Rs. 18,435,619) (31 March 2023: USD 224,223)) plus interest for GGS South and MDPE Pipeline matters respectively. The Company had filed Counter Claims to the tune of USD 5,259,338 (Rs. 438,471,015) (31 March 2023: USD 5,332,900) plus interest and USD 1,020,655 (Rs. 85,091,970) (31 March 2023: USD 1,034,930) plus interest respectively. In respect of MDPE Pipeline matter, upon completion of the proceedings, the Arbitral Tribunal has reserved the award. In October 2023, the Arbitrator fixed a hearing in the matter, against which the Company filed petition before the Delhi High Court, seeking termination of the mandate of the Arbitrator stating that a period of about 3 years and 8 months has passed since the Tribunal reserved its award. The Court passed an interim order stating that no arbitral award be pronounced till further directions from the Court and the stay continues till the next date of hearing, i.e. July 31, 2024.

In GGS South matter the Arbitral Tribunal has passed the award on March 25, 2022 for USD 1,497,878 (Rs. 124,878,071) (31 March 2023: USD 1,518,828) in favour of Sopan. Being aggrieved by the said award, the Company had filed petition before the Delhi High Court to set aside the award. Delhi High Court had granted interim protection by staying the operation of the award, till the next date of hearing to be held on August 28, 2024.

On the basis of prevailing laws and several judgments, the Company is of the view that it has a strong case, hence no liability shall arise.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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(iv) Directorate General of Hydrocarbons ("DGH") has demanded additional Production Level Payment ("PLP") of USD 1,371,137 (Rs. 114,311,686) (31 March 2023: USD 1,390,315) for the financial years from 2007-08 to 2016-17. The contention of DGH was that the Company has not obtained any approval for claiming deduction toward compression and transportation. The Company has obtained price approval from MoPNG as per the provisions of the CBM contract. The Company believes that none of the clauses of CBM contract dated 31 May 2001 makes it mandatory on the Company to seek any further approval before claiming any deductions from any entity/authority. The Company has clarified the position to DGH.

(v) (a) (i) Excise Department had issued various Show Cause notices / demand levying excise duty on certain sales for the period from September 2007 to September 2020. The Joint Commissioner (Commissionerate, CGST - Bolpur) has raised 4 Demand Orders against 14 SCNs to the Company for USD 1,076,889 (Rs. 89,780,202) (31 March 2023: USD 1,091,951) & imposed penalty USD 286,787 (Rs. 23,909,394) (31 March 2023: USD 290,798) and an additional penalty of USD 69,569 (Rs. 5,800,000) (31 March 2023: USD 70,542) on the Executive Chairman, which were received by the Company on May 2, 2022.

The Company has preferred appeals against the aforesaid orders. The Company has made the mandatory pre-deposit of USD 85,984 (Rs. 7,168,517) (31 March 2023: 87,187) upon which the consequential proceedings have been stayed. The Commissioner (Appeals) dismissed the appeals against which the Company preferred appeals before the CESTAT, Kolkata and made the additional pre-deposit of USD 28,661 (Rs. 2,389,507) (31 March 2023: Nil) upon which the consequential proceedings have been stayed. There are favourable orders in the Company's own case where the standpoint of the Company has been validated at Commissioner level as well by Hon'ble CESTAT. The Company is of the strong view that no liability shall arise.

(ii) Excise Department had issued various Show Cause notices / demand levying excise duty on certain sales amounting to USD 121,702 (Rs. 10,146,292) (31 March 2023: USD 122,382) for the period from February 2017 to June 2017, October 2020 to March 2022 and April 2022 to December 2023. The Company has clarified the position to the department and is of the strong view that no liability shall arise.

(b) The Company has received show cause notice / demand levying service tax on payment of Royalty & Production level payment amounting to USD 322,382 (Rs. 26,876,983) (31 March 2023: USD 326,891) from April 2016 to June 2017. The Company is of the view that no liability shall arise. The Company has also filed writ petition before Calcutta High Court to quash the demand raised by the Department.

(c) The Company has received show cause notice / demand levying GST on payment of Royalty & Production level payment amounting to USD 1,872,059 (Rs. 156,073,580) (31 March 2023: 1,898,243) from July 2017 to March 2022. The Company has clarified the position to the department and is of strong view that no liability shall arise. Further, the issue whether royalty is tax or not is sub-judice before the nine-judge bench of the Hon'ble Supreme Court. The levy under GST regime has also been stayed by various Hon'ble high courts.

(vi) In respect of the assessment year 2014-15, the TDS Officer (Income-tax) had passed an assessment order under section 201(1)/201(1A) of the Income Tax Act and had made a tax demand amounting to USD 31,942 (Rs. 2,663,021) (31 March 2023: USD 32,389). The Company had filed an appeal with the Commissioner of Income Tax (Appeals), which is pending.

# Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

## 24 Capital and other commitments:

	As at	
	31 March 2024	31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- For land	11,789	11,954
- For others	261,815	26,654
	<b>273,604</b>	<b>38,608</b>

## 25 Related party disclosures

### a) Related parties where control exists:

The Company is controlled by Mr. Yogendra Kr. Modi & Mr. Prashant Modi who are also the Company's ultimate controlling parties.

Other related parties with whom transaction have taken place during the year and the nature of related party relationship:

Key managerial personnel and their relatives	<ul style="list-style-type: none"><li>Mr. Yogendra Kr. Modi - Executive Chairman</li><li>Mr. Prashant Modi - Managing Director and Chief Executive Officer</li><li>Mr. S. Sundareshan - Independent Director</li><li>Mr. Pankaj Patel - Independent Director (w.e.f. 3 July 2023)</li><li>Mr. G.S Talwar - Independent Director (upto 27 January 2024, due to sad demise)</li><li>Mr. Sushil Kumar Roongta - Independent Director (upto 01 May 2023)</li><li>Ms. Prarthana Modi (daughter of Mr. Yogendra Kr. Modi)</li></ul>
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Entities that are controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual or close family member of such individual referred above.	<ul style="list-style-type: none"><li>YKM Holdings Private Limited</li></ul>
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### b) The following tables provide the total amount of transactions which have been entered into with related parties during the years ended 31 March 2024 and 2023.

Related Party	Nature of transaction	For the year ended 31 March	
		2024	2023
YKM Holdings Private Limited	Lease rentals	168,405	165,169
	Reimbursement of expenses	27,477	29,106

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### c) Compensation paid / accrued to key management personnel and their relatives

	For the year ended 31 March	
	2024	2023
Short term employee benefits	1,607,199	1,655,515
Defined contribution plan	1,711,918	132,355
Commission	51,311	35,228
Consultancy charges	3,020	3,110
Interest Paid	196,212	201,518
	<b>3,569,660</b>	<b>2,027,726</b>

- In addition to above payments, the Company has also paid USD 9,977 (31 March 2023: USD 14,678) as sitting fees to the non-executive directors for attending various meetings and the same are included in 'other expenses' in the statement of profit or loss(refer note 19).

- Remuneration does not include provision made for gratuity and leave encashment as they are determined for the company as a whole

Also refer note 12 with respect to guarantee given by Mr. Yogendra Kr. Modi and Mr. Prashant Modi and other charges created on the assets/ cash flows of YKM Holdings Private Limited for the loan taken by the Company and are outstanding at the year end.

### d) The following tables provide the total amount outstanding with related parties:

	As at 31 March 2024		As at 31 March 2023	
	Receivable	Payable	Receivable	Payable
YKM Holdings Private Limited (refer notes 7, 8)*	64,270	-	65,168	-
Mr. Yogendra Kr. Modi (refer note 12,14)	-	1,995,723	-	1,061,389
Mr. Prashant Modi (refer note 12,14)	-	1,134,957	-	526,829
Ms. Prarthana Modi	-	225	-	228
	<b>64,270</b>	<b>3,130,905</b>	<b>65,168</b>	<b>1,588,446</b>

\*Amounts recoverable from YKM Holdings Private Limited consists of USD 32,135 (31 March 2023: USD 32,584) on account of security deposits paid for property taken on lease, recoverable on expiry of lease agreement (refer note 8) and USD 32,135 (31 March 2023: USD 32,584) on account of advance rent paid, adjustable against future occupation of property taken on lease (refer note 7). Amount payable to Mr. Yogendra Kr. Modi and Mr. Prashant Modi includes outstanding borrowings payable by the Company of USD 839,631 (31 March 2023: USD 851,374) and USD 239,894 (31 March 2023: USD 243,250) respectively.

### e) Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31



## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

March 2023: USD Nil). This assessment is undertaken on a forward-looking basis at each reporting period end through examining the historical information and financial position of the related party that is adjusted to reflect current conditions of market in which the related party operates.

### 26 Segment reporting

The Chief Operating Decision Maker (CODM) of the Company takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

Based on the Company's business model, extraction and sale of CBM gas have been considered as a single business segment for the purpose of making decision on allocation of resources and assessing its performance. Accordingly, there are no separate reportable segments in accordance with the requirements of IFRS 8 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

The entire sale has been made to external customers domiciled in India. Revenue of approximately USD 29,468,026 (31 March 2023: USD 24,283,620) is from 2 customer (31 March 2023: 2) customers. No other customer contributes to 10% or more of the total sales.

All of the non-current assets other than financial instruments and deferred tax assets are located in India.

### 27 Revenue

The details of revenue during the year ended 31 March 2024 and 2023 are as follows:

#### Revenue from Operations

	31 March 2024	31 March 2023
<b>Sale of products</b>		
- Coal bed methane gas	34,751,741	29,663,046
	<b>34,751,741</b>	<b>29,663,046</b>
<b>Other operating revenue</b>		
- Minimum guarantee income	84,383	120,531
<b>Total other operating revenue</b>	<b>84,383</b>	<b>120,531</b>
<b>Revenue from operations</b>	<b>34,836,124</b>	<b>29,783,577</b>

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

### The details of gas sold by the Company:

	31 March 2024	31 March 2023
	SCM*	SCM*
Coal bed methane	67,296,911	75,639,034
	<b>67,296,911</b>	<b>75,639,034</b>

\* SCM represents Standard Cubic Meter

The revenue related to sale of gas is recorded at point in time.

Other operating revenue represents minimum guarantee income charged from the customers when they are unable to lift the minimum contracted quantities. These revenues are recorded over a period of time. For details of trade and other receivables related to revenue, refer note 8.

During the year, besides normal losses and line pack amounting to 10.97 million scm (31 March 2023: 10.05 million scm) of gas, the Company flared 0.17 million scm (31 March 2023: 0.10 million scm) of gas. This has been reported to the Director General of Hydrocarbons.

### Contract balances

	As at 31 March 2024	As at 31 March 2023
Trade receivables	535	1,283,765
Receivable towards minimum guarantee offtake	4,793	4,921
Unbilled revenue	1,184,218	7,547
Contract liabilities	39,526	33,915

## 28 Leases and arrangements containing lease

The Company enters equipment lease and other arrangements with various contractors for development of its wells, whereby the specific assets leased by the contractors are used only at the Company's well development site and such arrangements convey the right to use the assets. These leasing arrangement ranges up to 12 months. All the lease agreements are cancellable and renewable on mutual consent of parties as per mutually agreeable terms and do not contain any non-cancellable period.

These arrangements include non-lease elements also and are being treated as well development costs along with other costs. The segregation of the lease and non-lease elements under the arrangements is not possible.

The Company's leasing arrangements are in respect for premises, equipment and site office/store yard. These leasing arrangement ranges from 12 months to 3 years. All the lease agreements are cancellable and renewable on mutual consent of parties as per mutually agreeable terms and do not contain any non-cancellable period.

The company also has certain leases with lease terms of 12 months or less and leases of corporate office is cancellable in nature by either party by notice period mentioned in agreement. All the lease agreements

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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are cancellable and renewable on mutual consent of parties as per mutually agreeable terms and do not contain any non-cancellable period.

The Company applies the short-term lease recognition exemptions for above leases.

Lease rentals accrued during the year for the premises, equipment and site office/store yard amounting to USD 186,290 (previous year USD 183,378) have been charged to the Statement of profit or loss (refer note 19).

There are no amounts payable toward variable and low value lease payments recognised for the year ended 31 March 2023 and 31 March 2024.

### 29 Exploration asset

The Company had entered into a Contract for exploration and production of Coal Bed Methane gas ('Contract') with the Government of India (GOI) on 29 July 2010, for carrying out CBM activities in Mannurgudi, Tamil Nadu. The Government of Tamil Nadu on the recommendations of the GOI granted Petroleum Exploration Licenses (PELs) to the Company for the entire block of 667 Sq. km. The Environmental Clearance for the block was also granted by the Ministry of Environment & Forest, Government of India. Thereafter, a dispute was raised by another party with regard to overlapping/unhindered access to the Company for the entire contractual area.

The Company referred the matter before an Arbitral Tribunal, where arguments completed in the matter and the Tribunal reserved the award.

Since substantial time had elapsed, the Company during an earlier year had written off the expenditure incurred on the said block as no benefits are expected of it. As per legal advice obtained, writing off this amount will have no effect on the ongoing Arbitration.

### 30 Other litigations

- (i) The Hon'ble Arbitral Tribunal ("the Tribunal") vide award dated August 25, 2022, read with Section 33 order dated May 27, 2023, directed Matix Fertilizers & Chemicals Limited ("Matix") to pay an amount of USD 10,076,111 (Rs. 840,045,406) plus interest at the rate of 6.04% per annum w.e.f. April 18, 2018, till the date of payment to the Company. Also, the counterclaim filed by Matix for USD 71,931,558 (Rs. 5,996,934,032) plus interest was rejected by the Hon'ble Tribunal.

Matix has filed petitions under section 34 & 36 before the Hon'ble High Court of Delhi ("the Court"). The Company has strongly objected to the same. Since there was no stay, the Company filed an execution petition before the Commercial Court, Rajarhat. On January 8, 2024, Commercial Court, Rajarhat passed an order against Matix for (a) attaching Matix office at Kolkata, (b) restraining Matix from dealing with or operating any bank a/c without leaving aside USD 13,529,275 (Rs. 1,127,935,641) and (c) restraining Matix from selling, disposing of, alienating, dealing with the above assets and office/factory at Panagarh.

In compliance with the order of the Hon'ble Supreme Court, to get a stay against execution, Matix deposited a sum of USD 11,862,719 (Rs. 988,994,893) with the Registry of Delhi High Court on February 28, 2024. The Company is of the strong view that the Company would be able to recover its claims allowed by the Tribunal along with interest.

## Great Eastern Energy Corporation Limited

(All amounts in US dollars unless otherwise stated)

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- (ii) The Hon'ble Arbitral Tribunal ("the Tribunal") vide award dated June 21, 2022, directed SRMB Srijan Limited ("SRMB") to pay an amount of USD 7,017,454 (Rs. 585,045,169) to the Company along with interest at the rate of 7% from February 2015, till the date of the Award, within a period of 12 weeks from the date of the Award and beyond 12 weeks, the interest rate shall be 9%. Also, the counterclaim filed by SRMB for USD 13,721,707 (Rs. 1,143,978,731) plus interest was rejected by the Hon'ble Tribunal.

SRMB has filed petitions under section 34 & 36 before the Hon'ble High Court of Calcutta. The Company has strongly objected to the same and also filed the Execution and Perjury Petition before the Hon'ble High Court of Calcutta. In compliance with the order the Hon'ble Supreme Court, to get a stay against execution, SRMB deposited a sum of USD 899,604 (Rs. 75,000,000) with the Registry of Hon'ble High Court of Calcutta. The second installment of USD 899,604 (Rs. 75,000,000) has to be deposited on or before July 15, 2024. The Company is of the strong view that the Company would be able to recover its allowed claims by the Tribunal along with interest.

### 31 Subsequent Events

The Company has evaluated subsequent events through June 24, 2024, which is the date when the financial statements were authorised for issuance. There are no events that would require any material adjustments in these financial statements.

- 32 Previous year figures have been re-grouped/re-classified wherever considered necessary to confirm to current year classification.

The accompanying notes form an integral part of the financial statements.

### On behalf of Board of Directors

**Yogendra Kr. Modi**  
Executive Chairman

**Prashant Modi**  
Managing Director & Chief Executive Officer

Jitender Kumar  
Company Secretary

Jasmeet Singh Chandhok  
Chief Financial Officer &  
Sr. Vice President- Finance & Accounts

Place: Gurugram  
Date: 24 June 2024

Place: Gurugram  
Date: 24 June 2024