31 December 2019

Indus Gas Limited and its subsidiaries
("Indus" or the "Company")

Unaudited Condensed Consolidated Interim Financial Statements for the six month period ended 30 September 2019

Indus Gas Limited (AIM:INDI.L), an oil & gas exploration and development company, is pleased to report its interim results for the six month period ending 30 September 2019.

Consolidated reported adjusted revenues, operating profit and profit before tax for the interim period ending 30 September 2019 were US$ 27.69m (US$ 27.78 interim 2018), US$ 26.30m (US$ 23.42m interim 2018) and US$ 26.11m (US$ 23.57m interim 2018) respectively.

The Company has continued to make provision for a notional deferred tax liability of US$ 1.68m (US$ 5.85m interim 2018), in accordance with IFRS requirements.

The Petroleum & Natural Gas Regulatory Board ("**PNGRB**") have invited bids for the laying of a gas pipeline from RJ-ON/6 Block for a new pipeline route so that the pipeline tariff is minimized. Approvals from the Directorate General of Hydrocarbons ('**DGH**') and Government had already been received for the development and enhanced production covering a total field area of 2176 sq. km with approved gas reserves of 1.8 tcf.

Commenting, Peter Cockburn, Chairman of Indus, said:

"While the approval of an integrated Field Development Plan ('**FDP**') for SSG and SSF and a revised FDP for SGL is already in place, the evacuation of gas through a new pipeline at an appropriate tariff will accelerate the monetization of our gas reserves."

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Unaudited Condensed Consolidated Statement of Financial Position

	Notes	As at 30 September 2019 (Unaudited)	As at 30 September 2018 (Unaudited)	As at 31 March 2019 (Audited)
ASSETS				
Non-current assets				
Intangible assets: exploration and evaluation assets	**6**	-	-	-
Property, plant and equipment	**7**	909,083,224	796,677,681	851,277,557
Tax assets		2,099,982	2,608,056	2,695,055
Other assets		590	774	605
Total non-current assets		**911,183,796**	**799,286,511**	**853,973,217**
Current assets				
Inventories		6,309,798	8,607,174	9,327,984
Trade receivables		25,865,383	15,642,575	27,617,626
Recoverable from related party		74,920,236	62,071,616	57,098,640
Other current assets		49,807	54,056	10,957
Cash and cash equivalents		6,296,967	864,273	129,152

	Notes	As at 30 September 2019	As at 30 September 2018	As at 31 March 2019
Total current assets		**113,442,191**	**87,239,694**	**94,184,359**
Total assets		**1,024,625,987**	**886,526,205**	**948,157,576**
LIABILITIES AND EQUITY				
Shareholders' equity				
Share capital		36,19,443	36,19,443	3,619,443
Additional paid-in capital		46,733,689	46,733,689	46,733,689
Currency translation reserve		(9,313,782)	(9,313,781)	(9,313,782)
Merger reserve		19,570,288	19,570,288	19,570,288
Retained earnings		164,183,991	119,981,026	139,755,664
Total shareholders' equity		**224,793,629**	**180,590,665**	**200,365,302**

(All amounts in US$, unless otherwise stated)

LIABILITIES				
Non-current liabilities				
Long term debt , excluding current portion	8	232,246,203	268,180,256	249,722,044
Provision for decommissioning		1,707,761	1,520,200	1,606,825
Deferred tax liabilities (net)		91,125,648	78,885,614	89,442,675
Payable to related parties, excluding current portion	10	400,835,351	297,040,487	331,088,491
Deferred revenue		25,563,995	25,563,995	25,563,995
Total non-current liabilities		**751,478,958**	**661,190,554**	**697,424,030**
Current liabilities				
Current portion of long-term debt	8	40,909,823	37,640,707	42,869,400
Current portion payable to related parties	10	352,534	352,985	352,909
Accrued expenses and other liabilities		2,013,957	1,674,208	2,068,849
Deferred revenue		5,077,086	5,077,086	5,077,086
Total current liabilities		**48,353,400**	**44,744,986**	**50,368,244**
Total liabilities		**799,832,358**	**705,935,540**	**747,792,274**
Total liabilities and equity		**1,024,625,987**	**886,526,205**	**948,157,576**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statement of Comprehensive Income

(All amounts in US $, unless otherwise stated)

	Notes	Six months ended 30 September 2019	Six months ended 30 September 2018
		Unaudited	**Unaudited**
Revenue		27,690,196	27,775,085
Cost of sales		(1,089,176)	(3,218,897)
Administrative expenses		(303,970)	(1,132,978)
Profit from operations		**26,297,050**	**23,423,210**
Foreign exchange gain/(loss), net		(245,732)	142,884
Interest income		59,984	22
Profit before tax		**26,111,302**	**23,566,116**
Income taxes			
-Deferred tax charge		(1,682,975)	(5,854,083)
Profit for the period (attributable to the shareholder of the Group)		**24,428,327**	**17,712,033**
Total comprehensive income for the period (attributable to the shareholders of the Group)		**24,428,327**	**17,712,033**
Earnings per share			
Basic		*0.13*	*0.10*
Diluted		*0.13*	*0.10*

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statement of Changes in Equity

(All amounts in US $, unless otherwise stated)

	Share capital Number Amount	Additional paid-in capital	Currency translation reserve	Merger reserve	Share option reserve	(Accumulated losses)/ Retained earnings	Total stockholders' equity

	Share capital Number	Amount	Additional paid-in capital	Currency translation reserve	Merger reserve	Share option reserve	(Accumulated losses)/ Retained earnings	Total stockholders' equity
Balance as at 1 April 2019	**182,973,924**	**3,619,443**	**46,733,689**	**(9,313,782)**	**19,570,288**	**-**	**139,755,664**	**200,365,302**
Profit for the period	-	-	-	-	**-**	-	24,428,327	24,428,327
Total comprehensive income for the period	-	-	-	-	**-**	-	24,428,327	24,428,327
Balance as at 30 September 2019	**182,973,924**	**3,619,443**	**46,733,689**	**(9,313,782)**	**19,570,288**	**-**	**164,183,991**	**224,793,629**

Balance as at 1 April 2018	**182,973,924**	**3,619,443**	**46,733,689**	**(9,313,781)**	**19,570,288**	**-**	**102,268,993**	**162,878,632**
Profit for the period	-	-	-	-	**-**	-	17,712,033	17,712,033
Total comprehensive income for the period	-	-	-	-	**-**	-	17,712,033	17,712,033
Balance as at 30 September 2018	**182,973,924**	**3,619,443**	**46,733,689**	**(9,313,781)**	**19,570,288**	**-**	**119,981,026**	**180,590,665**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statement of Cash Flows

(All amounts in US $, unless otherwise stated)

	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)
(A) Cash flow from operating activities		
Profit before tax	**26,111,302**	**23,566,116**
Adjustments		
Unrealised exchange loss/ (gain)	245,732	(142,884)
Interest income	(59,984)	(22)
Depreciation	858,756	2,520,327
Changes in operating assets and liabilities		
Inventories	3,018,186	(266,090)
Trade receivables	1,752,243	2,543,379
Trade and other payables	1,136,238	3,171,638
Other current and non-current assets	(38,850)	(19,825)
Provisions for decommissioning	100,936	(60,896)
Other liabilities	(55,267)	602,026
Cash generated from operations	**33,069,292**	**31,913,769**
Income taxes paid/refund	595,083	(183,529)
Net cash generated from operating activities	**33,664,375**	**31,730,240**
(B) Cash flow from investing activities		
Purchase of property, plant and equipment **A**	(54,313,241)	(92,694,415)
Interest received	59,984	22
Net cash used in investing activities	**(54,253,257)**	**(92,694,393)**
(C) Cash flow from financing activities		
Repayment of long-term debt from banks	(20,034,000)	(18,642,570)
Proceed from Related Party	57,600,000	78,449,952
Payment of interest	(10,563,571)	(11,464,739)
Net cash generated from/(used in) financing activities	**27,002,429**	**48,342,643**
Net change in cash and cash equivalents	**6,413,547**	**(12,621,510)**
Cash and cash equivalents at the beginning of the period	129,152	13,342,498
Effect of exchange rate change on cash and cash equivalents	(245,732)	143,285
Cash and cash equivalents at the end of the period	**6,296,967**	**864,273**

A The purchase of property, plant and equipment above, includes additions to exploration and evaluation assets amounting to US$ 3,613,943 (previous period: Nil) transferred to development cost, as explained in Note 7.

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Notes to Unaudited Condensed Consolidated Interim Financial Statements

(All amounts in US $, unless otherwise stated)

1. INTRODUCTION

Indus Gas Limited ("Indus Gas" or "the Company") was incorporated in the Island of Guernsey on 4 March 2008 pursuant to an Act of the

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

Focus Energy Limited ("Focus"), an entity incorporated in India, entered into a Production Sharing Contract ("PSC") with the Government of India ("GOI") and Oil and Natural Gas Corporation Limited ("ONGC") on 30 June 1998 for petroleum exploration and development concession in India known as RJ-ON/06 ("the Block"). Focus is the Operator of the Block. On 13 January 2006, iServices and Newbury entered into an interest sharing agreement with Focus and obtained a 65 per cent and 25 per cent share respectively in the Block. Consequent to this, the Group acquired an aggregate of 90 per cent participating interest in the Block and the balance 10 per cent of participating interest is owned by Focus. The participating interest explained above is subject to any option exercised by ONGC in respect of individual wells (already exercised for SGL field as further explained in Note 3).

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements are for the six months ended 30 September 2019 and are presented in United States Dollar (US$), which is the functional currency of the parent company and other entities in the Group. They have been prepared in accordance with *IAS 34 Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards as adopted by the European union, and should be read in conjunction with the consolidated financial statements and related notes of the Group for the year ended 31 March 2019.

The unaudited condensed consolidated interim financial statements have been prepared on a going concern basis.

The accounting policies applied in these unaudited condensed consolidated interim financial statements are consistent with the policies that were applied for the preparation of the consolidated financial statements for the year ended 31 March 2019.

These unaudited condensed consolidated interim financial statements are for the six months ended 30 September 2019 and have been approved for issue by the Board of Directors.

3. JOINTLY CONTROLLED ASSETS

The Group participates in an unincorporated joint arrangement with Focus wherein the Group's interest in this arrangement was classified as jointly controlled assets. Following implementation of IFRS 11: Joint Arrangements, the Group's interest in this arrangement is now classified as 'Joint operation'. All rights and obligations in respect of exploration, development and production of oil and gas resources under the 'Participating Interest sharing agreement' are shared between Focus, iServices and Newbury in the ratio of 10 per cent, 65 per cent and 25 per cent respectively.

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

The block is divided into 3 fields- SGL, SSF and SSG. Subsequent to the declaration of commercial discovery in SGL field on 21 January 2008, ONGC had exercised the option to acquire a 30 per cent participating interest in the discovered fields on 6 June 2008. The exercise of this option would reduce the interest of the existing partners proportionately. On exercise of this option, ONGC is liable to pay its share of 30 per cent of the SGL field development costs and production costs incurred after 21 January 2008 and are entitled to a 30 per cent share in the production of gas subject to recovery of contract costs as explained below.

The allocation of the production from the field to each participant in any year is determined on the basis of the respective proportion of each participant's cumulative unrecovered contract costs as at the end of the previous year or where there is no unrecovered contract cost at the end of previous year on the basis of participating interest of each such participant in the field. For recovery of past contract cost, production from the field is first allocated towards exploration and evaluation cost and thereafter towards development cost.

On the basis of above, gas production for the period ended 30 September 2019 is shared between Focus, iServices and Newbury in the ratio of 10 percent, 65 percent and 25 percent respectively.

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

Particular	**Period ended 30 September 2019 (Unaudited)**	**Period ended 30 September 2018 (Unaudited)**	**Year ended 31 March 2019 (Audited)**
Non-current assets	909,083,224	796,677,681	851,277,557
Current assets	81,230,034	70,678,790	66,426,624
Non-current liabilities	1,707,761	1,520,200	1,606,825
Current liabilities	-	-	-
Expenses (net of finance income)	1,136,238	3,171,638	4,697,750
Commitments	-	-	-

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

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed interim consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the consolidated financial statements as at and for the year ended 31 March 2019.

5. SEGMENT REPORTING

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

6. INTANGIBLE ASSETS: EXPLORATION AND EVALUATION ASSETS

Intangible assets comprise of exploration and evaluation assets. Movement in intangible assets was as under:

	Intangible assets: exploration and evaluation assets
Balance at 01 April 2019	-
Additions [A]	3,793,633
Transfer to development assets [B]	(3,793,633)
Balance as at 30 September 2019	-
Balance at 01 April 2018	-
Additions [A]	-
Transfer to development assets [B]	-
Balance as at 30 September 2018	-
Balance as at 01 April 2018	-
Additions [A]	9,569,925
Transfer to development assets [B]	(9,569,925)
Balance as at 31 March 2019	-

[A] The above includes borrowing costs of US$ 93,383 for the period ended 30 September 2019 (30 September 2018: Nil and 31 March 2019: US$ 314,083). The weighted average capitalisation rate on funds borrowed generally is 6.73 per cent per annum (30 September 2018: 6.86 per cent per annum and 31 March 2019: 6.70 per cent per annum).

[B] On 19 November 2013, Focus Energy Limited submitted an integrated declaration of commerciality (DOC) to the Directorate General of Hydrocarbons, ONGC, the Government of India and the Ministry of Petroleum and Natural Gas. Upon submission of DOC, exploration and evaluation cost incurred on SSF and SSG field was transferred to development cost. Focus continues to carry out further appraisal activities in the Block, and exploration and evaluation cost incurred subsequent to 19 November 2013, to the extent considered recoverable as per DOC submitted by Focus, is immediately transferred on incurrence to development assets.

Further, field development plan has been approved by DGH as on 23 June 2017. Accordingly, the cost incurred on the aforesaid fields from 23 June 2017 are capitalised directly to development cost.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

Cost	Land	Extended well test equipment	Development Assets	Production Assets	Bunk Houses	Vehicles	Other assets	Capital work-in-progress	Total
Balance as at 1 April 2019	**167,248**	**4,587,730**	**678,038,141**	**212,011,941**	**5,926,920**	**4,773,327**	**1,690,100**	**1,636,932**	**908,832,339**
Additions	-	805	58,639,020	16,994,002	-	-	5,140	279,706	75,918,673
Disposals/Transfers	-	-	(16,994,002)		-	-	-	-	(16,994,002)
Balance as at 30 September 2019	**167,248**	**4,588,535**	**719,683,159**	**229,005,943**	**5,926,920**	**4,773,327**	**1,695,240**	**1,916,638**	**967,757,010**
Accumulated depreciation									
Balance as at 1 April 2019	**-**	**2,282,425**	**-**	**43,641,189**	**5,782,117**	**4,243,213**	**1,605,838**	**-**	**57,554,782**
Depreciation for the period	-	91,698	-	858,756	55,121	91,608	21,821	-	**1,119,004**
Balance as at 30 September 2019	**-**	**2,374,123**	**-**	**44,499,945**	**5,837,238**	**4,334,821**	**1,627,659**	**-**	**58,673,786**
Carrying value									
As at 30 September 2019	**167,248**	**2,214,412**	**719,683,159**	**184,505,998**	**89,682**	**438,506**	**67,581**	**1,916,638**	**909,083,224**

Cost	Land	Extended well test equipment	Development Assets	Production assets	Bunk houses	Vehicles	Other assets	Capital work-in-progress	Total
Balance as at 1 April 2018	**167,248**	**4,324,033**	**587,114,867**	**190,449,112**	**5,926,920**	**4,767,563**	**1,620,590**	**1,371,441**	**795,741,774**
Additions	-	99,143	46,668,030	9,844,031	-	-	50,952	88,709	56,750,865
Disposals/Transfers	-	-	-		-	-	-	-	-
Balance as at 30 September 2018	**167,248**	**4,423,176**	**638,140,443**	**200,293,143**	**5,926,920**	**4,764,563**	**1,671,542**	**1,460,150**	**852,492,639**
Accumulated depreciation									
Balance as at 1 April 2018	**-**	**2,105,807**	**-**	**39,645,716**	**5,652,284**	**4,059,330**	**1,573,350**	**-**	**53,036,487**
Depreciation for the period	-	86,608	-	2,520,327	64,916	91,942	14,678	-	**2,778,471**
Balance as at 30 September 2018	**-**	**2,192,415**	**-**	**42,166,043**	**5,717,200**	**4,151,272**	**1,588,028**	**-**	**55,814,958**
Carrying value									
As at 30 September 2018	**167,248**	**2,230,761**	**638,140,443**	**158,127,100**	**209,720**	**616,291**	**83,514**	**1,460,150**	**796,677,681**

Cost	Land	Extended well test equipment	Development	Production assets	Bunk houses	Vehicles	Other assets	Capital work-in-progress	Total

Balance as at 1 April 2018	**167,248**	**4,324,033**	**587,114,867**	**190,449,112**	**5,926,920**	**4,767,563**	**1,620,590**	**1,371,441**	**795,741,774**
Additions	-	263,697	90,923,274	21,562,829	-	5,764	69,510	265,491	113,090,565
Disposals/Transfers	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**167,248**	**4,587,730**	**678,038,141**	**212,011,941**	**5,926,920**	**4,773,327**	**1,690,100**	**1,636,932**	**908,832,339**
Accumulated depreciation									
Balance as at 1 April 2018	**-**	**2,105,807**	**-**	**39,645,716**	**5,652,284**	**4,059,330**	**1,573,350**	**-**	**53,036,487**
Depreciation for the period	-	176,618	-	3,995,473	129,833	183,883	32,488	-	**4,518,295**
Balance as at 31 March 2019	**-**	**2,282,425**	**-**	**43,641,189**	**5,782,117**	**4,243,213**	**1,605,838**	**-**	**57,554,782**
Carrying value									
As at 31 March 2019	**167,248**	**2,305,305**	**678,038,141**	**168,370,752**	**144,803**	**530,114**	**84,262**	**1,636,932**	**851,277,557**

Borrowing costs capitalised for the period ended 30 September 2019 amounted to US$ 23,309,017 (30 September 2018: US$ 15,126,753 and 31 March 2019: US$ 41,500,334).

8. LONG TERM DEBT FROM BANKS

	Maturity	30 September 2019 (Unaudited)	30 September 2018 (Unaudited)	31 March 2019 (Audited)
Non-current portion of long term debt	2021/2024	82,061,620	118,303,124	100,003,278
Current portion of long term debt from banks		37,276,490	34,140,022	39,171,055
Total		**119,338,110**	**152,443,146**	**139,174,333**

Current interest rates are variable and weighted average interest for the period was 6.73 per cent per annum (30 September 2018: 6.63 per cent per annum and 31 March 2019: 6.70 per cent per annum). The fair value of the above variable rate borrowings is considered to approximate their carrying amounts.

The term loans are secured by following: -

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

From Bonds

	Maturity	30 September 2019 (Unaudited)	30 September 2018 (Unaudited)	31 March 2019 (Audited)
Non-current portion of long term debt	2022	150,184,583	149,877,132	149,718,766
Current portion of long term debt from banks		3,633,333	3,500,685	3,698,345
Total		**153,817,916**	**153,377,817**	**153,417,111**

During the period ended 31 March 2018, the Group has issued USD 150 million notes under the US$ 300 million MTN programme carries interest rate of 8.1 per cent per annum. These notes are unsecured notes and are fully repayable at the end of 5 years i.e. December 2022 further interest on these notes will be paid semi-annually.

9. RELATED PARTY TRANSACTIONS

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

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

Disclosure of transactions between the Group and related parties and the outstanding balances as of 30 September 2019 and 30 September 2018 are as follows:

Transactions during the period

Particulars	Period ended 30 September 2019	Period ended 30 September 2018
Transactions with the Holding Company		
Amount Received	57,600,000	78,449,950
Interest paid	12,146,860	3,949,913
Transactions with KMP		
Short term employee benefits	97,900	78,815
Entity over which KMP exercise control		

Particulars	Period ended 30 September 2019	Period ended 30 September 2018
Share of cost incurred by the Focus in respect of the Block	32,180,404	42,383,977
Remittances	50,002,000	90,780,000

10. PAYABLE TO RELATED PARTIES

Particulars	As at 30 September 2019	As at 30 September 2018	As at 31 March 2019
Entity over which KMP exercise control			
Payable to Focus Energy Limited	(74,920,236)	(62,071,616)	(57,098,640)
Payable with the Holding Company			
Payables to Gynia Holding Limited*	400,835,351	287,040,487	331,088,491
Payable to KMP			
Employee obligation	352,534	352,985	352,909

**including interest*

Directors' remuneration
Directors' remuneration is included under administrative expenses, evaluation and exploration assets or development assets in the unaudited consolidated financial statements allocated on a systematic and rational manner.

Amount receivable from Focus
Amount receivable from Focus represents excess amounts paid to them in respect of the Group's share of contract costs, for its participating interest in Block RJ-ON/6 .

Liability payable to Gynia
* Borrowings from Gynia Holdings Ltd. carries interest rate of 6.5 per cent per annum compounded annually. Some part of the outstanding balance (including interest) was made subordinate to the loans taken from the banks as per the sanction terms of the banks and, is payable along with related interest subsequent to repayment of bank loan in year 2024.
Interest capitalised on loans above have been disclosed in notes 6 and 7.

11. EARNINGS PER SHARE

The calculation of the earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares issued during the period.

Calculation of basic and diluted earnings per share is as follows:

	Period ended 30 September 2019	Period ended 30 September 2018
Profit attributable to shareholders of Indus Gas Limited, for basic and dilutive	24,428,327	17,712,033
Weighted average number of shares (used for basic profit per share)	182,973,924	182,973,924
No. of equivalent shares in respect of outstanding options	-	-
Diluted weighted average number of shares (used for diluted profit per share	182,973,924	182,973,924
Basic earnings per share (US$)	**0.13***	**0.10***
Diluted earnings per share (US$)	**0.13***	**0.10***

**Rounded off to the nearest two decimal places.*

12. COMMITMENTS AND CONTINGENCIES

At 30 September 2019, the Group had capital commitments of US$ Nil (30 September 2018: US$ Nil; 31 March 2019: US$ Nil) in relation to property, plant & equipment - development/producing assets, in the Block. The Group has no contingencies as at 30 September 2019 (30 September 2018: Nil; 31 March 2019: Nil).

13. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 March 2019.

14. INCOME TAX CREDIT

Indus Gas profits are taxable as per the tax laws applicable in Guernsey where zero per cent tax rate has been prescribed for corporates. Accordingly, there is no tax liability for the Group in Guernsey. iServices and Newbury being participants in the PSC are covered under the Indian Income tax laws as well as tax laws for their respective countries. However, considering the existence of double tax avoidance arrangement between Cyprus and India, and Mauritius and India, profits in Newbury and iServices are not likely to attract any additional tax in their local jurisdiction. Under Indian tax laws, Newbury and iServices are allowed to claim the entire expenditure in respect of the Oil Block incurred until the start of commercial production (whether included in the exploration and evaluation assets or development assets) as deductible expense in the first year of commercial production or over a period of 10 years. The Company has opted to claim the expenditure incurred in respect to the SGL field. As the Group has commenced commercial production in 2011 and has generated profits in Newbury and iServices, the management believes there is reasonable certainty of utilisation of such losses in the future years and thus a deferred tax asset has been created in respect of these.

15. BASIS OF GOING CONCERN ASSUMPTION

As at 30 September 2019, the Group had current liabilities amounting to US$ 48,353,400 majorities of which is towards current portion of borrowings from banks and related parties. As at 30 September 2019, the amounts due for repayment (including interest payable) within the next 12 months for long term borrowings are US$ 40,909,823 which the Group expects to meet from its internal generation of cash from operations.
Further the group is contemplating to raise funds which will be used for planned capital expenditures.

16. FINANCIAL INSTRUMENTS

A summary of the Group's financial assets and liabilities by category is mentioned in the table below. The carrying amounts of the Group's financial assets and liabilities as recognised at the end of the reporting periods under review may also be categorised as follows:

	30 September 2019	30 September 2018	31 March 2019
Non-current assets			
-Other assets	590	774	605
Current assets			
-Trade receivables	25,865,383	15,642,575	27,617,626
-Receivables from related party	74,920,236	62,071,616	57,098,640
-Cash and cash equivalents	6,296,967	864,273	129,152
Total financial assets	**107,083,176**	**78,579,238**	**84,846,023**
Financial liabilities measured at amortised cost			
Non-current liabilities			
- Long term debt from banks	232,246,203	268,180,256	249,722,044
- Payable to related parties	400,835,351	297,040,487	331,088,491
Current liabilities			
- Long term debt from banks	40,909,823	37,640,707	42,869,400
- Payable to related parties	352,534	352,985	352,909
- Accrued expenses and other liabilities	2,013,957	1,674,208	2,068,849
Total financial liability measured at amortized cost	**676,357,868**	**604,888,643**	**626,101,693**

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