IRM Energy

CORPORATE INFORMATION

BOARD OF DIRECTORS:	BANKING PARTNERS
Mr. Maheswar Sahu Chairman DIN: 00034051 **Dr. Rajiv I Modi** Non-executive Director DIN: 01394558 **Mr. Amitabha Banerjee** Non-executive Director DIN: 05152456 **Mr. Vinod Jain** Non-executive Director DIN: 08204721 (Director till July 13, 2022) **Mr. Badri Mahapatra** Non-executive Director DIN: 02479848 **Mr. C K Gopal** Non-executive Independent Director DIN: 08434324 **Mr. Anand Mohan Tiwari** Non-executive Independent Director DIN:02986260 **Mrs. Geeta Goradia** Non-executive Independent Director DIN: 00074343	Bank of Baroda Union Bank of India Punjab National Bank Kotak Mahindra Bank **STATUTORY AUDITOR** **Mukesh M. Shah & Co.,** Chartered Accountants, 7th Floor, Heritage Chambers, Behind Bikanerwala Sweets, Near Azad Society, Nehru Nagar, Ahmedabad – 380015 **COST AUDITOR** **Dalwadi & Associates** Cost Accountants 403, Ashirwad Complex, B/h Sardar Patel Seva Samaj, Near Mithakhali Six Roads, Ahmedabad – 380006 **SECRETARIAL AUDITOR** **M. C. Gupta & Co.,** Company Secretaries 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad – 380015
KEY MANAGERIAL PERSONNEL **Mr. Karan Kaushal** Chief Executive Officer **Mr. Harshal Anjaria** Chief Financial Officer **Ms. Shikha Jain** Company Secretary	**INTERNAL AUDITOR** **P D Goinka & Co.,** Chartered Accountants 203/204, 2nd floor, Austmangal Complex, Nr. Rajasthan Hospital, Shahibaug, Ahmedabad – 380004

REGISTERED OFFICE:
4th Floor, 8th Block, Magnet Corporate Park, Nr. Sola Bridge, S. G. Highway, Thaltej, Ahmedabad – 380054, Gujarat, India
CIN: U40100GJ2015PLC085213
Phone: +91-079-49031500
Email: info@irmenergy.com
Website: www.irmenergy.com

IRM Energy

BOARD'S REPORT

To,
The Members
IRM ENERGY LIMITED
(Formerly known as IRM Energy Private Limited)

Your Directors have pleasure in presenting their Seventh Annual Report together with Audited Balance Sheet and Statement of Profit and Loss for the Financial Year ended on March 31, 2022 and the report of the Auditors thereon.

FINANCIAL & OPERATING RESULTS

(a) FINANCIAL RESULTS

The Company's financial performance for the year ended on March 31, 2022 is summarized below:

Particulars	*Financial Year 2021-22 (Amount in Rs. million)*	*Financial Year 2020-21 (Amount in Rs. million)*
Revenue from Operations	5,461.43	2,118.08
Other Income	30.50	7.34
Total Income	**5,491.93**	**2,125.42**
Total Expenditure other than Finance Cost, Depreciation and Tax	3,597.13	1,386.01
Operating Profit / (Loss) before Finance Cost, Depreciation and Tax	**1,894.80**	**739.41**
Less: Interest and Finance Charges	220.77	158.55
Less: Depreciation and amortization expenses	150.37	120.00
Profit / (Loss) before Tax	**1,523.66**	**460.86**
Less: Provision for Taxation	388.04	109.61
Profit for the period	**1,135.62**	**351.25**
Other comprehensive income/(Expenses) [net of tax]		
Items that will not be reclassified to Profit or (Loss), net of tax	(0.15)	0.18
Total comprehensive income/(Expenses) for the period	**1,135.77**	**351.07**
Earning per equity share (Rs. Per share)	**38.92**	**12.47**

(b) OPERATING RESULTS

During the year, your Company has continued to create CGD infrastructure in the Geographical Areas (GAs) of Banaskantha District in state of Gujarat, Fatehgarh

Sahib District in the State of Punjab and Diu & Gir Somnath in the UT/State of Daman & Diu and Gujarat respectively.

Backed by the robust infrastructure and increased CNG Stations rollout during the year under review, the Company generated a Profit after Tax of Rs. 1,135.62 million (PY: Rs. 351.25 million) with gross turnover of Rs. 5,461.43 million (PY: Rs. 2,118.08 million).

(c) CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2021-22 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules made thereunder. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of your Company and joint control entities, as approved by their respective Board of Directors. The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

(d) DIVIDEND

During the year under review, the Board of Directors declared and distributed an Interim Dividend on the 3,49,99,432 10% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each.

Further, the Board of Directors are pleased to recommend the final dividend of Rs. 0.50/- (5% on face value of Rs. 10 per share) on 2,93,69,677 Equity Shares of Rs. 10/- each for the financial year ended on March 31, 2022. The dividend is subject to approval of member at the ensuing 7th Annual General Meeting.

(e) TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserve during the year under review.

CGD PROJECTS OVERVIEW

Your Company has set up critical infrastructure in the geographical areas of Banaskantha District, Fatehgarh Sahib District and Diu & Gir Somnath District which comprises:

- City Gate Station
- Mother CNG Station
- CNG Stations (Online and Daughter Booster)
- Last mile connectivity for Domestic, Commercial and Industrial Segments
- Steel and MDPE Pipeline infrastructure at various Demand Centers within the Geographical area

The projects are being funded through mix of Debt and Equity. As on 31.03.2022, the total debt outstanding from Banks is Rs. 1782.07 million (PY: Rs. 1466.44 million). The debt repayment has started.

During the year under review, the Company has been awarded authorisation for Namakkal and Tiruchirappalli Districts in the state of Tamil Nadu from the Petroleum and Natural Gas Regulatory Board under the 11th bidding round of City Gas Distribution. Tiruchirappalli is the 3rd largest corporation in the State of Tamil Nadu and 4th largest populated city of the State. There is a fair amount of presence of energy equipment/engineering goods related industries in the region. It is geographically centrally located in the state and connected to major ports (Ennore and Kochi- both have roughly 350 kms distance).

SHARE CAPITAL

The paid-up share capital of the Company as on March 31, 2022 is Rs. 643.69 million comprising of 2,93,69,677 equity shares of Rs. 10/- each and 3,49,99,432 10% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each. During the year under review, the Company has issued 3,70,206 Equity Shares of Rs. 10/- each on Right basis at a premium of Rs. 32.5/- per share. The Company has only one class of equity shares having par value to Rs. 10/- each. During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

CONVERSION OF COMPANY TO PUBLIC LIMITED COMPANY AND NAME CHANGE

The Company is converted from private limited to public limited company vide special resolution passed at extra ordinary general meeting of the members of the company on March 08, 2022 and consequent upon conversion, the name of the Company has been changed from IRM Energy Private Limited to IRM Energy Limited with effect from March 23, 2022.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return is available on the Company's website at www.irmenergy.com.

LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013 with respect to loan, guarantee or security are not applicable to the Company as the Company is engaged in infrastructural facilities. The details of investment made during the year under review are disclosed in financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Certain Related Party transactions that were entered during the year under review were on arm's length basis. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable. Your directors draw attention of the Members to Note no. 33 of the Standalone Financial Statements which sets out related party transaction disclosures.

DEPOSITS

Pursuant to Section 73 of the Companies Act, 2013, the Company has not accepted the deposits during the year under review.

HOLDING COMPANY

IRM Energy Limited is a subsidiary of Cadila Pharmaceuticals Limited.

ASSOCIATE COMPANIES

During the financial year 2021-22, the Company has subscribed in the equity shares of Ni Hon Cylinders Private Limited, resulting in 50% stake in Ni Hon Cylinders Private Limited.

The Company has three Joint Control Entities as on March 31, 2022. There has been no material change in the nature of the business of the entities. Following are the three joint control entities:

(a) Farm Gas Private Limited (FGPL)

FGPL incorporated on December 09, 2019 is engaged in the business of storage, supply, distribution, sale and to otherwise deal in Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), Bio Fuels or any other gaseous fuels and ancillary services on commercial basis.

(b) Venuka Polymers Private Limited (VPPL)

VPPL incorporated on December 19, 2019 is engaged in the business of manufacturing, supply, storage, trading, distribution, sale and to otherwise deal in plastic pipes, HDPE and LDPE pipes, conduit for fibre optic cables, etc.

(c) Ni Hon Cylinders Private Limited (NHCPL)

NHCPL incorporated on November 26, 2018 is engaged in the business of manufacture, assemble, convert, commercialize, design, develop, display, establish, handle, let on hire, install, maintain, operate, produce, service, supervise, supply, import, export, buy, sell of gas cylinders. The Company has acquired equity in NHCPL on March 30, 2022.

Pursuant to Section 129 (3) of the Companies Act, 2013 and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its associates.

A separate statement containing the salient features of the financial performance of associates in the prescribed form AOC – 1 is annexed to the Directors' Report as ***Annexure -A*** and forms part of this report. The Audited Consolidated financial statements together with Auditors' Report forms an integral part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Board of Directors

The Board of Directors of the Company is led by the Chairman and comprises of eight Directors as on March 31, 2022.

During the year under review, Mrs. Geeta Goradia (DIN: 00074343) was appointed as Independent Director for a period of five years effective from March 08, 2022, by the members in the Extra-ordinary General Meeting held on March 08, 2022.

After the year under review, Mr. Vinod Jain (DIN: 08204721), Director, ceased to be the Director of the Company from his position w.e.f. July 13, 2022.

Mr. C K Gopal (DIN 08434324) was appointed as an Independent Director of the company w.e.f. September 25, 2019 for a period of 3 years which will expire on September 24, 2022. He is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013.
After taking into account the performance evaluation and considering the knowledge, expertise and experience, the Board on the recommendation of the Nomination and Remuneration Committee has recommended the appointment of Mr. C K Gopal to the members of the Company for a second term of five years as an Independent Director of the Company with effect from September 25, 2022 to September 24, 2027.

The Board is of the opinion that Mr. C K Gopal possesses requisite qualification, experience, expertise and holds high standards of integrity.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

Pursuant to the requirement of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014, the Independent Directors have submitted their declaration of independence stating that they meet the criteria of independence as set out in the Companies Act, 2013.

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Amitabha Banerjee (DIN: 05152456) is liable to retire by rotation and being eligible offers himself for re-appointment. The Board recommends the re-appointment of the above director for your approval.

(b) Key Managerial Personnel

Mr. Karan Kaushal, Chief Executive Officer, Mr. Harshal Anjaria, Chief Finance Officer, and Ms. Shikha Jain, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

IRM Energy

MEETINGS OF BOARD OF DIRECTORS

Regular meetings of the Board are held to discuss and decide on various business strategies, policies and other issues. A calendar of Board / Committee meetings for the year is prepared and circulated to the Directors well in advance to enable them to plan their schedule for effective participation in the meetings. During the year, eight meetings of the Board of Directors were convened. The intervening gap between two consecutive meetings was not more than one hundred and twenty days.

Name of Director	Date of Board Meeting								Total No. of Meetings attentat
	21.05.21	22.06.21	26.08.21	24.09.21	15.12.21	28.01.22	25.02.22	29.03.22	
Mr. Maheswar Sahu	√	√	√	√	√	√	√	√	8/8
Dr. Rajiv I. Modi	×	√	√	√	√	√	√	×	6/8
Mr. Amitabha Banerjee	√	√	√	√	√	√	√	√	8/8
Mr. Vinod Jain	√	√	√	√	√	√	√	√	8/8
Mr. Badri Mahapatra	×	√	√	√	×	√	√	√	6/8
Mr. C K Gopal	×	√	√	√	√	√	√	√	7/8
Mr. Anand Mohan Tiwari	√	√	√	√	√	√	√	√	8/8
Mrs. Geeta Goradia	-	-	-	-	-	-	-	√	1/1

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on March 28, 2022 without the attendance of Non-independent Directors and the members of the Management. The independent directors reviewed the performance of non-independent directors and the Board as whole, the performance of the Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

COMMITTEES OF THE BOARD

- **Audit Committee:**

The Board has constituted the Audit Committee to review of internal controls and audit findings, review of financial statements, appointment of auditors amongst other responsibilities as contained in the Terms of Reference.

The Composition of Audit Committee is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. C K Gopal	Independent Director	Chairman
2.	Mr. Anand Mohan Tiwari	Independent Director	Member
3.	Mr. Maheswar Sahu	Non-Executive Director	Member

- **Nomination & Remuneration Committee**

The Board has constituted the Nomination & Remuneration Committee to recommend the recruitments of MDs, WTDs, Independent Directors, KMPs, as & when applicable to the Company and to do all the acts pursuant to provisions of Section 178 as per Companies Act, 2013.

The Composition of Nomination & Remuneration Committee is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. Anand Mohan Tiwari	Independent Director	Chairman
2.	Mr. C K Gopal	Independent Director	Member
3.	Mr. Maheswar Sahu	Non-Executive Director	Member

Nomination and Remuneration Policy:

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder. This Policy is available on the website of the Company i.e. www.irmenergy.com.

- **Management Committee:**

The Board has constituted the Management Committee to oversee the day-to-day management affairs of the Company.

The composition of the Management Committee is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. Maheswar Sahu	Non-executive Director	Chairman
2.	Mr. Amitabha Banerjee	Non-executive Director	Member
3.	Mr. Badri Mahapatra	Non-executive Director	Member
4.	Mr. Vinod Jain*	Non-executive Director	Member

* The Management Committee of the Board of Directors is reconstituted, whereunder Mr. Vinod Jain, Non-executive Director, ceased to be a member of the Committee w.e.f. July 13, 2022.

- **Corporate Social Responsibility Committee**

Pursuant to Section 135 of the Companies Act, 2013, the Board has constituted the CSR Committee to formulate CSR policy, review and recommend to the Board amount of expenditure to be incurred on the CSR activities.

The composition of the CSR Committee is detailed below:

Sr No.	Name of Members	Category	Nature of Membership
1.	Mr. Maheswar Sahu	Non-executive Director	Chairman
2.	Mr. C K Gopal	Independent Director	Member
3.	Mr. Vinod Jain*	Non-executive Director	Member
4.	Mrs. Geeta Goradia#	Independent Director	Member

* Mr. Vinod Jain is ceased to be a member w.e.f. July 13, 2022.

Mrs. Geeta Goradia is appointed as a member of the committee w.e.f. July 22, 2022 succeeding Mr. Vinod Jain.

The Annual Report on CSR activities is annexed to this report as ***Annexure -B.***

The CSR policy is available on your Company's website www.irmenergy.com.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3)(c) of the Companies Act, 2013, in relation to financial statements of the Company for the year ended March 31, 2022, the Board of Directors state that:

i. the applicable Accounting Standards have been followed in preparation of the financial statements and there are no material departures from the said standards;

ii. reasonable and prudent accounting policies have been used in preparation of the financial statements and that they have been consistently applied and that reasonable and prudent judgments and estimates have been made in respect of items not concluded by the year end, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit for the year ended on that date;

iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. the financial statements have been prepared on a going concern basis;

v. proper internal financial controls were in place and were adequate and operating effectively; and

vi. proper systems to ensure compliance with the provisions of applicable laws were in place and were adequate and operating effectively.

BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its committees and individual Directors, including Independent Directors.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2021-22 in accordance with the framework.

RISK MANAGEMENT FRAMEWORK

The Company has in place a Risk Management framework for a systematic approach to control risks. The Risk Management process is appropriately handled by functional heads / business process owners. As on date, the Company do not envisage risks which could threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all assets and investments are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Internal Auditors review the efficiency and effectiveness of these systems and procedures. The Internal Auditors submit their Report periodically which is placed before and reviewed by the Audit Committee.

VIGIL MECHANISM

The Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy in accordance with provisions of the Companies Act, 2013, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The policy of vigil mechanism is available on the Company's website www.irmenergy.com

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has a Policy on Prevention of Sexual Harassment at Workplace which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

Your Company has also set up an Internal Complaints Committee which is duly constituted in compliance with the provisions of the POSH Act. Further, the Company also conducts interactive sessions for employees, to build awareness about the policy and the provisions of POSH Act.

HEALTH, SAFETY AND ENVIRONMENT POLICY

The Company has formulated Health, Safety and Environment Policy to conduct the business with a strong environment conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and the community.

STATUTORY AUDITORS

M/s. Mukesh M. Shah & Co., Chartered Accountants (Firm Registration No.106625W), were appointed as the Statutory Auditors of the Company to hold office for a second term of five years from the conclusion of the 6th Annual General meeting till the conclusion 11th Annual General Meeting.

Statutory Auditors' Report

The Auditor's Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statement in this Annual Report.

COST AUDIT REPORT

Your Company has re-appointed M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) to conduct the audit of cost records maintained for Petroleum Products of the Company for the financial year 2022-23 at a remuneration of Rs. 1,25,000/- plus applicable taxes and out of pocket expense. The remuneration is subject to the approval of shareholders in the ensuing Annual General Meeting. The Cost Audit Report for Financial year 2021-22 will be submitted to the Central Government in the prescribed format within stipulated time period.

The company has maintained the cost accounts and records in accordance with Section 148 of the Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. M. C. Gupta & Co., Company Secretaries, as Secretarial Auditor of the Company to carry out the secretarial audit of the Company for FY 2022-23. The Company has received the Secretarial Audit Report for the financial year 2021-22 which forms part of this report as ***Annexure - C***. There were no qualification, reservation or adverse remarks or disclaimers given by the Secretarial Auditor of the Company.

DETAILS OF FRAUD REPORTED BY AUDITORS

During the year under review, the auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or Board under Section 143(12) of the Companies Act, 2013 and Rules made thereunder.

PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

COMPLIANCES

The Company has complied with all the statutory requirements and framed requisite policies and procedures, in accordance with the provisions of the Companies Act, 2013 and the rules formed thereunder.

MATERIAL CHANGES, TRANSACTIONS AND COMMITMENTS

There has not been any material change or commitment affecting the financial position of the company which have been occurred between the end of the financial year of the company to which this financial statement relates and the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Details of conservation of Energy, Technology and Absorption, Foreign Exchange Earnings and Outgo are provided in ***Annexure – D***.

HUMAN RESOURCES

Relations with employees across all the offices and units continued to be cordial throughout the year. The HR team made good strides during the year and at the closure of financial year, IRMEL's head count was 115. IRMEL maintains a congenial working environment by providing stable employment, safe working conditions and job satisfaction, which encourages the employees to contribute their best. Our responsible approach to structured working conditions includes fair treatment at work, equitable compensation system and flexible working arrangements. HR Policies are revisited in a time bound manner to keep abreast with the industry practices. Your Directors place on record, their sincere appreciation of the significant contribution made by the employees at all levels through their dedication, hard work and commitment.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their sincere thanks to the Financial Institutions, Banks and Government Agencies, for their support and co-operation. Your Directors also acknowledge the trust reposed in the company.

For and on behalf of the Board

Date: July 22, 2022
Place: Ahmedabad

Maheswar Sahu
Chairman
DIN: 00034051

<u>*Annexure - A*</u>

FORM NO. AOC - 1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

1. Sl. No.
2. Name of the subsidiary – **Not Applicable**
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share capital
6. Reserves & surplus
7. Total assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before taxation
12. Provision for taxation
13. Profit after taxation
14. Proposed Dividend
15. % of shareholding

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Annexure - A

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr No.	Name of Associates	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni Hon Cylinders Private Limited
1.	Latest Balance sheet date	31.03.2022	31.03.2022	31.03.22
2.	Date on which Associate or Joint Ventures was associated or acquired	09.12.2019	19.12.2019	30.03.2022
3.	Shares of Associate or Joint Ventures held by the Company on the year end			
	No.	10,49,600	10,50,800	50,000
	Amount of Investment in Associates/Joint Venture	1,04,96,000	1,05,08,000	5,00,000
	Extent of holding (%)	50%	50%	50%
4.	Description of how there is significant influence	% of holding	% of holding	% of holding
5.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	48,87,99,003	5,28,59,640	
7.	Profit / Loss for the year	41,32,83,153	(80,41,657)	
	Considered in Consolidation	41,32,83,153	(80,41,657)	
	Not Considered in Consolidation	-	-	

For and on behalf of Board of Directors

Maheswar Sahu
Chairman
DIN: 00034051

Vinod Jain
Director
DIN: 08204721

Karan Kaushal
Chief Executive Officer

Harshal Anjaria
Chief Financial Officer

Shikha Jain
Company Secretary

Place:Ahmedabad
Date: July 22, 2022

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs:

The Company's CSR policy intends to operate its activities in providing clean energy solutions to its customers in a manner that is efficient, safe & ethical, which minimizes negative impact on environment and enhances quality of life of the community, towards sustaining a holistic business. The Company undertakes a number of CSR activities in larger interest of the community, especially in the area of clean energy promotion, health, education, women empowerment, and childcare and environment protection

The CSR policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and Schedule VII thereto. The CSR Policy of the Company may be accessed on the Company's website www.irmenergy.com.

2. The composition of CSR Committee:

The composition of the CSR Committee is detailed below:

Sr No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Maheswar Sahu	Chairman	2	2
2	Mr. Vinod Jain*	Member	2	2
3	Mr. C K Gopal	Member	2	2
4	Mrs. Geeta Goradia#	Member	-	-

* Mr. Vinod Jain is ceased to be a member w.e.f. July 13, 2022.

Mrs. Geeta Goradia is appointed a member of the committee w.e.f. July 22, 2022 succeeding Mr. Vinod Jain.

3.	**Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company**	https://www.irmenergy.com /corporate-governance
4.	**Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).:**	Not Applicable
5.	**Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**	NIL
6.	**Average net profit of the Company as per Section 135(5):**	Rs. 29,98,10,411/-
7.	**(a) Two percent of average net profit of the Company as per section 135(5):**	Rs. 59,96,208/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c) Amount required to be set off for the financial year, if any	Nil
(d) Total CSR obligation for the financial year (7a+7b-7c)	Rs. 59,96,208/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the financial year (in Rs.)	Amount Unspent (in Rs)				
	Total Amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
60,30,000	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr No	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project (In lakhs)	Mode of implementation - Direct Yes/No	Mode of implementation – through implementation agency	
				State	District			Name	CSR Registration No.
1.	Green initiative into Energy Sector and to promote usage of clean & green fuel in transport sector for students.	(iv)	No	Gujarat	Mehsana	20	No	Indrashil Kaka Ba & Kaka Budh Public Charitable Trust	CSR00003497
2.	Green initiative into Energy Sector and to promote usage of clean & green fuel in transport sector for students.	(iv)	Yes	Gujarat	Ahmedabad	20	No	Aspire Disruptive Skill Foundation	CSR00007314
3.	Capacity Building of students	(ii)	No	Gujarat	Mehsana	13	No	Indrashil Kaka Ba & Kaka Budh Public Charitable Trust	CSR00003497
4.	Empowerment of tribal and rural communities with natural resources restored, developed and expanded in the	(x)	No	Gujarat	Dahod	5	No	N M Sadguru Water and Development Foundation	CSR00000285

	selected project areas.								
5.	Skill training to youth belonging to needy and deprived background.	(ii)	No	Gujarat	Gandhinagar	2	No	Aspire Disruptive Skill Foundation	CSR00007314

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 60,30,000/-

(g) Excess amount for set off, if any

Sr No	Particulars	Amount (In Rs.)
i.	Two percent of average net profit of the Company as per Section 135(5)	59,96,208
ii.	Total amount spent for the Financial Year	60,30,000
iii.	Excess amount spent for the financial year [(ii)-(i)]	33,792
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	33,792

9. **(a) Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

(a)	Date of creation or acquisition of the capital asset (s)	NA
(b)	Amount of CSR spent for creation or acquisition of capital asset	NA
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NA
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	NA

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):** Not applicable

Karan Kaushal

Mr. Karan Kaushal
Chief Executive Officer

Mr. Maheswar Sahu
Chairman CSR Committee
DIN: 00034051

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
IRM Energy Limited,
4th Floor, Block 8, Magnet Corporate Park,
Near Sola Bridge,
S G Highway,
Ahmedabad 380 054.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IRM Energy Limited (CIN: U40100GJ2015PLC085213). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of IRM Energy Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IRM Energy Limited, having its Registered Office at 4th Floor, Block 8, Magnet Corporate Park, Near Sola Bridge, S G Highway, Ahmedabad 380 054 for the financial year ended on 31st March, 2022, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not Applicable)

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable during the year under report);

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (Not Applicable being an Unlisted Company)

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

M. C. GUPTA & CO. COMPANY SECRETARIES 703, Mauryansh Elanza, Nr. Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad (CP 1028)

703, Mauryansh Elanza, Nr. Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad – 380 015
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(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;
(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

vi. The Company has complied with the following specifically other applicable laws to the Company:

(a) The Petroleum and Natural Gas Regulatory Board Act, 2006;
(b) The Environment (Protection) Act 1986;
(c) The Explosives Act, 1884;
(d) The Gujarat State Disaster Management Act, 2003;
(e) The Hazardous Waste (Management & Handling) Rules, 2016.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Company is not a listed entity and the compliance of the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is not applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

M. C. GUPTA & CO. COMPANY SECRETARIES
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We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. The members of the Company at the Extraordinary General Meeting held on 23rd February, 2022 had resolved to issue up to 6,15,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 415/- per Equity Share to Shizouka Gas Co Limited, Japan, on private placement basis. The said Private Placement is not yet effected.

2. The members of the Company at the Extraordinary General Meeting held on 8th March, 2022 had resolved for conversion of the company as a Public Limited Company and also authorised the Board of Directors to borrow money upto Rs. 900 crores outstanding at any point of time. The fresh certificate of incorporation consequent upon conversion has been issued by Ministry of Corporate Affairs on 23rd March, 2022 and accordingly, the name of the company stands changed to IRM Energy Limited.

3. The Company has acquired 50% equity in Ni Hon Cylinders Private Limited on 30th March, 2022 and the said company has become an associate company.

For M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

M. C. GUPTA & CO. 703, Mauryansh Elanza, Nr. Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad 15 CP : 1028 COMPANY SECRETARIES

Mahesh Gupta

Mahesh C Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review No.579/2019
UDIN: F002047D000346215

Place: Ahmedabad
Date: 19th May, 2022

Note: *This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.*

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Annexure: "A"

To,
The Members,
IRM Energy Limited,
4th Floor, Block 8, Magnet Corporate Park,
Near Sola Bridge,
S G Highway,
Ahmedabad 380 054.

Our Report of even date is to be read along with this Letter;

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

Mahesh Gupta

M. C. GUPTA & CO. COMPANY SECRETARIES 703, Mauryansh Elanza, Nr. Parekh's Hospital, Shyamal Cross Roads, Satellite, Ahmedabad : 15 (CP 1028)

Mahesh C Gupta
Proprietor
FCS: 2047 (CP: 1028)
Peer Review No.579/2019
UDIN: F002047D000346215

Place: Ahmedabad
Date: 19th May, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of IRM Energy Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **IRM Energy Limited** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and profit and other comprehensive income, changes in equity 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by 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 Act 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 Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Other Relevant Information contained therein, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

a) 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.

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) 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.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Standalone Financial Statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

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, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

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, the Cash Flow Statement and statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 B"**.

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has no pending litigations on its financial position in its financial statements.

   ii. The Company has made provision as required under the applicable law or accounting standards, on material foreseeable losses, if any on long term derivative contract;

   iii. There are no amounts which are required to be transferred Investor Education and Protection Fund by the Company.

   iv. (a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

(b) The management has represented that, to the best of it's knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations given under (a) and (b) above, contain any material mis-statement.

v. The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the act to the extent it applies to payment of dividend.

For **Mukesh M. Shah & Co.**,
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.:128670
Place: Ahmedabad
Date: 19/05/2022
UDIN: 22128670AMNZVO6532

"Annexure – A" referred to in the Independent Auditors' Report of even date to the members of IRM Energy Limited on the Standalone Financial Statements for the year ended March 31, 2022

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

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

   ii) The Company has maintained proper records showing full particular of intangible assets.

   (b) Some of the fixed assets were physically verified during the year by the management in accordance with programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

   (c) According to the to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed under property, plant and equipment in the financial statements, the lease agreements are duly executed in the name of the Company, where the Company is lessee in the agreement.

   (d) According to the information and explanations given to us and the records examined by us and based on the examination, the company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

   (e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and coverage and procedure for such verification is appropriate, having regard to the size of the Company and nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi, Ahmedabad-15 CHARTERED ACCOUNTANTS

(b) As Disclosed in note 14 to the standalone financial statements, the company has been sanctioned with working capital limit in excess of five crore in aggregate from bank during the year on the basis of security of current assets of the company. The quarterly statements filed by the company are materially in agreement with the books of account of the Company, except detailed as hereunder:

(Amt in Million)

Quarter Ended	Particular	Value as per Books of Account	Value as per quarterly statement	Amount of Difference	Reason for Discrepancy
September 2021	Inventory	15.07	15.07	-	- Difference is on account of accounting entry passed subsequently to filling of stock statement - Subsequent to year end, Company has submitted the revised statement with the banks and revised balances are in agreement with the books of accounts.
	Trade Receivable	162.33	166.99	(4.66)	
	Trade Payable	90.73	76.19	14.55	
	Net Difference			9.98	
December 2021	Inventory	15.08	14.92	0.16	
	Trade Receivable	219.65	220.03	(0.38)	
	Trade Payable	141.98	126.71	15.28	
	Net Difference			15.06	

3. (a) During the year the company has made investments and also provided loans or advances in the nature of loans and also provided guarantee to companies, firms, Limited Liability Partnerships and other parties details are as follows:

(Amount in Million)

Particular	Loans	Guarantees
A. Aggregate amount granted/provided during the year - Joint Venture - Other	74.90	-
B. Balance outstanding as at balance sheet date - Joint Venture - Other	74.90	507

(b) According to the information and explanations given to us, the terms and conditions of the grant of the above-mentioned loan are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us, schedule of repayment of principal has been stipulated and repayment of principal is not yet due.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

(d) According to the information and explanations given to us and on the basis of our examination of books of accounts, there is no overdue loans for more than 90 days at the balance sheet date.

(e) According to the information and explanation given to us, none of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

(f) According to the information and explanation given to us, company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters and related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

4. According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities.

5. The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, to the extent applicable, accordingly, the requirement to report on clause 3(v) of the order is not applicable to the company.

6. We have broadly reviewed the books of account maintained by the Company, pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Custom duty, Excise duty, Value added Tax, Cess and any other material statutory dues during the year with the appropriate authorities. Moreover, as at March 31, 2022, there are no such undisputed dues payable for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no such dues as at March 31, 2022 which have not been deposited/paid on account of any dispute.

8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or borrowings from any financial institution, banks, government or due to debenture holders during the year.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi, Ahmedabad-15 CHARTERED ACCOUNTANTS

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the company is not declared as willful defaulter by any bank of financial institution or other landers.

(c) According to the information and explanation given to us, term loans are applied for the purpose for which the loans are obtained.

(d) According to the information and explanations given to us and on the basis of our examination of the books of account, we report that the funds raised on short term basis have not been utilized for the long-term purpose

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not taken any funds from any entity or person on account of or to meet the obligations of its associates or joint ventures.

(f) According to the information and explanations given to us and on the basis of our examination of the books of account, company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

11. (a) 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 year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standard.

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14. (a) According to information and explanations give to us and based on our examination of the records of the Company, we are of the opinion that the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.

17. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year;

18. There has been no resignation of the statutory auditors of the Company during the year, Accordingly, reporting under clause (xviii) of the Order is not applicable for the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi, Ahmedabad-15 CHARTERED ACCOUNTANTS

20. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **MUKESH M. SHAH & CO.**
Chartered Accountants
Firm Registration No.: 106625W

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
Date: 19/05/2022
UDIN: 22128670AMNZVO6532

"Annexure B" to the Auditors' Report – March 31, 2022

Report on the Internal Financial Control clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the act")

We have audited the internal financial controls over financial reporting of **IRM Energy Limited** ("the company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

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

Auditors' Responsibility

As per Section 143(3)(i) our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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A company's internal financial control over financial reporting includes those policies and procedures that:

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

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MUKESH M. SHAH & CO.
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi, Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
Date : 19/05/2022
UDIN: UDIN: 22128670AMNZVO6532

IRM ENERGY LIMITED

SEPARATE BALANCE SHEET AS AT MARCH 31, 2022

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	3.1	2,848.19	2,307.99
b) Capital work-in-progress	3.2	522.84	197.02
c) Intangibles assets	3.3	26.54	26.48
d) Right to Use Assets	3.4	129.43	71.47
e) Intangibles under Development	3.5	1.93	1.93
f) Financial assets			
(i) Investments	4A	114.82	64.01
(ii) Loans	5A	77.42	-
(iii) Other financial assets	5B	181.75	42.23
g) Other non-current assets	6	88.31	95.19
h) Current Tax Asset (Net)			
		3,991.23	**2,806.32**
Current assets			
a) Inventories	7	17.16	8.05
b) Financial assets			-
(i) Investments	4B	102.78	13.76
(ii) Trade receivables	8	227.12	111.86
(iii) Cash and cash equivalents	9A	591.49	257.52
(iv) Bank balances other than (iii) above	9B	405.56	156.74
(v) Loans		-	-
(vi) Other financial assets	10	26.50	6.09
c) Other current assets	11	44.17	23.40
		1,414.78	**577.42**
Total Assets		**5,406.01**	**3,383.74**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12	293.70	289.99
b) Other equity	13	2,001.47	888.69
Total equity		**2,295.17**	**1,178.68**
Liabilities			
Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	14A	1,867.60	1,581.82
(ii) Trade payables		-	-
(iii) Other financial liabilities	16	303.45	193.09
b) Provisions	17A	9.35	7.00
c) Deferred tax liabilities (Net)	19	147.12	93.58
		2,327.52	**1,875.49**
Current liabilities			
a) Financial Liabilities			
(i) Borrowings	14B	158.32	51.69
(ii) Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		2.43	11.21
- total outstanding dues of creditors other than micro enterprises and small enterprises		248.50	89.39
(iii) Other financial liabilities	16	228.00	147.45
b) Provisions	17B	0.41	0.11
c) Other current liabilities	18	61.41	29.72
d) Current tax liabilities (Net)		84.25	-
		783.32	**329.57**
Total Equity and Liabilities		**5,406.01**	**3,383.74**

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

SEPARATE PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED MARCH 31, 2022

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	For the year ending March 31, 2022	For the year ending March 31, 2021
REVENUE :			
Revenue from Operations	20	5,461.42	2,118.09
Other Non-operating Income	21	30.50	7.33
		5,491.92	**2,125.42**
EXPENSES :			
Purchases of stock-in-trade of natural gas	22	2,492.27	770.86
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	(9.96)	(0.20)
Excise Duty on Sale of Compressed Natural Gas		389.98	222.44
Employee Benefits Expense	24	71.58	41.11
Finance Costs	25	220.77	158.55
Depreciation and Amortisation expense	26	150.37	120.00
Other Expenses	27	653.27	351.79
		3,968.28	**1,664.55**
Profit before Tax		1,523.64	460.87
Tax Expense			
- Corporate Tax	28	334.50	89.89
- Deferred Tax	28	53.54	19.72
Profit for the year		**1,135.60**	**351.26**
Other Comprehensive income			
i. Items that will not be reclassified to profit or loss			
a. Remeasurements of the defined benefit asset		(0.15)	0.18
b. Income tax related to this items			-
		(0.15)	**0.18**
Total comprehensive income		**1,135.75**	**351.08**
Earnings Per Share (Face Value of Rs. 10 each)	34		
Basic		38.92	12.47
Diluted		38.92	12.47

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

CASH FLOW STATEMENT AS AT MARCH 31, 2022

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars		For the period ending	
		Mar- 2022	Mar- 2021
A. Cash flow from operating activities			
Net profit before tax and extraordinary items		1,523.64	460.70
Adjustment for:			
Interest Income		(29.29)	(7.03)
Interest and Finance Charges		220.77	158.55
Provision for Income		(11.83)	(1.83)
Depreciation and Amortisation expense		150.37	120.00
Operating profit before working capital changes		**1,853.66**	**730.39**
(Increase)/Decrease in Other Assets		(413.78)	(292.01)
(Increase)/Decrease in Inventories		(9.11)	(1.10)
(Increase)/Decrease in Trade Receivable		(115.26)	(63.06)
Increase/(Decrease) in Trade Payables		150.33	28.50
Increase/(Decrease) in Financial Liabilities		130.08	63.28
Increase/(Decrease) in Other Liabilities		2.61	124.25
Cash generated from operation		**1,598.53**	**590.26**
Direct taxes paid (incl TDS)		(218.37)	(91.47)
Cash flow before extraordinary items		1,380.16	498.79
Net cash from operating activities	(a)	**1,380.16**	**498.79**
B. Cash flow from investing activities			
Interest Income		28.75	6.46
Investment		(139.84)	(76.27)
Inter Company Loan		(77.42)	-
Purchase of Fixed Assets (incl. capital work in progress)		(1,008.68)	(464.39)
Net cash used in investing activities	(b)	**(1,197.18)**	**(534.19)**
C. Cash flow from financing activities			
Proceeds from equity shares issued		15.73	43.55
Proceeds from Banks Borrowings		375.69	172.10
Interest and Finance Cost		(193.54)	(136.67)
Lease cost		(11.90)	(9.33)
Stamp duty on issue of shares		-	(1.13)
Dividend		(35.00)	-
Proceeds from preference shares issued		-	34.14
Net cash from financing activities	(c)	**150.99**	**102.67**
Net increase / (decrease) in cash and cash equivalents (a+b+c)		333.97	67.27
Cash and cash equivalents — opening balance		257.52	190.25
Cash and cash equivalents — closing balance		591.49	257.52
Reconciliation of cash and cash equivalents with the Balance sheet:			
Cash and cash equivalents at the end of the year comprises			
(a) Balance with banks			
Balance in Current Accounts		591.17	257.27
(b) Cash on hand		0.32	0.25
		591.49	**257.52**

Notes:

(i) The cash Flow statement reflects the cash flows pertaining to continuing operations.

(ii) The cash Flow statement has been prepared under the "Indirect Method" as set out in IND AS - 7 Cash Flow Statement"

(ii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash Changes

MUKESH M. SHAH & CO.
7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15
CHARTERED ACCOUNTANTS

As at March 31, 2022

Particulars	As at March 31, 2021	Cash Flows	Change in fair value/accruals	As at March 31, 2022
Non Current Borrowings	1,581.82	285.78	-	1,867.60
Current maturity of Non-Current borrowings	51.69	56.64	-	108.34
Current Borrowings	-	49.98	-	49.98
Total	1,633.51	392.40	-	2,025.91

As at March 31, 2021

Particulars	As at March 31, 2020	Cash Flows	Change in fair value/accruals	As at March 31, 2021
Non Current Borrowings	1,449.25	132.57	-	1,581.82
Current maturity of Non-Current borrowings	-	51.69	-	51.69
Current Borrowings	-	-	-	-
Total	1,449.25	184.26	-	1,633.51

See accompanying notes to the financial statements

As per our report of even date

For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

Statement of changes in equity

(a) Equity Share Capital

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	No. of Shares	INR
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at April 01, 2020	2,71,25,000	271.25
Add: Issued during the year	18,74,471	18.74
As at March 31, 2021	2,89,99,471	289.99
Add: Issued during the year	3,70,206	3.70
As at March 31, 2022	**2,93,69,677**	**293.70**

(b) Other equity

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Equity component of compound financial instruments	Reserves and Surplus				Other Comprehensive Income		Total
		General reserve	Securities Premium	Share Application Money	Profit and Loss account	Remeasurement of defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 31 March 2020	173.47	-	18.57	-	284.80	(0.49)	-	476.34
Profit for the year	-	-	-	-	351.26	-	-	351.26
Equity Component of Preference Shares	37.58	-	-	-	-	-	-	37.58
Remeasurements of the defined benefit asset (net of tax)	-	-	-	-	-	(0.18)	-	(0.18)
Share Application Money Received	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Corporate Dividend	-	-	-	-	-	-	-	-
Stamp duty on issue of shares	-	-	(1.13)	-	-	-	-	(1.13)
Share Premium	-	-	24.81	-	-	-	-	24.81
Balance as at 31 March 2021	211.05	-	42.25	-	636.06	(0.67)	-	888.68
Profit for the year	-	-	-	-	1,135.60	-	-	1,135.60
Equity Component of Preference Shares	-	-	-	-	-	-	-	-
Remeasurements of the defined benefit asset (net of tax)	-	-	-	-	-	0.15	-	0.15
Share Application Money Received	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Corporate Dividend	-	-	-	-	(35.00)	-	-	(35.00)
Stamp duty on issue of shares	-	-	-	-	-	-	-	-
Share Premium	-	-	12.04	-	-	-	-	12.03
Balance as at 31 March 2022	211.05	-	54.29	-	1,736.66	(0.52)	-	2,001.47

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022

MUKESH M. SHAH & CO.
7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15
CHARTERED ACCOUNTANTS

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

Notes to the Separate Financial Statements

1. Company Information

IRM Energy Limited (formerly known as IRM Energy Private Limited) was incorporated on 01st December, 2015 with the object, inter alia of undertaking or carry out the business of storage, supply, distribution & sale of natural gas & business relating to or incidental to the laying, operating, maintaining & expanding of the City Gas Distribution Networks. The Company was converted into Public Company effective 23rd March, 2022. The Company is currently supplying natural gas in Banaskantha District in the State of Gujarat, Fatehgarh Sahib District in the State of Punjab and at Diu and Gir Somnath Districts in the State of Gujarat as per the authorisation granted by Petroleum & Natural Gas Regulatory Board (PNGRB).

The Company was awarded the authorisation for City Gas Distribution in the geographical areas of Namakkal and Tiruchirappalli Districts in the State of Tamil Nadu in March, 2022.

The separate financial statements are presented in Indian Rupee (INR) which is also Functional Currency of the Company. The financial statements were authorised for issue by the Board of Directors on 19th May, 2022.

2. Basis of Preparation & Measurement

The separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The significant accounting policies that are used in the preparation of these financial statements are summarised below:

2.1 Historical cost convention

The financial statements have been prepared on a historical cost convention & on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets & financial liabilities measured initially at fair value (refer accounting policy on financial Instruments);
- Defined benefit & other long-term employee benefits.

2.2 Current vs Non-Current Classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is treated as current when:

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

- 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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing & their realisation in cash & cash equivalents.

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions & estimates are significant to these financial statements are disclosed below.

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates & assumptions that affect the reported amounts of assets & liabilities & disclosure of contingent liabilities as the date of the financial statements & reported amounts of revenues & expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

When preparing the financial statements, management undertakes a number of judgments', estimates & assumptions about the recognition & measurement of assets, liabilities, income & expenses. In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information. Judgements are based on the information available at the date of balance sheet.

(i) Income Taxes: Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant & equipment: Property, plant & equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life & the expected residual value at the end of its life. Management reviews the residual values, useful lives & methods of depreciation of property, plant & equipment at each reporting period end & any revision to these is recognised prospectively in current & future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Employee Benefits: Significant judgments are involved in making judgments about the life expectancy, discounting rate, salary increase, etc. Which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

(iv) Impairment of assets & investments: Significant judgment is involved in determining the estimated future cash flows from the investments, Property, Plant & Equipment & Goodwill to determine its value in use to assess

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whether there is any impairment in its carrying amount as reflected in the financials.

(v) Deferred Tax: Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

(vi) Recognition & measurement of unbilled gas sales revenues: In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date & reporting date has been accrued by the company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas & classified under current financial assets.

(vii) Recognition & measurement of other provisions: The recognition & measurement of other provisions are based on the assessment of the probability of an outflow of resources & on past experience & circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided & included as liability.

(viii) Leases: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

2.4 Property, Plant & Equipment

(i) Property, Plant and Equipment are stated at cost of acquisition / construction less accumulated depreciation.

The Company capitalises to project assets all the cost directly attributable & ascertainable, to completing the project (including pre-operative expenses). These costs include expenditure of pipelines, plant & machinery, cost of laying of pipeline, cost of survey, commissioning & testing charge, detailed engineering & interest on borrowings attributable to acquisition of such assets. The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Subsequent expenditure related to an item of property, plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All

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other expenses incurred towards normal repairs and maintenance of the existing property, plant and Equipment (including cost of replacing parts) are charged to profit and loss for the period during which such expenses are incurred.

Interest on borrowings attributable to the acquisition / construction of Property, Plant and Equipment for the period of construction is added to the cost of Property, Plant and Equipment.

Assets installed at customer premises, including meters & regulators where applicable, are recognised as property plant & equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management & followed consistently.

(ii) Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned & capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable & ascertainable expenditure, incidental & related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) & after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

Further, advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

(iii) Depreciation is provided as follow:

- Property, Plant and Equipment is depreciated over the permissible useful life specified in Schedule II pursuant to section 123(2) of the Companies Act, 2013 as per 'Straight line method".

  The estimated Useful life of Asset is below

Name of Asset	Useful life
Building	25 Years
Computer and Laptops	3 Years
Plant and Machinery- Pipelines and Last Mile Connectivity	25 Years
Plant and Machinery- CNG Stations Equipments and Installations	15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Vehicles	5 Years
Software	5 Years

Useful life of the Right of Way (ROW) charges is considered as the period for which such charges are paid. In cases where the tenor of payment is not specified by the authorities, the useful life of such ROW charges is considered as 10 years.

o The management believes that these useful lives are realistic & reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful life.

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- For the purpose of calculating the depreciation, residual value for Tangible assets has been considered as 5% of the value of asset concerned.

- Depreciation on items of property, plant & equipment acquired / disposed-off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

- Depreciation on additions to Property, Plant and Equipment made during the period having cost of Rs. 5000 or less is provided @ 100% on pro rata basis with reference to the date of addition.

- Gains & losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit & loss under Other Expenses/Income.

(iv) Intangible Assets:

Intangible Assets includes amount paid towards obtaining Right of Way (ROW) permissions for laying the gas pipeline network & cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as & when incurred.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the intangible asset (calculated as the difference between the net disposal proceeds & the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

2.5 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets & liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gain/Loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets & liabilities are recognised in the Statement of Profit & Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

2.6 Revenue recognition

(i) Revenue is measured at fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company & no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods /services & regarding its collection. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction & the specifics of each arrangement.

Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial & non-commercial customers & fortnightly for industrial customers as the timing of the transfer of risks & rewards varies depending on the individual terms of the sales agreement. Revenue on sale of Compressed

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Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets.

The amount recognised as revenue is stated inclusive of excise duty & exclusive of Sales Tax /Value Added Tax (VAT) & Goods & Service Tax & is net of trade discounts or quantity discounts.

Unbilled revenue is recognised from the end of the last billing cycle to the Balance Sheet date since the related supply of natural gas are performed

The amounts collected towards connection charges from certain domestic customers are "Non-Refundable Charges". Accordingly, the same are recognized as revenue as an when the Company receives the amount from such customers.

The amounts collected from certain domestic customers which includes amount "refundable" in nature. Accordingly, the same are recognized as a liability under the head "Deposit from Customers" in the balance sheet.

(ii) Interest income is recognised on time proportionate method (on accrual basis).

(iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.7 Borrowing Costs

(i) The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(ii) Other borrowing costs are recognised as an expense in the year in which they are incurred, if any.

2.8 Impairment of Property, Plant & Equipment & Intangible Assets

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset &/ or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset &/ or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

2.9 Inventories

Inventory of Gas (including gas inventory in pipeline & CNG cascades) is valued at lower of cost & net realizable value. Cost is determined on weighted average cost method.

Stores, spares & consumables and other inventory items (viz. CNG Kits, etc) are valued at lower of cost & net realizable value. Cost is determined on moving weighted average basis.

2.10 Accounting for Income Taxes

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) & deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income & taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying

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items.

(i) The Income Tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets & liabilities attributable to temporary differences & to unused tax losses.

The Current Income Tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance Taxes & provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid & income tax provision arising in the same tax jurisdiction for relevant tax paying units & where the Company is able to & intends to settle the asset & liability on a net basis.

(ii) Deferred Tax is provided in full on temporary difference arising between the tax bases of the assets & liabilities & their carrying amounts in financial statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income & accounting income that originate in one period & are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses & the carry forward of unused tax credits.
Deferred Income Tax is determined using tax rates (& laws) that have been enacted or substantially enacted by the end of the reporting period & are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax Assets are recognised for all deductible temporary differences & unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences & losses.

Deferred Tax Assets & Liabilities are offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority. Current tax assets & tax liabilities are offset where the Company has a legally enforceable right to offset & intends either to settle on a net basis, or to realise the asset & settle the liability simultaneously.

Current & Deferred Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit & loss & shown under the head deferred tax asset.

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

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2.11 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a initial application date i.e. 1 April 2019. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of initial application of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on actual payment basis as and when incurred.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized that is equal to lease liabilities on the initial application date, that is arrived based on incremental borrowing rate on the initial application date. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the initial application date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

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2.12 Employee Benefits

Liabilities for wages & salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting & are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(i) Defined Contribution Plan:

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes & deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Group does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is computed at the end of each financial year on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds.
The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent Actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost in calculated by applying the discounting rate to the net balance of the defined benefit obligation & the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit & Loss. Re-measurements gains or losses arising from experience adjustments & changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" & are included in retained earnings in the statement of changes in equity & in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit & loss:

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

(iii) Long Term Employee Benefits:

The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits.

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The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method.

Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

2.13 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 38.

2.14 Provisions, Contingent Liabilities & Contingent Assets

Provision is recognised when the Company has a present obligation as a result of past events & it is probable that the outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statement.

Provisions & contingencies are reviewed at each balance sheet date & adjusted to reflect the correct management estimates.

2.15 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or accruals of past or future operating cash receipts or payments & item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing & financing activities of the Company are segregated.

2.16 Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change & commitment affecting the financial position are disclosed in the Directors' Report.

2.17 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item & accordingly, disclosed in the notes accompanying to the financial statements.

2.18 Dividends

Final Dividend on shares is recorded as liability on the date of approval of the same by Shareholders & interim dividend are recorded as liability on the date on declaration by Company's board of Directors.

2.19 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events

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such as bonus issue, bonus element in a right issue, shares split & reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders & the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

a. Financial Assets

Initial recognition and measurement

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

i. Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii. Business model assessment

The company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

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

Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

Impairment of investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii. Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company

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has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

b. Financial Liabilities

i. Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

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

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After the initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses

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are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

iii. Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

c. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income. The gain / loss is recognised in other equity in case of transaction with shareholders.

Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method. The company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of

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the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

The Company has computed the Equity component of the Preference Shares considering the terms of the RPS to be non-cumulative and further modified the estimates of future cash flows.

2.21 Fair Value Measurements

These financial statements are prepared under the historical cost convention, except certain financial assets & liabilities measured at fair value (refer accounting policy on financial instruments) as per relevant applicable Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest & best use or by selling it to another market participant that would use the asset in its highest & best use.

The Company uses valuation techniques that are appropriate in the circumstances & for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs & minimising the use of unobservable inputs. All assets & liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

(All amounts are in Million Indian Rupees)

As at 31 March 2022	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	102.78	-	114.82	217.60	-	-	217.60	217.60
Loans	-	-	77.42	77.42	-	-	77.42	77.42
Trade receivables	-	-	227.12	227.12	-	-	227.12	227.12
Cash & cash equivalents	-	-	591.49	591.49	-	-	591.49	591.49
Other Bank Balances	-	-	405.56	405.56	-	-	405.56	405.56
Other financial assets	-	-	208.25	208.25	-	-	208.25	208.25
Total financial assets	**102.78**	**-**	**1624.66**	**1,727.44**	**-**	**-**	**1,727.44**	**1,727.44**

As at 31 March 2022	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Borrowings	-	-	2,025.91	2,025.91	-	-	2,025.91	2,025.91
Trade payables	-	-	250.93	250.93	-	-	250.93	250.93
Other financial liabilities	-	-	531.46	531.46	-	-	531.46	531.46
Total financial liabilities	**-**	**-**	**2,808.30**	**2,808.30**	**-**	**-**	**2,808.30**	**2,808.30**

(All amounts are in Million Indian Rupees)

As at 31 March 2021	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	13.76	-	64.01	77.77	-	-	77.77	77.77
Loans	-	-	-	-	-	-	-	-
Trade receivables	-	-	111.86	111.86	-	-	111.86	111.86
Cash & cash equivalents	-	-	257.52	257.52	-	-	257.52	257.52
Other Bank Balances	-	-	156.74	156.74	-	-	156.74	156.74
Other financial assets	-	-	48.33	48.33	-	-	48.33	48.33
Total financial assets	**13.76**	**-**	**638.46**	**652.22**	**-**	**-**	**652.22**	**652.22**
Financial liabilities								
Borrowings	-	-	1,633.51	1,633.51	-	-	1,633.51	1,633.51
Trade payables	-	-	100.60	100.60	-	-	100.60	100.60
Other financial liabilities	-	-	340.54	340.54	-	-	340.54	340.54
Total financial liabilities	**-**	**-**	**2,074.65**	**2,074.65**	**-**	**-**	**2,074.65**	**2,074.65**

2.22 The previous year numbers have been reclassified wherever necessary. Unless otherwise stated, all amounts are in Million Indian Rupees. Items reflecting as 0.00 denotes value less than Rs. 50,000.

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Note 3.1

Property, Plant and Equipment (PPE) as at March 31, 2022

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2022
	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	
Freehold Land	17.58	4.56	-	22.14	-	-	-	-	22.14
Buildings	144.35	7.06	-	151.41	10.88	5.63	-	16.51	134.90
Plant and Machinery	2,322.82	634.56	-	2,957.38	203.50	122.25	-	325.75	2,631.63
Computers and laptops	7.32	7.36	-	14.68	4.39	1.92	-	6.30	8.37
Furnitures & Fixtures	15.90	2.59	-	18.50	2.20	1.64	-	3.83	14.66
Vehicles	2.72	17.96	-	20.67	0.13	1.74	-	1.86	18.81
Office Equipments	24.20	4.09	-	28.28	5.80	4.80	-	10.60	17.68
Sub-Total (a)	**2,534.88**	**678.17**	**-**	**3,213.05**	**226.89**	**137.97**	**-**	**364.86**	**2,848.19**

Property, Plant and Equipment (PPE) as at March 31, 2021

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2021
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	
Freehold Land	17.58	-	-	17.58	-	-	-	-	17.58
Buildings	133.42	10.93	-	144.35	5.68	5.20	-	10.88	133.47
Plant and Machinery	1,831.03	491.79	-	2,322.82	107.70	95.80	-	203.50	2,119.32
Computers and laptops	5.63	1.68	-	7.32	2.70	1.69	-	4.39	2.93
Furnitures & Fixtures	8.13	7.77	-	15.90	1.14	1.06	-	2.20	13.70
Vehicles	0.06	2.66	-	2.72	0.03	0.10	-	0.13	2.59
Office Equipments	13.92	10.27	-	24.20	2.34	3.46	-	5.80	18.39
Sub-Total (a)	**2,009.77**	**525.10**	**-**	**2,534.88**	**119.59**	**107.30**	**-**	**226.89**	**2,307.99**

Note 3.2

Capital work in progress as of March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)	417.77	79.17	23.67	2.23	522.84

Capital work in progress as of March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)	171.12	23.67	2.23	-	197.02

Capital work in progress and current year fixed assets includes borrowing cost capitalised on qualifying assets amounting to Rs. 23.27 million (31st March, 2021: Rs. 22.29 million)

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Note 3.3

Intangible assets as at March 31, 2022

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2022
	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	
Softwares	10.17	0.37	-	10.54	2.26	1.21	-	3.48	7.06
Right of Way charges	26.84	4.31	-	31.15	8.27	3.41	-	11.68	19.47
Grand Total	**37.02**	**4.68**	**-**	**41.69**	**10.53**	**4.63**	**-**	**15.16**	**26.54**

Intangible assets as at March 31, 2021

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	
Softwares	5.92	4.25	-	10.17	1.12	1.14	-	2.26	7.91
Right of Way charges	24.68	2.16	-	26.84	5.36	2.90	-	8.27	18.58
Grand Total	**30.60**	**6.41**	**-**	**37.02**	**6.49**	**4.04**	**-**	**10.53**	**26.48**

Note 3.4 Leases

Company as a lessee

Operating Lease

On transition, the lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. Right to use assets are initially recognized that is equal to lease liabilities on the initial application date. Accordingly, a right-of-use asset of Rs. 65.75 million and a corresponding lease liability of Rs. 65.75 million has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

Finance Lease

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17.

The details of the right-of-use asset held by the Company is as follows:

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2022
	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	
Right to Use									
- for Land	60.86	-	-	60.86	10.78	5.47	-	16.24	44.62
- for Plant & Machinery	-	36.68	-	36.68	-	0.61	-	0.61	36.06
- for Building	27.23	29.07	-	56.31	5.85	1.71	-	7.55	48.75
Grand Total	**88.09**	**65.75**	**-**	**153.84**	**16.62**	**7.78**	**-**	**24.41**	**129.43**

Interest on lease liabilities is Rs. 6.99 million for the year ended March 31, 2022 (Previous year: Rs. 4.60 million).

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Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2021
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	
Right to Use									
- for Land	60.86	-	-	60.86	5.04	5.74	-	10.78	50.08
- for Building	9.84	17.39	-	27.23	2.92	2.92	-	5.85	21.39
Grand Total	**70.70**	**17.39**	**-**	**88.09**	**7.96**	**8.66**	**-**	**16.62**	**71.47**

Interest on lease liabilities is Rs. 4.60 million for the year ended March 31, 2021 (Previous year: Rs. 3.87 million).

Note 3.5

Intangibles under Development as of 31 March, 2022

Particulars	Amount in under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)		1.93	-	-	1.93

Intangibles under Development as of 31 March, 2021

Particulars	Amount in under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)	1.93	-	-	-	1.93

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Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
4	**Investments**		
4A	**Non Current**		
(i)	Unquoted Investment in Equity Instruments of Joint Control Entity (measured at amortised cost)		
	- 17,21,344 Equity Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2021: 10,49,600)	17.21	10.50
	- 10,50,800 Equity Shares of Rs. 10 each fully paid of Venuka Polymers Private limited (31st March, 2021: 10,50,800)	10.51	10.51
	- 50,000 Equity Shares of Rs. 10 each fully paid of Ni- Hon Cylinders Private limited (31st March, 2021: Nil)	0.50	-
(ii)	Unquoted Investment in Preference Shares of Joint Control Entity (measured at amortised cost)		
	- 44,50,000, 10.50% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2021: 15,90,000)	44.50	15.90
	- 42,10,200 10.50% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid of Venuka Polymers Private Limited (31st March, 2021: 27,10,200)	42.10	27.10
		114.82	**64.01**
4B	**Current**		
	Investment in Units of Mutual Fund (measured at Market Value)		
	Baroda Business Cycle Fund 69,94,635 units (March 31, 2021: Nil)	69.46	-
	Union Flexi Cap Fund 1,46,033 units (March 31, 2021: Nil)	4.79	-
	Union Focused Fund 2,37,661 units (March 31, 2021 : Nil)	4.14	-
	Union Hybrid Equity Fund 12,49,937 units (March 31, 2021: 8,65,647)	15.49	9.18
	Union Large & Midcap Fund 2,57,001 units (March 31, 2021: Nil)	4.12	-
	Union Medium Duration Fund 4,48,477 units (March 31, 2021: 4,48,477)	4.78	4.58
		102.78	**13.76**
5	**Financial asset- Non-current**		
5A	**Loans**		
	Loans to Related Parties	74.90	-
	Employee Loan	2.52	-
		77.42	-
5B	**Other financial assets**		
	Security Deposit		
	To Related Parties (Unsecured, considered good)	0.44	0.44
	To Others (Unsecured, considered good)	15.05	12.69
	Less: Allowance for bad and doubtful	-	-
	Bank Balances		
	Balance in FDR Accounts*	166.26	29.11
	*The Company has issued Bank Guarantees in favour of PNGRB during normal course of business. Such Bank Guarantees are issued by the Banks against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of more than 12 months.		
		181.75	**42.23**
6	**Other non- current assets**		
	Capital advances (Unsecured, considered good)	32.07	3.58
	Unamortised expenses - Borrowing Cost under EIR	17.01	18.71
	Advance payment of income tax (net to provision)	-	31.84
	Prepaid Expenses	39.23	41.06
		88.31	**95.19**
7	**Inventories** (measured at lower of cost or net realisable value)		
	Natural Gas	12.02	2.06
	Spares and Consumables	5.14	5.91
	CNG Kits	-	0.08
		17.16	**8.05**
8	**Current financial assets : Trade receivables**		
	Secured, considered good (secured against security deposits))	147.05	74.93
	Unsecured, considered good (Others)	80.07	36.93
		227.12	**111.86**

Trade Receivables Ageing Schedule as on 31.03.2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) 'Undisputed 'Trade receivables – considered good	11.83	178.95	36.28	0.00	0.04		-	227.12
(ii) 'Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) 'Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) 'Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) 'Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) 'Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

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Note No.	Particulars	As at March 31, 2022	As at March 31, 2021

Trade Receivables Ageing Schedule as on 31.03.2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) 'Undisputed 'Trade receivables – considered good	6.65	83.24	21.61	0.23	0.13	-	-	111.86
(ii) 'Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) 'Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) 'Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) 'Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) 'Disputed Trade Receivables – credit 'impaired	-	-	-	-	-	-	-	-

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
9	**Current financial assets**		
9A	**Cash and cash equivalents**		
	(a) Balance with banks		
	Balance in Current Accounts	591.17	257.27
	(b) Cash on hand	0.32	0.25
9B	**Bank balances other than above**		
	(a) Margin Money deposits under lien against DSRA, Bank Guarantee and/or Stand By Letter of Credit (SBLC)*	405.56	156.74
	*The Company has issued Bank Guarantees and Stand-By Letter of Credit(SBLC) to various Govt. agencies and other Suppliers during normal course of business. Such Bank Guarantees and SBLC have been issued against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of between 3 months to 12 months. Further, as per the financing document, the Company has also created Debt Service Reserve Account as Fixed Deposit with the Bank.		
		997.05	**414.26**
10	**Current financial assets : Others**		
	Insurance Claim Receivable	2.19	-
	Interest Receivable	2.12	0.03
	Deposit - Current	12.00	5.70
	Dividend Receivable	9.35	-
	Imprest amount with Employees	0.84	0.36
		26.50	**6.10**
11	**Other current assets**		
	Advance to Suppliers (Unsecured, Considered good)	16.24	10.41
	Prepaid Expense	27.93	12.99
		44.17	**23.40**
12	**Share capital**		
	Authorised :		
	5,00,00,000 Equity Shares of Rs.10/- Each	500.00	500.00
	4,00,00,000 Preference Shares of Rs 10/- Each	400.00	400.00
		900.00	900.00
	Issued, Subscribed and Fully Paid-up Equity Shares :		
	Equity shares		
	2,93,69,677 (as at March 31, 2021: 2,89,99,471). Equity Shares of Rs.10/- each	293.70	289.99
	Preference shares		
	10% Redeemable Preference Shares		
	3,49,99,432 (as at March 31, 2021: 3,15,84,991) shares of Rs. 10/- each	-	-
		293.70	**289.99**
A	**Details of Shareholders holding more than 5% of outstanding Shares is as under:**		

i) Equity Shares

Name of Shareholder	No. of shares	% of Holding
As at 31.03.2022		
Cadila Pharmaceuticals Ltd	1,49,78,535	51.00%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,80,238	19.00%
Enertech Distribution Management Pvt. Ltd.	86,70,126	29.52%
As at 31.03.2021		
Cadila Pharmaceuticals Ltd	1,48,91,004	51.35%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,47,628	19.13%
Enertech Distribution Management Pvt. Ltd.	85,60,839	29.52%

ii) 10% Non Cumulative Reedemable Preference Shares

Name of Shareholder	No. of shares	% of Holding
As at 31.03.2022		
Cadila Pharmaceuticals Ltd	3,49,99,432	100.00%
As at 31.03.2021		
Cadila Pharmaceuticals Ltd	3,49,99,432	100.00%

B Details and Change in Promotors' holding during the year

(i) Equity Shares

Name of Shareholder	No. of shares	%holding	% change in holding during the year
As at 31.03.2022			
Cadila Pharmaceuticals Ltd	1,49,78,535	51.00%	-0.35%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,80,238	19.00%	-0.13%
As at 31.03.2021			
Cadila Pharmaceuticals Ltd	1,48,91,004	51.35%	0.35%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,47,628	19.13%	0.13%

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Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
C	Terms and conditions:		
(I)	**Equity Shares:**		
a	Voting rights:		
	The company has only one class of equity shares having par value of Rs. 10 per share. Equity shareholders are entitled to one vote per share held.		
b	Dividend:		
	The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
(II)	**Redeemable Non- Cumulative Preference Shares (RPS):**		
a	Redemption terms:		
	The preference shares carries redemption period of 10 years from the date of issuance.		
b	Dividend:		
	The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
D	**Reconciliation of shares outstanding at the beginning and at the end of the reporting period**		

Equity Shares of Rs. 10 each

Particulars	Number of Shares
Shares outstanding as at 01.04.2020	2,71,25,000
Add: Shares issued during the period 2020-21	18,74,471
Shares outstanding as at 31.03.2021	2,89,99,471
Add: Shares issued during the period 2021-22	3,70,206
Shares outstanding at 31.03.2022	**2,93,69,677**

Non Cumulative Reedemable Preference Shares of Rs. 10 each

Particulars	Number of Shares
Shares outstanding at the beginning of the period	3,49,99,432
Add: Shares issued during the period	-
Shares outstanding at the end of the period	**3,49,99,432**

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
13	**Reserves and surplus**		
	A. Statement of profit and loss		
	Opening balance	636.05	284.80
	Add: Transfer from statement of profit and loss	1,135.60	351.26
	Less: Corporate Dividend	(35.00)	
	Less: Items routed through SOCIE	-	-
	Closing balance	**1,736.65**	**636.06**
	B. Equity Component of Preference Shares		
	i) OCCPS (Optionally Convertible Cumulative Preference Shares)		
	Opening	0.23	0.23
	Equity Component of OCCPS	-	-
	Closing Balance	**0.23**	**0.23**
	ii) Non Cumulative Reedemable Preference Shares		
	Opening	210.82	173.24
	Equity Component of non-cumulative redeemable preference shares	-	37.58
	Closing Balance	**210.82**	**210.82**
	Closing balance (i+ii)	**211.05**	**211.05**
	C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect		
	Opening	(0.67)	(0.49)
	Remeasurement of the net defined benefit liability/asset, net of tax effect*	0.15	(0.18)
	Closing balance	**(0.52)**	**(0.67)**
	*Remeasurement of defined benefit plans represents acturial gain and losses and returns on plan assets (excluding intetest income).		
	D. Securities Premium		
	Opening Balance	42.25	18.57
	Addition during the year	12.04	24.81
	Less: Stamp duty expense on shares	-	(1.13)
	Closing Balance	**54.29**	**42.25**
	Total Reserves	**2,001.47**	**888.69**
14	**Non- current financial liabilities : Borrowings**		
14A	Non-Current		
	Secured (carried at amortized cost)$		
	Rupee Term loans from banks	1,675.10	1,414.75
	Vehicle Loan	8.72	-
	Unsecured		
	Preference shares		
	liability component 10% Non cumulative Redeemable Preference Shares of Rs. 10/- each	183.78	167.07
		1,867.60	**1,581.82**
14B	Current		
	Secured (carried at amortized cost)$		
	Rupee Term loans from banks#		
	Current Maturities of Rupee Term Loan from Banks	106.97	51.69
	Working Capital Loan from Banks	49.98	-
	Vehicle Loan	1.37	-
		158.32	**51.69**

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(Unless otherwise stated, all amounts are in Million Indian Rupees)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021

(A) Details of Secured loans

From Banks

Particulars	**Terms of Repayment and Interest rate**
Rupee Term loan: For project of City Gas Distribution of Banaskantha and Fatehgarh Sahib District (consortium of banks: Union Bank of India and Bank of Baroda)	40 quaterly installments started from July 2021 and Interest rate ranges from 1 year MCLR +0.25% to 1 Year MCLR+1.45%
Rupee Term loan: For project of City Gas Distribution of Diu and Gir Somnath District (consortium of banks: Bank of Baroda , Union Bank of India and Punjab National Bank)	1st Tranche: 20 quaterly installments from April, 2023 2nd Tranche: 20 quaterly installments from April, 2027 and Interest rate ranges from 1 year MCLR +0.25% to 1 Year MCLR+1.80%
Vehicle Loans	Repayable in 84 Equivalent Monthly Installments and interest rate ranges from 7.30% to 7.40% linked to 3 month EBLR + 0.60%

(B) The details of security given for all loans are as under :

(i) The Rupee Term Loan is secured as below:
- First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- Exclusive charge on DSRA created for the specific project.
- First charge on the Trust and Retention Account of the specific project on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis.

(ii) The Working Capital is secured as below:
- Second Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis

(iii) The Vehicle Loans are secured by Charge on Vehicle
(iv) There is no default in repayment of loan and interest thereon as on 31.03.2022
(v) The book value of the fixed assets as on 31.03.2022 charged in favour of the lenders is Rs. 3777.59 million (incl CWIP) (Previous year: Rs. 2768.91 million)
(vi) For more security details on bank financing, refer Note - 36

(C) Reconciliation of quarterly returns or statements of current assets filed by the Company with banks or financial institutions having material descrepancies only

Particulars		For the period ended September, 2021	For the period ended December, 2021
Value of Inventory			
	As per Books of accounts	15.07	15.08
	As per details submitted to Banks	15.07	14.92
	Difference*	-	0.16
Trade Receivable			
	As per Books of accounts	162.33	219.65
	As per details submitted to Banks	166.99	220.03
	Difference*	(4.66)	(0.38)
Trade Payable			
	As per Books of accounts	90.73	141.98
	As per details submitted to Banks	76.19	126.71
	Difference*	14.55	15.28

* Subsequent to year end, Company has submitted the revised statement for all quarters and all figures as per revised statement are in agreement with the books of accounts

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
15	**Current financial liabilities : Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises:-		
	Trade payables - Others	-	-
	Trade Payables : Micro and Small enterprises	2.43	11.21
	Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
	Trade payables - Gas Purchase / Transmission	139.68	48.44
	Trade payables - Related parties	11.02	0.04
	Trade payables - Others	97.80	40.91
		250.93	**100.60**

Trade Payables Ageing Schedule as on 31.03.2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2.43	-	-	-	-	2.43
(ii) Others	241.21	7.28	0.00	0.01	-	248.50
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Trade Payables Ageing Schedule as on 31.03.2021

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	11.21	-	-	-	-	11.21
(ii) Others	82.96	5.53	0.89	-	-	89.39
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Disclosure required under micro, small & medium enterprises development act, 2006 (the act) are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.43	11.21
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the company in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv)The amount of interest due & payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small & Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued & remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006	-	-

Note: Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

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Accompanying notes to the Separate Financial Statements

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
16	**Other financial liabilities**		
	Non-Current		
	Customer Security Deposit	195.24	143.08
	Lease Liabilities (refer Note 42)	108.21	50.01
		303.45	**193.09**
	Current		
	Creditors for Capital Goods	136.21	117.24
	Lease Liabilities (refer Note 42)	8.85	6.22
	Others payable	82.94	23.99
		228.00	**147.45**
17	**Provisions**		
17A	**Non-Current**		
	Provision for Employee Benefits (refer Note - 31)	9.35	7.00
		9.35	**7.00**
17B	**Current**		
	Provision for Employee Benefits (refer Note - 31)	0.41	0.11
		0.41	**0.11**
18	**Current liabilities : Others**		
	Statutory dues payable	61.41	29.72
		61.41	**29.72**
19	**Deferred Tax Liabilities (net)**		
	Current Tax Liabilities	147.12	93.58
		147.12	**93.58**

Particulars		As at 01.04.2021	Change during the year	As at 31.03.2022
Deferred Tax Liabilities				
Depreciation		109.52	69.52	179.04
	(a)	109.52	69.52	179.04
Deferred Tax Assets				
Provision for Retirement Benefits		1.79	0.67	2.46
Lease Liability		14.15	15.31	29.47
	(b)	15.94	15.98	31.92
Net Deferred Tax (Liabilities)/Assets (a-b)		93.58	53.54	147.12

Note No	Particulars	For the year ending March 31, 2022	For the year ending March 31, 2021
20	**Revenue from Operations**		
	Sale of Goods		
	CNG Sales (Gross of Taxes)	2,967.35	1,636.11
	PNG Sales	2,464.71	460.92
	Sale of Services		
	Connection Income	20.69	13.54
	Other Operating Revenues	8.67	7.52
		5,461.43	**2,118.09**
21	**Other Non-operating Income**		
	Gain on remesurement of financial Assets	1.08	0.31
	Interest Income	29.42	7.02
		30.50	**7.33**
22	**Purchases of stock-in-trade of natural gas**		
	Natural Gas	2,492.27	770.86
		2,492.27	**770.86**
23	**Changes in Inventories of Natural Gas**		
	Changes in inventories of finished goods, stock in trade and work in progress - Natural Gas		
	Inventory at the beginning of the year	2.06	1.87
	Less: Inventory at the end of the year	12.02	2.06
		(9.96)	**(0.20)**
24	**Employee Benefits Expense**		
	Salaries, wages and bonus	62.15	35.53
	Company's contribution to provident & other funds	2.38	1.89
	Leave Encashment and Gratuity (Refer note 31)	3.02	3.02
	Staff welfare expenses	4.03	0.67
		71.58	**41.11**
25	**Finance Costs**		
	Interest Cost		
	- On Term Loan	129.47	105.98
	- On Working Capital	0.39	1.04
	- On Preference Shares	16.71	15.59
	- On Finance Lease Liability (refer Note 42)	6.99	4.60
	- Others	4.96	1.87
	Other Borrowing Cost	1.69	1.69
	Bank and Other Finance Charges	60.56	27.78
		220.77	**158.55**

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Accompanying notes to the Separate Financial Statements

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Note No.	Particulars	For the year ending March 31, 2022	For the year ending March 31, 2021
26	**Depreciation and Amortisation expense**		
	Depreciation of tangible assets (refer note 3.1)	142.59	107.30
	Amortisation of intangible assets (refer note 3.4)	7.78	12.70
		150.37	**120.00**
27	**Other Expenses**		
	Advertisement and Marketing Expenses	10.09	4.33
	Business Promotion Expenses	1.96	2.14
	Corporate Social Responsibility Expense (refer Note - 37)	6.03	3.40
	Consumption of Spares and Consumables	5.19	6.58
	Director's Sitting Fees	2.78	1.80
	Hire Charges		
	-Vehicles	237.20	139.97
	Insurance Cost	9.46	4.98
	Legal and Professional Charges	16.77	10.56
	License Fees	63.00	-
	Managerial Remuneration	20.79	7.47
	Power and fuel	82.82	53.69
	Rent (refer note 42)	4.58	1.79
	Repairs and Maintenance		
	-Buildings	0.38	0.35
	-Plant and Machineries	140.12	77.99
	-Others	1.81	0.91
	Stamp Duty Expense	1.24	9.41
	Security Expense	4.90	4.43
	Tender Fees	13.54	-
	Travelling, Lodging and Boarding	9.15	2.88
	Rates and Taxes	0.18	0.91
	Miscellaneous expenses	21.28	18.19
		653.27	**351.79**
	Payments to auditor		
	For Statutory Audit (Incl GST)	1.42	1.27
	For GST & Tax Audit (Incl GST)*	0.46	0.31
	For Certification & other reimbursements (incl. GST)*	0.28	0.19
28	**Tax Expense**		
	Corporate Tax- Current	334.50	88.10
	Corporate Tax- Previous year	-	1.79
	Deferred Tax (refer Note - 19)	53.54	19.72
		388.04	**109.61**
28A	**Reconciliation of effective tax rate**		
	Tax using the Company's domestic tax rate	**25.17%**	**25.17%**
	Profit/(loss) before tax	1,523.64	460.87
	Tax using Company's Domestic Tax rate	383.50	116.00
	Tax effect of adjustments in calculating taxable Income		
	CSR Expense	1.52	0.86
	Depreciation	(51.75)	(45.23)
	Interest on Current Tax	8.30	-
	Tax Expense of earlier years	-	1.79
	Other items	(7.06)	16.48
	Income Tax Expense reported into Profit and Loss Current Year	334.50	89.89
	Corporate Tax - Current	**21.95%**	**19.50%**

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29. Financial risk management:

The Companies activities expose it to credit risk, liquidity risk & market risk. This note explains the sources of risk which the entity is exposed to & how the entity manages the risk & the related impact in the financial statements. The Companies risk management is done in close co-ordination with the board of directors & focuses on actively securing the Companies short, medium & long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

(i) Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits & other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, & analysis of historical bad debts & ageing of accounts receivable. Individual limits are set accordingly.

The Company trades with recognized & credit worthy third parties. It is the Companies policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Companies exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups & assessed for impairment collectively. The calculation is based on exchange losses historical data. Also, the Company does not enter into sales transaction with customers having credit loss history.

There are no significant credit risks with related parties of the Company. Adequate expected credit losses are recognized as per the assessments.

(ii) Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables & other financial liabilities.

The Company's principle sources of liquidity are cash & cash equivalents & the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position & maintains adequate source of funding.

(iii) Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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(All amounts are in Million Indian Rupees)

As at 31st March, 2022	Upto year 1	1-2 years	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	158.31	171.77	516.02	996.04
Redeemable preference shares	-	-	29.90	153.88
Trade payables	250.93	-	-	-
Other financial liabilities	423.24	20.12	28.57	59.52
TOTAL	**832.48**	**191.89**	**574.49**	**1209.44**
GRAND TOTAL	**2808.30**			

(All amounts are in Million Indian Rupees)

As at 31st March, 2021	Upto year 1	1-2 years	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	51.69	68.93	397.39	948.44
Redeemable preference shares	-	-	-	167.07
Trade payables	100.60	-	-	-
Other financial liabilities	290.53	1.89	6.83	41.28
TOTAL	**442.82**	**70.82**	**404.22**	**1,156.79**
GRAND TOTAL	**2074.65**			

(iv) Market risk:

Market risk is the risk that changes in market prices— such as foreign exchange rates, interest rates & equity prices — will affect the Companies income or the value of its holdings of financial instruments.

(v) Foreign exchange risk:

The Company is not directly exposed to foreign exchange risk as no direct foreign currency transactions are entered into.

(vi) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Companies exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates.

The Companies investments in fixed deposits are at fixed interest rates.

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The exposure of the Companies borrowing to interest rate changes at the end of the reporting period are as follows:

(All amounts are in Million Indian Rupees)

Particulars		As at 31st March, 2022	As at 31st March, 2021
Variable rate instruments			
Financial Assets		-	-
Financial Liabilities		1,842.14	1,466.44
Fixed Rate instruments			
Financial Assets		646.73	185.85
Financial Liabilities		300.84	223.30
Interest rate variation	Change	Impact	Impact
Scenario-1	(+) 0.50%	9.21	7.33
Scenario-2	(-) 0.50%	(9.21)	(7.33)

30. Capital Management:

The company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders & benefits for other stakeholders, & maintain an optimal structure to reduce the cost of capital.

Net Debt = Total term loan borrowings less cash & cash equivalents including current investments

Total 'equity' means share capital issued (Equity Shares & Preference Shares) & accumulated reserves.

(All amounts are in Million Indian Rupees)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total borrowings (including Liability component of Redeemable Preference Shares)	2,025.91	1,633.51
Less: cash & cash equivalents & Balance with Banks	1,266.10	457.13
Net debt	759.82	1,176.38
Total equity	2,295.17	1,178.68
Net Debt to Equity Ratio	0.33	1.00

Loan Covenants:

Under the terms of the major borrowing facilities, the Company is required to comply any 2 of the following financial covenants failing which penal interest as prescribed in the facility agreement shall apply. The Financial Covenants shall be tested at the end of each Fiscal Year based on the certification of the Auditor.

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a) Gross DSCR- 1.10
b) Interest Coverage ratio- 1.25
c) FACR = (Net Property, Plant and Equipment/ Loan Outstanding)- 1.25

The first testing of financial covenants will be done for the first full operational year post the commencement of commercial operations of the Project, i.e. based on audited financials for Fiscal Year ending March 31, 2023.

31. Employee Benefits:

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, incentives & allowances, short terms compensated absences, etc., & the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

(ii) Long term employee benefits

(a) Gratuity (Unfunded):

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

(All amounts are in Million Indian Rupees)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Table Showing Change in the Present Value of Projected Benefit Obligation:		
Present Value of Benefit Obligation at the Beginning of the Period	3.85	2.13
Interest Cost	0.27	0.15
Current Service Cost	1.28	0.91
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.14)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.22)	(0.06)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.21	0.72
Present Value of Benefit Obligation at the End of the Period	5.25	3.85

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Table Showing Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet:		
(Present Value of Benefit Obligation at the end of the Period)	(5.25)	(3.85)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(5.25)	(3.85)
Net (Liability)/Asset Recognized in the Balance Sheet	(5.25)	(3.85)
Expenses Recognized in the Statement of Profit or Loss for Current Period:		
Current Service Cost	1.28	0.91
Net Interest Cost	0.27	0.15
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	1.55	1.05
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:		
Actuarial (Gains)/Losses on Obligation For the Period	(0.15)	0.67
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(0.15)	0.67
Balance Sheet Reconciliation:		
Opening Net Liability	3.85	2.13
Expenses Recognized in Statement of Profit or Loss	1.55	1.05
Expenses Recognized in OCI	(0.15)	0.67
Net Liability/(Asset) Transfer In	-	-

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Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	5.25	3.85
Assumptions:		
No of Active Members	116	94
Per Month Salary For Active Members	2.92	2.31
Weighted Average Duration of the Projected Benefit Obligation	15	20
Average Expected Future Service	15	22
Projected Benefit Obligation (PBO)	5.25	3.85
Rate of Discounting	7.27%	6.95%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	5.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Prescribed Contribution For Next Year (12 Months)	-	-
Maturity Analysis of the Benefit Payments: From the Employer:		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.17	0.04
2nd Following Year	0.21	0.06
3rd Following Year	0.26	0.07
4th Following Year	0.30	0.09
5th Following Year	0.32	0.10
Sum of Years 6 To 10	1.66	0.61
Sum of Years 11 & above	13.83	15.94
Sensitivity Analysis:		
Projected Benefit Obligation on Current Assumptions	5.25	3.85
Delta Effect of +1% Change in Rate of Discounting	(0.60)	(0.62)
Delta Effect of -1% Change in Rate of Discounting	0.73	0.79
Delta Effect of +1% Change in Rate of Salary Increase	0.65	0.75
Delta Effect of -1% Change in Rate of Salary Increase	(0.58)	(0.63)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.02)	(0.05)
Delta Effect of -1% Change in Rate of Employee Turnover	0.02	0.05

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

(b) Leave Encashment (unfunded):

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

(All amounts are in Million Indian Rupees)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Table Showing Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the Period	3.27	1.87
Interest Cost	0.23	0.13
Current Service Cost	0.82	0.58
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(0.22)	(0.07)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.01)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.18)	(0.05)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.62	0.81
Present Value of Benefit Obligation at the End of the Period	4.51	3.27
Change in the fair value of plan assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-

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Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(4.51)	(3.27)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(4.51)	(3.27)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(4.51)	(3.27)
Expenses / [Incomes] recognised in the Statement of Profit & Loss:		
Current Service Cost	0.82	0.58
Net Interest Cost	0.23	0.13
Actuarial (Gains)/Losses	0.43	0.76
Past Service Cost - Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost - Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	1.47	1.47
Balance Sheet Reconciliation:		
Opening Net Liability	3.27	1.87
Expense Recognized in Statement of Profit or Loss	1.47	1.47
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	(0.22)	(0.07)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	4.51	3.27
Principal actuarial assumptions as at Balance sheet date:		
Expected Return on Plan Assets	-	-
Rate of Discounting #	7.27%	6.95%
Rate of Salary Increase $	7.00%	7.00%
Rate of Employee Turnover	5.00%	2.00%
No of Active Members	116	94
Per Month Salary For Active Members	2.92	2.31
Projected Benefit Obligation (PBO)	4.51	3.27
Prescribed Contribution For Next Year (12 Months)	-	-

#The rate of discount is considered based on market yield on Government Bonds having currency & terms in consistence with the currency & terms of the post-employment benefit obligations.

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$ The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.

32. Disclosure of Interest in Other Entities pursuant to Para B14 of Ind AS 112:

Following is the disclosure relating to Joint Control entities:

(All amounts are in Million Indian Rupees)

Particulars	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni-Hon Cylinders Private Limited
Year	2021-22	2021-22	2021-22
Country of Incorporation	India	India	India
% of ownership interest	50%	50%	50%
Current Assets	377.22	114.55	79.45
Non Current Assets	371.72	90.12	7.48
Current Liabilities	181.43	104.10	8.83
Non Current Liabilities	240.57	89.77	75.30
Income	623.36	136.57	38.33
Profit/(Loss) for the year	295.93	(8.00)	1.82
Other Comprehensive Income	-	-	-
Total Comprehensive Income	295.93	(8.00)	1.82
Contingent Liabilities	-	-	-
Capital Commitments	64.80	-	-

(All amounts are in Million Indian Rupees)

Particulars	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni-Hon Cylinders Private Limited
Year	2020-21	2020-21	-
Country of Incorporation	India	India	-
% of ownership interest	50%	50%	-
Current Assets	56.69	48.31	-
Non Current Assets	60.26	85.33	-
Current Liabilities	3.43	26.27	-
Non Current Liabilities	-	-	-
Income	-	-	-
Profit/(Loss) for the year	(1.81)	(1.06)	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income	-	-	-
Contingent Liabilities	-	-	-
Capital Commitments	80.80	1.48	-

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33. Related Party Disclosures:

(a) Name of the Related party & Nature of the Related Party Relationship:

Sr. No.	Nature	Name of the Person/Entity
i.	Holding Company	(i) Cadila Pharmaceuticals Ltd
ii.	Joint Control entities	(i) Farm Gas Private Limited (ii) Venuka Polymers Private Limited (iii) Ni-Hon Cylinders Private Limited
iii.	Associate Enterprise	(i) Enertech Distribution Management Pvt Ltd
iv.	Fellow Subsidiary Company	(i) Casil Health Products Limited
v.	Enterprises Significantly Influenced by Directors or their relatives or Key Management Personnel	(i) IRM Pvt Ltd (ii) Sanguine Management Services Pvt Ltd (iii) IRM Trust (iv) Mauktika Ventures LLP (v) N M Sadguru Water and Development Foundation (vi) Aspire Disruptive Skill Foundation (vii) Indrashil Kaka Ba & Kala Budh Public Charitable Trust (viii) Enertech Fuel Solutions Pvt Ltd
vi.	Key Management Personnel	(i) Mr. Maheswar Sahu (Chairman) (ii) Dr. Rajiv I. Modi (Director) (iii) Mr. Amitabha Banerjee (Director) (iv) Mr. Vinod Jain (Director) (v) Mr. Badri Mahapatra (Director) (vi) Mr. Karan Kaushal (CEO) (vii) Mr. Harshal Anjaria (CFO) (viii) Ms. Shikha Jain (CS)

(b) Transactions with related parties (Amt. in Rs.):

(All amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2021-22	For the year 2020-21
i.	For Goods Procured/Services Availed/(Provided)	Cadila Pharmaceuticals Ltd	13.29	1.30
		IRM Trust	66.78	3.11
		Venuka Polymers Pvt Ltd	(0.04)	(0.04)
		Enertech Fuel Solutions Pvt Ltd	-	42.76
		Casil Health Products Ltd	-	0.11
		Mauktia Ventures LLP	6.73	-
		IRM Pvt Ltd	0.31	0.15
ii.	Subscription of Equity Shares (incl. securities premium)	Cadila Pharmaceuticals Ltd	3.72	24.64
		IRM Trust	1.39	9.18
		Enertech Distribution Management Pvt Ltd	4.64	9.74
		Maheswar Sahu	5.98	-

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Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2021-22	For the year 2020-21
iii.	Reimbursement of Expenses	Cadila Pharmaceuticals Ltd	(0.66)	(0.04)
		Maheswar Sahu	0.22	0.01
		Venuka Polymers Pvt Ltd	(20.01)	(3.63)
		Mauktika Ventures LLP	(0.21)	(0.00)
		Farm Gas Pvt Ltd	(97.14)	(1.71)
		Ni Hon Cylenders Pvt Ltd	(0.02)	-
		IRM Trust	-	(0.27)
iv.	Subscription of Preference Shares	Cadila Pharmaceuticals Ltd	-	34.14
v.	Director Sitting Fees	Maheswar Sahu	0.88	0.68
		Badri Mahapatra	0.36	0.20
vi.	Managerial Remuneration	Maheswar Sahu	4.58	4.64
vii.	Corporate Social Responsibility Expense	Shree Saraswati Education Sansthan (Indrashil University)	-	2.00
		N M Sadguru Water and Development Foundation	0.50	0.30
		Aspire Disruptive Skill Foundation	2.20	-
		Indrashil Kaka Ba & Kala Budh Public Charitable Trust	3.33	-
viii.	Donation	Aspire Disruptive Skill Foundation	0.20	-
ix.	Loan Given	Ni Hon Cylinders Pvt Ltd	74.90	-
x.	Outstanding Payables	IRM Pvt Ltd	0.07	0.02
		Casil Health Products Ltd	-	0.03
		IRM Trust	11.02	-
		Mauktika Ventures LLP	0.42	-
xi.	Outstanding Receivables	Ni Hon Cylinders Pvt Ltd	0.02	-
		Venuka Polymers Pvt Ltd	25.71	13.70
		Cadila Pharmaceuticals Ltd	-	0.05
		Mauktika Ventures LLP	-	0.04
		Farm Gas Pvt Ltd	13.51	1.71

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34. Earnings Per Share:

(All amounts are in Million Indian Rupees)

Sr. No.	Particulars	UOM	For the year 2021-22	For the year 2020-21
	Basic EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	1,135.75	351.08
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	29.18	28.16
c	Value of equity share	Rs.	38.92	12.47
	Diluted EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	1,135.75	351.08
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	29.18	28.16
c	Value of equity share	Rs.	38.92	12.47

35. Contingent Liabilities & Contingent Assets (to the extent not provided for):

(i) Commitments

(All amounts are in Million Indian Rupees)

Sr. No.	Particulars	For the year 2021-22	For the year 2020-21
1	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	1084.05	499.19
2	Income Tax Liability for A.Y 18-19- Rectification filed pending resolution	0.05	-

(ii) The Company has issued Corporate Guarantee for Loan taken by its Joint control Entities as per below information-

a. Corporate Guarantee issued in favour of Banks towards Loan taken by Farm Gas Private Limited amounting to Rs. 335.40 million.
b. Corporate Guarantee issued in favour of Bank towards Loan taken by Venuka Polymers Private Limited amounting to Rs. 171.60 million.

(iii) The Company has executed mid term supply contracts for purchase of RLNG having take or pay(ToP) obligations. The volume committed under such contract which is liable to TOP is 6213 mmbtu/day. The Company is not foreseeing ToP liability under such contract

(iv) Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Diu (UT of Diu & Daman) & Gir Somnath District (Gujarat), the Company has submitted Performance Bank Guarantee of Rs. 25 crores to PNGRB.

(v) Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Banaskantha District (Gujarat) and Fatehgarh Sahib District (Punjab), the Company has submitted Performance Bank Guarantee of Rs. 100.12 crores to PNGRB.

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(vi) Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Namakkal and Tiruchirappalli District (Tamil Nadu), the Company has submitted Performance Bank Guarantee of Rs. 33 crores to PNGRB.

36. The Company has taken limits for issuance of Performance Bank Guarantee (PBG) in favor of PNGRB which is secured as under-

a. First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
b. First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis.

37. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally been carried out by making payment contribution to eligible Trusts. The Trusts carry out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company.

(All amounts are in Million Indian Rupees)

Sr. No	Particulars	As at March 31, 2022	As at March 31, 2021
a	Amount required to be spent during the year	6.00	3.09
b	Amount of opening unspent CSR expenses spent during the year	-	-
c	Amount approved by the Board to be spent during the year	6.03	3.40
d	Amount spent during the year	6.03	3.40
	i. Construction/Acquisition of any assets	-	-
	ii.On purposes other than (i) above	6.03	3.40
	Details related to spent/unspent obligations		
	a. Contribution to Public Trust	-	2.00
	b. Contribution to Charitable Trust	6.03	1.40
	c. Unspent Amount	-	-

38. Segment Information

a. Description of segments and principal activities: The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets & segment liabilities are reflected in the financial statements themselves as at & for the financial year ended March 31, 2022.

b. Entity wide disclosures

i. Information about products and services: The Company is in a single line of business of "Sale of Natural Gas".

ii. Geographical Information: The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers earned and non-current asset are located, in India.

iii. Information about major customers: In the current year, revenue from none of the external customer individually accounted for more than ten percent of the revenue.

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39. Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has registered charge with ROC within statutory time period. There has been no satisfaction of charge filed with ROC.

40. Details of Benami Property held

The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no proceedings initiated or pending against the company under the said Act and Rules.

41. Loans and advances granted to specified person

Except as stated in the notes to accounts and financial statement, there are no other loans or advances granted to specified persons namely promoters, directors, KMPs and related parties.

42. The Company has taken Land, Building and Plant & Machinery on Lease for the period of more than 12 Months. The Company has taken other Buildings also on lease for the period of 12 months or less. For which the company applies the "Short-term leases" recognition exemptions.

Disclosures as per Ind AS 116 - Leases are as follows:

(a) Changes in the carrying value of right of use assets

(All amounts are in Million Indian Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	56.23	43.57
Additions	65.75	17.39
Deletions	-	-
Finance cost accrued during the year	6.99	4.60
Payment of lease liabilities	11.90	9.33
Balance at the end of the year	**117.07**	**56.23**

(b) Movement of Lease Liabilities

(All amounts are in Million Indian Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	71.46	62.74
Additions	65.75	17.39
Deletions		-
Amortisation	7.78	8.66
Balance at the end of the year	**129.43**	**71.47**

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(c) Contractual maturities of lease liabilities

(All amounts are in Million Indian Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	8.85	6.22
One to five years	48.69	8.73
More than five years	59.53	41.28
Total	**117.07**	**56.23**

(d) Amount recognized in Statement of Profit and Loss account during the year

(All amounts are in Million Indian Rupees)

Particulars	For the year ending on March 31, 2022	For the year ending on March 31, 2021
Amortisation expense of right of use assets	7.79	8.66
Interest Expense on Lease liabilities	6.99	4.60
Expense related to short term leases	4.58	1.79
Total	**19.36**	**15.05**

(e) Amount recognized in statement of Cash Flow

(All amounts are in Million Indian Rupees)

Particulars	For the year ending on March 31, 2022	For the year ending on March 31, 2021
Total Cash flow for lease	11.90	9.33
Total	**11.90**	**9.33**

43. Utilisation of borrowed funds, share premium and other funds

The Company has not received any fund from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary.

44. Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

45. Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

46. Undisclosed Income

There is no transaction, which has not been recorded in books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

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47. Relationship with struck off companies

The company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

48. Wilful Defaulter

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

49. Financial Ratios

Ratio	Numerator	Denominator	2021-22	2020-21	Change in Ratio (%)	Reasons for % change (Required if change is > 25%)
Current Ratio	Current Assets	Current Liabilities	1.81	1.75	3%	-
Debt-Equity Ratio	*Total Debt	$Total Equity	0.93	1.43	-56%	Total equity of the company has increased due to improved profitability.
Debt Service Coverage Ratio	Earnings available for debt service	# Debt Service	7.26	5.13	42%	-
Return on Equity Ratio	Net Profit less Dividend	Average Shareholder's Equity	63%	36%	74%	Due to increase in sales, the profitability has increased
Inventory turnover ratio	Sales	Average Inventory	431.06	279.66	54%	The Company's operations has grown significantly leading to higher revenues and inventory levels compared to preceding year
Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	32.22	27.51	17%	-
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	14.18	8.93	59%	The Company's operations has grown leading to higher purchases and creditor levels compared to preceding year as better payment terms are negotiated with the vendors.
Net capital turnover ratio	Net Sales	Working Capital	8.65	8.55	1%	-

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Ratio	Numerator	Denominator	2021-22	2020-21	Change in Ratio (%)	Reasons for % change (Required if change is > 25%)
Net profit ratio	Net Profit	Sales	21%	17%	25%	Company has earned higher margins on gas trading and also volume has grown compared to last year.
Return on Capital employed	Earnings before interest and taxes	Capital Employed	31.67%	11.82%	168%	EBITDA has increased due to higher margins and increased sales volume.
Return on investment (Mutual Fund)	Average Rate of Return		2.48%	6.92%	-64%	Change due MTM movement linked to NAV of respective mutual fund.

* Total debt = Borrowings from banks + Liability component of Preference Shares + Lease liabilities
$ Total equity = Equity Share Capital + Other Equity
# Debt Service = Interest and Finance charges + Lease Payments + Principal repayment of bank borrowings

Financial ratios are calculated considering the IND AS accounting treatment and the formulas of the ratios are as per the guidance note of Institute of Chartered Accountants of India, not as per the industry acceptable practices.

As per our report of even date

For Mukesh M. Shah & Associates
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number: 128670
Ahmedabad, Dated: 19th May, 2022

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For & on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
CS

Ahmedabad, Dated: 19th May, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of IRM Energy Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **IRM Energy Limited** (hereinafter referred to as the "Holding Company") and its Joint Controlled entity (Joint Controlled Entity together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including comprehensive income), the Consolidated Statement of Changes in equity and the Consolidated Cash Flows Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2022, of Consolidated profit, Consolidated changes in equity and its Consolidated 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 Act. 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 Act 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 Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

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

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

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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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

MUKESH M. SHAH & CO.
7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15
CHARTERED ACCOUNTANTS

a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal financial controls 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 and its Joint Controlled entity companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

We did not audit the financial statements of one jointly controlled entity, whose financial statements reflect total assets of Rs. 748.91 million as at March 31, 2022, total revenues of Rs. 623.36 million and net cash flows amounting to Rs. 213.43 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 295.92 million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one Joint controlled entity, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly Controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly Controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our and on the consideration of the reports of the other auditors on the Consolidated financial statements and other financial information of the Joint Controlled entity, we report, to the extent applicable that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.

c) The Consolidated Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and its Joint Controlled Entity incorporated in India and the reports of the statutory auditors of its Joint Controlled entity companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, and based on auditors report of joint venture companies, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations on its financial position in its financial statements.

ii. The Company has made provision as required under the applicable law or accounting standards, on material foreseeable losses, if any on long term derivative contract;

iii. There are no amounts which are required to be transferred Investor Education and Protection Fund by the Company.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such joint venture respectively, that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such joint venture to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and joint venture ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

(b) The respective Managements of the Company and its joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such joint venture respecti that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such joint venture from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company or any of such joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the act to the extent it applies to payment of dividend.

i) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditors' Report) Order, 2020 (the 'Order') issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditors' report, according to the information and explanations given to us, and based on the CARO reports issued by the auditors of the joint ventures included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For **Mukesh M. Shah & Co.,**
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
Date : 19/05/2022
UDIN: 22128670AMOUOI4401

"Annexure A" to the Auditors' Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the **IRM Energy Limited** ("the Holding Company") and its Joint Controlled entity, ('Joint Controlled entity' together referred to as the " Group") as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of the Holding Company, Joint Controlled entity incorporated in India, as of the date.

Management Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and jointly Controlled entity companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India [ICAI]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the Company and Joint Controlled entity, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Joint Controlled entity, which are companies incorporated in India.

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Company and its Joint Controlled entity companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mukesh M. Shah & Co.,**
Chartered Accountants
Firm Registration No.: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh P. Kejriwal
Partner
Membership No.: 128670
Place: Ahmedabad
Date : 19/05/2022

UDIN: 22128670AMOUOI4401

IRM ENERGY LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
a) Property, plant and equipment	3.1	2,848.19	2,307.99
b) Capital work-in-progress	3.2	522.84	197.02
c) Intangibles assets	3.3	26.54	26.48
d) Right to Use Assets	3.4	129.43	71.47
e) Intangibles under Development	3.5	1.93	1.93
f) Financial assets			
(i) Investments	4A	256.87	61.38
(ii) Loans	5A	77.42	-
(iii) Other financial assets	5B	181.75	42.23
g) Other non-current assets	6	88.31	95.19
h) Current Tax Asset (Net)			
		4,133.28	**2,803.69**
Current assets			
a) Inventories	7	17.16	8.05
b) Financial assets			-
(i) Investments	4B	102.78	13.76
(ii) Trade receivables	8	227.12	111.86
(iii) Cash and cash equivalents	9A	591.49	257.52
(iv) Bank balances other than (iii) above	9B	405.56	156.74
(v) Loans		-	-
(vi) Other financial assets	10	26.50	6.10
c) Other current assets	11	44.17	23.40
		1,414.78	**577.43**
Total Assets		**5,548.06**	**3,381.12**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12	293.70	289.99
b) Other equity	13	2,143.52	886.07
Total equity		**2,437.22**	**1,176.06**
Liabilities			
Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	14A	1,867.60	1,581.82
(ii) Trade payables		-	-
(iii) Other financial liabilities	16	303.45	193.09
b) Provisions	17A	9.35	7.00
c) Deferred tax liabilities (Net)	19	147.12	93.58
		2,327.52	**1,875.49**
Current liabilities			
a) Financial Liabilities			
(i) Borrowings	14B	158.32	51.69
(ii) Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		2.43	11.21
- total outstanding dues of creditors other than micro enterprises and small enterprises		248.50	89.39
(iii) Other financial liabilities	16	228.00	147.45
b) Provisions	17B	0.41	0.11
c) Other current liabilities	18	61.41	29.72
d) Current tax liabilities (Net)		84.25	-
		783.32	**329.57**
Total Equity and Liabilities		**5,548.06**	**3,381.12**

See accompanying notes to the financial statements

As per our report of even date

For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022
UDIN: 22128670AMNZVO6532

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED MARCH 31, 2022

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Note No.	For the year ending March 31, 2022	For the year ending March 31, 2021
REVENUE :			
Revenue from Operations	20	5,461.42	2,118.09
Other Non-operating Income	21	30.50	7.33
		5,491.92	**2,125.42**
EXPENSES :			
Purchases of stock-in-trade of natural gas	22	2,492.27	770.86
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	23	(9.96)	(0.20)
Excise Duty on Sale of Compressed Natural Gas		389.98	222.44
Employee Benefits Expense	24	71.58	41.11
Finance Costs	25	220.77	158.55
Depreciation and Amortisation expense	26	150.37	120.00
Other Expenses	27	653.27	351.79
		3,968.28	**1,664.55**
Profit before Tax		1,523.64	460.87
Tax Expense			
- Corporate Tax	28	334.50	89.89
- Deferred Tax	28	53.54	19.72
Profit for the year before share of profit/(loss) from Joint Control Entities		**1,135.60**	**351.26**
Share of profit/(loss) from Joint Control Entities		144.69	(2.37)
Profit for the year		**1,280.29**	**348.89**
Other Comprehensive income			
i. Items that will not be reclassified to profit or loss			
a. Remeasurements of the defined benefit asset		(0.15)	0.18
b. Income tax related to this items			-
		(0.15)	**0.18**
Total comprehensive income		**1,280.44**	**348.71**
Earnings Per Share (Face Value of Rs. 10 each)	34		
Basic		43.88	12.38
Diluted		43.88	12.38

See accompanying notes to the financial statements

As per our report of even date
For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

CASH FLOW STATEMENT AS AT MARCH 31, 2022

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars		For the period ending Mar- 2022	Mar- 2021
A. Cash flow from operating activities			
Net profit before tax and extraordinary items		1,523.64	460.70
Adjustment for:			
Interest Income		(29.29)	(7.03)
Interest and Finance Charges		220.77	158.55
Provision for Income		(11.83)	(1.83)
Depreciation and Amortisation expense		150.37	120.00
Operating profit before working capital changes		**1,853.66**	**730.39**
(Increase)/Decrease in Other Assets		(413.78)	(292.01)
(Increase)/Decrease in Inventories		(9.11)	(1.10)
(Increase)/Decrease in Trade Receivable		(115.26)	(63.06)
Increase/(Decrease) in Trade Payables		150.33	28.50
Increase/(Decrease) in Financial Liabilities		130.08	63.28
Increase/(Decrease) in Other Liabilities		2.61	124.25
Cash generated from operation		**1,598.53**	**590.26**
Direct taxes paid (incl TDS)		(218.37)	(91.47)
Cash flow before extraordinary items		1,380.16	498.79
Net cash from operating activities	(a)	**1,380.16**	**498.79**
B. Cash flow from investing activities			
Interest Income		28.75	6.46
Investment		(139.84)	(76.27)
Inter Company Loan		(77.42)	-
Purchase of Fixed Assets (incl. capital work in progress)		(1,008.68)	(464.39)
Net cash used in investing activities	(b)	**(1,197.18)**	**(534.19)**
C. Cash flow from financing activities			
Proceeds from equity shares issued		15.73	43.55
Proceeds from Banks Borrowings		375.69	172.10
Interest and Finance Cost		(193.54)	(136.67)
Lease cost		(11.90)	(9.33)
Stamp duty on issue of shares		-	(1.13)
Dividend		(35.00)	-
Proceeds from preference shares issued		-	34.14
Net cash from financing activities	(c)	**150.99**	**102.67**
Net increase / (decrease) in cash and cash equivalents (a+b+c)		333.97	67.27
Cash and cash equivalents — opening balance		257.52	190.25
Cash and cash equivalents — closing balance		591.49	257.52

Reconciliation of cash and cash equivalents with the Balance sheet:

Cash and cash equivalents at the end of the year comprises

	Mar- 2022	Mar- 2021
(a) Balance with banks		
Balance in Current Accounts	591.17	257.27
(b) Cash on hand	0.32	0.25
	591.49	**257.52**

Notes:

(i) The cash Flow statement reflects the cash flows pertaining to continuing operations.

(ii) The cash Flow statement has been prepared under the "Indirect Method" as set out in IND AS - 7 Cash Flow Statement"

(ii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash Changes

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

As at March 31, 2022

Particulars	As at March 31, 2021	Cash Flows	Change in fair value/accruals	As at March 31, 2022
Non Current Borrowings	1,581.82	285.78	-	1,867.60
Current maturity of Non-Current borrowings	51.69	56.64	-	108.34
Current Borrowings	-	49.98	-	49.98
Total	1,633.51	392.40	-	2,025.91

As at March 31, 2021

Particulars	As at March 31, 2020	Cash Flows	Change in fair value/accruals	As at March 31, 2021
Non Current Borrowings	1,449.25	132.57	-	1,581.82
Current maturity of Non-Current borrowings	-	51.69	-	51.69
Current Borrowings	-	-	-	-
Total	1,449.25	184.26	-	1,633.51

See accompanying notes to the financial statements

As per our report of even date

For Mukesh M Shah & Co.
Chartered Accountants
Firm Registration No: 106625W

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

Harsh Kejriwal
Partner
Membership Number : 128670
Ahmedabad, Dated : 19th May, 2022

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

Statement of changes in equity

(a) Equity Share Capital

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	No. of Shares	INR
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at April 01, 2020	2,71,25,000	271.25
Add: Issued during the year	18,74,471	18.74
As at March 31, 2021	2,89,99,471	289.99
Add: Issued during the year	3,70,206	3.70
As at March 31, 2022	2,93,69,677	293.70

(b) Other equity

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Particulars	Equity component of compound financial instruments	Reserves and Surplus				Other Comprehensive Income		Total
		General reserve	Securities Premium	Share Application Money	Profit and Loss account	Remeasurement of defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 31 March 2020	173.47	-	18.57	-	284.53	(0.49)	-	476.08
Profit for the year	-	-	-	-	348.89	-	-	348.89
Equity Component of Preference Shares	37.58	-	-	-	-	-	-	37.58
Remeasurements of the defined benefit asset (net of tax)	-	-	-	-	-	(0.18)	-	(0.18)
Share Application Money Received	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Corporate Dividend	-	-	-	-	-	-	-	-
Stamp duty on issue of shares	-	-	(1.13)	-	-	-	-	(1.13)
Share Premium	-	-	24.81	-	-	-	-	24.81
Balance as at 31 March 2021	211.05	-	42.25	-	633.42	(0.67)	-	886.07
Profit for the year	-	-	-	-	1,280.29	-	-	1,280.29
Equity Component of Preference Shares	-	-	-	-	-	-	-	-
Remeasurements of the defined benefit asset (net of tax)	-	-	-	-	-	0.15	-	0.15
Share Application Money Received	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Corporate Dividend	-	-	-	-	(35.00)	-	-	(35.00)
Stamp duty on issue of shares	-	-	-	-	-	-	-	-
Share Premium	-	-	12.03	-	-	-	-	12.03
Balance as at 31 March 2022	211.05	-	54.29	-	1,878.71	(0.52)	-	2,143.52

As per our report of even date

For Mukesh M Shah & Co.

Chartered Accountants

Firm Registration No: 106625W

Harsh Kejriwal

Partner

Membership Number : 128670

Ahmedabad, Dated : 19th May, 2022

For and on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
Company Secretary

Ahmedabad, Dated : 19th May, 2022

IRM ENERGY LIMITED

Notes to the Consolidated Financial Statements

1. Company Information

IRM Energy Limited (formerly known as IRM Energy Private Limited) was incorporated on 01st December, 2015 with the object, inter alia of undertaking or carry out the business of storage, supply, distribution & sale of natural gas & business relating to or incidental to the laying, operating, maintaining & expanding of the City Gas Distribution Networks. The Company was converted into Public Company effective 23rd March, 2022. The Company is currently supplying natural gas in Banaskantha District in the State of Gujarat, Fatehgarh Sahib District in the State of Punjab and at Diu and Gir Somnath Districts in the State of Gujarat as per the authorisation granted by Petroleum & Natural Gas Regulatory Board (PNGRB).

The Company was awarded the authorisation for City Gas Distribution in the geographical areas of Namakkal and Tiruchirappalli Districts in the State of Tamil Nadu in March, 2022.

The Consolidated Financial Statements are presented in Indian Rupee (INR) which is also Functional Currency of the Company. The financial statements were authorised for issue by the Board of Directors on 19th May, 2022.

2. Basis of Preparation & Measurement

The Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The significant accounting policies that are used in the preparation of these financial statements are summarised below:

2.1 Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost convention & on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

- Financial assets & financial liabilities measured initially at fair value (refer accounting policy on financial Instruments);
- Defined benefit & other long-term employee benefits.

2.2 Current vs Non-Current Classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is treated as 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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing & their realisation in cash & cash equivalents.

2.3 Principles of equity accounting for Consolidation

The Consolidated Financial Statement of IRM Energy Limited ('the Company') includes financial statements of IRM Energy Limited, Farm Gas Private Limited ('the Joint Control Entity"), Venuka Polymers Private Limited ('the Joint Control Entity") and Ni-Hon Cylinders Pvt Ltd ('the Joint Control Entity"), in all of which the Company owns 50% paid up share capital, collectively referred to as 'the Group'.

The consolidated financial statements have been prepared on the following basis:

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet. Accordingly, the share of profit/ loss of each of the associate companies, joint venture (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses and other comprehensive income.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 32 below.

2.4 Use of estimates

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions & estimates are significant to these Consolidated Financial Statements are disclosed below.

The preparation of Consolidated Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates & assumptions that affect the reported amounts of assets & liabilities & disclosure of contingent liabilities as the date of the Consolidated Financial Statements & reported amounts of revenues & expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

When preparing the Consolidated Financial Statements, management undertakes a number of judgments', estimates & assumptions about the recognition & measurement of assets, liabilities, income & expenses. In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial information. Judgements are based on the information available at the date of balance sheet.

(i) Income Taxes: Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant & equipment: Property, plant & equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life & the expected residual value at the end of its life. Management reviews the residual values, useful lives & methods of depreciation of property, plant & equipment at each reporting period end & any revision to these is recognised prospectively in current & future

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periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Employee Benefits: Significant judgments are involved in making judgments about the life expectancy, discounting rate, salary increase, etc. Which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

(iv) Impairment of assets & investments: Significant judgment is involved in determining the estimated future cash flows from the investments, Property, Plant & Equipment & Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.

(v) Deferred Tax: Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

(vi) Recognition & measurement of unbilled gas sales revenues: In case of customers where meter reading dates for billing is not matching with reporting date, the gas sales between last meter reading date & reporting date has been accrued by the company based on past average sales. The actual sales revenue may vary compared to accrued unbilled revenue so included in Sale of natural gas & classified under current financial assets.

(vii) Recognition & measurement of other provisions: The recognition & measurement of other provisions are based on the assessment of the probability of an outflow of resources & on past experience & circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided & included as liability.

(viii) Leases: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

2.5 Property, Plant & Equipment

(i) Property, Plant and Equipment are stated at cost of acquisition / construction less accumulated depreciation.

The Company capitalises to project assets all the cost directly attributable & ascertainable, to completing the project (including pre-operative expenses). These costs include expenditure of pipelines, plant & machinery, cost of laying of pipeline, cost of survey, commissioning & testing charge, detailed engineering & interest on borrowings attributable to acquisition of such assets.

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The gas distribution networks are treated as commissioned when supply of gas commences to the customer(s).

Subsequent expenditure related to an item of property, plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses incurred towards normal repairs and maintenance of the existing property, plant and Equipment (including cost of replacing parts) are charged to profit and loss for the period during which such expenses are incurred.

Interest on borrowings attributable to the acquisition / construction of Property, Plant and Equipment for the period of construction is added to the cost of Property, Plant and Equipment.

Assets installed at customer premises, including meters & regulators where applicable, are recognised as property plant & equipment if they meet the definition provided under Ind AS 16 subject to materiality as determined by the management & followed consistently.

(ii) Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned & capital inventory, which comprises stock of capital items/construction materials at respective city gas network.

All the directly identifiable & ascertainable expenditure, incidental & related to construction incurred during the period of construction on a project, till it is commissioned, is kept as Capital work in progress (CWIP) & after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

Further, advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

(iii) Depreciation is provided as follow:

- Property, Plant and Equipment is depreciated over the permissible useful life specified in Schedule II pursuant to section 123(2) of the Companies Act, 2013 as per 'Straight line method".

The estimated Useful life of Asset is below

Name of Asset	**Useful life**
Building	25 Years
Computer and Laptops	3 Years
Plant and Machinery- Pipelines and Last Mile Connectivity	25 Years
Plant and Machinery- CNG Stations Equipments and Installations	15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Vehicles	5 Years
Software	5 Years

Useful life of the Right of Way (ROW) charges is considered as the period for which such charges are paid. In cases where the tenor of payment is not specified by the authorities, the useful life of such ROW charges is considered as 10 years.

- o The management believes that these useful lives are realistic & reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end & revised, if appropriate. In case of a revision, the unamortised depreciable

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amount (remaining net value of assets) is charged over the revised remaining useful life.

- For the purpose of calculating the depreciation, residual value for Tangible assets has been considered as 5% of the value of asset concerned.

- Depreciation on items of property, plant & equipment acquired / disposed-off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

- Depreciation on additions to Property, Plant and Equipment made during the period having cost of Rs. 5000 or less is provided @ 100% on pro rata basis with reference to the date of addition.

- Gains & losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit & loss under Other Expenses/Income.

(i) Intangible Assets:

Intangible Assets includes amount paid towards obtaining Right of Way (ROW) permissions for laying the gas pipeline network & cost of developing software for internal use. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits. Cost associated with maintaining software programmes are recognised as expenses as & when incurred.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the intangible asset (calculated as the difference between the net disposal proceeds & the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

2.6 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets & liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gain/Loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets & liabilities are recognised in the Statement of Profit & Loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

2.7 Revenue recognition

(i) Revenue is measured at fair value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company & no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods /services & regarding its collection. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction & the specifics of each arrangement.

Sale of Natural Gas is recognized on supply of gas to customers by metered/assessed measurements as no significant uncertainty exists regarding the measurability or collectability of the sale consideration. Sales are billed bi-monthly for domestic customers, monthly/fortnightly for commercial & non-commercial customers & fortnightly for industrial customers as the timing of the transfer of risks & rewards varies depending on the individual terms of the sales agreement. Revenue on sale of Compressed Natural Gas (CNG) is recognized on sale of gas to consumers from retail outlets.

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The amount recognised as revenue is stated inclusive of excise duty & exclusive of Sales Tax /Value Added Tax (VAT) & Goods & Service Tax & is net of trade discounts or quantity discounts.

Unbilled revenue is recognised from the end of the last billing cycle to the Balance Sheet date since the related supply of natural gas are performed

The amounts collected towards connection charges from certain domestic customers are "Non-Refundable Charges". Accordingly, the same are recognized as revenue as an when the Company receives the amount from such customers.

The amounts collected from certain domestic customers which includes amount "refundable" in nature. Accordingly, the same are recognized as a liability under the head "Deposit from Customers" in the balance sheet.

(ii) Interest income is recognised on time proportionate method (on accrual basis).

(iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.8 Borrowing Costs

(i) The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(ii) Other borrowing costs are recognised as an expense in the year in which they are incurred, if any.

2.9 Impairment of Property, Plant & Equipment & Intangible Assets

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset &/ or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset &/ or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets.

2.10 Inventories

Inventory of Gas (including gas inventory in pipeline & CNG cascades) is valued at lower of cost & net realizable value. Cost is determined on weighted average cost method.

Stores, spares & consumables and other inventory items (viz. CNG Kits, etc) are valued at lower of cost & net realizable value. Cost is determined on moving weighted average basis.

2.11 Accounting for Income Taxes

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) & deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income & taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

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(i) The Income Tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets & liabilities attributable to temporary differences & to unused tax losses.

The Current Income Tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance Taxes & provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid & income tax provision arising in the same tax jurisdiction for relevant tax paying units & where the Company is able to & intends to settle the asset & liability on a net basis.

(ii) Deferred Tax is provided in full on temporary difference arising between the tax bases of the assets & liabilities & their carrying amounts in Consolidated Financial Statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences being the difference between taxable income & accounting income that originate in one period & are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses & the carry forward of unused tax credits.
Deferred Income Tax is determined using tax rates (& laws) that have been enacted or substantially enacted by the end of the reporting period & are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax Assets are recognised for all deductible temporary differences & unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences & losses.

Deferred Tax Assets & Liabilities are offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority. Current tax assets & tax liabilities are offset where the Company has a legally enforceable right to offset & intends either to settle on a net basis, or to realise the asset & settle the liability simultaneously.

Current & Deferred Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit & loss & shown under the head deferred tax asset.

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

2.12 Leases

The Company as a lessee

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The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a initial application date i.e. 1 April 2019. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of initial application of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on actual payment basis as and when incurred.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized that is equal to lease liabilities on the initial application date, that is arrived based on incremental borrowing rate on the initial application date. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the initial application date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. The lease payments are discounted using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.13 Employee Benefits

Liabilities for wages & salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees

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render the related service are recognised in respect of employees' services up to the end of the reporting & are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(i) Defined Contribution Plan:

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes & deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Group does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expense in the Statement of Profit & Loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is computed at the end of each financial year on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds.
The Liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost in calculated by applying the discounting rate to the net balance of the defined benefit obligation & the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit & Loss. Re-measurements gains or losses arising from experience adjustments & changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" & are included in retained earnings in the statement of changes in equity & in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit & loss:

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

(iii) Long Term Employee Benefits:

The liability in respect of accrued leave benefits which are expected to be availed or encashed beyond 12 months from the end of the year, is treated as long term employee benefits.

The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method.

Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

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2.14 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company operates in a single segment of natural gas business and relevant disclosure requirements as per Ind AS 108 "Operating Segments" have been disclosed by the Company under note no 38.

2.15 Provisions, Contingent Liabilities & Contingent Assets

Provision is recognised when the Company has a present obligation as a result of past events & it is probable that the outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognised in the financial statement.

Provisions & contingencies are reviewed at each balance sheet date & adjusted to reflect the correct management estimates.

2.16 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or accruals of past or future operating cash receipts or payments & item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing & financing activities of the Company are segregated.

2.17 Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the Consolidated Financial Statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change & commitment affecting the financial position are disclosed in the Directors' Report.

2.18 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item & accordingly, disclosed in the notes accompanying to the Consolidated Financial Statements.

2.19 Dividends

Final Dividend on shares is recorded as liability on the date of approval of the same by Shareholders & interim dividend are recorded as liability on the date on declaration by Company's board of Directors.

2.20 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split & reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders & the weighted average number of shares

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outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.21 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, cross currency interest rate swaps, interest rate swaps, currency options and embedded derivatives in the host contract.

a. Financial Assets

Initial recognition and measurement

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

i. Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

ii. Business model assessment

The company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a period, for other basic lending risks, costs (e.g. liquidity risk and administrative costs), and profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Financial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows.
- the contractual terms of the financial asset represents contractual cash flows that are solely payments of principal and interest.

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

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Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Financial Assets at Fair Value through Profit and Loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of the profit and loss.

Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per the Ind AS 27 -Separate Financial Statements.

Impairment of investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iii. Derecognition of financial assets

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

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

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor

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transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in the OCI is recognised in profit or loss.

Impairment of financial assets

The Company assesses the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by the Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial assets has increased significantly since initial recognition.

b. Financial Liabilities

i. Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss or amortised cost, as appropriate.

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

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

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

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

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Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

iii. Derecognition of financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

c. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income. The gain / loss is recognised in other equity in case of transaction with shareholders.

Financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method. The company derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

The Company has computed the Equity component of the Preference Shares considering the terms of the RPS to be non-cumulative and further modified the estimates of future cash flows.

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2.22 Fair Value Measurements

These Consolidated Financial Statements are prepared under the historical cost convention, except certain financial assets & liabilities measured at fair value (refer accounting policy on financial instruments) as per relevant applicable Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest & best use or by selling it to another market participant that would use the asset in its highest & best use.

The Company uses valuation techniques that are appropriate in the circumstances & for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs & minimising the use of unobservable inputs. All assets & liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

(All amounts are in Million Indian Rupees)

As at 31 March 2022	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	102.78	-	256.87	359.65	-	-	359.65	359.65
Loans	-	-	77.42	77.42	-	-	77.42	77.42
Trade receivables	-	-	227.12	227.12	-	-	227.12	227.12
Cash & cash	-	-	591.49	591.49	-	-	591.49	591.49
Other Bank Balances	-	-	405.56	405.56	-	-	405.56	405.56
Other financial assets	-	-	208.25	208.25	-	-	208.25	208.25
Total financial assets	**102.78**	**-**	**1766.71**	**1869.49**	**-**	**-**	**1869.49**	**1869.49**
Financial liabilities								
Borrowings	-	-	2,025.91	2,025.91	-	-	2,025.91	2,025.91
Trade payables	-	-	250.93	250.93	-	-	250.93	250.93
Other financial	-	-	531.46	531.46	-	-	531.46	531.46
Total financial liabilities	**-**	**-**	**2,808.30**	**2,808.30**	**-**	**-**	**2,808.30**	**2,808.30**

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(All amounts are in Million Indian Rupees)

As at 31 March 2021	Financial instruments by category (carrying amount)				Fair value hierarchy (fair value)			
	FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	13.76	-	61.38	75.14	-	-	75.14	75.14
Loans	-	-	-	-	-	-	-	-
Trade receivables	-	-	111.86	111.86	-	-	111.86	111.86
Cash & cash	-	-	257.52	257.52	-	-	257.52	257.52
Other Bank Balances	-	-	156.74	156.74	-	-	156.74	156.74
Other financial assets	-	-	48.33	48.33	-	-	48.33	48.33
Total financial assets	**13.76**	**-**	**635.83**	**649.59**	**-**	**-**	**649.59**	**649.59**
Financial liabilities								
Borrowings	-	-	1,633.51	1,633.51	-	-	1,633.51	1,633.51
Trade payables	-	-	100.60	100.60	-	-	100.60	100.60
Other financial	-	-	340.54	340.54	-	-	340.54	340.54
Total financial liabilities	**-**	**-**	**2,074.65**	**2,074.65**	**-**	**-**	**2,074.65**	**2,074.65**

2.23 The previous year numbers have been reclassified wherever necessary. Unless otherwise stated, all amounts are in Million Indian Rupees. Items reflecting as 0.00 denotes value less than Rs. 50,000.

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Note 3.1

Property, Plant and Equipment (PPE) as at March 31, 2022

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2022
	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	
Freehold Land	17.58	4.56	-	22.14	-	-	-	-	22.14
Buildings	144.35	7.06	-	151.41	10.88	5.63	-	16.51	134.90
Plant and Machinery	2,322.82	634.56	-	2,957.38	203.50	122.25	-	325.75	2,631.63
Computers and laptops	7.32	7.36	-	14.68	4.39	1.92	-	6.30	8.37
Furnitures & Fixtures	15.90	2.59	-	18.50	2.20	1.64	-	3.83	14.66
Vehicles	2.72	17.96	-	20.67	0.13	1.74	-	1.86	18.81
Office Equipments	24.20	4.09	-	28.28	5.80	4.80	-	10.60	17.68
Sub-Total (a)	**2,534.88**	**678.17**	-	**3,213.05**	**226.89**	**137.97**	-	**364.86**	**2,848.19**

Property, Plant and Equipment (PPE) as at March 31, 2021

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2021
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	
Freehold Land	17.58	-	-	17.58	-	-	-	-	17.58
Buildings	133.42	10.93	-	144.35	5.68	5.20	-	10.88	133.47
Plant and Machinery	1,831.03	491.79	-	2,322.82	107.70	95.80	-	203.50	2,119.32
Computers and laptops	5.63	1.68	-	7.32	2.70	1.69	-	4.39	2.93
Furnitures & Fixtures	8.13	7.77	-	15.90	1.14	1.06	-	2.20	13.70
Vehicles	0.06	2.66	-	2.72	0.03	0.10	-	0.13	2.59
Office Equipments	13.92	10.27	-	24.20	2.34	3.46	-	5.80	18.39
Sub-Total (a)	**2,009.77**	**525.10**	-	**2,534.88**	**119.59**	**107.30**	-	**226.89**	**2,307.99**

Note 3.2

Capital work in progress as of March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)	417.77	79.17	23.67	2.23	522.84

Capital work in progress as of March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)	171.12	23.67	2.23	-	197.02

Capital work in progress and current year fixed assets includes borrowing cost capitalised on qualifying assets amounting to Rs. 23.27 million (31st March, 2021: Rs. 22.29 million)

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Note 3.3

Intangible assets as at March 31, 2022

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2022
	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	
Softwares	10.17	0.37	-	10.54	2.26	1.21	-	3.48	7.06
Right of Way charges	26.84	4.31	-	31.15	8.27	3.41	-	11.68	19.47
Grand Total	**37.02**	**4.68**	**-**	**41.69**	**10.53**	**4.63**	**-**	**15.16**	**26.54**

Intangible assets as at March 31, 2021

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2020
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	
Softwares	5.92	4.25	-	10.17	1.12	1.14	-	2.26	7.91
Right of Way charges	24.68	2.16	-	26.84	5.36	2.90	-	8.27	18.58
Grand Total	**30.60**	**6.41**	**-**	**37.02**	**6.49**	**4.04**	**-**	**10.53**	**26.48**

Note 3.4 Leases

Company as a lessee

Operating Lease

On transition, the lease liability is initially measured at amortized cost at the present value of the future lease payments on the date of initial application. Right to use assets are initially recognized that is equal to lease liabilities on the initial application date. Accordingly, a right-of-use asset of Rs. 65.75 million and a corresponding lease liability of Rs. 65.75 million has been recognized. The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 Leases, were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

Finance Lease

The Company has leases that were classified as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17.

The details of the right-of-use asset held by the Company is as follows:

Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2022
	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	Opening Balance as of 01.04.2021	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2022	
Right to Use									
- for Land	60.86	-	-	60.86	10.78	5.47	-	16.24	44.62
- for Plant & Machinery	-	36.68	-	36.68	-	0.61	-	0.61	36.06
- for Building	27.23	29.07	-	56.31	5.85	1.71	-	7.55	48.75
Grand Total	**88.09**	**65.75**	**-**	**153.84**	**16.62**	**7.78**	**-**	**24.41**	**129.43**

Interest on lease liabilities is Rs. 6.99 million for the year ended March 31, 2022 (Previous year: Rs. 4.60 million).

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Particulars	Gross Block				Depreciation and Amortization				Net Block as of 31.03.2021
	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	Opening Balance as of 01.04.2020	Addition	Disposal/ Adjustments/ Transfer	Closing Balance as of 31.03.2021	
Right to Use									
- for Land	60.86	-	-	60.86	5.04	5.74	-	10.78	50.08
- for Building	9.84	17.39	-	27.23	2.92	2.92	-	5.85	21.39
Grand Total	**70.70**	**17.39**	**-**	**88.09**	**7.96**	**8.66**	**-**	**16.62**	**71.47**

Interest on lease liabilities is Rs. 4.60 million for the year ended March 31, 2021 (Previous year: Rs. 3.87 million).

Note 3.5

Intangibles under Development as of 31 March, 2022

Particulars	Amount in under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)		1.93	-	-	1.93

Intangibles under Development as of 31 March, 2021

Particulars	Amount in under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Capital Work-in-Progress (project under construction)	1.93	-	-	-	1.93

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Accompanying notes to the Consolidated Financial Statements

(Unless otherwise stated, all amounts are in Million Indian Rupees)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
4	**Investments**		
4A	Non Current		
(i)	Unquoted Investment in Equity Instruments of Joint Control Entity (measured at amortised cost)		
	- 17,21,344 Equity Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2021: 10,49,600)	163.47	8.81
	- 10,50,800 Equity Shares of Rs. 10 each fully paid of Venuka Polymers Private limited (31st March, 2021: 10,50,800)	5.40	9.56
	- 50,000 Equity Shares of Rs. 10 each fully paid of Ni- Hon Cylinders Private limited (31st March, 2021: Nil)	1.40	-
(ii)	Unquoted Investment in Preference Shares of Joint Control Entity (measured at amortised cost)		
	- 44,50,000, 10.50% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid of Farm Gas Private limited (31st March, 2021: 15,90,000)	44.50	15.90
	- 42,10,200 10.50% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid of Venuka Polymers Private Limited (31st March, 2021: 27,10,200)	42.10	27.10
		256.87	**61.38**
4B	Current		
	Investment in Units of Mutual Fund (measured at Market Value)		
	Baroda Business Cycle Fund 69,94,635 units (March 31, 2021: Nil)	69.46	-
	Union Flexi Cap Fund 1,46,033 units (March 31, 2021: Nil)	4.79	-
	Union Focused Fund 2,37,661 units (March 31, 2021 : Nil)	4.14	-
	Union Hybrid Equity Fund 12,49,937 units (March 31, 2021: 8,65,647)	15.49	9.18
	Union Large & Midcap Fund 2,57,001 units (March 31, 2021: Nil)	4.12	-
	Union Medium Duration Fund 4,48,477 units (March 31, 2021: 4,48,477)	4.78	4.58
		102.78	**13.76**
5	**Financial asset- Non-current**		
5A	**Loans**		
	Loans to Related Parties	74.90	-
	Employee Loan	2.52	-
		77.42	-
5B	**Other financial assets**		
	Security Deposit		
	To Related Parties (Unsecured, considered good)	0.44	0.44
	To Others (Unsecured, considered good)	15.05	12.69
	Less: Allowance for bad and doubtful	-	-
	Bank Balances		
	Balance in FDR Accounts*	166.26	29.11
	*The Company has issued Bank Guarantees in favour of PNGRB during normal course of business. Such Bank Guarantees are issued by the Banks against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of more than 12 months.		
		181.75	**42.23**
6	**Other non- current assets**		
	Capital advances (Unsecured, considered good)	32.07	3.58
	Unamortised expenses - Borrowing Cost under EIR	17.01	18.71
	Advance payment of income tax (net to provision)	-	31.84
	Prepaid Expenses	39.23	41.06
		88.31	**95.19**
7	**Inventories** (measured at lower of cost or net realisable value)		
	Natural Gas	12.02	2.06
	Spares and Consumables	5.14	5.91
	CNG Kits	-	0.08
		17.16	**8.05**
8	**Current financial assets : Trade receivables**		
	Secured, considered good (secured against security deposits))	147.05	74.93
	Unsecured, considered good (Others)	80.07	36.93
		227.12	**111.86**

Trade Receivables Ageing Schedule as on 31.03.2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of Payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) 'Undisputed 'Trade receivables – considered good	11.83	178.95	36.28	0.00	0.04		-	227.12
(ii) 'Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) 'Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) 'Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) 'Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) 'Disputed Trade Receivables – credit 'impaired	-	-	-	-	-	-	-	-

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Note No.	Particulars	As at March 31, 2022	As at March 31, 2021

Trade Receivables Ageing Schedule as on 31.03.2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of Payment: Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) 'Undisputed 'Trade receivables – considered good	6.65	83.24	21.61	0.23	0.13	-	-	111.86
(ii) 'Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) 'Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) 'Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) 'Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) 'Disputed Trade Receivables – credit 'impaired	-	-	-	-	-	-	-	-

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
9	**Current financial assets**		
9A	**Cash and cash equivalents**		
	(a) Balance with banks		
	Balance in Current Accounts	591.17	257.27
	(b) Cash on hand	0.32	0.25
9B	**Bank balances other than above**		
	(a) Margin Money deposits under lien against DSRA, Bank Guarantee and/or Stand By Letter of Credit (SBLC)*	405.56	156.74
	*The Company has issued Bank Guarantees and Stand-By Letter of Credit(SBLC) to various Govt. agencies and other Suppliers during normal course of business. Such Bank Guarantees and SBLC have been issued against Margin Money kept with bank in the form of Fixed Deposits carrying maturity of between 3 months to 12 months. Further, as per the financing document, the Company has also created Debt Service Reserve Account as Fixed Deposit with the Bank.		
		997.05	414.26
10	**Current financial assets : Others**		
	Insurance Claim Receivable	2.19	-
	Interest Receivable	2.12	0.03
	Deposit - Current	12.00	5.70
	Dividend Receivable	9.35	-
	Imprest amount with Employees	0.84	0.36
		26.50	6.10
11	**Other current assets**		
	Advance to Suppliers (Unsecured, Considered good)	16.24	10.41
	Prepaid Expense	27.93	12.99
		44.17	23.40
12	**Share capital**		
	Authorised :		
	5,00,00,000 Equity Shares of Rs.10/- Each	500.00	500.00
	4,00,00,000 Preference Shares of Rs.10/- Each	400.00	400.00
		900.00	900.00
	Issued, Subscribed and Fully Paid-up Equity Shares :		
	Equity shares		
	2,93,69,677 [as at March 31, 2021: 2,89,99,471], Equity Shares of Rs.10/- each	293.70	289.99
	Preference shares		
	10% Redeemable Preference Shares		
	3,49,99,432 [as at March 31, 2021: 3,15,84,991] shares of Rs. 10/- each	-	-
		293.70	289.99

A **Details of Shareholders holding more than 5% of outstanding Shares is as under:**

i) Equity Shares

Name of Shareholder	No. of shares	% of Holding
As at 31.03.2022		
Cadila Pharmaceuticals Ltd	1,49,78,535	51.00%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,80,238	19.00%
Enertech Distribution Management Pvt. Ltd.	86,70,126	29.52%
As at 31.03.2021		
Cadila Pharmaceuticals Ltd	1,48,91,004	51.35%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,47,628	19.13%
Enertech Distribution Management Pvt. Ltd.	85,60,839	29.52%

ii) 10% Non Cumulative Reedemable Preference Shares

Name of Shareholder	No. of shares	% of Holding
As at 31.03.2022		
Cadila Pharmaceuticals Ltd	3,49,99,432	100.00%
As at 31.03.2021		
Cadila Pharmaceuticals Ltd	3,49,99,432	100.00%

B **Details and Change in Promotors' holding during the year**

(i) Equity Shares

Name of Shareholder	No. of shares	%holding	% change in holding during the year
As at 31.03.2022			
Cadila Pharmaceuticals Ltd	1,49,78,535	51.00%	-0.35%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,80,238	19.00%	-0.13%
As at 31.03.2021			
Cadila Pharmaceuticals Ltd	1,48,91,004	51.35%	0.35%
Dr. Rajiv I. Modi (Trustee of IRM Trust)	55,47,628	19.13%	0.13%

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Note No.	Particulars	As at March 31, 2022	As at March 31, 2021

C Terms and conditions:

(i) Equity Shares:

a) Voting rights:

The company has only one class of equity shares having par value of Rs. 10 per share. Equity shareholders are entitled to one vote per share held.

b) Dividend:

The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

(ii) Redeemable Non- Cumulative Preference Shares (RPS):

a) Redemption terms:

The preference shares carries redemption period of 10 years from the date of issuance.

b) Dividend:

The dividend provided, if any, by board of directors is subject to approval of shareholders in Annual General Meeting, except, in case of interim dividend. In the event of liquidation of the company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

D Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares of Rs. 10 each

Particulars	Number of Shares
Shares outstanding as at 01.04.2020	2,71,25,000
Add: Shares issued during the period 2020-21	18,74,471
Shares outstanding as at 31.03.2021	2,89,99,471
Add: Shares issued during the period 2021-22	3,70,206
Shares outstanding at 31.03.2022	**2,93,69,677**

Non Cumulative Reedemable Preference Shares of Rs. 10 each

Particulars	Number of Shares
Shares outstanding at the beginning of the period	3,49,99,432
Add: Shares issued during the period	-
Shares outstanding at the end of the period	**3,49,99,432**

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
13	**Reserves and surplus**		
	A. Statement of profit and loss		
	Opening balance	633.42	284.53
	Add: Reserve at the beginning of the period of Joint Venture Entity, acquired during the year	(0.01)	
	Add: Transfer from statement of profit and loss	1,280.29	348.89
	Less: Corporate Dividend	(35.00)	
	Less: Items routed through SOCIE	-	-
	Closing balance	**1,878.70**	**633.42**
	B. Equity Component of Preference Shares		
	i) OCCPS (Optionally Convertible Cumulative Preference Shares)		
	Opening	0.23	0.23
	Equity Component of OCCPS	-	-
	Closing Balance	**0.23**	**0.23**
	ii) Non Cumulative Reedemable Preference Shares		
	Opening	210.82	173.24
	Equity Component of non-cumulative redeemable preference shares	-	37.58
	Closing Balance	**210.81**	**210.82**
	Closing balance (i+ii)	**211.05**	**211.05**
	C. Items of OCI - Remeasurement of the net defined benefit liability/asset, net of tax effect		
	Opening	(0.67)	(0.49)
	Remeasurement of the net defined benefit liability/asset, net of tax effect*	0.15	(0.18)
	Closing balance	**(0.52)**	**(0.67)**
	*Remeasurement of defined benefit plans represents acturial gain and losses and returns on plan assets (excluding intetest income).		
	D. Securities Premium		
	Opening Balance	42.25	18.57
	Addition during the year	12.04	24.81
	Less: Stamp duty expense on shares	-	(1.13)
	Closing Balance	**54.29**	**42.25**
	Total Reserves	**2,143.52**	**886.06**
14	**Non- current financial liabilities : Borrowings**		
14A	**Non-Current**		
	Secured (carried at amortized cost)$		
	Rupee Term loans from banks	1,675.10	1,414.75
	Vehicle Loan	8.72	-
	Unsecured		
	Preference shares		
	liability component 10% Non cumulative Redeemable Preference Shares of Rs. 10/- each	183.78	167.07
		1,867.60	**1,581.82**
14B	**Current**		
	Secured (carried at amortized cost)$		
	Rupee Term loans from banks#		
	Current Maturities of Rupee Term Loan from Banks	106.97	51.69
	Working Capital Loan from Banks	49.98	-
	Vehicle Loan	1.37	-
		158.32	**51.69**

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(Unless otherwise stated, all amounts are in Million Indian Rupees)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021

(A) Details of Secured loans

From Banks

Particulars	Terms of Repayment and Interest rate
Rupee Term loan: For project of City Gas Distribution of Banaskantha and Fatehgarh Sahib District (consortium of banks: Union Bank of India and Bank of Baroda)	40 quaterly installments started from July 2021 and Interest rate ranges from 1 year MCLR +0.25% to 1 Year MCLR+1.45%
Rupee Term loan: For project of City Gas Distribution of Diu and Gir Somnath District (consortium of banks: Bank of Baroda , Union Bank of India and Punjab National Bank)	1st Tranche: 20 quaterly installments from April, 2023 2nd Tranche: 20 quaterly installments from April, 2027 and Interest rate ranges from 1 year MCLR +0.25% to 1 Year MCLR+1.80%
Vehicle Loans	Repayable in 84 Equivalent Monthly Installments and interest rate ranges from 7.30% to 7.40% linked to 3 month EBLR + 0.60%

(B) The details of security given for all loans are as under :

(i) The Rupee Term Loan is secured as below:
- -First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- -Exclusive charge on DSRA created for the specific project.
- -First charge on the Trust and Retention Account of the specific project on pari passu basis.
- -First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis.

(ii) The Working Capital is secured as below:
- -Second Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
- -First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis

(iii) 'The Vehicle Loans are secured by Charge on Vehicle
(iv) There is no default in repayment of loan and interest thereon as on 31.03.2022
(v) The book value of the fixed assets as on 31.03.2022 charged in favour of the lenders is Rs. 3777.59 million (incl CWIP) (Previous year: Rs. 2768.91 million)
(vi) For more security details on bank financing, refer Note - 36

(C) Reconciliation of quarterly returns or statements of current assets filed by the Company with banks or financial institutions having material descrepancies only

Partculars		For the period ended September, 2021	For the period ended December, 2021
Value of Inventory			
	As per Books of accounts	15.07	15.08
	As per details submitted to Banks	15.07	14.92
	Difference*	-	0.16
Trade Receivable			
	As per Books of accounts	162.33	219.65
	As per details submitted to Banks	166.99	220.03
	Difference*	(4.66)	(0.38)
Trade Payable			
	As per Books of accounts	90.73	141.98
	As per details submitted to Banks	76.19	126.71
	Difference*	14.55	15.28

* Subsequent to year end, Company has submitted the revised statement for all quarters and all figures as per revised statement are in agreement with the books of accounts

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
15	**Current financial liabilities : Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises:-		
	Trade payables - Others	-	-
	Trade Payables : Micro and Small enterprises	2.43	11.21
	Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
	Trade payables - Gas Purchase / Transmission	139.67	48.43
	Trade payables - Related parties	11.02	0.04
	Trade payables - Others	97.80	40.91
		250.93	100.60

Trade Payables Ageing Schedule as on 31.03.2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2.43	-	-	-	-	2.43
(ii) Others	241.21	7.28	0.00	0.01	-	248.50
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Trade Payables Ageing Schedule as on 31.03.2021

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	11.21	-	-	-	-	11.21
(ii) Others	82.96	5.53	0.89	-	-	89.39
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

Disclosure required under micro, small & medium enterprises development act, 2006 (the act) are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.43	11.21
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the company in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv)The amount of interest due & payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small & Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued & remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest remaining due & payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small & Medium Enterprises Development Act, 2006	-	-

Note: Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

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Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
16	**Other financial liabilities**		
	Non-Current		
	Customer Security Deposit	195.24	143.08
	Lease Liabilities (refer Note 42)	108.21	50.01
		303.45	**193.09**
	Current		
	Creditors for Capital Goods	136.21	117.24
	Lease Liabilities (refer Note 42)	8.85	6.22
	Others payable	82.94	23.99
		228.00	**147.45**
17	**Provisions**		
17A	**Non-Current**		
	Provision for Employee Benefits (refer Note - 31)	9.35	7.00
		9.35	**7.00**
17B	**Current**		
	Provision for Employee Benefits (refer Note - 31)	0.41	0.11
		0.41	**0.11**
18	**Current liabilities : Others**		
	Statutory dues payable	61.41	29.72
		61.41	**29.72**
19	**Deferred Tax Liabilities (net)**		
	Current Tax Liabilities	147.12	93.58
		147.12	**93.58**

Particulars	As at 01.04.2021	Change during the year	As at 31.03.2022
Deferred Tax Liabilities			
Depreciation	109.52	69.52	179.04
(a)	109.52	69.52	179.04
Deferred Tax Assets			
Provision for Retirement Benefits	1.79	0.67	2.46
Lease Liability	14.15	15.31	29.47
(b)	15.94	15.98	31.92
Net Deferred Tax (Liabilities)/Assets (a-b)	93.58	53.54	147.12

Note No	Particulars	For the year ending March 31, 2022	For the year ending March 31, 2021
20	**Revenue from Operations**		
	Sale of Goods		
	CNG Sales (Gross of Taxes)	2,967.35	1,636.11
	PNG Sales	2,464.71	460.92
	Sale of Services		
	Connection Income	20.69	13.54
	Other Operating Revenues	8.67	7.52
		5,461.43	**2,118.09**
21	**Other Non-operating Income**		
	Gain on remesurement of financial Assets	1.08	0.31
	Interest Income	29.42	7.02
		30.50	**7.33**
22	**Purchases of stock-in-trade of natural gas**		
	Natural Gas	2,492.27	770.86
		2,492.27	**770.86**
23	**Changes in inventories of Natural Gas**		
	Changes in inventories of finished goods, stock in trade and work in progress - Natural Gas		
	Inventory at the beginning of the year	2.06	1.87
	Less: Inventory at the end of the year	12.02	2.06
		(9.96)	**(0.20)**
24	**Employee Benefits Expense**		
	Salaries, wages and bonus	62.15	35.53
	Company's contribution to provident & other funds	2.38	1.89
	Leave Encashment and Gratuity (Refer note 31)	3.02	3.02
	Staff welfare expenses	4.03	0.67
		71.58	**41.11**
25	**Finance Costs**		
	Interest Cost		
	- On Term Loan	129.47	105.98
	- On Working Capital	0.39	1.04
	- On Preference Shares	16.71	15.59
	- On Finance Lease Liability (refer Note 42)	6.99	4.60
	- Others	4.96	1.87
	Other Borrowing Cost	1.69	1.69
	Bank and Other Finance Charges	60.56	27.78
		220.77	**158.55**

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Note No.	Particulars	For the year ending March 31, 2022	For the year ending March 31, 2021
26	**Depreciation and Amortisation expense**		
	Depreciation of tangible assets (refer note 3.1)	142.59	107.30
	Amortisation of intangible assets (refer note 3.4)	7.78	12.70
		150.37	**120.00**
27	**Other Expenses**		
	Advertisement and Marketing Expenses	10.09	4.33
	Business Promotion Expenses	1.96	2.14
	Corporate Social Responsibility Expense (refer Note - 37)	6.03	3.40
	Consumption of Spares and Consumables	5.19	6.58
	Director's Sitting Fees	2.78	1.80
	Hire Charges		
	-Vehicles	237.20	139.97
	Insurance Cost	9.46	4.98
	Legal and Professional Charges	16.77	10.56
	License Fees	63.00	-
	Managerial Remuneration	20.79	7.47
	Power and fuel	82.82	53.69
	Rent (refer note 42)	4.58	1.79
	Repairs and Maintenance		
	-Buildings	0.38	0.35
	-Plant and Machineries	140.12	77.99
	-Others	1.81	0.91
	Stamp Duty Expense	1.24	9.41
	Security Expense	4.90	4.43
	Tender Fees	13.54	-
	Travelling, Lodging and Boarding	9.15	2.88
	Rates and Taxes	0.18	0.91
	Miscellaneous expenses	21.28	18.19
		653.27	**351.79**
	Payments to auditor		
	For Statutory Audit (Incl GST)	1.42	1.27
	For GST & Tax Audit (Incl GST)	0.46	0.31
	For Certification & other reimbursements (incl. GST)	0.28	0.19
28	**Tax Expense**		
	Corporate Tax- Current	334.50	88.10
	Corporate Tax- Previous year	-	1.79
	Deferred Tax (refer Note - 19)	53.54	19.72
		388.04	**109.61**
28A	**Reconciliation of effective tax rate**		
	Tax using the Company's domestic tax rate	**25.17%**	**25.17%**
	Profit/(loss) before tax	1,523.64	460.87
	Tax using Company's Domestic Tax rate	383.50	116.00
	Tax effect of adjustments in calculating taxable Income		
	CSR Expense	1.52	0.86
	Depreciation	(51.75)	(45.23)
	Interest on Current Tax	8.30	-
	Tax Expense of earlier years	-	1.79
	Other items	(7.06)	16.48
	Income Tax Expense reported into Profit and Loss Current Year	334.50	89.89
	Corporate Tax - Current	**21.95%**	**19.50%**

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29. Financial risk management:

The Companies activities expose it to credit risk, liquidity risk & market risk. This note explains the sources of risk which the entity is exposed to & how the entity manages the risk & the related impact in the Consolidated Financial Statements. The Companies risk management is done in close co-ordination with the board of directors & focuses on actively securing the Companies short, medium & long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

(i) Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits & other financial assets.

Bank deposits are placed with reputed banks / financial institutions. Hence, there is no significant credit risk on such fixed deposits.

The Company periodically assesses the financial reliability of the counter party, taking into account the financial condition, current economic trends, & analysis of historical bad debts & ageing of accounts receivable. Individual limits are set accordingly.

The Company trades with recognized & credit worthy third parties. It is the Companies policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, trade receivable balances are monitored on an on-going basis with the result that the Companies exposure to bad debts is not significant.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups & assessed for impairment collectively. The calculation is based on exchange losses historical data. Also, the Company does not enter into sales transaction with customers having credit loss history.

There are no significant credit risks with related parties of the Company. Adequate expected credit losses are recognized as per the assessments.

(ii) Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables & other financial liabilities.

The Company's principle sources of liquidity are cash & cash equivalents & the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position & maintains adequate source of funding.

(iii) Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

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(All amounts are in Million Indian Rupees)

As at 31st March, 2022	Upto year 1	1-2 years	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	158.31	171.77	516.02	996.04
Redeemable preference shares	-	-	29.90	153.88
Trade payables	250.93	-	-	-
Other financial liabilities	423.24	20.12	28.57	59.52
TOTAL	**832.48**	**191.89**	**574.49**	**1209.44**
GRAND TOTAL	**2808.30**			

(All amounts are in Million Indian Rupees)

As at 31st March, 2021	Upto year 1	1-2 years	2 – 5 yrs	More than 5 yrs
Borrowings (other than redeemable preference shares)	51.69	68.93	397.39	948.44
Redeemable preference shares	-	-	-	167.07
Trade payables	100.60	-	-	-
Other financial liabilities	290.53	1.89	6.83	41.28
TOTAL	**442.82**	**70.82**	**404.22**	**1,156.79**
GRAND TOTAL	**2074.65**			

(iv) Market risk:

Market risk is the risk that changes in market prices— such as foreign exchange rates, interest rates & equity prices— will affect the Companies income or the value of its holdings of financial instruments.

(v) Foreign exchange risk:

The Company is not directly exposed to foreign exchange risk as no direct foreign currency transactions are entered into.

(vi) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Companies exposure to the risk of changes in market interest rates relates primarily to the Companies long-term debt obligations with floating interest rates.

The Companies investments in fixed deposits are at fixed interest rates.

The exposure of the Companies borrowing to interest rate changes at the end of the reporting period are as follows:

(All amounts are in Million Indian Rupees)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Variable rate instruments		
Financial Assets	-	-
Financial Liabilities	1,842.14	1,466.44
Fixed Rate instruments		
Financial Assets	646.73	185.85
Financial Liabilities	300.84	223.30

Interest rate variation	Change	Impact	Impact
Scenario-1	(+) 0.50%	9.21	7.33
Scenario-2	(-) 0.50%	(9.21)	(7.33)

30. Capital Management:

The company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders & benefits for other stakeholders, & maintain an optimal structure to reduce the cost of capital.

Net Debt = Total term loan borrowings less cash & cash equivalents including current investments

Total 'equity' means share capital issued (Equity Shares & Preference Shares) & accumulated reserves.

(All amounts are in Million Indian Rupees)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total borrowings (including Liability component of Redeemable Preference Shares)	2,025.91	1,633.51
Less: cash & cash equivalents & Balance with Banks	1,266.10	457.13
Net debt	759.82	1,176.38
Total equity	2,295.17	1,178.68
Net Debt to Equity Ratio	0.33	1.00

Loan Covenants:

Under the terms of the major borrowing facilities, the Company is required to comply any 2 of the following financial covenants failing which penal interest as prescribed in the facility agreement shall apply. The Financial Covenants shall be tested at the end of each Fiscal Year based on the certification of the Auditor.

a) Gross DSCR- 1.10
b) Interest Coverage ratio- 1.25
c) FACR = (Net Property, Plant and Equipment/ Loan Outstanding)- 1.25

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The first testing of financial covenants will be done for the first full operational year post the commencement of commercial operations of the Project, i.e. based on audited financials for Fiscal Year ending March 31, 2023.

31. Employee Benefits:

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, incentives & allowances, short terms compensated absences, etc., & the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

(ii) Long term employee benefits

(a) Gratuity (Unfunded):

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

(All amounts are in Million Indian Rupees)

Particulars	**For the year ended 31st March, 2022**	**For the year ended 31st March, 2021**
Table Showing Change in the Present Value of Projected Benefit Obligation:		
Present Value of Benefit Obligation at the Beginning of the Period	3.85	2.13
Interest Cost	0.27	0.15
Current Service Cost	1.28	0.91
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.14)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.22)	(0.06)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.21	0.72
Present Value of Benefit Obligation at the End of the Period	5.25	3.85

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Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Table Showing Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
Amount Recognized in the Balance Sheet:		
(Present Value of Benefit Obligation at the end of the Period)	(5.25)	(3.85)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(5.25)	(3.85)
Net (Liability)/Asset Recognized in the Balance Sheet	(5.25)	(3.85)
Expenses Recognized in the Statement of Profit or Loss for Current Period:		
Current Service Cost	1.28	0.91
Net Interest Cost	0.27	0.15
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	1.55	1.05
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period:		
Actuarial (Gains)/Losses on Obligation For the Period	(0.15)	0.67
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(0.15)	0.67
Balance Sheet Reconciliation:		
Opening Net Liability	3.85	2.13
Expenses Recognized in Statement of Profit or Loss	1.55	1.05
Expenses Recognized in OCI	(0.15)	0.67
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	5.25	3.85

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Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Assumptions:		
No of Active Members	116	94
Per Month Salary For Active Members	2.92	2.31
Weighted Average Duration of the Projected Benefit Obligation	15	20
Average Expected Future Service	15	22
Projected Benefit Obligation (PBO)	5.25	3.85
Rate of Discounting	7.27%	6.95%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	5.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Prescribed Contribution For Next Year (12 Months)	-	-
Maturity Analysis of the Benefit Payments: From the Employer:		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.17	0.04
2nd Following Year	0.21	0.06
3rd Following Year	0.26	0.07
4th Following Year	0.30	0.09
5th Following Year	0.32	0.10
Sum of Years 6 To 10	1.66	0.61
Sum of Years 11 & above	13.83	15.94
Sensitivity Analysis:		
Projected Benefit Obligation on Current Assumptions	5.25	3.85
Delta Effect of +1% Change in Rate of Discounting	(0.60)	(0.62)
Delta Effect of -1% Change in Rate of Discounting	0.73	0.79
Delta Effect of +1% Change in Rate of Salary Increase	0.65	0.75
Delta Effect of -1% Change in Rate of Salary Increase	(0.58)	(0.63)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.02)	(0.05)
Delta Effect of -1% Change in Rate of Employee Turnover	0.02	0.05

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

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(b) Leave Encashment (unfunded):

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised [net of the fair value of plan assets as at the balance sheet date] at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

(All amounts are in Million Indian Rupees)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Table Showing Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the Period	3.27	1.87
Interest Cost	0.23	0.13
Current Service Cost	0.82	0.58
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(0.22)	(0.07)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(0.01)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.18)	(0.05)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.62	0.81
Present Value of Benefit Obligation at the End of the Period	4.51	3.27
Change in the fair value of plan assets:		
Fair Value of Plan Assets at the Beginning of the Period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect Of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-

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Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(4.51)	(3.27)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(4.51)	(3.27)
Unrecognized Past Service Cost at the end of the Period	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(4.51)	(3.27)
Expenses / [Incomes] recognised in the Statement of Profit & Loss:		
Current Service Cost	0.82	0.58
Net Interest Cost	0.23	0.13
Actuarial (Gains)/Losses	0.43	0.76
Past Service Cost - Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost - Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments & Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	1.47	1.47
Balance Sheet Reconciliation:		
Opening Net Liability	3.27	1.87
Expense Recognized in Statement of Profit or Loss	1.47	1.47
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	(0.22)	(0.07)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	4.51	3.27
Principal actuarial assumptions as at Balance sheet date:		
Expected Return on Plan Assets	-	-
Rate of Discounting #	7.27%	6.95%
Rate of Salary Increase $	7.00%	7.00%
Rate of Employee Turnover	5.00%	2.00%
No of Active Members	116	94
Per Month Salary For Active Members	2.92	2.31
Projected Benefit Obligation (PBO)	4.51	3.27
Prescribed Contribution For Next Year (12 Months)	-	-

#The rate of discount is considered based on market yield on Government Bonds having currency & terms in consistence with the currency & terms of the post-employment benefit obligations.

$ The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.

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32. Disclosure of Interest in Other Entities pursuant to Para B14 of Ind AS 112:

The following table summarises the financial information of Join Control Entities as included in its own separate financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies, if any.

The table also reconciles the summarised financial information to the carrying amount of the Company's interest in the entities-

(All amounts are in Million Indian Rupees)

Particulars	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni-Hon Cylinders Private Limited
Year	2021-22	2021-22	2021-22
Country of Incorporation	India	India	India
% of ownership interest	50%	50%	50%
Current Assets	377.22	114.55	79.45
Non Current Assets	371.72	90.12	7.48
Current Liabilities	181.43	104.10	8.83
Non Current Liabilities	240.57	89.77	75.30
Net assets (100%)	**326.94**	**10.80**	**2.80**
Company's share of net assets	163.47	5.40	1.40
Carrying amount of interest in joint venture	**163.47**	**5.40**	**1.40**
Revenues	621.23	136.06	38.33
Expenses	215.87	127.24	33.97
Depreciation and Amortization	0.11	10.21	-
Interest Income	(2.13)	(0.51)	-
Interest Expense	4.35	12.24	1.87
Income Tax Expense	107.10	(5.12)	0.67
Profit/(loss) from continuing operations	**295.93**	**(8.00)**	**1.82**
Other Comprehensive Income	-	-	-
Total Comprehensive Income	**295.93**	**(8.00)**	**1.82**
Company's share of profit/ (loss) from continuing operations	**147.96**	**(4.00)**	**0.91**
Company's share of other comprehensive income		-	-
Company's share of total comprehensive income	**147.96**	**(4.00)**	**0.91**
Dividends received by the Company		-	

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(All amounts are in Million Indian Rupees)

Particulars	Farm Gas Private Limited	Venuka Polymers Private Limited	Ni-Hon Cylinders Private Limited
Year	2020-21	2020-21	2020-21
Country of Incorporation	India	India	India
% of ownership interest	50%	50%	-
Current Assets	56.69	48.31	-
Non Current Assets	60.26	85.33	-
Current Liabilities	3.43	26.27	-
Non Current Liabilities	95.90	88.24	-
Net assets (100%)	**17.62**	**19.13**	-
Company's share of net assets	8.81	9.56	-
Carrying amount of interest in joint venture	**8.81**	**9.56**	-
Revenues	-0.01	-	-
Expenses	1.08	0.25	-
Depreciation and Amortization	-	0.03	-
Interest Income	-	-0.11	-
Interest Expense	0.90	0.96	-
Income Tax Expense	-0.17	-0.07	-
Profit/(loss) from continuing operations	**-1.81**	**-1.06**	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income	**-1.81**	**-1.06**	-
Company's share of profit/ (loss) from continuing operations	**-0.90**	**-0.53**	-
Company's share of other comprehensive income	-	-	-
Company's share of total comprehensive income	**-0.90**	**-0.53**	-
Dividends received by the Company	-	-	-

33. Related Party Disclosures:

(a) Name of the Related party & Nature of the Related Party Relationship:

Sr. No.	Nature	Name of the Person/Entity
i.	Holding Company	(i) Cadila Pharmaceuticals Ltd
ii.	Joint Control entities	(i) Farm Gas Private Limited (ii) Venuka Polymers Private Limited (iii) Ni-Hon Cylinders Private Limited
iii.	Associate Enterprise	(i) Enertech Distribution Management Pvt Ltd
iv.	Fellow Subsidiary Company	(i) Casil Health Products Limited
v.	Enterprises Significantly Influenced by Directors or their relatives or Key Management Personnel	(i) IRM Pvt Ltd (ii) Sanguine Management Services Pvt Ltd (iii) IRM Trust (iv) Mauktika Ventures LLP (v) N M Sadguru Water and Development Foundation (vi) Aspire Disruptive Skill Foundation (vii) Indrashil Kaka Ba & Kala Budh Public Charitable Trust (viii) Enertech Fuel Solutions Pvt Ltd

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vi.	Key Management Personnel	(i) (ii) (iii) (iv) (v) (vi) (vii) (viii)	Mr. Maheswar Sahu (Chairman) Dr. Rajiv I. Modi (Director) Mr. Amitabha Banerjee (Director) Mr. Vinod Jain (Director) Mr. Badri Mahapatra (Director) Mr. Karan Kaushal (CEO) Mr. Harshal Anjaria (CFO) Ms. Shikha Jain (CS)

(b) Transactions with related parties (Amt. in Rs.):

(All amounts are in Million Indian Rupees)

Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2021-22	For the year 2020-21
i.	For Goods Procured/Services Availed/(Provided)	Cadila Pharmaceuticals Ltd	13.29	1.30
		IRM Trust	66.78	3.11
		Venuka Polymers Pvt Ltd	(0.04)	(0.04)
		Enertech Fuel Solutions Pvt Ltd	-	42.76
		Casil Health Products Ltd	-	0.11
		Mauktia Ventures LLP	6.73	-
		IRM Pvt Ltd	0.31	0.15
ii.	Subscription of Equity Shares (incl. securities premium)	Cadila Pharmaceuticals Ltd	3.72	24.64
		IRM Trust	1.39	9.18
		Enertech Distribution Management Pvt Ltd	4.64	9.74
		Maheswar Sahu	5.98	-
iii.	Reimbursement of Expenses	Cadila Pharmaceuticals Ltd	(0.66)	(0.04)
		Maheswar Sahu	0.22	0.01
		Venuka Polymers Pvt Ltd	(20.01)	(3.63)
		Mauktika Ventures LLP	(0.21)	(0.00)
		Farm Gas Pvt Ltd	(97.14)	(1.71)
		Ni Hon Cylenders Pvt Ltd	(0.02)	-
		IRM Trust	-	(0.27)
iv.	Subscription of Preference Shares	Cadila Pharmaceuticals Ltd	-	34.14
v.	Director Sitting Fees	Maheswar Sahu	0.88	0.68
		Badri Mahapatra	0.36	0.20
vi.	Managerial Remuneration	Maheswar Sahu	4.58	4.64
vii.	Corporate Social Responsibility Expense	Shree Saraswati Education Sansthan (Indrashil University)	-	2.00
		N M Sadguru Water and Development Foundation	0.50	0.30
		Aspire Disruptive Skill Foundation	2.20	-
		Indrashil Kaka Ba & Kala Budh Public Charitable Trust	3.33	-

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Sr. No.	Nature of Transaction	Name of the Related Party	For the year 2021-22	For the year 2020-21
viii.	Donation	Aspire Disruptive Skill Foundation	0.20	-
ix.	Loan Given	Ni Hon Cylinders Pvt Ltd	74.90	-
x.	Outstanding Payables	IRM Pvt Ltd	0.07	0.02
		Casil Health Products Ltd	-	0.03
		IRM Trust	11.02	-
		Mauktika Ventures LLP	0.42	-
xi.	Outstanding Receivables	Ni Hon Cylinders Pvt Ltd	0.02	-
		Venuka Polymers Pvt Ltd	25.71	13.70
		Cadila Pharmaceuticals Ltd	-	0.05
		Mauktika Ventures LLP	-	0.04
		Farm Gas Pvt Ltd	13.51	1.71

34. Earnings Per Share:

(All amounts are in Million Indian Rupees)

Sr. No.	Particulars	UOM	For the year 2021-22	For the year 2020-21
	Basic EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	1280.29	348.89
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	29.18	28.16
c	Value of equity share	Rs.	43.88	12.38
	Diluted EPS			
a	Profit after tax attributable to Equity Shareholders	Rs.	1280.29	348.89
b	Basic & weighted average number of Equity shares outstanding during the year	Nos.	29.18	28.16
c	Value of equity share	Rs.	43.88	12.38

35. Contingent Liabilities & Contingent Assets (to the extent not provided for):

(i) Commitments

(All amounts are in Million Indian Rupees)

Sr. No.	Particulars	For the year 2021-22	For the year 2020-21
1	Estimated amount of contracts remaining to be executed on capital account & not provided for (Net of advance)	1084.05	499.19
2	Income Tax Liability for A.Y 18-19- Rectification filed pending resolution	0.05	-

(ii) The Company has issued Corporate Guarantee for Loan taken by its Joint control Entities as per below information-

a. Corporate Guarantee issued in favour of Banks towards Loan taken by Farm Gas Private Limited amounting to Rs. 335.40 million.

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b. Corporate Guarantee issued in favour of Bank towards Loan taken by Venuka Polymers Private Limited amounting to Rs. 171.60 million.

(iii) The Company has executed mid term supply contracts for purchase of RLNG having take or pay(ToP) obligations. The volume committed under such contract which is liable to TOP is 6213 mmbtu/day. The Company is not foreseeing ToP liability under such contract

(iv) Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Diu (UT of Diu & Daman) & Gir Somnath District (Gujarat), the Company has submitted Performance Bank Guarantee of Rs. 25 crores to PNGRB.

(v) Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Banaskantha District (Gujarat) and Fatehgarh Sahib District (Punjab), the Company has submitted Performance Bank Guarantee of Rs. 100.12 crores to PNGRB.

(vi) Pursuant to Grant of Authorisation issued by Petroleum & Natural Gas Regulatory Board (PNGRB) for the geographical areas of Namakkal and Tiruchirappalli District (Tamil Nadu), the Company has submitted Performance Bank Guarantee of Rs. 33 crores to PNGRB.

36. The Company has taken limits for issuance of Performance Bank Guarantee (PBG) in favor of PNGRB which is secured as under-

a. First Charge on movable and immovable assets (both present and future) relating to the specific projects on pari passu basis.
b. First charge on current assets (incl. cash flows, receivables, etc), both present and future, of the specific projects on pari passu basis.

37. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The CSR activities of the Company are generally been carried out by making payment contribution to eligible Trusts. The Trusts carry out the CSR activities as specified in Schedule VII to the Companies Act, 2013 on behalf of the Company.

(All amounts are in Million Indian Rupees)

Sr. No	Particulars	As at March 31, 2022	As at March 31, 2021
a	Amount required to be spent during the year	6.00	3.09
b	Amount of opening unspent CSR expenses spent during the year	-	-
c	Amount approved by the Board to be spent during the year	6.03	3.40
d	Amount spent during the year	6.03	3.40
	i. Construction/Acquisition of any assets	-	-
	ii.On purposes other than (i) above	6.03	3.40
	Details related to spent/unspent obligations		
	a. Contribution to Public Trust	-	2.00
	b. Contribution to Charitable Trust	6.03	1.40
	c. Unspent Amount	-	-

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38. **Segment Information**

a. **Description of segments and principal activities:** The Company has a single operating segment that is "Sale of Natural Gas". Accordingly, the segment revenue, segment results, segment assets & segment liabilities are reflected in the Consolidated Financial Statements themselves as at & for the financial year ended March 31, 2022.

b. **Entity wide disclosures**

i. Information about products and services: The Company is in a single line of business of "Sale of Natural Gas".

ii. Geographical Information: The company operates presently in the business of city gas distribution in India. Accordingly, revenue from customers earned and non-current asset are located, in India.

iii. Information about major customers: In the current year, revenue from none of the external customer individually accounted for more than ten percent of the revenue.

39. **Registration of charges or satisfaction with Registrar of Companies (ROC)**

The company has registered charge with ROC within statutory time period. There has been no satisfaction of charge filed with ROC.

40. **Details of Benami Property held**

The company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no proceedings initiated or pending against the company under the said Act and Rules.

41. **Loans and advances granted to specified person**

Except as stated in the notes to accounts and financial statement, there are no other loans or advances granted to specified persons namely promoters, directors, KMPs and related parties.

42. The Company has taken Land, Building and Plant & Machinery on Lease for the period of more than 12 Months. The Company has taken other Buildings also on lease for the period of 12 months or less. For which the company applies the "Short-term leases" recognition exemptions.

Disclosures as per Ind AS 116 - Leases are as follows:

(a) Changes in the carrying value of right of use assets

(All amounts are in Million Indian Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	56.23	43.57
Additions	65.75	17.39
Deletions	-	-
Finance cost accrued during the year	6.99	4.60
Payment of lease liabilities	11.90	9.33
Balance at the end of the year	**117.07**	**56.23**

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(b) Movement of Lease Liabilities

(All amounts are in Million Indian Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	71.46	62.74
Additions	65.75	17.39
Deletions		-
Amortisation	7.78	8.66
Balance at the end of the year	**129.43**	**71.47**

(c) Contractual maturities of lease liabilities

(All amounts are in Million Indian Rupees)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	8.85	6.22
One to five years	48.69	8.73
More than five years	59.53	41.28
Total	**117.07**	**56.23**

(d) Amount recognized in Statement of Profit and Loss account during the year

(All amounts are in Million Indian Rupees)

Particulars	For the year ending on March 31, 2022	For the year ending on March 31, 2021
Amortisation expense of right of use assets	7.79	8.66
Interest Expense on Lease liabilities	6.99	4.60
Expense related to short term leases	4.58	1.79
Total	**19.36**	**15.05**

(e) Amount recognized in statement of Cash Flow

(All amounts are in Million Indian Rupees)

Particulars	For the year ending on March 31, 2022	For the year ending on March 31, 2021
Total Cash flow for lease	11.90	9.33
Total	**11.90**	**9.33**

43. Utilisation of borrowed funds, share premium and other funds

The Company has not received any fund from any person or entity with the understanding that the Company would directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary) or provided any guarantee or security or the like on behalf of the ultimate beneficiary.

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44. Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

45. Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

46. Undisclosed Income

There is no transaction, which has not been recorded in books of accounts, that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

47. Relationship with struck off companies

The company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

48. Wilful Defaulter

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

49. Financial Ratios

Ratio	Numerator	Denominator	2021-22	2020-21	Change in Ratio (%)	Reasons for % change (Required if change is > 25%)
Current Ratio	Current Assets	Current Liabilities	1.81	1.75	3%	-
Debt-Equity Ratio	*Total Debt	$Total Equity	0.93	1.43	-56%	Total equity of the company has increased due to improved profitability.
Debt Service Coverage Ratio	Earnings available for debt service	# Debt Service	7.26	5.13	42%	-
Return on Equity Ratio	Net Profit less Dividend	Average Shareholder's Equity	63%	36%	74%	Due to increase in sales, the profitability has increased
Inventory turnover ratio	Sales	Average Inventory	431.06	279.66	54%	The Company's operations has grown significantly leading to higher revenues and inventory levels compared to preceding year
Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	32.22	27.51	17%	-

MUKESH M. SHAH & CO.
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Ratio	Numerator	Denominator	2021-22	2020-21	Change in Ratio (%)	Reasons for % change (Required if change is > 25%)
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	14.18	8.93	59%	The Company's operations has grown leading to higher purchases and creditor levels compared to preceding year as better payment terms are negotiated with the vendors.
Net capital turnover ratio	Net Sales	Working Capital	8.65	8.55	1%	-
Net profit ratio	Net Profit	Sales	21%	17%	25%	Company has earned higher margins on gas trading and also volume has grown compared to last year.
Return on Capital employed	Earnings before interest and taxes	Capital Employed	31.67%	11.82%	168%	EBITDA has increased due to higher margins and increased sales volume.
Return on investment (Mutual Fund)	Average Rate of Return		2.48%	6.92%	-64%	Change due MTM movement linked to NAV of respective mutual fund.

* Total debt = Borrowings from banks + Liability component of Preference Shares + Lease liabilities
$ Total equity = Equity Share Capital + Other Equity
# Debt Service = Interest and Finance charges + Lease Payments + Principal repayment of bank borrowings

Financial ratios are calculated considering the IND AS accounting treatment and the formulas of the ratios are as per the guidance note of Institute of Chartered Accountants of India, not as per the industry acceptable practices.

As per our report of even date

For Mukesh M. Shah & Associates
Chartered Accountants
Firm Registration No: 106625W

Harsh Kejriwal
Partner
Membership Number: 128670
Ahmedabad, Dated: 19th May, 2022

MUKESH M. SHAH & CO. 7, Heritage Chambers, Nehru Nagar, Ambawadi Ahmedabad-15 CHARTERED ACCOUNTANTS

For & on behalf of the Board

M. Sahu
Chairman

Vinod Jain
Director

Karan Kaushal
CEO

Harshal Anjaria
CFO

Shikha Jain
CS

Ahmedabad, Dated: 19th May, 2022