



GOA NATURAL GAS PRIVATE LIMITED

**ANNUAL REPORT
2021-22**



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ANNUAL REPORT

2021-22

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MESSAGE FROM CHAIRMAN

Dear Shareholders,

On this day of 5th Annual General Meeting of Goa Natural Gas Private Limited, I extend you all a very warm welcome. I take this opportunity to share with the performance review of the company for the Financial Year 2021-22. By focusing on its distinctive areas of strength and synergising the resources, your company was able to respond quickly to the challenges and opportunities and take the company to new heights.

Globally, there is an increasing thrust of developing cleaner energy and obviously the `spotlight is on usage of Natural Gas. With Natural Gas being the preferred fuel of the future, the City Gas Distribution sector is poised for an exponential growth. The Government of India had launched #Gas4India campaign, where it focuses to aspires to increase the share of natural gas in the country's primary energy basket from current level of 6.5% to 15% by 2030. Presently, there are 303 Geographical Areas authorized by PNGRB in 27 States and UTs covering approximately 70% of the Country's geographical area and 80% of its population. In the last two CGD bidding rounds, i.e., 11th and 11A, 65 plus 4 Geographical Areas were authorized for development of CGD Network. We have also been witnessed to the declaration of the CGD sector as a public utility sector by the Government of India, thereby emphasizing its value and need. In line with the vision and mission of the Government to create a gas-based economy, your Company is developing a CGD network in North Goa and Ponda GA. This network will provide uninterrupted gas supply to Industrial, Commercial, Transport and Household in various talukas in North Goa and Ponda.

It is my pleasure to share that your company is preparing itself to contribute significantly towards the CGD development in the country.

In the financial year that went by the Company has performed better than the previous year and was able to complete its MWP Target of 9588 PNG Domestic Connections and 650 Inch Km of Pipeline (MDPE & Steel) on 3rd November, 2021. Further, on the physical front, registered sales of 8.34 MMSCM recorded during the year 2021-22 as against 0.32 MMSCM in the previous year. On the financial front the Company has achieved the total turnover of Rs. 36 Crores as against Rs. 4 Crores in the previous year and this is the first time since its inception that the Company has achieved the profitable figure of Rs. 20.06 Lakhs. Further, you would be glad to know that your Company has added around 3901 DPNG Connections, 10 Commercial, 6 Industrial and 1 CNG Station in the FY 2021-22 and we are looking forward to commence operations from around Four (4) more CNG stations in the up-coming year out of which two (2) CNG Stations are in advance stage of commissioning. The Company has also laid total 43 Inch Km of Pipeline (Steel & MDPE) during the FY 2021-22. With respect to industrial supply, your Company has successfully laid and commissioned steel pipeline network in the industrial hub of Usgaon and has signed the GSA with 10 Customers that includes big names like MRF Industries Limited, Standard Epoxy (Pidilite), Glenmark Pharmaceuticals Limited, CNK Polymers Products Pvt. Ltd., Medispray, CG Adhesive, Mandovi Distilleries and Super India Pvt. Ltd. Further, the Company has also signed 12 GSA with Commercial Customers.

The COVID-19 pandemic second wave has definitely impacted the progress of the industry in general leading to delay in project execution worldwide and your Company is no exception. However, we at GNGPL are confident of making the lost time. We are very positive for the long-term growth projections for the CGD sector coupled with the robust future growth plans of the Company and has hired the consultant which has experience of over 45 years at the forefront of management, engineering and development consultancy in India to prepare the 15 years business plan of the Company. We are set on the right direction with long-term goals in place. Therefore, the short-term/ mid-term crisis may not be considered as a deterrent or a setback in the growth plans of the Company.

On behalf of the Board of Directors and Team GNGPL, I would like to thank all the internal and external stakeholders for their contribution in the growth story of the Company. I also extend gratitude to parent companies Bharat Petroleum Corporation Limited & GAIL Gas Limited and the Central and State Governments and the nodal Ministry for nurturing GNGPL.

Thanking You

Shri Sanjeev Agrawal
CHAIRMAN

BOARD OF DIRECTORS



Shri Sanjeev Agrawal
Chairman & Nominee Director (BPCL)



Shri. Raman Chadha
Nominee Director (GAIL Gas Ltd)



Shri. Rahul Tandon
Nominee Director (BPCL)



Smt. Nalini Malhotra
Nominee Director (GAIL Gas Ltd)

KEY MANAGERIAL PERSONNEL

MR. MOHD ZAFAR KHAN

CHIEF EXECUTIVE OFFICER

MR. NILAY VAKIL

CHIEF FINANCIAL OFFICER

MS. RAVINA JAIN

COMPANY SECRETARY

Registered Office

*Rajan Villa, Plot 3, Journalist Colony
Porvorim, Goa North-403521,*

Bankers

*State Bank of India
Indusind Bank Limited
ICICI Bank Limited*

Statutory Auditors

*Suhas Mannur & Co.
Chartered Accountants*

DIRECTORS' REPORT

To,

The Members

Goa Natural Gas Private Limited

Your Directors take pleasure in presenting the 5th (Fifth) Annual Report together with Audited Financial Statements of your Company for the year ended March 31, 2022.

1. FINANCIAL RESULTS:

The financial performance of the Company during the Financial Year 2021-22 is as follows:

Amount in Thousand

Particulars	1st April, 2021 - 31st March, 2022	1st April, 2020 - 31st March, 2021
Total Income	3,62,220.62	43,042.86
Total Expenditure exclusive of depreciation	3,39,201.66	62,150.88
Depreciation	21,058.03	10,397.80
Total Expenditure inclusive of depreciation	3,60,259.69	72,548.68
Profit/(Loss) before exceptional items	1,960.94	-29,505.83
Exceptional items - Loss on account of fire	1,370.62	19,074.82
Profit/(Loss) before tax	3,331.56	-10,431.01
Current tax	-	-
Deferred Tax	1,325.30	1,585.14
Profit/Loss after tax	2,006.26	-8,845.87
Transfer to Reserve	-	-
Balance Carried over to Balance Sheet	2,006.26	-8,845.87
Reserves and Surplus (excluding revaluation reserve)	-44,653.23	-46,659.48

2. BUSINESS PLAN

Despite the partial lockdown due to 2nd wave of Covid-19 pandemic in the FY 2021-22, the Company has successfully commissioned 1 CNG Station, 3901 PNG Domestic Connections, 10 Commercial Customers and 6 Industrial Customers. Further, the GNGPL has laid pipeline to connect Ponda from Usgaon, thereby connecting major Industrial Hub in Usgaon including one prominent customer M/s MRF Limited. In addition to that, the total gas sold during the FY 2021-22 is 8.05 MMSCM as compared 0.32 MMSCM in the year 2020-21 to all the segments. Further, the Company has laid total steel pipeline network of 6.4354 km and MDPE pipeline network of 5.7110 km during the FY 2021-22. Also, during the FY 2021-22 the GNGPL has signed 12 GSA with Commercial Customers and 10

with Industrial Customers including some prominent names such as M/s Standard Epoxy (Pidilite), M/s Glenmark Pharmaceuticals Limited, M/s MRF Limited and M/s CNK Polymers Products Pvt. Ltd.

Achievements and challenges faced by the Company

The pandemic definitely slowed down the progress in accessing and approaching various industries and especially households. This has impacted the targets planned for the domestic connections. Despite the challenges faced due to pandemic, the GNGPL was able to achieve MWP target of 9588 PNG Domestic connections and 650 Inch Km of Pipeline (MDPE & Steel) on 3rd November, 2021 i.e. before the deadline.

Also, the steel pipeline has been gasified to one of our biggest industrial customer M/s MRF Limited and by the next financial year GNGPL is projected to supply 40000 SCMD gas to MRF.

During the FY 2021-22, the Company has gained profit of Rs. 20.06 Lakhs against loss of Rs. 88.45 Lakhs in the previous year. Further, the Company is also working on commissioning of 2 CNG Stations which is on the advance stage of commissioning.

3. MEETINGS OF THE BOARD

During the Financial Year 2021-22, total of 6 (six) meetings were held the details of which are summarised below:

S No.	Date of Meeting	Mode of Meeting	No. of Directors Present
1.	27 th April, 2021	Video-conference	3
2.	24 th May, 2021	Video-conference	3
3.	16 th July, 2021	Video-conference	4
4.	25 th August, 2021	Physical	4
5.	21 st December, 2021	Physical	4
6.	28 th March, 2022	Physical	4

The regulations and rules for the recording of the proceedings of the meeting through video-conference were adhered to.

The details of the number of meetings attended by each of the Director is as follows:

S No.	Name	Total no. of Board Meetings held during the Year	No. of Board Meeting attended during the Year
1.	Mr. M.V. Ravi Someswarudu	2	2
2.	Mr. P. Sudhahar	6	6
3.	Mr. Vijay Tilak	2	2
4.	Mr. Vivek Wathodkar	6	4
5.	Mr. Sukhmal Kumar Jain	4	4
6	Mr. Supriya Halder	4	4

4. DIVIDEND

With a view to conserve resources for future business operations of the Company, your Directors do not recommend any dividend for the financial year 2021-22.

5. TRANSFER TO RESERVES

During the financial year under review, the net profit of Rs. 20.06 Lakhs has been transferred to reserves of the Company.

6. STATUTORY AUDITORS OF THE COMPANY

M/s Suhas Mannur & Co., Chartered Accountants, was appointed as the Statutory Auditor of the Company for FY 2021-22 by the Comptroller & Auditor General of India (C&AG), under the provision of Section 139(5) of the Companies Act, 2013. Further, C&AG is in the process of appointment of Statutory Auditor for FY 2022-23.

The Auditor's Report for the FY 2021-22 doesn't contain any qualification, reservation or adverse remark.

Further, C&AG in its report have decided not to conduct the supplementary audit of the financial statements of the Company for the year ended on 31st March, 2022.

7. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 (1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is not applicable to the Company. However, since the total loans from the banks exceed the threshold limit of Rs. 50 Crores provided under Section 177 (9) of the Companies Act, 2013 read with Rule 7 the Companies (Meetings of the Board and its Powers) Rules, 2014, the Company is required to establish a vigil mechanism.

The vigil mechanism policy was accordingly approved by the Board in its 12th Board meeting held on 26th May, 2020. The Company has further circulated the vigil mechanism policy to its employees to ensure awareness and compliance of the policy.

8. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a safe and conducive work environment to its employees. The Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

9. CHANGES IN THE DIRECTOR

The details of Directors or KMPs appointed and resigned during the FY 2021-22 is summarised below:

APPOINTMENTS

Name of the Director	DESIGNATION	Date of Appointment
Mr. Sukhmal Jain	DIRECTOR	01-07-2021
Mr. Supriya Halder	DIRECTOR	01-07-2021

RESIGNATIONS

Name of the Director	DESIGNATION	Date of Cessation
Mr. Asit Kumar Jana	Director	07-07-2020
Mr. M.V. Ravi Someswarudu	Director	30-06-2021
Mr. Vijay Tilak	Director	30-06-2021

10. KEY MANAGERIAL PERSONNEL (KMP)

The following personnel have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Mohd Zafar Khan, Chief Executive Officer
- Mr. Nilay Umeshbhai Vakil, Chief Financial Officer
- Ms. Ravina Jain, Company Secretary

11. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company.

12. CORPORATE GOVERNANCE

The organizational framework for corporate governance initiatives in India consists of the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI). SEBI monitors and regulates corporate governance of listed companies in India through Clause 49 in line with the requirements of provisions of Companies Act, 2021. This clause is incorporated in the listing agreement of stock exchanges with companies and it is compulsory for listed companies to comply with its provisions. Goa Natural Gas Private Limited being a private entity, the requirement for a full-fledged policy on Corporate Governance is not applicable on the Company; however, the Company believes that good corporate governance is critical in establishing a positive organizational culture and it is evident by responsibility, accountability, consistency, fairness and

transparency towards its stakeholders. There are no significant and material orders passed by the Regulators /Courts or Tribunals impacting the going concern status and Company's operations in future.

13. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134 (3) (c) OF COMPANIES ACT, 2013:

The Directors confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit and loss of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a going concern basis; and
- e. Company being unlisted, sub clause (e) of section 134(5) is not applicable.
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. SECRETARIAL STANDARDS (SS)

The Company complies with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013, during the year under review and hence the said provision is not applicable.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF THE SECTION 188 OF THE COMPANIES ACT, 2013:

There were no contracts or arrangements made by the Company under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2(76) of the said Act,

during the year under review and hence the said provision of Section 188 is not applicable on the Company.

17. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee is not applicable on the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

18. CHANGES IN SHARES CAPITAL

The Company received equity infusions under Rights Issue from its Promoter Companies during the financial year 2021-22, in the following manner:

13 th April, 2021			
Name of Allottees	No. of Shares	Amount Per Share	Total (in Rs.)
GAIL GAS LIMITED	36,20,000	10	3,62,00,000
BHARAT PETROLEUM CORPORATION LIMITED	36,20,000	10	3,62,00,000
TOTAL	72,40,000		7,24,00,000

19. STATEMENT BY THE DIRECTORS INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION IS MADE OF ITS OWN PERFORMANCE:

The provisions of Section 134(3) (p) of the Companies Act, 2013, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors is not applicable on the Company.

20. FRAUD

No fraud has been reported by the auditors under sub section (12) of Section 143 of the Companies Act, 2013.

21. EXTRACT OF ANNUAL RETURN

Pursuant to Sec 92(3) of Companies Act, 2013 read with Companies (Management and Administration) Amendment Rules, 2020, every company shall place a copy of annual return

on the website of the Company, if any, and the web-link of such annual return shall be disclosed in the Board's Report.

Link for Extract of Annual Report: <https://www.goanaturalgas.com/annual-reports/>

22. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE ACT

During the period, the Company has not accepted deposits from the public under Section 73 of the Companies Act, 2013.

23. MATERIAL CHANGES AND COMMITMENTS, IF ANY

The Covid-19 and the consequent lock down has impacted the overall project plans and the operations of the Company as described as a part of the Business Plan (Point 2) above. Except as mentioned herein, there are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Current financial year and the date of this Report.

24. CORPORATE SOCIAL RESPONSIBILITY

A company satisfying any of the following criteria during the immediately preceding financial year is required to comply with CSR provisions specified under section 135(1) of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014 made thereunder:

- (i) net worth of rupees five hundred crore or more, or
- (ii) turnover of rupees one thousand crore or more, or
- (iii) net profit of rupees five crore or more

Since the Company does not fall under the above thresholds prescribed for constitution of Corporate Social Responsibility Committee or adoption of Corporate Social Responsibility Policy, the Company have not formulated any policy or a constituted any committee. disclosure under Therefore the requirement of disclosure of CSR activities under this head is not applicable. However, the Company always endeavours to contribute towards the growth of the society.

25. CHANGE IN THE NATURE OF BUSINESS

The Company has not changed its nature of business during the year under review.

26. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adopted adequate Internal Financial Control measures with reference to Financial Statements. The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting operating effectively as at March 31, 2022.

28. ACKNOWLEDGEMENT

The Directors acknowledge with thanks the support and co-operation extended by the shareholders and employees at all levels.

**On behalf of Board of Directors
For M/s Goa Natural Gas Pvt Ltd**

**Rahul Tandon
DIN: 09587598
Nominee Director**

**Date: 30.08.2022
Place: Mumbai**

**Nalini Malhotra
DIN: 08734265
Nominee Director**

**Date: 30.08.2022
Place: Delhi**

BALANCE SHEET AS AT 31ST MARCH 2022

(Rupees in ` 000)

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
(I)	ASSETS			
	Non- Current Assets			
	(a) Property, Plant and Equipment	2	8,27,485.69	3,87,771.63
	(b) Intangible Assets	2	109.15	5.04
	(c) Capital Work-in-progress	2	7,38,269.71	8,94,365.34
	(d) Financial Assets			
	(i) Loans	3	1,688.18	866.23
	(e) Deferred Tax Assets (Net)	22	13,617.24	14,942.54
	(f) Other Non-current Assets	4	33,248.04	59,238.52
	Total Non Current Assets (A)		16,14,418.01	13,57,189.30
	Current Assets			
	(a) Inventories	5	623.06	146.51
	(b) Financial Assets			
	(i) Trade Receivables	6	21,725.32	13,517.26
	(ii) Cash and Cash Equivalents	7	2,007.48	6,938.37
	(iii) Other Financial Assets	8	265.46	268.07
	(c) Other Current Non Financial Assets	9	12,836.50	24,191.47
	Total Current Assets (B)		37,457.81	45,061.69
	Total Assets (I + II)		16,51,875.83	14,02,250.98
(II)	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	10	6,00,000.00	5,27,600.00
	(b) Other Equity	11	(44,653.23)	(46,659.48)
	Total Equity (C)		5,55,346.77	4,80,940.52
	Liabilities			
	Non- Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	8,44,782.28	8,15,861.82
	(ii) Other Financial Liabilities			
	Total Non-Current Liabilities (D)		8,44,782.28	8,15,861.82
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade Payables			
	(A) Total outstanding dues of micro enterprises and small enterprises; and			
	(B) Total outstanding dues of creditors other than micro enterprises and small ent.	13	10,354.09	7,278.38
	(ii) Other financial Liabilities	14	1,96,647.46	62,684.55
	(b) Provisions	15	44,745.23	35,485.71
	Total Current Liabilities (E)		2,51,746.77	1,05,448.64
	TOTAL Equity & Liabilities (I + II)		16,51,875.83	14,02,250.98

Significant accounting policies

1

Notes on Accounts

2 to 23

The accompanying notes 1 to 23 are integral part of these financial statements

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

As per our report of even date attached

FOR SUHAS MANNUR & CO

Chartered Accountant

Firm Registration No 122428W

Nilay Vakil

CFO

PAN-AJPPV6458H

Mohd Zafar Khan

CEO

PAN-ADWPK1619E

Ravina Jain

CS

PAN-CZAPK3255Q

CA. SUHAS MANNUR

PARTNER

Membership No. 111594

UDIN: 22111594AHXNOT9812

Sukhmal Kumar Jain

(Chairman & Director)

DIN-09206648

Vivek Vishwas Wathodkar

Director

DIN-08486382

PLACE: Porvorim - Goa

DATE: 27.04.2022

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MAR, 2022

(Rupees in ` 000)

	Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I.	Revenue from operations	16	3,61,650.79	43,034.32
II.	Other Income	16A	569.83	8.54
III.	Total Income (I+II)		3,62,220.62	43,042.86
IV.	Expenses			
	Purchase of Stock in trade	17	2,56,455.06	25,261.10
	Change in Inventories of Stock in trade	18	(476.54)	130.88
	Finance Costs	19	22,317.33	14,966.52
	Depreciation Expense	2	21,058.03	10,397.80
	Other Expenses	20	60,905.81	21,792.38
	Total Expenses (IV)		3,60,259.69	72,548.68
V	Profit/(Loss) before Exceptional Items and Tax (III-IV)		1,960.94	(29,505.83)
VI	Exceptional Items		-	-
	Insurance Claim		-	19,074.82
	Period adjustments	23	1,370.62	-
VII	Profit/Loss Before Tax (V-VI)		3,331.56	(10,431.01)
VIII	Tax Expenses:			
	(1) Current Tax		-	-
	(2) Deferred Tax	22	1,325.30	(1,585.14)
IX	Profit / (Loss) for the period from Continuing Operations (VII-VIII)		2,006.26	(8,845.87)
X	Profit/(Loss) from Discontinued Operations		-	-
XI	Tax Expense of Discontinued Operations		-	-
XII	Profit / (Loss) from Discontinued Operations (after tax) (X-XI)		-	-
XIII	Profit/(Loss) for the year (IX+XII)		2,006.26	(8,845.87)
XIV	<u>Other Comprehensive Income</u>			
	(A) (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	(B) (i) Items that will be reclassified to profit or loss		-	-

(ii) Income tax relating to the items that will be reclassified to profit or loss			-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising profit/(loss) and other Comprehensive Income for the year)		2,006.26	(8,845.87)
XVI	Earning per equity share			
	(1) Basic	21	0.03	(0.23)
	(2) Diluted	21	0.03	(0.23)

Significant accounting policies

1

Notes on Accounts

2 to 23

The accompanying notes 1 to 23 are integral part of these financial statements

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

As per our report of even date attached

FOR SUHAS MANNUR & CO
Chartered Accountant
Firm Registration No 122428W

Nilay Vakil
CFO
PAN-AJPPV6458H

Mohd Zafar Khan
CEO
PAN-ADWPK1619E

Ravina Jain
CS
PAN-CZAPK3255Q

CA. SUHAS MANNUR
PARTNER
Membership No. 111594
UDIN: 22111594AHXNOT9812

Sukhmal Kumar Jain
(Chairman & Director)
DIN-09206648

Vivek Vishwas Wathodkar
Director
DIN-08486382

PLACE: Porvorim - Goa
DATE: 27.04.2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022

(Rupees in ` 000)

	Particulars	Figures for the current period	Figures for the previous reporting period
(A)	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
	Net Profit/Loss before tax	3,331.56	(10,431.01)
	<u>Adjustments For:-</u>		
	Finance Cost	22,317.33	14,966.52
	Interest Received	-	-
	Depreciation & Amortisation Expenses	21,058.03	10,397.80
	Operating Profit/Loss before Working Capital Changes	46,706.91	14,933.32
	Adjustments for changes in Working Capital:		
	Other Current Liabilities	1,87,504.81	51,556.92
	Other Current Assets	2,672.98	(6,938.22)
	Cash Flow Operations	2,36,884.70	59,552.02
	Direct Taxes Paid (Net of Refunds)	-	-
	Net Cash Generated/(Used In) from Operating activities	2,36,884.70	59,552.02
(B)	<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
	Purchase Of Fixed Assets	(4,60,941.88)	(1,46,322.16)
	Additions to Capital Work in Progress	1,14,744.82	(1,97,036.24)
	Financial Assets-Loans (NC)	25,168.52	(22,332.68)
	Interest Received	-	-
	Net Cash Generated/(Used In) From Investing Activities	(3,21,028.53)	(3,65,691.08)
(C)	<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
	Proceeds From Capital	72,400.00	1,77,600.00
	Proceeds from Long term borrowings	28,920.46	1,14,237.92
	Other Financial Liabilities	209.81	9,956.94
	Share Application Money pending Allotment		
	Finance Cost	(22,317.33)	(14,966.52)
	Net Cash Generated/(Used In) From Financing Activities	79,212.94	2,86,828.34
(A+B+C)	Net Increase/Decrease In Cash & Cash Equivalents	(4,930.89)	(19,310.72)
	Cash & Cash Equivalents at The Beginning Of The Year	6,938.37	26,249.08
	Cash & Cash Equivalents at The End Of The Year	2,007.48	6,938.37
	Cash and bank balances as per balance sheet	2,007.48	6,938.37

Significant accounting policies

1

Notes on Accounts

2 to 23

The accompanying notes 1 to 23 are integral part of these financial statements

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

As per our report of even date attached

FOR SUHAS MANNUR & CO

Chartered Accountant

Firm Registration No 122428W

Nilay Vakil

CFO

PAN-AJPPV6458H

Mohd Zafar Khan

CEO

PAN-ADWPK1619E

Ravina Jain

CS

PAN-CZAPK3255Q

CA. SUHAS MANNUR

PARTNER

Membership No. 111594

UDIN: 22111594AHXNOT9812

Sukhmal Kumar Jain

(Chairman & Director)

DIN-09206648

Vivek Vishwas Wathodkar

Director

DIN-08486382

PLACE: Porvorim - Goa

DATE: 27.04.2022

STATEMENT OF CHANGES IN THE EQUITY FOR THE YEAR ENDING AS ON 31ST MARCH, 2022**A. Equity Share Capital**

(Rupees in ` 000)

Balance as at 31st March 2020	Changes in Equity Share Capital during F.Y. 2020-21	Balance as at 31st March 2021	Changes in Equity Share Capital during F. Y .2021-22	Balance as at 31st March 2022
3,50,000	1,77,600	5,27,600	72,400	6,00,000

B. Other Equity

(Rupees in ` 000)

	Shares Application Money Pending allotment	Equity Component of Compound financial instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive	Equity Instruments through Other Comprehensive	Other items of other comprehensive income	Money Received against	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (Specify Nature)	Retained Earnings					
Balance of the beginning of the reporting period as on 31st March, 2020	-	-	-	-	-	(37,813.61)	-	-	-	-	(37,813.71)
Total Comprehensive Income during the period from 1st April, 2020 to 31st March, 2021	-	-	-	-	-	(8,845.87)	-	-	-	-	(8,845.87)
Balance as on 31st March, 2021	-	-	-	-	-	(46,659.48)	-	-	-	-	(46,659.48)
Changes in accounting policy or prior period errors	-	-	-	-	-		-	-	-	-	
Restated balance at the beginning of the reporting period	-	-	-	-	-		-	-	-	-	
Total Comprehensive Income during the	-	-	-	-	-	(2,006.26)	-	-	-	-	(2,006.26)
Dividends	-	-	-	-	-		-	-	-	-	
Transfer to retained earnings	-	-	-	-	-		-	-	-	-	
Any other change (to be specified)	-	-	-	-	-		-	-	-	-	
Balance as on 31st March, 2021						(44,653.23)					(44,653.23)

Significant accounting policies

1

Notes on Accounts

2 to 23

The accompanying notes 1 to 23 are integral part of these financial statements

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

As per our report of even date attached

FOR SUHAS MANNUR & CO

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PLACE: Porvorim - Goa

DATE: 27.04.2022

NOTE -1:- SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Goa Natural Gas Private Limited (“GNGPL”) is a company domiciled in India with registered office situated at Plot No. 33, Rajan Villa, Journalist Colony, Porvorim, GOA.

GNGPL is a Joint Venture Company of GAIL Gas Limited {A wholly owned subsidiary of Gail (India) Limited} and Bharat Petroleum Corporation Limited. It was incorporated on 13th January, 2017 for the smooth implementation of City Gas Distribution (CGD) projects based on the Joint Venture Agreement of the Consortium. The Consortium, a Joint Venture Company namely M/s. Goa Natural Gas Pvt. Ltd., has been authorized by Petroleum and Natural Gas Regulatory Board (PNGRB) for implementing City Gas Distribution Network in the Geographical Area of Goa State.

The financial statements of the company for the year ended 31st March 2022 were authorized for issue by Board of Directors (BOD) on **27th April 2022**.

2. Basis of preparation

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind. AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules made thereunder.

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities which have been measured at fair value or revalued amount. The fact is disclosed in the relevant accounting policy.

The financial statements are presented in Indian Rupees (‘INR’) and the values are rounded off to the nearest thousands, except otherwise indicated.

3. Significant Accounting Policies

3.1 Property, plant and equipment

(i) Tangible Assets

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs relating to acquisition of fixed assets till commissioning of such assets are capitalized.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in case retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation is provided, under the Straight-Line Method, pro rata to the period of use, based on useful life specified in Schedule II to the Companies Act, 2013. The asset's residual values, useful lives and methods of depreciation/amortization are reviewed at each reporting period and adjusted prospectively, if appropriate.

(ii) Capital Work in Progress

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

3.2 Impairment of assets

The Carrying amount of assets is reviewed at each Balance Sheet date. In case there is any indication of impairment based on Internal /External factors, an Impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount.

3.3 Inventories

Stock Inventory of the companies consist of natural gas stock. The inventory are measured at the lower of cost and net realizable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. The company calculates the natural gas inventory based on the volume of gas available in the cascade and line pack on the regular frequency.

Stores & Spares which meet the definition of property plant and equipment and satisfy the recognition criteria are capitalized as property, plant and equipment. Also, company conducts the physical verifications of such stores and spares on regular frequency.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Raw materials and finished products are valued at cost or net realizable value, whichever is lower.

Stock in process is valued at cost or net realizable value, whichever is lower. It is valued at cost where the finished products in which these are to be incorporated are expected to be sold at or above cost.

Stock of gas in pipeline is valued at cost (FIFO) or net realizable value whichever is lower.

Stores and spares and other material for use in production of inventories are valued at weighted average cost or net realizable value, whichever is lower. It is valued at weighted average cost where the finished products in which they will be incorporated are expected to be sold at/or above cost.

Surplus/obsolete stores including capital stores and spares are valued at cost or net realizable value, whichever is lower.

3.4 Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

At each balance sheet date, foreign currency monetary items (such as Cash, Receivables, Loans, Payables, etc.) are reported using the closing exchange rate (BC selling rate for payable and TT buying rate for receivable).

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as gain or loss in the period in which they arise.

Non-monetary items (such as Investments, Fixed Assets, etc.) which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

3.5 Revenue and Other Income

Sales are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude value added tax. Any retrospective revision in prices is accounted for in the years of such revision.

Income in respect of MGO of Natural Gas and Interest on delayed realization from customers is not provided. Receipts during the year on account of MGO and Interest on delayed realization are adjusted on receipt basis.

The company has considered the threshold limit of Rs 1 lakhs for considering the income/expenditure in aggregate pertaining to prior years (s) and above that threshold limit the amount is disclosed as prior period adjustment.

3.6 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale, after netting off any income earned on temporary investment of such funds. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are recognized as expense in the period in which they are incurred.

3.7 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating expenses. Lease rentals under operating expenses are recognized in the statement of profit and loss on straight line basis unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessee, at the commencement date, corporation recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset;
- The Company has right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and;
- The Company has the right to direct the use of the asset.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs; and
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases are recognized on a straight-line basis as an expense in the statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less. Further, rental payments for the land where lease period is considered to be indefinite or indeterminable, these are charged off to the statement of profit and loss.

3.8 Taxes

Current Income Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

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

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to all or part of the asset to be recovered.

3.9 Provisions, Contingent liabilities, Contingent assets and Commitments General

Provisions are recognized 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.

Contingent liabilities exceeding Rs.5 Lakhs in each case are disclosed by way of notes to accounts.

Estimated amount of contracts remaining to be executed on capital account are disclosed in each case above Rs.5 Lakhs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.10 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 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. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.11 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.

i) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through statement of profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

a) Financial assets at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

De-recognition

A financial asset is primarily derecognized 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.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

ii) Financial liabilities

All financial liabilities are initially recognized at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft. Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss (FVTPL) or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortized cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR (Effective Interest Rate) method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are

integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

De-recognition

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 de-recognition 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 and loss.

iii) Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.12 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

4. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

4.1 Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

4.2 Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment

of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

4.3 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.5 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

**As per our report of even date
attached
FOR SUHAS MANNUR & CO
Chartered Accountant
Firm Registration No 122428W**

**Nilay Vakil
CFO
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**Mohd Zafar Khan
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**Sukhmal Kumar Jain
(Chairman &
Director)
DIN-09206648**

**Vivek Vishwas Wathodkar
Director
DIN-08486382**

**Place: Goa
Date: 27.04.2022**

Note-2

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS										(Rupees in ` 000)	
Particulars	Gross Block				Depreciaton			Impairment of Assets		Net Block	
	As on 1st Apr, 2021	Addition/ Adjustment during the period	Deduction /Adjustment during the period	As on 31st Mar, 2022	As on 1st Apr, 2021	For the period	Deduction/ Adjustment during the period	As on 1st Apr, 2021	For the period	As on 31st Mar, 2022	As on 1st Apr, 2021
<u>Property, Plant & Equipment</u>											
Plant & Machinery	3,98,484.96	4,59,129.82	-	8,57,614.78	12,688.68	20,415.50		-	-		8,24,510.60
Furniture and Fixtures	1,108.49	12.45	-	1,120.93	295.69	106.04		-	65.67		653.53
Office Equipment	814.33	268.25	-	1,082.58	144.66	174.86		-	-		763.05
Computer	1,026.87	437.70	-	1,464.57	533.98	315.57		-	-		615.03
ROU Assets		976.13		976.13	-	32.64					943.48
SUB TOTAL (A)	4,01,434.64	4,60,824.35	-	8,62,258.99	13,663.02	21,044.61	-	65.67	-	8,27,485.69	3,87,771.63
<u>Intangible Assets</u>											
Software	100.84	117.53	-	218.36	95.79	13.42	-	-	-		109.15
SUB TOTAL (B)	100.84	117.53	-	218.36	95.79	13.42	-	-	-	109.15	5.04
<u>Capital Work-in-progress</u>											
	8,94,365.34	3,02,840.48	4,58,807.68	7,38,398.15	-	-	-	-	128.44	7,38,269.71	8,94,365.34
SUB TOTAL (C)	8,94,365.34	3,02,840.48	4,58,807.68	7,38,398.15	-	-	-	-	-	7,38,269.71	8,94,365.34
Total [A + B + C] (Current Year)	12,95,900.82	7,63,782.36	4,58,807.68	16,00,875.50	13,758.81	21,058.03	-	65.67	-	15,65,864.55	12,82,142.01

Note-3 NON CURRENT ASSETS - FINANCIAL ASSETS - LOANS

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Security Deposit - Unsecured, Considered Good	1,688.18	866.23
Total	1,688.18	866.23

Note-4 OTHER NON CURRENT ASSETS

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Advance for Land	4,728.29	4,728.29
Other Advances	4,882.32	5,670.10
Prepaid Expenses	23,637.43	48,840.13
Total	33,248.04	59,238.52

Note-5 INVENTORIES

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Stock in Trade: Natural Gas	623.06	146.51
Total	623.06	146.51

Note-6 TRADE RECEIVABLES

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Unsecured considered good Receivable from Others	20,017.83	13,166.31
Receivable from Related parties	1,707.49	350.95
Total Receivables	21,725.32	13,517.26
Total	21,725.32	13,517.26

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note-7 CASH AND CASH EQUIVALENTS

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Balances with Banks Current Accounts	2,007.48	6,938.37
Total	2,007.48	6,938.37

Note-8 OTHER FINANCIAL ASSETS

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Advance to employees	27.28	18.33
Others	238.18	249.75
Total	265.46	268.07

Note-9 OTHER CURRENT NON-FINANCIAL ASSETS

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Prepaid Expenses	6,386.79	24,100.32
Other Advances	5,615.02	-
Income tax / TDS / TCS	834.68	91.15
Total	12,836.50	24,191.47

Note-10 EQUITY SHARE CAPITAL**(a) Equity**

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Authorised Share capital	-	-
60000000 Equity Shares of Rs. 10/- each (Previous Year 60000000 Equity Shares of Rs. 10/- each)	6,00,000	6,00,000
Issued, Subscribed & Fully paid -up Share capital		
60000000 Equity Shares of Rs. 10/- each (Previous Year 52760000 Equity Shares of Rs.10/- each)	6,00,000	5,27,600
Total	6,00,000	5,27,600

Particulars	As at 31-03-2022		As at 31-03-2021	
	Number	(Rupees in ` 000)	Number	(Rupees in ` 000)
Shares outstanding at the beginning of the year	5,27,60,000	5,27,600	3,50,00,000	3,50,000
(+) Shares Issued During the year	72,40,000	72,400	1,77,60,000	1,77,600
(-) Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	6,00,00,000	6,00,000	5,27,60,000	5,27,600

(b) Details of shares held by the shareholders holding more than 5% shares at the end

Name of the Shareholder	As at 31-03-2022		As at 31-03-2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares				
Bharat Petroleum Corporation Limited	3,00,00,000	50%	2,63,80,000	50%
GAIL Gas Limited	3,00,00,000	50%	2,63,80,000	50%

Note-11 OTHER EQUITY

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
A. Share Application Money Pending Allotment		
Opening Balance	-	-
Additions during the current quarter	-	-
Allotment during the quarter	-	-
Closing Balance	-	-
B. Retained Earnings:		
Opening Balance	(46,659.48)	(37,813.61)
Add: Current Year Profit / (Loss)	2,006.26	(8,845.87)
Total	(44,653.23)	(46,659.48)

Note-12 BORROWINGS

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Non-Current Borrowings		
Secured Term Loan		
- State Bank of India	8,44,782.28	8,15,861.82
The Loan is secured by a first ranking charge on the fixed assets and current assets of the Company. The Loan will be repayable over a period of 10 years starting from Jan 2022 and ending in Oct 2031. The rate of interest applicable shall be floating link to 1-year MCLR of SBI plus a spread of 0.1%; rate of interest from 01/04/2021 was 7.10% with monthly rest. Outstanding balance include moratorium interest of Rs.2,96,47,923/-		
TOTAL	8,44,782.28	8,15,861.82

Note-13 Trade Payables

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Trade Payable to Related Party	10,354.09	7,278.38
TOTAL	10,354.09	7,278.38

Note-14 OTHER FINANCIAL LIABILITIES

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Deposits	876.23	415.06
Payments to Related parties	60,004.53	5,833.24
Capital Creditors	41,416.49	37,829.27
Other Liabilities	63,759.40	2,710.39

Statutory Dues (Duties & Taxes)	7,720.32	2,784.53
Deposits	22,870.49	13,112.06
TOTAL	1,96,647.46	62,684.55

Note-15 PROVISIONS

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Capital Work in progress		
-Provision	44,692.82	35,369.91
Total (A)	44,692.82	35,369.91
Provisional Liabilities		
-Statutory Audit Fee	-	70.80
-Expenses	52.41	45.00
Total (B)	52.41	115.80
Grand Total	44,745.23	35,485.71

Note-16 REVENUE FROM OPERATIONS

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
(1) Sale of Products		
Sale of Gas, compression	3,60,203.40	41,751.80
(2) Other Operating Revenue		
Application Fee - Domestic Connections	1,447.39	1,282.52
Total	3,61,650.79	43,034.32

Note-16A OTHER INCOME

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Other Income	569.83	8.54
Total	569.83	8.54

Note-17 PURCHASE OF GAS

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Purchase of Gas	2,19,365.14	21,430.18
Direct Expenses	37,089.93	3,830.92
Total	2,56,455.06	25,261.10

Note-18 Change in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

(Rupees in ` 000)

PARTICULARS	As at 31-03-2022	As at 31-03-2021
Inventories as at March 31,2022		
Finished Goods	623.06	146.51
	623.06	146.51
Inventories as at March 31,2021		
Finished Goods	146.51	277.39
	146.51	277.39
Total	-476.54	130.88

Note-19 FINANCE COST

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Bank Guarantee cost	28,631.02	16,319.67
Bank charges	8.64	49.93
Interest on Term Loan	58,520.96	60,623.21
	87,160.63	76,992.80
Less: Transfer to Capital Work-in-Progress	64,843.30	62,026.28
Total	22,317.33	14,966.52

Note-20 OTHER EXPENSES

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021	As at 31-03-2021
Hooking Up Operating Charges		6,268.90		1,218.06
Operation & Maintenance Charges		23,024.62		14,736.02
Advertisement Expenses		203.56		75.37
Business Promotion		167.79		-
CAG & Internal Audit Expenses		-		243.06
Meeting Expenses		419.04		23.77
Office Expenses		777.06		618.93
Office Rent		999.00		900.00
Printing & Stationery		112.16		128.92
Statutory Audit Fees		70.80		70.80
Travelling Expenses		66.68		-
Professional Fees		3,788.00		1,419.55
Management Service Cost		40,383.38		45,448.96
Other Expenses		35,094.42		37,118.43
Total A		1,11,375.41		1,02,001.88
Less: Management Service for employee		(35,362.60)		(45,448.96)
Cost Transferred to Capital Work-In-Progress				
Less: Transfer To IEDC (Incidental Expenditure During Construction)				
Rent	4,120.40		4,183.56	
Professional Fees	1,751.58		1,419.55	
Other Project Expenses	9,235.00	(15,106.99)	29,157.43	(34,760.54)
Total (A+B+C)		60,905.81		21,792.38

Note-21 Earnings Per Share

(Rupees in ` 000)

Particulars	As at 31-03-2022	As at 31-03-2021
Profit (Loss) attributable to equity share holders	2,006.26	(8,845.87)
Nominal value of equity share (in `)	10.00	10.00
Weighted Average No. of Shares outstanding at the end of the year	5,97,61,319.00	3,88,12,967.00
Basic Earnings per share-Rupees	0.03	(0.23)
Diluted Earnings per share-Rupees	0.03	(0.23)

Note-22 Deferred Tax Assets (Net)**(Rupees in ` 000)**

Particulars	As at 31-03-2022	As at 31-03-2021
Closing WDV as per IT Act	6,75,231.23	3,64,578.61
Closing WDV as per Co Act	8,26,717.04	3,87,776.67
	1,51,485.81	23,198.06
DTL	39,386.31	5,799.52
Computation Of Taxable Income		
Profit & Loss as Per Books	3,331.56	(10,431.01)
Add: Depreciation as per Companies Act 2013	21,025.38	10,378.64
Less: Depreciation As per Income Tax	1,08,605.27	11,801.96
Total	(84,248.33)	(11,854.33)
Add: Disallowed of preliminary Expenditure U/s 35D		(2,022.70)
Profit & Loss as Per Income tax Act	(84,248.33)	(13,877.04)
Diff: Resulting in Asset	(84,248.33)	(13,877.04)
DTA	(21,904.57)	(3,469.26)
Preliminary Expenditure		
Preliminary Expenditure for the next One year		(2,022.70)
Diff: Resulting in Asset	-	(2,022.70)
DTA	-	(505.68)
Carried forward Losses till AY 21-22 as per ITR	(1,19,611.49)	(67,068.46)
Diff: Resulting in Asset	(1,19,611.49)	(67,068.46)
DTA	(31,098.99)	(16,767.12)
DTA	(53,003.55)	(20,742.05)
Net DTA	(13,617.24)	(14,942.54)

NOTE 23:- NOTES ON ACCOUNTS

1. The Company “Goa Natural Gas Private Limited (GNGPL)” was incorporated on January 13, 2017 to develop the City Gas distribution network in the district of North Goa and Ponda.
2. The company is a joint venture of GAIL Gas Limited (a wholly owned subsidiary of GAIL (India) Limited) and Bharat Petroleum Corporation Limited with equal share holding pattern. The total authorized share capital of the company is Rs.60 Crore against which equity shares capital worth Rs.60 Crore have been issued to promoter companies in the ratio of 1:1.
3. The company authorization for development of City Gas Distribution Network in the Geographical Area of Goa State was granted by Petroleum and Natural Gas Regulatory Board (PNGRB) to the then Consortium of GAIL Gas Limited and Bharat Petroleum Corporation Limited in June, 2016. As per the regulation of PNGRB, Performance Bank Guarantee (PBG) of Rs.1504 Crore issued by IndusInd Bank, New Delhi valid upto 07.06.2024 has been submitted to PNGRB. The PBG has been issued by GAIL Gas Limited based on corporate guarantee of M/s. BPCL and M/s. GAIL (India) Ltd. of equal amount of Rs. 752 Crores each. M/s GGL recover the amount of PBG charges paid to the IndusInd bank from the GNGPL as the PBG is provided on behalf of the GNGPL.
4. The employees on deputation from the promoter’s company working in the various disciplines have been identified as working for (a) project activities and/or (b) operation activities. Therefore, the employee cost pertaining to those employees engaged directly in project activities, are directly charged to project activities. Whereas, employee cost pertaining to those employees which have been engaged in both of the aforesaid activities, are charged to project activities and operation activities on best judgement basis and accounted for accordingly. For the FY 2021-22, total amount of Rs 3.54 Crores has been allocated to Capital Work in progress.
5. During the FY 2021-22, both the promoter’s company BPCL and GGL has raised an invoice on the GNGPL related to manpower deputed by the respective promoters company to the Joint Venture. During the FY 2021-22, BPCL has raised total invoice of Rs 0.95 crores on account of manpower expenses for recovering the various component like salary, other allowances, communication allowance, transport allowance, leave encashment, gratuity, LFA etc. Additionally, GNGPL has also made the provision of PRP for BPCL employees deputed at GNGPL for Rs 0.17 crores. Similarly, GGL has raised total invoice of Rs 2.86 crores on GNGPL on account of manpower expenses for recovering various components like salary, other allowances, communication allowance, transport allowance, leave encashment, gratuity, LFA, PRP etc. paid by the promoter company to its staff deputed at JV.
6. Expenses related to rent of warehouse, vehicle hire charges, contract manpower expense and all other non-administrative expenses have been allocated to Incidental Expenditure during Construction on the best judgement basis. The Incidental Expenditure during Construction amounting to Rs. 4.36 Crores (Previous year Rs. 3.48 Crores) has been allocated to Capital Work in Progress during the FY 2021-22.
7. Capital Work in Progress (CWIP) include asset under construction which are under different stage of completion, capitalization will be done as soon as the assets are ready for use. CWIP includes Rs. 11.94 (Previous Year Rs. 11.36 Crores) consisting of machineries/system and

various types & sizes of pipes lying in own and hired warehouses of Goa Natural Gas Private Limited (GNGPL) and not issued to the Contractors.

8. The Board of Directors of the Company in its 22nd Board Meeting held on 28th March 2022 have approved to write-off of two Fixed Assets items (Godrej 4 Door Book Case and Aluminium partition sheet/framing gallery) and three capital inventory items (125 mm MDPE pipes) having an original value of Rs 2,36,142.60 and with Written Down Value of Rs 1,94,111.00. The same has been written off in the FY 2021-22 as per the Board Approval.

9. Share Capital

- a) The total authorized capital of the Company is Rs. 60.00 Crores against which Rs.60 Crores has been issued as on balance sheet date. (Previous year Rs. 52.76 Crores)
- b) The Company is a Joint Venture of GAIL Gas Limited (GGL) and Bharat Petroleum Corporation Limited (BPCL) and the shares are issued to the promoter companies in equal ratio as per the approval of the Board.
10. In terms of disclosure requirement as per Ind. – AS 23 on “Borrowing Costs”, total finance cost on account of interest amounting to Rs. 5.85 Crores was incurred, out of which an amount of Rs. 3.63 Crores was capitalised including amount allocated towards capital Work in Progress during the period.

11. Capital Commitment Disclosure

The estimated amount of contracts over Rupees Five Lakhs amounting to Rs. 60.45 Crores (Previous year Rs 58.91 Crores) is remaining to be executed on Capital Accounts and not provided for.

12. The provisional liability of Rs. 4.47 Crores (Previous year Rs. 3.55 Crores) has been made in the books of accounts as on 31st March, 2022 which will be settled as per actual bills.

13. Employee Benefits

All the employees posted at M/s Goa Natural Gas Private Limited (GNGPL) are on the rolls of GAIL (India) Limited (100% Holding Company of M/s. GAIL Gas Limited) and Bharat Petroleum Corporation Limited. The Employees’ benefits including salary are being prepared and disbursed and recovered by the promoter companies. The disclosure requirement in terms of Ind. AS 19 has not been considered as the same have been complied by the M/s. GAIL and BPCL and necessary disclosure as per requirement is being made by them.

14. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2008 (“MSMED Act, 2006”)

Sl. No.	Particulars	2021-22	2020-21
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
2	The amount of interest paid by the buyer in terms of	Nil	Nil

	section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company.

15. Additional information pursuant to the provisions of paragraph 5(viii) of Part II of Schedule III to the Companies Act, 2013 is not applicable.

16. Related Party Disclosure:

A. The entire Equity Share Capital of the Company is held by GAIL Gas Limited and Bharat Petroleum Corporation Limited, being the promoter companies.

B. Related Parties:

Relation and name of the related parties are:-

1. Promoter Venture: GAIL Gas Limited (A wholly owned Subsidiary of GAIL (India) Limited) and Bharat Petroleum Corporation Limited.
2. Associate Company: GAIL (India) Limited
3. Key Management Personnel:
 - i. Mr. Mohd Zafar Khan (CEO)
 - ii. Mr. Nilay Umeshbhai Vakil (CFO)
 - iii. Ms. Ravina Jain (CS)

a) Related Party Transactions with related parties:

(Rs. in Thousand)

Sl. No.	Particulars	Promoter Venture	Associate Company	Key Management Personnel
A	GAIL Gas Limited	Rs. 58,815 Previous Year Rs. 40,509)	-	-
	Reimbursement of Employee Remuneration	Rs. 28,645 Previous Year Rs. 24,288)	-	-

	Reimbursement of PBG Commission, Training expenses, Certification charges, etc.	Rs. 30,170 Previous Year Rs. 16,221)		
B	Bharat Petroleum Corporation Limited	Rs. 26,842 Previous Year Rs. 13,536)	-	-
	Reimbursement of Employee Remuneration	Rs. 9,581 Previous Year Rs. 8,377)	-	-
	Supply of CNG at various RO's of BPCL	Rs. 17,261 Previous Year Rs. 5,159)		
C	GAIL (India) Limited		Rs. 2,43,936 (Previous Year Rs. 57,705)	
	Expenses on account of Hooking-up of Shipper's Facilities & Other Expenses		Rs. 2,009 (Previous Year Rs. 33,590)	
	Natural Gas Purchases & Transmission		Rs. 2,41,927 (Previous Year Rs. 24,115)	
D	Management Contracts including deputation of employees			Rs. 14,665 (Previous Year Rs. 13,418)
	Reimbursement of Remuneration to Key Management Personnel			Rs. 14,665 (Previous Year Rs. 13,418)
	Closing Balance			
	GAIL Gas Limited	Rs. 50,585 Previous Year Rs. 4,460)		
	Bharat Petroleum Corporation Limited	Rs. 9,419 Previous Year Rs. 1,373)		
	Bharat Petroleum Corporation Limited (Trade Receivable)	Rs. 1707 Previous Year Rs. 351)		
	GAIL (India) Limited	Rs. 10,354 Previous Year Rs. 7,278)		

17. Earnings per Share:

Particulars	Unit	2021-22	2020-21
Profit after Tax	(Rs. in Thousand)	2006.26	(8,845.87)
Weighted Average No. of Equity Shares	Nos.	5,97,61,319	3,88,12,967
Nominal Value per Share	Rs.	10.00	10.00
Earnings per Share Basic	Rs.	0.03	(0.23)
Earnings per Share Diluted	Rs.	0.03	(0.23)

- 18. "Income Taxes"** The Company has created net deferred tax assets in respect of temporary difference and unused carry forward of losses as on 31st March 2022 amounting to Rs. 1.36 Crores (Previous Year Rs 1.49 Crores). The item- wise details of deferred tax liability/asset are as under:

(Rs. in Thousand)

Particulars	31.03.2022	31.03.2021
Opening Balance Deferred Tax Assets / (Liabilities)	14,942.54	13,357.40
Deferred Tax assets/(Liabilities) arising on account of Fixed Assets	(15,151.49)	(13,694.79)
Deferred Tax assets/(Liabilities) arising on account of unused carry forward of losses / preliminary expenses	13,826.20	15,279.92
Closing Balance C/F	13,617.24	14,942.54

- 19. The details of amount paid/payable to auditor during the year:**

(Rs. in Thousand)

Particulars	2021-22	2020-21
Statutory Audit Fees	70.8	70.8
Other services	Nil	Nil
Reimbursement of expenses	Nil	Nil
TOTAL	70.8	70.8

20. Contingent Liabilities

Claim against the company not acknowledge as Debt: NIL

Company has contingent Liabilities on account of Bank Guarantee/LC of Rs. 7.09 Crores from IndusInd Bank, New Delhi as at 31st March 2022 (Previous year Rs. 7.99 Crores)

- 21.** As per the Petroleum and Natural Gas Regulatory Board's Authorisation, GNGPL is required to achieve Minimum Work Programme (MWP) target of 650 Inch KM pipe laying and 9588 domestic Connection till the MWP period of June 2021 which was further extended due to COVID-19 pandemic till 6th Nov 2021. However, GNGPL has achieved its MWP target of 650 Inch KM and 9588 domestic connection on 3rd Nov 2021 and had informed the same to PNGRB vide its letter GNGPL/PNGRB/MWP/PBG/2021 dated 03.11.2021. Further, PNGRB asked for some additional details in the specified format vide its Letter PNGRB/Monitoring/1/CGD-6.07/(9)/2016 (P-754) dated 22.12.2021 in reply of which GNGPL had provided the data vide its letter GNGPL/PNGRB/MWP/PBG/2022/20 on 18.01.2022. Thereafter, PNGRB had sought for some clarifications vide its letter

PNGRB/Monitoring/1/CGD-6.07/(9)/2016 (P-754) dated 18.02.2022 and in reply to which GNGPL is in process of collecting the details in the specified formats for providing its reply to PNGRB.

22. Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

23. Additional information of Capex:

Particulars	Amount (Rs. in Thousand)
Addition in Property, Plant & Equipment	4,59,848.22
Change in CWIP	(1,55,967.2)
Addition in Intangible Assets	117.53
Change in Intangible Assets under Development	-
Addition in Investment Property	-
Change in Capital Advances, if any	-
TOTAL CAPEX	3,03,998.55

Capital expenditure for this purpose is computed considering the additions in Property, Plant & Equipment; Intangible Assets, Investment property and movements during the year in Construction Work in Progress (CWIP); Intangible Assets under Development (IAUD) & Capital Advances."

24. Erstwhile Ms. Bishakha Chakrobarty was resigned from the position of Company secretary of the Company on 30th Sept 2021 and Ms. Ravina Jain was appointed as the Company Secretary of the Company on 28.03.2022.

25. Prior Period Adjustment:

The company has carried out below mentioned prior period adjustment in FY 2021-22:

- a) The Company has expensed out payment made of Rs 13,60,620.00 to PNGRB as interest free refundable deposits in the FY 2018-19 & FY 2019-20. Based on the confirmation from PNGRB in the FY 2021-22, the company has now recorded the same as deposit in the FY 2021-22.

26. Deposits from Customers:

The Company has classified the security deposits received from its Natural Gas Customers as current liabilities and the figures are re-classified wherever necessary as the company has immediate liability for the payment of the deposits to its customers on termination/suspension of the connection.

27. Cash Profit/(Loss) Calculation:

Particulars	FY 2021-22 Rs ('000)	FY 2020-21 Rs ('000)
Net Profit/Loss After Taxes	2006.26	(8845.87)

Adjustment: (Non-Cash Transaction)		
Depreciation	21058.38	10397.80
Amortization of Assets		
Impairment Loss		
Deferred Tax Income	1325.30	(1585.14)
Other Non-cash adjustment		
Cash Profit/(Loss)	24389.59	(33.21)

28. Immovable property(ies) not held in its own name

Description of Property	Gross Carrying Value	Held in name Of	Whether promoter, director or their relative or employee	Period held indicative range, where appropriate	Reasons for not being in held of company
Land at Madkai (GNGPL CGS)	47.28 Lakhs	Communitade of Madkai	NA	NA	Sale Deed Execution under process

29. Ground Rent & Leases

The company has made advance payment of ground rent to various government bodies/authorities for right of way for laying pipeline infrastructure. Such payments for next upcoming 12 months are considered under current assets and beyond 12 months are considered under non-current assets in the balance sheet.

The company has also taken land for installation of DRS and running its office. The AS-116 is not applicable on DRS site and office rental property of the company, as the leases are in nature of short-term leases with a right to terminate with 1 one month notice.

During the FY 2021-22, the company has received the possession of one of the plot situated in the Kundaim IDC on 30 years long term lease. As the company has received the possession of the same, the company has considered the reporting of the same plot as per Ind. AS 116 by creating the ROU Asset of Rs 0.09 crores and ROU liabilities of Rs 0.02 from the FY 2021-22. For the said plot, company has made the upfront payment of Rs 0.07 crores with an annual lease payment of Rs 17,275 per annum.

30. Comparatives

Comparatives financial information (i.e. the amounts and other disclosures for the preceding year presented above), is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year have been regrouped / reclassified wherever necessary to correspond to figures of the current year.

31. Natural gas quantity sold by the company:

Sales Volume details (Fig in MMSCM)		
	31.03.2022	31.03.2021
Piped Natural Gas	7.03	0.14
Compressed Natural Gas	1.02	0.18
Total	8.05	0.32
Average Sales / per day (MMSCMD)	0.02	0.0009

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

As per our report of even date attached

FOR SUHAS MANNUR & CO
Chartered Accountant
Firm Registration No 122428W

Nilay Vakil
CFO
PAN-AJPPV6458H

Mohd Zafar Khan
CEO
PAN-ADWPK1619E

Ravina Jain
CS
PAN-CZAPK3255Q

CA. SUHAS MANNUR
PARTNER
Membership No. 111594
UDIN: 22111594AHXNOT9812

Sukhmal Kumar Jain
(Chairman & Director)
DIN-09206648

Vivek Vishwas Wathodkar
Director
DIN-08486382

Place: Goa
Date: 27.04.2022

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GOA NATURAL GAS PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of GOA NATURAL GAS PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the mannerso required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2022, its Profit and loss account and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the **Companies Act, 2013**, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on other Legal and Regulatory Requirements

1. As required by the **Companies (Auditor's Report) Order, 2020** ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of books and records of company and on the basis of information and explanation given, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order
2. As required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Act, on the basis of information, explanations, and written representations received from the management, we give our report in "Annexure B" on the matters specified in the aforementioned directions issued by the Comptroller and Auditor General of India
3. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the **Companies (Accounts) Rules, 2014**.
 - e) On the basis of written representations received from the directors, taken on record by the Board of Directors, none of the directors are disqualified as on 31/03/2022, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report

in 'Annexure-C' and

- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations which would impact on its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For M/s Suhas Mannur & Co
Chartered Accountants
FRN-122428W

Partner
CA Suhas Mannur
M No 111594
Panaji-Goa
27/04/2022
UDIN: 22111594AHXNOT9812

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE').

(b) The PPE have been physically verified by the management during the year except related to underground natural gas distribution system which as per management cannot be physically verified, as informed to us the material discrepancies were suitably dealt with in the financial statements. In our opinion, the frequency of verification of the PPE is reasonable having regard to the size of the Company and the nature of its assets. For the underground natural gas distribution system, the management has adequate controls in place to safeguard the physical existence of the said distribution system

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company except for the following properties:

Nature of property	Total number of cases	Whether leasehold/ freehold	Gross block 31st March, 2022	Net block 31st March, 2022	Remarks
Land at Madkaim (GNGPL City Gas Station)	1	Freehold	47.28 Lakhs	47.28 Lakhs	Transfer of title pending. Execution of Sale Deed in progress.

(ii) The inventories of the Company comprise of natural gas and stores & spares parts. As explained to us, having regard to the nature of the inventory of natural gas, the procedures followed by the management for estimation of natural gas quantities which is based on volume of pipelines and the volume of cascades containing the natural gas considering the standard temperature and pressures, are reasonable and no material discrepancies were noticed on such computation. Further, in our opinion, the management has conducted physical verification of inventory of stores and spare parts at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) As per information & explanation given by the management, maintenance of cost records as required under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.

(vii) According to the information and explanations give to us and based on our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(viii)viii) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) In our opinion, being a private limited company the provisions of Section 197 and accordingly clause (xi) of the order are not applicable to the company.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) The company does not have an internal audit system. However as per requirement, company is not required to have an internal audit system in place as on the date of this audit report.

(xv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xvi) According to the information and explanations give to us and based on our examination of the records, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvii) The company had incurred a cash losses of Rs 33,210 during the immediate preceding financial year 2020-21 and has a cash profit of Rs 2,43,89,590 in the financial year under audit 2021-22.

(xviii) According to the information and explanations give to us there has been no instance of resignation of the statutory auditors that has occurred during the year.

(xix) According to the information and explanations give to us and based on our examination of the records, no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) According to the information and explanations give to us, the provisions to transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act is not applicable to the Company.

For M/s Suhas Mannur & Co
Chartered Accountants
FRN-122428W

Partner
CA Suhas Mannur
M No 111594
Panaji-Goa
27/04/2022
UDIN: 22111594AHXNOT9812

ANNEXURE-B**Independent Auditor's Report as required by the Comptroller and Auditor General of India vide directions issued under Section 143(5) of the Companies Act, 2013 (the 'Act')**

Based on the audit procedures performed and taking into consideration the information, explanations, examinations of records and written representations given to us by the management in the normal course of audit, we report to the best of our knowledge and belief that:

Sr. No	Directions	Response	Impact on financial statement
1	Whether the Company has system in place to process all the accounting transactions through the IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts alongwith the financial implications, if any, may be stated.	The Company has system in place to process all the accounting transactions through the IT system ie Tally Accounting software. Further, as per the information and explanations given to us by the management, there are no accounting transactions that are processed outside the IT system by the Company which impact the integrity of the accounts.	Not applicable
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for.	As per information and explanations given to us and based on the examination of records, there are no instances of restructuring/waiver/ write-off of debt/ loans/interest etc. of loan availed by the Company during the year under audit.	Not applicable

3	Whether funds (grants/subsidy) received/ receivable for specific schemes from Central/ State Agencies were properly accounted for/ utilized as per its terms and conditions? List the case of deviation.	As per information and explanations given to us and based on the examination of records, no funds are received during the year ended 31st March, 2022 for specific schemes from the Central/State Agencies.	Not Applicable
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For M/s Suhas Mannur & Co
Chartered Accountants
FRN-122428W

Partner
CA Suhas Mannur
Panaji-Goa
27/04/2022
UDIN: 22111594AHXNOT9812

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act') as referred to in paragraph 3(f) to "report on other legal and regulatory requirements".

1. In conjunction with our audit of the financial statements of **M/s Goa Natural Gas Private Limited** (the 'Company') as at and for the year ended 31st March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For M/s Suhas Mannur & Co
Chartered Accountants
FRN-122428W


Partner
CA Suhas Mannur
Panaji-Goa
27/04/2022
UDIN: 22111594AHXNOT98

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GOA NATURAL GAS PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Goa Natural Gas Private Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 April 2022.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Goa Natural Gas Private Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act.

**For and on the behalf of the
Comptroller & Auditor General of India**



**C.M.Sane
Director General of Commercial Audit, Mumbai**

**Place: Mumbai
Date: 13 May 2022**



Registered Office:-

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Porvorim, Goa - 403521