

Energy that creates a better Tomorrow



Awards and Accolades



AGL has received

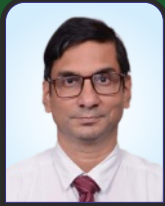
“CGD Company of the year 2022”

award from ET Energy World Annual Gas Conclave for being first city gas distribution company started blending of Hydrogen in Natural Gas as a pilot project and also for utilization of Bio Gas produced at Indore from Municipal waste as Bio CNG (CBG) for filling automotive consumer including CNG Bus of Indore Municipality

BOARD OF DIRECTORS



D.K. Pattanaik
Chairman



Anupam Mukhopadhyay
Managing Director
w.e.f. 09.06.2022



Rajesh Jain
Director (Commercial)
w.e.f. 16.05.2023



Anjana Sanjeeva
Director
w.e.f. 04.05.2023



H K Srivastava
Managing Director
Till 08.06.2022



Gajanan Parmar
Director (Commercial)
Till 15.05.2023



Prasoon Kumar
Director
Till 03.05.2023

Company Secretary : Ms. Rashi Joshi

Statutory Auditors : M/s Anil Kamal Garg & Company, Chartered Accountants, Indore

Cost Auditors : M/s Vijay P. Joshi & Associates, Cost Accountants, Indore

Secretarial Auditor : M/s Ritesh Gupta & Company, Practicing Company Secretary, Indore

Internal Auditors : M/s. Apurv Kansal & Co, Chartered Accountants, Indore

Bankers : HDFC Bank, ICICI Bank & Federal Bank

Registered Office : 202-B, IInd Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore (M.P.)-452010



Distribution of Aids & Appliances to Divyangjans under CSR



School Bus to Sri Sarada Math, Indore under CSR



Hosted a CFO Meet of GAIL JV's

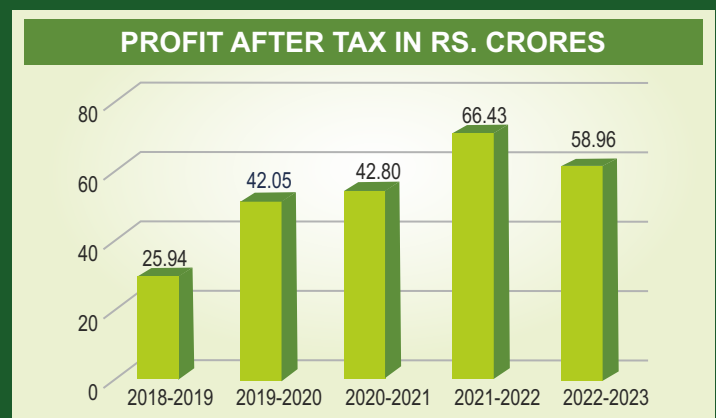
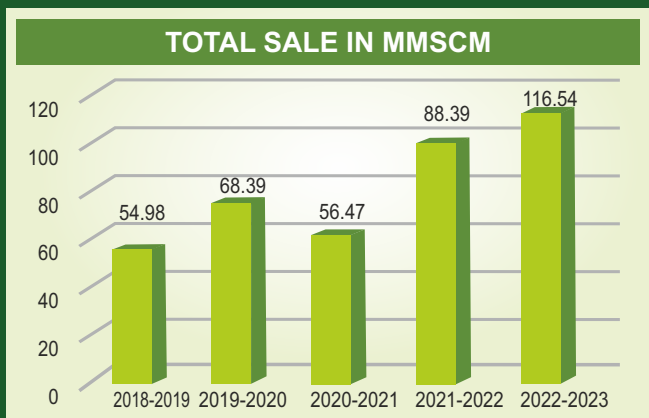
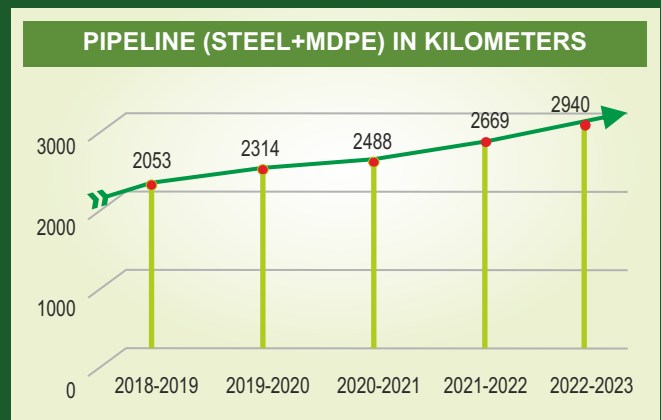
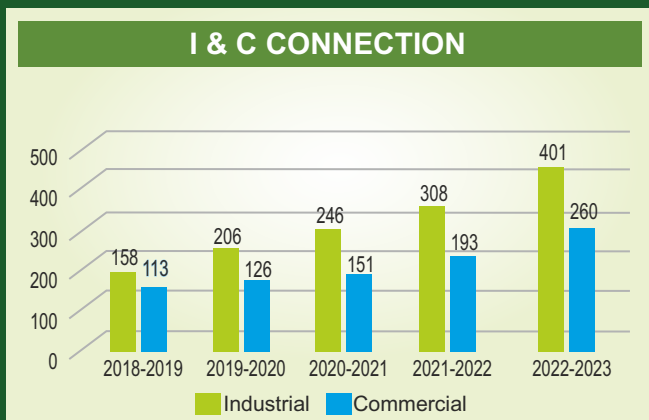
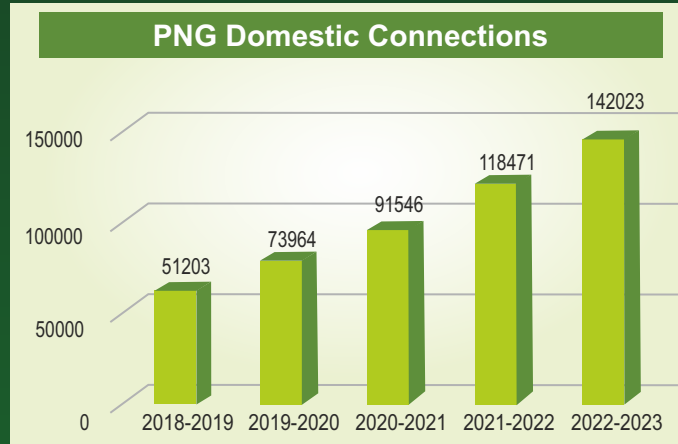


National Safety Week 2023 at AGL



Safety training to AGL Employees

PERFORMANCE HIGHLIGHT



VISION

“To provide **Environmental friendly economic fuel** to the domestic, commercial, industrial and automobile sectors of Madhya Pradesh to lead a **pollution free, healthy and safe life**”

PERFORMANCE PROFILE

FINANCIAL

	2022-23	2021-22	2020-21	2019-20	2018-19
Total Revenue (in Rs. Cr.)	622.00	349.09	196.64	242.87	185.61
PAT (in Rs. Cr.)	58.96	66.43	42.80	42.05	25.94
EBDIT (in Rs. Cr.)	97.77	115.96	83.60	84.38	55.98
EPS (in Rs. per share)	9.97	11.24	7.24	7.09	4.39
Total Capex (in Rs. Cr.)	83.28	48.30	33.89	64.04	80.17

Sales Quantity

CNG (in million kg)	42.28	30.61	18.80	29.41	26.37
PNG (in mmscm)	56.51	45.84	30.34	27.50	17.96
CBG (in million kg)	0.89	-	-	-	-

Customer Base (in Nos)

Domestic	142023	118471	91546	73964	51203
Industrial	401	308	246	206	158
Commercial	260	193	151	126	113

CNG Stations (in Nos)

	100	83	67	54	39
--	-----	----	----	----	----

CONTENTS

Notice	02
Board's Report	08
Independent Auditor's Report	27
Balance Sheet	37
Statement of Profit and Loss	38
Cash Flow Statement	39
Notes forming part of financial statements	40

NOTICE

NOTICE is hereby given that the **Seventeenth Annual General Meeting** of the members of Aavantika Gas Limited will be held on **Monday, September 18, 2023 at 11:30 am at 202-B, IInd Floor, NRK Business Park, Vijay Nagar Square, A.B. Road, Indore-452010** in-person and through video conferencing (VC) or other audio-visual means to transact the following business (es):

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2023 and report of the Board of Directors and Auditors thereon and to pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT audited Financial Statements for the financial year ended 31st March, 2023 and the report of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted."
2. To declare final dividend @ 8.5% (Rs. 0.85/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration, for the financial year 2022-23 as recommended by the Board and to pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT approval of the shareholders be and is hereby accorded for payment of final dividend @ 8.5% (Rs. 0.85/- per equity share) on the paid-up equity share capital of the Company as on the date of declaration, for the financial year 2022-23 as recommended by the Board of Directors."
3. To appoint a director in place of Mr. Dilip Kumar Pattanaik (DIN: 07540032), who retires by rotation, and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Mr. Dilip Kumar Pattanaik (DIN: 07540032) who offered himself for reappointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."
4. To fix the remuneration of Statutory Auditors of the company and to pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India for the financial year 2023-24."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of section 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Anjana Sanjeeva (DIN: 10120546), who was appointed as an additional director of the company w.e.f. 4th May, 2023 by the board of directors and who holds office upto the date of this Annual General Meeting of the company and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013, be and is hereby appointed as a director of the company, liable to retire by rotation.
RESOLVED FURTHER THAT Whole Time Director and/or Company Secretary of the Company, be and are hereby severally authorized to do all the acts and take all such steps as may be necessary to give effect to the above resolution."
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of section 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rajesh Jain (DIN: 10141014), who was appointed as an additional director of the company w.e.f. 16th May, 2023 by the board of directors and who holds office upto the date of this Annual General Meeting of the company and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013, be and is hereby appointed as a director of the company, liable to retire by rotation.
RESOLVED FURTHER THAT Managing Director and/or Company Secretary of the Company be and are hereby severally authorised to file form, returns, papers documents etc as required under the provisions of the Companies Act, 2013 to Registrar of Companies and to do all such acts, deeds, and things as may be deemed necessary or incidental to give effect to the aforesaid resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association, consent of the members of the company be and is hereby accorded to appoint Mr. Rajesh Jain (DIN: 10141014) as a Whole Time Director and hold a position as Key Managerial Personnel of the Company w.e.f. 16th May, 2023 for a period of three years as per the terms and conditions of the deputation policy of HPCL including remuneration as under:

1. Basic Pay: Rs. 2,33,490 p.m./-
2. DA and CCA as per the policy of Hindustan Petroleum Corporation Limited (HPCL)
3. Annual Increment as per HPCL policy.
4. Deputation Allowance as per HPCL policy.
5. Following as per HPCL Policy / Rules and Regulations:
 - i. HRA / Housing
 - ii. Leave, LFA, Medical Insurance, PF, Gratuity, SBFS
 - iii. Productivity Performance Linked Payment, Conveyance Reimbursement
6. Other allowance / benefits as per HPCL policy unless specifically altered by Aavantika Gas Limited.”

RESOLVED FURTHER THAT board of directors of the company be and is hereby authorized to alter and vary the terms and conditions of the reappointment and remuneration so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Rajesh Jain.

RESOLVED FURTHER THAT Managing Director and/or Company Secretary of the Company be and is/are hereby authorised to file form, returns, papers documents etc as required under the provisions of the Companies Act, 2013 to Registrar of Companies and to do all such acts, deeds, and things as may be deemed necessary or incidental to give effect to the aforesaid resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 as may be amended from time to time and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s GSR & Associates, Cost Accountants having Firm Registration No. 000069, appointed by the board of directors of the company as Cost auditors to conduct the audit of the cost records of the company for the financial year 2023-24 at a remuneration of Rs. 62,100/- (Rupees Sixty-Two Thousand One Hundred Only) inclusive of XBRL charges, Out of Pocket Expenses and taxes be and is hereby ratified and confirmed.”

**By Order of the Board
For Aavantika Gas Limited**

**Sd/-
Rashi Joshi
(Company Secretary)**

Indore, 1st September, 2023

Registered Office:

202-B, II Floor, NRK Business Park,
Vijay Nagar Square, A.B. Road,
Indore (M.P.)-452010

CIN: U40107MP2006PLC018684

NOTES

1. Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 (MCA Circulars) have permitted the holding of AGM through VC/OAVM. In terms of the said circulars, the 17th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM.
2. The relevant statement pursuant to section 102 of the Companies Act, 2013, in respect of special business to be transacted at the meeting, is annexed hereto and forms part of this notice.
3. Attendance of the members attending the AGM in person and through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of Companies Act, 2013.
4. Since, the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Corporate members intending to send their authorized representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the company, a certified copy of the relevant board resolution together with the specimen signature(s) of the representative(s) authorised to attend and vote on their behalf at the Meeting.
6. The facility of joining the AGM through VC/OAVM will be opened 15 minutes before and will be opened upto 15 minutes after the scheduled start time of the AGM.
7. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company through email on cscrashi@aglonline.net atleast a week in advance. The same will be replied by the Company suitably.
8. The Statutory Registers will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send their requests to cscrashi@aglonline.net
9. When a poll is demanded by any member during the meeting on any resolution, members may cast their vote through email on cscrashi@aglonline.net.
10. The dividend payable on equity shares, if approved by the members, will be paid within 30 days of the AGM to those members whose names appear on the Company's Register of members and as per beneficial owners' position received from NSDL & CDSL as on the date of AGM.
11. To ensure timely credit of dividend through electronic mode or physical instrument such as banker's cheque or demand draft, members are requested to notify change to their address or particulars of their bank account, if any to cscrashi@aglonline.net.
12. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
13. Instructions relating to access and participation in the meeting will be made available to the members through email on their designated email address atleast one day before the meeting.
14. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.aglonline.net.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 5**

Pursuant to the Joint Venture Agreement between GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL) dated 16th November, 2005 and Articles of Association of the company, GAIL vide their letter no. ND/GAIL/SECTT/AGL/23 dated 13th April, 2023 has nominated Mrs. Anjana Sanjeeva, GM- F&A, GAIL as Director in Aavantika Gas Limited.

The Board of Directors has appointed Mrs. Anjana Sanjeeva as an additional director of the company w.e.f. 4th May, 2023 who will hold the office till the next Annual General Meeting.

As per the provisions of section 161(1) of the Act and Article 122 of the Articles of Association, she holds office of additional director only up to the date of this Annual General Meeting of the company, and is eligible for appointment as director. The company has received a notice in writing under section 160 of the Act, proposing her candidature for the office of director of the company.

As per provisions of section 50 of the Companies (Amendment) Act, 2017, the Board in their meeting held on 16th August, 2023, recommends the appointment of Mrs. Anjana Sanjeeva, as a director of the company in the ensuing Annual General Meeting.

A brief profile of Mrs. Anjana Sanjeeva, is attached to this notice.

The Board commends the Ordinary resolution set out at Item No. 5 of notice for approval by the members of the company.

Except Mrs. Anjana Sanjeeva, being the appointee, none of the Directors, Key Managerial Personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 5.

ITEM NO. 6 & 7

Pursuant to the Joint Venture Agreement between GAIL (India) Limited (GAIL) and Hindustan Petroleum Corporation Limited (HPCL) dated November 16, 2005 and Article 122 of the Articles of Association of Aavantika Gas Limited (AGL), HPCL has nominated Mr. Rajesh Jain as Director (Commercial) on the Board of AGL dated 28th April, 2023.

The Board of Directors has appointed Mr. Rajesh Jain as an additional director of the company w.e.f. 16th May, 2023 who will hold the office till the next Annual General Meeting.

As per the provisions of section 161(1) of the Act and Article 122 of the Articles of Association, he holds office of additional director only up to the date of this Annual General Meeting of the company, and is eligible for appointment as director. The company has received a notice in writing under section 160 of the Act, proposing his candidature for the office of director of the company.

As per provisions of section 50 of the Companies (Amendment) Act, 2017, the Board in their meeting held on 16th August, 2023, recommends the appointment of Mr. Rajesh Jain, as a director of the company in the ensuing Annual General Meeting.

Further, the Board of Directors of the company in their board meeting held on 3rd May, 2023 appointed Mr. Rajesh Jain as a Whole Time Director and Key Managerial Personnel of the company w.e.f. 16th May, 2023 for a period of three years.

Mr. Rajesh Jain has been deputed from HPCL as a Whole Time Director. The terms and conditions of his appointment is as per the deputation policy of HPCL including remuneration as under:

1. Basic Pay: Rs. 2,33,490 p.m./-
2. DA and CCA as per the policy of Hindustan Petroleum Corporation Limited (HPCL)
3. Annual Increment as per HPCL policy.
4. Deputation Allowance as per HPCL policy.
5. Following as per HPCL Policy / Rules and Regulations:

- i. HRA/Housing
 - ii. Leave, LFA, Medical Insurance, PF, Gratuity, SBFS
 - iii. Productivity Performance Linked Payment, Conveyance Reimbursement
6. Other allowance / benefits as per HPCL policy unless specifically altered by Aavantika Gas Limited.

A brief profile of Mr. Rajesh Jain, is attached to this notice.

The Board commends the Ordinary resolution set out at Item No. 6 & 7 of notice for approval by the members of the company. Except Mr. Rajesh Jain, being the appointee, none of the Directors, Key Managerial Personnel of the company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 6 & 7.

ITEM NO. 8

The Board at its meeting held on 11th July, 2023, has appointed of M/s GSR & Associates, Cost Accountants (Firm Reg. No. 000069) as Cost Auditors for conducting the audit of the cost records of the company for the financial year 2023-24, 2024-25 and 2025-26 at a remuneration of Rs. 1,86,300 /- (Rupees One Lakh Eighty-Six Thousand and Three Hundred Only) (Rs. 62,100/- per annum) inclusive of XBRL charges, Out of Pocket Expenses and taxes.

Pursuant to section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, members of the company are required to ratify the remuneration to be paid to the cost auditors of the company every year.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 8 of the notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the company for the financial year 2023-24 at a remuneration of Rs. 62,100/- inclusive of XBRL charges, Out of Pocket Expenses and taxes.

None of the Directors, Key Managerial Personnel of the company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the members.

**By Order of the Board
For Aavantika Gas Limited**

**Sd/-
Rashi Joshi
(Company Secretary)**

Indore, 1st September, 2023

Registered Office:

202-B, II Floor, NRK Business Park,
Vijay Nagar Square, A.B. Road,
Indore (M.P.)-452010
CIN: U40107MP2006PLC018684

ANNEXURE TO THE NOTICE**BRIEF PROFILE OF DIRECTOR PROPOSED FOR APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING****1. ANJANA SANJEEVA (DIN: 10120546)**

As regards appointment of Mrs. Anjana Sanjeeva referred to in Item No. 5 of the Notice, following necessary disclosures are made for the information of the members.

Information about the Appointee

Date of Birth	31/07/1968
Date of Appointment on the Board	04/05/2023
List of other Companies in which he holds directorship	-

Brief Biography

Mrs. Anjana Sanjeeva took charge as a Director with effect from 4th May, 2023 in Aavantika Gas Limited. She is a Cost & Management Accountant by profession & MBA (Finance) with Gold Medal from Maharaja Sayaji Rao University of Vadodara (Gujarat). She has rich & varied experience of working in Finance & Accounts of Gas processing Units, Gas Trading & Gas Pipeline Transmission installations.

Mrs. Anjana Sanjeeva has joined GAIL (India) Ltd., a Central Public Sector Undertaking (CPSU), in 1993 and has over 30 years of experience in Finance, Taxation, Budgetary control, Cost Management, etc. She has headed Finance function of O&M of Gas Processing Units, Pipeline Transmission and various Pipeline Projects.

Mrs. Anjana Sanjeeva is currently working as Head of Finance of GAIL's Maharashtra Regional Headquarter.

2. RAJESH JAIN (DIN: 10141014)

As regards appointment of Mr. Rajesh Jain referred to in Item No. 6 & 7 of the Notice, following necessary disclosures are made for the information of the members.

Information about the Appointee

Date of Birth	27/08/1967
Date of Appointment on the Board	16/05/2023
List of other Companies in which he holds directorship	-

Brief Biography

Mr. Rajesh Jain has been appointed as a Whole Time Director on the Board of Aavantika Gas Limited (AGL) with effect from 16th May, 2023. He is B. Com (Hons), Chartered Accountant, Bachelor of Law, PGDAM (HR) and also holds a Master degree in Business Administration (MBA), with specialization in Finance.

Mr. Rajesh Jain has joined Hindustan Petroleum Corporation Limited (HPCL) in July, 1993 and has rich and diverse experience of 30 years appx. in the field of Internal Audit, Head Compensation Management, Head Commercial, Retail Finance, Taxation, Zonal Finance, Payroll, Strategy implementation, Capability Building etc. Also held various senior level positions in Audit, Gas & Renewables (Commercial), other Finance positions and also handled various HR assignments.

Presently, Mr. Rajesh Jain is General Manager (Finance) in Hindustan Petroleum Corporation Limited and is on deputation in AGL as Director (Commercial).

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the Seventeenth Annual Report along with the audited financial statements of your company for the financial year ended 31st March, 2023.

FINANCIAL RESULTS

The Company's financial performance for the financial year ended March 31, 2023 as compared to the previous financial year ended is summarized below:

(Rs. In Crores)

Particulars	(2022-23)	(2021-22)
Revenue from Operations (net)	590.79	335.33
Other Income	0.93	0.66
Total Revenue	591.72	335.99
Profit before Financial Costs, Depreciation & Tax	97.77	116.10
Financial Cost	3.79	2.68
Profit before Depreciation & Tax	93.98	113.42
Depreciation & Amortization Expenses	21.63	18.56
Net Profit before Tax	72.35	94.85
Provision for Tax/ Deferred Tax Liabilities	13.42	28.46
Net Profit After Tax	58.93	66.40
Other Comprehensive Income	0.03	0.03
Net Profit	58.96	66.43
Balance of Profit/(Loss) brought forward	230.45	173.18
Transfer to General Reserves	-	-
Dividend paid (Final for FY 2020-21)	-	4.14
Dividend paid (Interim for FY 2021-22)	-	5.02
Impact of implementation of IND AS-116	-	-
Surplus Carried to Balance Sheet	289.41	230.45

During the year under review, there was no change in the nature of the business of the company.

CGD SECTOR

CGD sector in financial year 2023 witnessed almost no change in terms of gas volume on account of high gas prices. Its development is pivotal in providing clean energy to the nation and moving towards target of achieving net zero by 2070. After completion of 11A CGD bidding round by Petroleum and Natural Gas Regulatory Body (PNGRB) 295 Geographical Areas (GAs) covering about 98% of the population and 88% of total geographical area of the country spread over around 630 districts in 28 States/UTs including all cities under these GAs, have been covered under the CGD network. In Madhya Pradesh total ten entities have been authorized for 24 GAs so far including neighbouring GA of your company.

On the regulatory front, there have been several initiatives undertaken by the Government, Ministry of Petroleum and Natural Gas (MoP&NG), Petroleum and Natural Gas Regulatory Board (PNGRB), for furthering the use of gas in India and building a robust gas-based economy. PNGRB has amended "Determination of Natural Gas Pipeline Tariff Regulations" to incorporate the regulations pertaining to Unified Tariff for Natural Gas pipelines with a mission of "One Nation, One Grid and One tariff". The reform will specially benefit the consumers located in the far-flung areas where currently the additive tariff is applicable and facilitate development of gas markets and vision of Government to increase the gas utilization in the country. However, tariff has been increased for consumers close to source like

Aavantika Gas Limited. The GOI has also announced new Natural Gas pricing regime based on the recommendations of Kirit Parikh Committee. Under new pricing system, prices will be announced monthly and link them to 10% of the international price of the Indian crude basket. Prescribed upper ceiling will provide stability in gas price.

Sustainable Alternative Towards Affordable Transportation (SATAT) is continuing to provide sustenance to producers of Biogas and its usage as an alternative fuel (similar to CNG) for transport vehicles. The government in order to promote CBG adoption has set a target to blend CBG into natural gas by 5% for city gas distribution companies by 2027. Under this initiative, a target of 5,000 CBG plants across the country by 2025 has been set.

With the supporting policies and initiatives, GOI is paving the journey towards Gas Based Economy.

COMPANY OVERVIEW

Your company is City Gas Distribution (CGD) company engaged in the business of supplying Piped Natural Gas (PNG) to domestic households, industrial and commercial customers and Compressed Natural Gas (CNG) to automotive sector. Your company is committed to supply safe, uninterrupted and environment friendly cooking fuel at the door step of domestic households, industrial and commercial customers in the form of Piped Natural Gas (PNG) as well as clean fuel to transport sector in the form of Compressed Natural Gas (CNG) at Indore, Pithampur, Ujjain and Gwalior cities of Madhya Pradesh. The usage of CNG in transport sector helps in curbing the vehicle emissions in urban area and it improves the air quality.

PHYSICAL PERFORMANCE

The financial year 2022-23 is year filled with conflicting scenario. Sharp increase in prices of natural gas owing to international geopolitical agitation had an adverse impact. However, CNG sales volume increased by 38% and PNG sales volume increased by 23% compared to previous year due to recovery from COVID impact.

During the year your company recorded sales as under:

Particulars	(in mmscm)	
	2022-23	2021-22
Compressed Natural Gas (CNG)	58.78	42.55
Piped Natural Gas (PNG)	56.52	45.85
Compressed Biogas (CBG)	1.27	-
Total	116.57	88.39
Average sales per day (mmscmd)	0.319	0.242

FINANCIAL PERFORMANCE

Your Company has achieved a Net Turnover (net of excise duty) of Rs 590.79 Crores as compared to turnover of Rs. 335.33 Crores in 2021-22 representing an increase of 76%. Gas cost increase by Rs. 268.11 Cr. (148%) that has resulted in decrease in gross margin by Rs 13.36 Cr. CNG sales volume increased by 38% and PNG sales volume increased by 23%. CBG sale volume for the year is 0.89 million kg. Total CNG+CBG sale volume is 43.18million kg i.e. 41% increase in CNG+ CBG sales volume as compared to previous year.

The Company registered Profit after Tax (PAT) & OCI of Rs. 58.96 Crores in 2022-23 as compared to Rs. 66.43 Crores in 2021-22 i.e. decrease by Rs. 7.47 Crores (11%). This decrease in profitability mainly due to increase in gas cost by Rs. 268.11 Cr.

NETWORK EXPANSION AND CAPEX

Your company is allocating substantial capital expenditure to expand operations and improve the quality of services. The total capital expenditure incurred during the period was Rs. 83.28 Crores as compared to Rs. 48.30 Cr in 2021-22. AGL is investing in building new pipelines, developing new infrastructure, digitization and upgrading existing facilities to enhance the coverage and reliability of the distribution network.

Your company has created steel pipeline network of 106kms and increased its MDPE network from 2566 kms to 2834 kms in 2022-23 to cater to industrial, commercial and domestic customers in Indore, Ujjain, Gwalior and Pithampur. Your company is also developing a robust monitoring and maintenance system to ensure the safety and reliability of the pipeline network. We are also identifying priority areas for expansion and optimizing the allocation of resources to achieve maximum impact.

Your company further augmented its CNG distribution infrastructure by adding 17 new CNG stations including one CBG station– taking the total number of stations to 100 at the end of the financial year which includes 31 online stations, 60 daughter stations and 9 Daughter Booster stations. During the year, 9500 vehicles plying on CNG were added in our geographical area.

Infrastructure:

Particulars	Indore GA including Ujjain	Gwalior GA	Total
Steel Pipeline (in kms)	75.26	30.85	106.11
MDPE Pipeline (in kms)	2060.49	774.17	2834.66
CNG stations (in number)	70	30	100

BUSINESS PERFORMANCE
a) COMPRESSED NATURAL GAS (CNG)

Compressed Natural Gas (CNG) has become the preferred transportation fuel due to its attractive value proposition and widening pan- India outlet footprint. During the year, CNG sales volume has increased by 38% over the last financial year and 17 numbers of new outlets has been added, thus taking the total no. of CNG stations to 100. As part of our ongoing commitment to creating CNG infrastructure across all GAs and bringing convenience to owners of CNG vehicles, your company has acquired land on Rau-Pithampur Road for a CNG station and construction work of two COCO stations situated in heart of the city is in the final stage. To further improve the CNG Network, an agreement has been signed with Private OMCs Reliance BP Mobility Limited and Nayara Energy Ltd.

Additionally, your organization received nine applications from parties interested in opening DODO outlets, of which three were given letters of intent (LOI) to open CNG stations in the most advantageous locations. Your company provided the compression services to other CGDs like Gujarat Gas & Rajasthan Gas and compressed the total quantity of 3.50 MMSCM and generated revenue of Rs. 2.98 Cr. Additionally, we have made every effort to increase the number of people who are interested in either changing to CNG or buying CNG vehicles and promoting the use of CNG as a “cleaner fuel” in Indore, Ujjain and Gwalior being selected as smart cities of India.

COMPRESSED BIO GAS

Sustainable Alternative Towards Affordable Transportation (SATAT) aim to establish an ecosystem for production of Compressed Bio Gas (CBG) from various waste/ biomass sources in the country. Compressed Bio Gas (CBG) produced through a process of anaerobic decomposition from various waste/biomass sources like agriculture residue, cattle dung, sugarcane press mud & spent wash of distilleries, sewage water, municipal solid waste (MSW), biodegradable fractions of industrial waste etc. CBG has calorific value and other properties similar to CNG and hence can be utilized as green renewable automotive fuel. Government of India had permitted usage of bio-compressed natural gas (bio- CNG) for motor vehicles as an alternate composition of the compressed natural gas (CNG).

Your company tied up with two Compressed Bio Gas (CBG) producers Indore Clean Energy Limited and Mahindra Waste to Energy Solution Ltd for procuring CBG. We started the CBG sales in June, 2022 and a total of 1.27 MMSCM of CBG was sold through 11 retail outlets. The newly established two COCO stations will also have Bio-CNG facility that will boost the CBG sales in the coming years. 7 Nos. of booster compressors have been installed as part of an endeavour to improve CNG pressure for more effective filling for consumers and almost 7 Daughter stations will be upgraded with the booster facility by the end of the next fiscal year.

b) PIPED NATURAL GAS
PNG- DOMESTIC CONNECTIONS

Piped natural gas (PNG) has gained traction on account of its convenience, cleanliness, safety, value proposition and anytime availability. PNG continued to be focus area of the company. Your company has added 23,552 domestic PNG customers during the financial year that lead to 14% increment in the PNG domestic sales volume from 12.08 MMSCM to 13.78 MMSCM. As on 31st March, 2023, your company is serving around 1,42,023 domestic customers and continued to increase greater coverage for domestic customer across Indore and Gwalior (GA). Company introduced self-payment facility and incentive to the customers were given if they pay their bills online. Out of the total collection, around 85% of the DPNG collection has been received through online mode. In order to create PNG awareness and increase the number of domestic customer base, your company has distributed pamphlets and stickers in the high-rise society and colonies stating the latest schemes and price parity with LPG cylinders. Your Company has customer centric approach and believes in providing best quality services to its customers. In order to improve the services to potential customers, the company upgraded the domestic registration process by switching to online approach, and discontinuation of physical registration forms.

PNG Domestic Customers:

Particulars	Customers
Indore GA including Ujjain	93,190
Gwalior GA	48,833
Total	1,42,023

PNG-INDUSTRIAL AND COMMERCIAL

Your organization kept up its focus on the Commercial & Industrial segment during the fiscal year 2022–2023 as it is one of the most potential sectors for growth in future. In spite of stiff competition from alternate fuels, like Furnace oil (FO)/ Diesel/ LPG, your company achieved impressive growth of around 93% under Commercial segment and 24% under Industrial segment sales volume during the year. The following effects of consistently putting an emphasis on growing the Commercial & Industrial customer base:

Segment	Existing Customer as on 01.04.2022	New customers added FY 2022-23	Total	Growth
Commercial	193	67	260	35%
Industrial	308	93	401	30%
Total	501	160	661	32%

Customers with the total volume of 43,170 SCMD commissioned during this financial year. It includes prestigious and largest commercial customers such as “Madhuram Sweets, JMB Fresh, Anjushree, Balaji Ventures, Shri Ganga etc” and very prominent industrial customer such as “Aakash Namkeen, Par Formulation, SRF, IPCA, Think Pharma, Ajanta Pharma, Case new Holland, Jaydeep Ispat, etc”. PNG Supply at the biggest shopping mall of the city Phoenix Citadel also get started through cascade. Your company continues to expand its network to reach various industrial and commercial units in the surrounding areas and continuously working in a collaborative and participatory approach with Madhya Pradesh Pollution Control Board (MPPCB), Collector office, Madhya Pradesh Industrial Development Corporation (MPIDC), to convert all industrial and commercial units across all GA’s.

ACHIEVEMENTS & NEW INITIATIVE

Your company has received “CGD Company of the year 2022” award from ET Energy World Annual Gas Conclave for being first city gas distribution company started blending of Hydrogen in Natural Gas as a pilot project and also for utilization of Bio Gas produced at Indore from Municipal waste as Bio CNG (CBG) for filling automotive consumer including CNG Bus of Indore Municipality.

Your company has initiated several new Digitalization projects including SAP S/4 HANA ERP Implementation, CNG station automation, IT security Audits.

Also, your company is continuously monitoring natural gas prices and adjust sourcing strategies to secure the most cost-effective supplies. We are promoting the use of CNG for commercial vehicles by offering incentives to OEMs and fleet operators while also expanding a network of CNG filling stations to cater to the increasing demand for CNG as a fuel for commercial vehicles.

Your Company has a strong customer service orientation and focuses on meeting the needs of its customers. The company provides 24/7 customer support through various channels, including phone, email, and social media etc. Customer loyalty and satisfaction are at the heart of your Company's business and essential for its long-term growth. Your Company reviews its strategies, redefines its approaches and undertakes business initiatives focused on providing better services. Your company has been continuously striving to achieve enhanced service levels to customers by extending best in class applications through leveraging latest technology and best industry practices. These applications include various Apps and Portals interfacing with employees as well as customers and vendors.

OUTLOOK

AGL strives to develop a comprehensive marketing strategy to promote the use of natural gas and expand customer reach. Through enhanced marketing initiatives and campaigns, AGL plans to attract potential customers. Your company is aggressively rolling out pipeline infrastructure to capture the untapped and future demand.

Your company is planning to invest in digital technology to improve customer experience and streamline operations. Implementation of innovative solutions like digital billing and payment systems, mobile applications, and self-service portals will reduce response time and increase customer convenience and satisfaction.

HUMAN RESOURCES

Your company believes that every employee has unique potential and strives to unlock such talent through meaningful intervention. The foundations of our HR practices have always been on “Trust” and “Integrity”, and those are part of AGL’s core value system. Nevertheless, the company’s resolution to the wellbeing of its employees become stronger and special focus has been given to strengthening the Social Security Schemes to ensure the welfare of employees’ families in the face of adversity.

Your company is deputing executives and managers to technical training /conference to enhance proficiency. During the year Eleven trainings were imparted on behavior, functional aspects to enhance existing skills. Employee welfare and engagement activities were conducted periodically. Your company organize cultural activities with family members of employees to inculcate spirit of togetherness and work life balance. AGL has a zero-tolerance policy toward any attempt to subvert the principles of inclusion embedded in its policies and practices. Also, we ensure that all contract employees and on roll employees are covered under insurance.

AGL shall also be focusing on preparing the next line of leadership and developing capabilities to realize the strategic direction that has been envisioned. Your Company is continuously exploring new business opportunities which have the potential to offer a future growth engine and substantially add to the portfolio.

INFORMATION TECHNOLOGY

Your Company in order to provide better services to its stakeholders, revamped its existing website and added latest features available on mobile. We have executed IT security Audit i.e Vulnerability Assessment and Penetration Testing (VAPT) for Mobile application and website. Development and integration of Aavantika web portal with MP Online has helped DPNG customers for hassle free form submission.

GIS

The GIS based Asset Management System will serve as a base for all the other enterprise wide applications. Your company use GIS to update network documentation process, improve customer service. GIS system would improve the safety of operations of the CGD network by utilizing the information from GIS and alert customers in case of any breakdown.

The pipeline network laid are being mapped in GIS on an ongoing basis contributing to monitoring and maintaining the pipeline network more proficiently. Data enhancement activities such as completeness of network mapping, land base updation, accuracy enhancements based on surveys etc are being undertaken as continuous endeavors. The GIS continue to provide useful information of pipeline network for regular monitoring, location, and data of asset as well for improved emergency handling.

HEALTH SAFETY AND ENVIRONMENT (HSE)

Your company has accorded the highest priority to the well-being of its people and stakeholders by adopting appropriate safety measures across all its workplaces. We actively promote safety culture in all of our operation and adhere to the principles of zero target for injuries and accidents.

We believe in meticulous Safety & Quality compliances.

- **Safety Training & Awareness Session** – Key element to minimize the risk is to know the risk and to get aware about the control measures. This year 5447 training man-hours were achieved from various trainings and awareness sessions for employees, contractors and customers. This will definitely strengthen the alertness towards safety and asset integrity.
- **Safety & Quality Inspection** –PNG and CNG equipment’s are inspected to identify non-compliances during execution phase. This year 11314 sites were inspected to identify and eliminate potential risk/hazard. Our priority is to ensure Safety & Quality compliances and to provide a safe gas distribution network throughout its life cycle.
- Biogas used in automotive has saved emission of 890 ton of greenhouse gas (methane).
- Blending of H₂ @ 2% & 5% in steel/MDPE respectively is helping in reducing CO₂ emission. AGL has used 0.42mmscm H₂ in FY 2022-23.

DIVIDEND

Based on the current year Company’s performance, the Directors are pleased to recommend for the approval of the shareholders a final dividend at a rate of @ 8.5% (Rs. 0.85 per share) on the equity share capital of the Company for the year ended March 31, 2023.

CREDIT RATING

Your company credit rating is reaffirmed for the financial year 2022-23 which is as given below:

Instrument	Rating Agency	Rating	Outlook
Long Term Debt	India Ratings	IND AA-	Stable
Short Term Debt	India Ratings	IND A1+	-

TRANSFER TO RESERVES

Your company has not proposed to transfer/ appropriated any amount to the general reserves of the company.

SHARE CAPITAL

The authorised share capital of the company as on 31st March, 2023 is Rs. 1,00,00,00,000/- (Rupees One Hundred Crores Only) consisting of 10,00,00,000 (Ten Crore) equity shares of Rs. 10/- each. The paid-up share capital of the company as on 31st March, 2023 is Rs. 59,12,23,260/- (Rupees Fifty Nine Crores Twelve Lakh Twenty Three Thousand Two Hundred and Sixty Only) consisting of 5,91,22,326 (Five Crore Ninety One Lakh Twenty Two Thousand Three Hundred and Twenty Six) equity shares of Rs. 10/- each. There was no change in authorised share capital and paid-up share capital of the company during the year under review.

Your company has appointed National Securities Depository Limited (NSDL) as a Depository and MCS Share Transfer Agent, New Delhi as a Registrar and Transfer Agent (RTA).

INTERNAL FINANCIAL CONTROLS

The Company has put in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. Such controls have been assessed during the year under review, taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls were observed. Nonetheless your company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, deployed regular audits and review processes to ensure that such systems are reinforced on an ongoing basis.

Your company has appointed M/s Apurv Kansal & Co, as Internal Auditors to review the efficiency and effectiveness of systems and procedures and ensures that the same are adequate and operating effectively.

M/s Anil Kamal Garg & Company, the statutory auditors in their report have expressed an unmodified opinion on the adequacy and effectiveness of the Company's internal financial controls over financial reporting.

DIRECTORS AND KEY MANAGERIAL PERSONNEL**BOARD OF DIRECTORS**

Mr. Anupam Mukhopadhyay (DIN: 08467649) has been appointed as an additional director of Aavantika Gas Limited w.e.f. 9th June, 2022 who shall hold office till the date of the ensuing Annual General Meeting in terms of section 161 of the Companies Act, 2013 and also appointed as a Managing Director and Key Managerial Personnel of the Company w.e.f. 9th June, 2022 for a period of three years in place of Mr. H.K. Srivastava (DIN: 07855541) ceased as a Managing Director and Key Managerial Personnel (KMP) w.e.f. 8th June, 2022.

The shareholders in the Sixteenth Annual General Meeting held on 23rd September, 2022 confirmed Mr. Anupam Mukhopadhyay (DIN: 08467649), as Director, who had been appointed as an additional director on the Board w.e.f. 9th June, 2022 and Managing Director for a period of three years and also confirmed reappointment of Mr. Gajanan Parmar (DIN: 08459668) as Whole Time Director of the company for another term of two years w.e.f. 29th May, 2022.

Mr. Gajanan Parmar (DIN: 08459668) ceased as a Whole Time Director and Key Managerial Personnel (KMP) from the Board of Directors of AGL w.e.f. 15th May, 2023 (end of the day) due to his repatriation back to HPCL.

Mr. Rajesh Jain (DIN: 10141014) has been appointed as an additional director of Aavantika Gas Limited w.e.f. 16th May, 2023 who shall hold office till the date of the ensuing Annual General Meeting in terms of section 161 of the Companies Act, 2013 and also appointed as a Whole Time Director and Key Managerial Personnel of the Company w.e.f. 16th May, 2023 for a period of three years subject to approval of shareholders in the ensuing Annual General Meeting.

Mrs. Anjana Sanjeeva (DIN: 10120546) was appointed as an additional director on the Board of Aavantika Gas Limited w.e.f. 4th May, 2023 in place of Mr. Prasoon Kumar (DIN: 08165637) who had resigned w.e.f. 3rd May, 2023.

The Board has placed on record its sincere and deep appreciation for the invaluable counsel and contributions made by Mr. Gajanan Parmar (DIN: 08459668), as a Whole Time Director and Mr. Prasoon Kumar (DIN: 08165637), nominee director GAIL in Aavantika Gas Limited.

In accordance with the provisions of section 152(6) of the Companies Act, 2013 and the Articles of Association of the company, Mr. Dilip Kumar Pattanaik (DIN: 07540032), nominee director of HPCL retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment. None of the directors are disqualified under section 164(2) from being appointed as a director of the company.

KEY MANAGERIAL PERSONNEL

Pursuant to sections 2(51) and section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following are Key Managerial Personnel of the company:

1. Mr. Anupam Mukhopadhyay - Managing Director
2. Mr. Rajesh Jain - Whole Time Director & CFO
3. Ms. Rashi Joshi - Company Secretary

Mr. Rajesh Jain (DIN: 10141014) has been appointed as Whole Time Director & CFO in place of Mr. Gajanan Parmar (DIN: 08459668).

DECLARATION BY INDEPENDENT DIRECTORS

As per Rule 4 of the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 an unlisted public Company which is a joint venture, a wholly owned subsidiary or a dormant company will not be required to appoint Independent Directors.

Thus, AGL being a joint venture of GAIL & HPCL, there is no need for appointment of Independent directors. Hence, no declarations from independent directors of the company is required under section 149(7) of the Act.

PERFORMANCE EVALUATION

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and Individual Directors, including the Chairman of the Board. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, communicating inter se board members, effective participation, effectiveness of board processes etc.

SECRETARIAL STANDARDS

The directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134 (3)(c) and 134(5) of the Companies Act, 2013, the board of directors to the best of its knowledge and ability, confirms that-

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2023, applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at 31st March, 2023 and of the profit of the company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the year ended on 31st March, 2023 on a going concern basis;
- e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year 2022-23, your company has not granted loans nor given guarantee nor made any investments covered under the provisions of section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of business. The information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure I** in Form No. AOC-2 and the same forms part of this report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

No employee was in receipt of remuneration exceeding the limits set out under section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

AUDITOR'S AND AUDITORS' REPORTS**STATUTORY AUDITORS**

M/s Anil Kamal Garg & Company., Chartered Accountants, Indore, was appointed as statutory auditors of the company for the financial year 2022-23 by Comptroller and Auditor General of India (CAG).

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Comptroller and Auditor General of India vide their letter dated 5th June, 2023 has submitted NIL comments while conducting supplement audit under section 143(6) (b) of the Companies Act, 2013 for the year ended on 31st March, 2023.

SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

The Board had appointed M/s. Ritesh Gupta & Co, Practising Company Secretary, Indore to conduct Secretarial Audit for the FY 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith as **Annexure II** to this Report. Secretarial Auditor has made observation that during the year, Company needs to appoint women director but appointment was made on 4th May, 2023.

Your Company's response to the qualifications made in the Secretarial Audit Report was as under:

In this regard, it has been clarified that Aavantika Gas Limited (AGL) is a Joint Venture Company and jointly promoted by two Maharatna CPSEs i.e. GAIL (India) Limited and Hindustan Petroleum Corporation Limited (HPCL) [JV Partners]. Both the companies are regulated and controlled by the Government of India through Ministry of Petroleum and Natural Gas. In terms of provisions of the Joint Venture Agreement, the appointment of any Director in the Board of the Company will be made by both the JV partners.

COST AUDITORS

The Board had appointed M/s. Vijay P. Joshi & Associates, Cost Accountants, Indore (Firm Registration Number: 000267) as the Cost Auditors of the company for conducting the audit of the cost records of the company for the financial year 2022-23 in terms of the provisions of section 148 of the Companies Act, 2013 read with notifications/ circulars issued by the Ministry of Corporate Affairs from time to time. The Cost Audit Report will be filed within the period stipulated under the Companies Act, 2013.

For financial year 2023-24, the Board of Directors has appointed M/s GSR & Associates, Cost Accountants (Firm Reg. No. 000069) as the cost auditors under section 148 of the Companies Act, 2013 to conduct the audit of cost records of the company and also confirmed that they are not disqualified under any of the provisions specified under section 141(3) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in a General Meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable M/s GSR & Associates, Cost Auditor is included in the notice convening the Annual General Meeting.

INTERNAL AUDITORS

The Board of Directors has appointed M/s Apurv Kansal & Co, Chartered Accountants (Firm Registration No.: 014824C), Indore as Internal Auditor for financial year 2022-23 pursuant to the provisions of the section 138 of the Companies Act, 2013 and rules made thereunder. M/s Apurv Kansal & Co, Chartered Accountants (Firm Registration No.: 014824C), Indore carried out the internal audit exercise for the financial year 2022-23 and submitted their report.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed against the company by its officers or employees to the Board under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this report.

VIGIL MECHANISM

Your company is committed to implementation of best practices of Corporate Governance and its adherence in true spirit and at all times. Towards this end, the company has a well-established Whistle blower Policy with a view to provide a mechanism for directors, employees as well as other stakeholders of the Company to raise genuine concerns about any actual or suspected ethical / legal violations or misconduct or fraud, with adequate safeguards against victimization, fear of punishment or unfair treatment. The Whistle Blower Policy lays down appropriate systems and procedures to curb opportunities for any sort of corrupt and unethical practices. The details of the Whistle Blower Policy are available on the website of the company www.aglonline.net

Further, your company has taken appropriate measure to implement the checklist as per CVC guidelines. Vigilance Officer has been appointed for all vigilance related works as per instructions of CVO. During the year an initiative to monitor the IT audit were taken to improvise the IT infrastructure and also CTE type examination was conducted by internal vigilance department vis-à-vis a regular review mechanism for inter- departmental policies. Preventive vigilance campaign was undertaken over a period of 3 month followed by Vigilance Awareness week to sensitize the employees and vendors with vigilance mechanism. Your company is in the process to implement record retention policy.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

Your company has Risk Management System in place including the Risk Policy & identification of the Risks which are reviewed periodically. The Risk Management Policy, inter alia, includes identification therein of elements of risk, including those which in the opinion of the Board may impact the Company financially. To ensure effective risk management, we have implemented a robust risk management framework that includes regular risk assessments, risk monitoring and reporting. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Our risk management policy is regularly reviewed and updated to reflect changes in our business environment and to incorporate emerging risks.

MEETINGS OF THE BOARD

Our Company recognizes that an independent, dynamic and well-informed Board is essential to ensure highest standards of Corporate Governance. The Board provides leadership, strategic guidance, objective and its independent view to the Company's management while discharging its responsibilities and ensures that the management adheres to ethics, transparency and disclosures which ultimately serves the long-term goals of all its stakeholders along with achievement of Company's objectives and sustainable profitable growth.

The Board meets at regular intervals to review and deliberate various business strategies, financial performance and to address specific needs and business requirements of the Company. In case of business exigencies, the Board's approval is taken through circular resolutions and the same are noted at the subsequent meeting of the Board and/or Committees. The Board Meetings are prescheduled and decided in advance after confirmation from the Members of the Board. Videoconferencing facility is made available to the Directors to attend the Board and Committee Meetings from a place other than the venue of the meeting in compliance with Companies Act, 2013 and Secretarial Standards.

The agenda along with comprehensive background information on the items in the agenda is circulated well in advance to the Board members as per the provisions of the Companies Act, 2013 and Secretarial Standards and in exceptional cases, tabled at the Meeting with the permission of the Chairperson and consent of majority of the Directors present in the Meeting, to enable the Board and Committee members to take informed decisions. The agenda and related information are circulated through secured electronic mode, which is accessible only to the Board members.

NUMBER OF BOARD MEETINGS AND ATTENDANCE OF EACH DIRECTOR AT BOARD MEETINGS

During the financial year eleven (11) board meetings were held – 27th April, 2022, 2nd May, 2022, 31st May, 2022, 26th July, 2022, 24th August, 2022, 26th August, 2022, 23rd September, 2022, 28th October, 2022, 22nd December, 2022, 23rd January, 2023 and 30th March, 2023.

The details of attendance of each director at the board meetings are given below:

Name of Director	No. of Board Meetings held during tenure	No. of Board Meeting Attended
Mr. Prasoan Kumar	11	11
Mr. Dilip Kumar Pattanaik	11	11
Mr. Anupam Mukhopadhyay	8	8
Mr. Gajanan Parmar	11	11
*Mr. H.K. Srivastava	3	3

*Mr. H.K. Srivastava resigned w.e.f. 8th June, 2022.

COMMITTEE
CORPORATE SOCIAL RESPONSIBILITY

Your company has a well-documented Corporate Social Responsibility (CSR) Policy, and the same is available on the website of the company www.aglonline.net.

Annual Report on CSR activities as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified on 22nd January, 2021 read with section 134(3) and 135(2) of the Companies Act, 2013 is placed at **Annexure III** to this report.

The present composition of committee is as under:

Name of Members	Category
Mr. Dilip Kumar Pattanaik	Chairman
Mr. Anupam Mukhopadhyay	Managing Director- Member
Mr. Rajesh Jain	Whole Time Director- Member

During the financial year three CSR Committee meeting were held: 26th July, 2022, 23rd September, 2022 and 24th January, 2023.

The details of attendance of each director at the CSR Committee are given below:

Name of Director	No. of Committee Meetings held during the year	No. of Committee Meeting Attended
*Mr. Prasoan Kumar	3	3
Mr. Anupam Mukhopadhyay	3	3
**Mr. Gajanan Parmar	3	3

*Mr. Prasoan Kumar ceased w.e.f. 3rd May, 2023

** Mr. Gajanan Parmar ceased w.e.f. 15th May, 2023

DISSOLUTION OF AUDIT COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE.

According to the Ministry of Corporate affairs, vide notification number G.S.R. 839(E) dated 5th July, 2017 issued the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017 inter-alia amending rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The said amended Rule 4 inter-alia provides that an unlisted public Company which is a joint venture, a wholly owned subsidiary or a dormant company will not be required to appoint Independent Directors.

It is to be further noted that Ministry of Corporate affairs vide its notification dated 13th July, 2017 also amended the provisions of Rules 6 of Companies (Meetings of Boards and its Powers) Rules, 2014 which provides that the Company covered under rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 shall constitute an 'Audit Committee' and a Nomination and Remuneration Committee of the Board.

Aavantika Gas Limited (AGL) being unlisted public company and a Joint Venture of GAIL and HPCL is not covered under Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014, thus does not require constituting an Audit Committee &

Nomination and Remuneration Committee.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Sections 92(3) and 134(3) of the Companies Act 2013 read with rules made thereunder, the copy of annual return is available on the website of the Company i.e. www.aglonline.net

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

The particulars as required under the provisions of section 134(3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo by the company during the review is given as below:

- i. The steps taken or impact on conservation of energy: NIL
- ii. Steps taken by the Company for utilizing alternate sources of energy:
 - (a) Solar panel are installed at CNG Station at Ujjain, which helps to save 24849.4 unit of electricity unit in FY 2022-23.
- iii The capital investment on energy conservation equipment: NIL

TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption are:
 - (a) Use of thermal meter for measuring of gas in I&C customers.
2. The benefits derived like product improvement, cost reduction, product development or import substitutions: NIL
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NA
 - (a) the details of technology imported; NA
 - (b) the year of import; NA
 - (c) whether the technology been fully absorbed; NA
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; NA
4. The expenditure incurred on Research and Development: Nil.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange earned and outflow by the company during the year under review, was Nil.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Women's safety at workplace is of paramount importance in your Company. Your Company has in place a policy on Prevention of Sexual Harassment of Women 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 complied with the provisions of setting up of 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. There are no complaints/ concerns received or observed pertaining to sexual harassment in your Company.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except Employees' Stock Options Plan referred to in this report.

- Neither the Managing Director nor the Whole-time Directors of the company receive any commission from company.
- The company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No material changes and commitments have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report affecting the financial position of the Company;
- The company does not have any subsidiaries, associates and joint venture companies for the year ended March 31, 2023.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

ACKNOWLEDGEMENT

We are grateful for all the guidance, support and assistance received from the Ministry of Petroleum & Natural Gas, State Government of Madhya Pradesh, Petroleum and Natural Gas Regulatory Board, Statutory & Local Authorities, promoters companies GAIL (India) Limited and Hindustan Petroleum Corporation Limited.

We thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

We wish to place on record our sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Indore, 16th August 2023

**Sd/-
Rajesh Jain
Whole Time Director
DIN: 10141014**

**Sd/-
Anupam Mukhopadhyay
Managing Director
DIN: 08467649**

ANNEXURE I
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis—

Aavantika Gas Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2022-23.

2. Details of material contracts or arrangement or transactions at arm's length basis—

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2023 are as follows:

SL. No.	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (Rs. in Crores)	Duration of transactions	Salient terms of transactions	Date of approval by the board	Amount paid in advance (Rs. in Crores)
1	GAIL (India) Limited	Gas Purchase	472,68,89,010	F.Y (2022-23)	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arm's length basis.	Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the board is not applicable.	NIL
2.	Hindustan Petroleum Corporation Limited	Gas Purchase	30,10,11,905	F.Y (2022-23)			NIL
3.	GAIL (India) Limited	Sale of Natural Gas	59,692	F.Y (2022-23)			NIL
4.	Hindustan Petroleum Corporation Limited	Sale of CNG	130,72,67,251	F.Y (2022-23)			NIL
5.	GAIL (India) Limited	Gas Transmission Charges	47,64,251	F.Y (2022-23)			NIL
6.	GAIL (India) Limited	Supply of Manpower Services	126,57,341	F.Y (2022-23)			NIL
7.	Hindustan Petroleum Corporation Limited	Supply of Manpower Services	163,11,472	F.Y (2022-23)			NIL

For and on behalf of the Board

Indore, 16th August, 2023

Sd/-
Rajesh Jain
 Whole Time Director
 (DIN: 10141014)

Sd/-
Anupam Mukhopadhyay
 Managing Director
 (DIN: 08467649)

**ANNEXURE II
FORM NO. MR-3****SECRETARIAL AUDIT REPORT****For the Financial Year ended 31st March, 2023****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
Aavantika Gas Limited,
202-B, 2nd Floor, NRK Business Park,
Vijay Nagar Square, A. B. Road,
Indore (MP)- 452010

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Aavantika Gas Limited (CIN: U40107MP2006PLC018684)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed here under 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:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) The company is an unlisted public limited company, hence the Regulations and Guidelines prescribed by the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company during the Financial Year;
- (iv) The Company has identified and confirmed the following law as being applicable specifically to the Company:
 - a) The Petroleum and Natural Gas Regulatory Board Act, 2006 and the rules made there under
 - b) Explosive Act, 1884
 - c) Gas Cylinder Rules, 2004

I have relied on the representation made by the Company and its officers for the system and processes formed by the Company to monitor and ensure compliances under the other applicable laws specifically applicable to the Company.

- (v) I have also examined compliance with the applicable clauses of the following: -
- i. Secretarial Standard-1 on Meeting of the Board of Directors and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and the change in Board of Directors during the year was duly made in accordance with the provisions of the Act and the Joint venture Agreement.

Adequate notices were given to all directors to schedule the Board Meetings and Committee Meetings. Agenda and detailed notes on agenda were sent 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.

All decisions were carried out by majority. The dissenting members views, if any, were captured and recorded as part of the minutes.

I 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.

I further report that no event occurred during the audit period having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. Except:

1. Company needs to appoint A Woman Director during the financial year but appointment was made on 04/05/2023.

In this regard company has clarified that Aavantika Gas Limited is a Joint Venture Company and jointly promoted by the Gail (India) Limited and Hindustan Petroleum Corporation Limited (JV Partners), and both the companies are regulated and controlled by the Government of India through Ministry of Petroleum and Natural Gas and in terms of provisions of the JV Agreement dated 16th November 2005, the appointment of any Director in the Board of the Company will be a made by both the JV partners.

**For Ritesh Gupta & Co.
Company Secretaries**

Sd/-

Ritesh Gupta

CP: 3764|FCS: 5200

UDIN: F005200E000563879

Date: 07.07.2023

Place: Indore

Note: This report is to be read with my letter of even date which is annexed as 'Annexure-A' and forms part of this report.

Annexure-‘A’ to the Secretarial Audit Report

To,
The Members,
Aavantika Gas Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial and other statutory records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practice 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future liability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For Ritesh Gupta & Co.
Company Secretaries

Sd/-

Ritesh Gupta

CP: 3764|FCS: 5200

UDIN: F005200E000563879

Date: 07.07.2023

Place: Indore

ANNEXURE-III

Annual Report on Corporate Social Responsibility (CSR) activities (Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 [Including any statutory modification(s) or re-enactment(s) for the time being in force])

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Your Company believes that responding to the needs of the people, benefiting communities and protecting the environment will ultimately lead to the goal of sustainable progress of the larger community. Your company recognizes that its business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interest of its stakeholders. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

A responsible business is expected to not only take care of its stakeholders but also to engage and contribute meaningfully towards improving the quality of life of the communities and environment in which it operates. AGL follows the Board approved CSR Policy which is in line with requirements of Companies Act, 2013.

2. COMPOSITION OF THE CSR COMMITTEE

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, as on 31.03.2023, the CSR Committee of the Board comprises of:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
01.	Shri Prasoon Kumar	Chairman	3	3
02.	Shri Anupam Mukhopadhyay	Managing Director	3	3
03.	Shri Gajanan Parmar	Whole Time Director	3	3

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.

(i) Web-link : www.aglonline.net

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).- NA

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

Sl. No.	Financial Year	Amount required to be setoff for the financial year, if any (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
01	Nil	Nil	Nil

6. Average net profit of the company as per section 135(5): Rs. 71,89,71,833.66

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 1,43,79,436.67

(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. 1,43,79,436.67

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 sec 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
1,43,79,437	-	-	-	-	-

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Rs. 1,43,79,437/- (Details attached at Annexure III 8 (c) as per format).

(d) Amount spent in Administrative Overheads: NIL

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 1,43,79,437/-

(g) Excess amount for set off, if any- NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

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) : NIL

(a) Date of creation or acquisition of the capital asset(s):

(b) Amount of CSR spent for creation or acquisition of capital asset:

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

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

For and on behalf of the Board

Sd/-

Anupam Mukhopadhyay
Managing Director –CSR Committee
(DIN: 08467649)

Sd/-

Dilip Kumar Pattanaik
Chairman-CSR Committee
(DIN: 07540032)

Indore, 16th August 2023

Annexure III 8-C
FY 2022-23 Expenditure List - Other than ongoing project

S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs. Lakhs)	Mode of implementation - Direct (Yes/No)	Implementing Agency	CSR Registration Number
1	Provided 5 no. of CNG garbage collection vehicle to Gwalior Municipal Corporation	Environment Sustainability	Yes	Madhya Pradesh	Gwalior	33.99	No	Gwalior Municipal Corporation	-
2	Contribution to ALIMCO for distribution of aids & appliances to beneficiaries (Divyangjans) in Dist. Indore	Promoting health care	Yes	Madhya Pradesh	Indore	29.53	No	ALIMCO	CSR00000532
3	Contribution for developmental activities of Math and other items for education of Autistic & ADHD children to Sri Sarada Math	promoting education including special education for children with special needs	Yes	Madhya Pradesh	Indore	21.13	No	Sri Sarada Math	CSR00005056
4	Contribution for installation and Commissioning of On-Grid Solar Rooftop system to Shri Guruji Seva Nyas, Indore	Environment Sustainability	Yes	Madhya Pradesh	Indore	35.90	No	Shri Guruji Seva Nyas	CSR00004483
5	Provided CNG fuelled grabage collections vechicles	Environment Sustainability	Yes	Madhya Pradesh	Ujjain	23.24	No	Ujjain Municipal corporation	-
	Total					143.79			

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S AAVANTIKA GAS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **AAVANTIKA GAS LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31st, 2023, 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 (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2023, and its 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 SAs are further described in the Auditors' 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 on the financial statements.

Key Audit Matters

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

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditors' report thereon.

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

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

Management's and Board of Directors' Responsibility for the Financial Statements

The 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 of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 purpose 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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on March 31st, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2023, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure-B”; and
- (g) With respect to the other matters to be included in the Auditors’ 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 disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note-37 to the financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) (a) The management has represented that, to the best of its 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;
- (b) The management has represented, that, to the best of its 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.
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- (v) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- (h) As required by section 143(5) of the Act, refer to our report in “Annexure-C”.
3. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore

Dated: May 3rd, 2023

Sd/-
Devendra Bansal
Partner
Membership No. : 078057
ICAI UDIN - 23078057BGUPDN5108

ANNEXURE–A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of **AAVANTIKA GAS LIMITED** on the financial statements as of and for the year ended March 31st, 2023, we report that:

- i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of its Property Plant & Equipment.
(B) The Company has maintained proper records to show full particulars of Intangible asset.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the title in respect of self constructed buildings of the company on leasehold land, other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee, recorded in the books of accounts of the Company are held in the name of the Company. In respect of Immovable Property taken on lease, the lease agreements are in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both, during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and the coverage and procedure of such verification by the management is appropriate in relation to the size of the Company and the nature of its business. It has been explained to us that no material discrepancy was noticed on physical verification of inventory by the management as compared to book records.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investment in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments, nor granted any loan, nor provided any guarantee or security, as specified under Sections 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of provisions of section 73 to 76 and the other relevant provisions of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, in our opinion, the Company is regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were in arrears as on March 31st, 2023 for a period more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of goods and services tax, provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, which have not been deposited with the appropriate authorities on account of any dispute, *except for the following*:

Name of the Statute	Nature of the Dues	Amount Involved	Amount paid Deposited as at 31 st March, 2023	Amount not Deposited as at 31 st March, 2023	Period to which the amount relates (F.Y.)	Forum where the dispute is pending
Madhya Pradesh Value Added Tax, 2002	Value Added Tax	33.18	8.29	24.89	2016-17	Deputy Commissioner of Commercial Tax, Madhya Pradesh, Indore
-do-	--do--	2.66	0.67	1.99	2017-18	Assistant Commissioner of Commercial Tax, Indore
Income-Tax Act, 1961	Income-Tax	23.89	-	23.89	2020-21	Commissioner of Income -Tax (Appeals)
Total	59.73	8.96	50.77			

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared as Wilful Defaulter by any bank or financial institution or other lender.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (d) According to the records of the Company examined by us and the information and explanation given to us, the company has not raised any funds on short-term basis.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

- (c) According to information and explanation given by management, there were no whistle blower complaints received by the company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been broadly considered by us.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and Management 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 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.
- (xx) The Company has during the year spent the amount of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Anil Kamal Garg & Company

Chartered Accountants

ICAI Firm Registration No. : 004186C

Place : Indore

Dated: May 3rd, 2023

Sd/-

Devendra Bansal

Partner

Membership No. : 078057

ICAI UDIN - 23078057BGUPDN5108

ANNEXURE–B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Referred to in Paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of the Independent Auditors’ Report of even date to the members of **AAVANTIKA GAS LIMITED** on the financial statements as of and for the year ended March 31st, 2023, we report that:

We have audited the internal financial controls with reference to financial statements of **AAVANTIKA GAS LIMITED** (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the 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 Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements 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 controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks 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 Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to the Financial Statement

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, 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.

Place : Indore

Dated : May 3rd, 2023

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No. : 004186C

Sd/-
Devendra Bansal
Partner
Membership No. : 078057
ICAI UDIN - 23078057BGUPDN5108

ANNEXURE – C TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of **AAVANTIKA GAS LIMITED** on the financial statements as of and for the year ended March 31st, 2023.

Based on the verification of records of the company and based on information and explanation given to us, we give below a report on the directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act, we report that :

1. The Company has proper system in place to process all the accounting transactions through IT System. Any transaction which is held outside the IT System is properly accounted in the IT system, as per the information provided by the Management.
2. There is no restructuring of any existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3. The company has not received any funds for specific schemes from Central/ State agencies during the year.

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No.: 004186C

Place : Indore

Dated: May 3rd, 2023

Sd/-
Devendra Bansal
Partner
Membership No.: 078057
ICAI UDIN - 23078057BGUPDN5108


COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF AAVANTIKA GAS LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of Aavantika Gas Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 03 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Aavantika Gas Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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



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

Place: Mumbai
Date: 05 June 2023

BALANCE SHEET AS AT 31ST MARCH, 2023

Amount in Rs. Lakhs

	Notes	As at 31 st March, 2023	As at 31 st March, 2022
A. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	46,957.85	42,005.27
(b) Capital Work-In-Progress	3	5,091.33	3,887.96
(c) Right of Use Asset	4	350.34	725.20
(d) Goodwill		-	-
(e) Other Intangible Assets	5	3.65	5.20
(f) Financial Assets			
- Other Non-Current Financial Assets	6	63.08	71.66
(g) Other Non-Current Assets	7	5.97	5.62
TOTAL NON-CURRENT ASSETS (1)		52,472.22	46,700.91
(2) CURRENT ASSETS			
(a) Inventories	8	158.46	113.24
(b) Financial Assets			
i) Trade Receivables	9	6,548.17	3,853.18
ii) Cash and Cash Equivalents	10	1,642.73	2,617.11
iii) Bank Balances other than Cash and Cash Equivalents	11	1,257.97	1,218.86
iv) Other Current Financial Asset	12	4.97	3.74
(c) Other Current Assets	13	1,338.57	1,692.44
TOTAL CURRENT ASSETS (2)		10,950.87	9,498.57
TOTAL ASSETS (1 + 2)		63,423.09	56,199.48
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	5,912.23	5,912.23
(b) Other Equity	15	33,029.19	27,133.10
TOTAL EQUITY		38,941.42	33,045.33
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	16	4,995.12	5,834.74
ii) Lease Liabilities	17	169.05	581.96
(b) Long-Term Provisions	18	237.60	173.48
(c) Deferred Tax Liabilities (Net)	19	4,862.38	4,913.66
(d) Other Non-Current Liabilities	20	17.35	16.21
TOTAL NON-CURRENT LIABILITIES(1)		10,281.50	11,520.05
(2) CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	21	1,758.07	1,172.04
ii) Lease Liabilities	22	68.10	99.55
iii) Trade Payables	23		
- Total outstanding dues of micro enterprises & small enterprises		62.40	66.21
- Total outstanding dues of creditors other than micro enterprises & small enterprises		2,179.52	1,448.47
iv) Other Financial Liabilities	24	9,198.83	7,655.66
(b) Other Current Liabilities	25	278.40	164.85
(c) Short-Term Provisions	26	539.78	619.14
(d) Current Tax Liabilities (Net)		115.07	408.18
TOTAL CURRENT LIABILITIES (2)		14,200.17	11,634.10
TOTAL LIABILITIES (1 + 2)		24,481.67	23,154.15
TOTAL EQUITY AND LIABILITIES		63,423.09	56,199.48

The accompanying notes are an integral part of the Financial Statements

In terms of our report of even date attached

 For Anil Kamal Garg & Company
 Chartered Accountants
 ICAI Firm Registration No. 004186C

 Sd/-
 Devendra Bansal
 Partner
 Membership No. 078057
 ICAI UDIN: 23078057BGUPDN5108

 Place: Indore
 Date : May 3rd, 2023

For and on the behalf of the Board of Directors

 Sd/-
 Anupam Mukhopadhyay
 Managing Director
 DIN : 08467649

 Sd/-
 Gajanan Parmar
 Whole Time Director &
 Chief Financial Officer
 DIN : 08459668

 Place : Indore
 Date : May 3rd, 2023

 Sd/-
 Rashi Joshi
 Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

Amount in Rs. Lakhs

	Notes	Year ended 31 st March, 2023	Year ended 31 st March, 2022
<u>INCOME</u>			
I Revenue from Operations	27	63,191.53	35,829.39
II Other Income	28	92.62	66.50
III TOTAL INCOME (I + II)		63,284.15	35,895.89
<u>EXPENSES</u>			
IV Cost of Materials Consumed	29	20,429.29	6,600.35
Purchases of Stock-In-Trade		24,497.25	11,500.71
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	30	(16.06)	(1.78)
Excise Duty		4,112.63	2,296.58
Employee Benefits Expense	31	982.44	1,036.83
Finance Costs	32	379.46	268.03
Depreciation and Amortization Expense		2,162.55	1,856.47
Other Expenses	33	3,501.94	2,853.37
TOTAL EXPENSES (IV)		56,049.50	26,410.55
V Profit before exceptional items and tax (III-IV)		7,234.65	9,485.34
VI Exceptional items		-	-
VII PROFIT BEFORE TAX (V-VI)		7,234.65	9,485.34
VIII Tax Expense:			
(1) Current Tax		1,392.61	2,160.08
(2) Deferred Tax		(51.28)	685.71
TOTAL TAX EXPENSE (VIII)		1,341.33	2,845.79
IX PROFIT FOR THE YEAR (VII-VIII)		5,893.32	6,639.55
X Other Comprehensive Income	34		
A. (i) Items that will not be reclassified subsequently to profit or loss			
(i) Remeasurement of the defined benefit plans;		3.91	4.84
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.14)	(1.41)
OTHER COMPREHENSIVE INCOME (X)		2.77	3.43
XI TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)		5,896.09	6,642.98
XII Earnings Per Equity Share	35		
Basic (₹)		9.97	11.23
Diluted (₹)		9.97	11.23

The accompanying notes are an integral part of the Financial Statements
 In terms of our report of even date attached

For Anil Kamal Garg & Company
 Chartered Accountants
 ICAI Firm Registration No. 004186C

Sd/-
 Devendra Bansal
 Partner
 Membership No. 078057
 ICAI UDIN: 23078057BGUPDN5108

Place: Indore
 Date : May 3rd, 2023

For and on the behalf of the Board of Directors

Sd/-
 Anupam Mukhopadhyay
 Managing Director
 DIN : 08467649

Sd/-
 Gajanan Parmar
 Whole Time Director &
 Chief Financial Officer
 DIN : 08459668

Sd/-
 Rashi Joshi
 Company Secretary

Place : Indore
 Date : May 3rd, 2023

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2023

Amount in Rs. Lakhs

Sno. Particulars	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
A Cash Flow From Operating Activities				
Profit before Tax		7,234.65		9,485.34
<u>Adjustments for :</u>				
Depreciation and Amortization Expense	2,162.55		1,856.47	
Finance Costs	364.64		236.22	
Interest on Lease Liability	14.83		6.52	
Provision for Doubtful Debts	-		138.48	
Provision for Doubtful Debts written back	(2.55)		-	
Interest Income	(84.14)		(65.76)	
Loss on Assets Discarded	49.50		42.73	
Gain on Termination of Lease Land	(18.42)	2,486.41	-	2,214.66
Operating Cash Profit before Working Capital Changes		9,721.06		11,700.00
<u>Net change in:</u>				
Inventories	(31.02)		(13.05)	
Trade Receivables	(2,692.44)		(1,365.48)	
Other Current Financial Asset	(1.23)		2.76	
Other Current Assets	354.89		(525.53)	
Trade Payables	727.23		454.76	
Other Financial Liabilities	1,543.17		1,391.42	
Other Current Liabilities	113.56		488.47	
Short Term Provisions	(79.37)		125.94	
Current Tax Liabilities	(290.34)	(355.55)	(382.05)	177.24
Cash generated from Operations		9,365.51		11,877.24
Direct Taxes Paid		(1,392.61)		(1,764.11)
Net Cash generated from/ (used in) Operating Activities		7,972.90		10,113.13
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchases of Fixed Assets (Includes CWIP)		(8,294.83)		(4,501.42)
Fixed Deposits in Banks		(46.39)		611.26
Movement in other Non-Current Financial Assets		8.57		(10.59)
Other Non-Current Assets		(0.35)		(0.48)
Interest Income		84.14		68.52
Net Cash generated from/ (used in) Investing Activities		(8,248.86)		(3,832.71)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Long-Term Loan raised		1,487.91		523.48
Principal Repayment of Term Loan		(1,741.51)		(3,636.83)
Movement in Long-Term Provisions		64.12		40.80
Movement in Other Non-Current Liabilities		1.14		1.07
Payment of Lease Liabilities		(152.72)		(65.67)
Dividend Paid		-		(916.40)
Finance Costs		(364.64)		(448.98)
Net Cash generated from/ (used in) Financing Activities		(705.70)		(4,502.53)
NET CHANGE IN CASH AND CASH EQUIVALENTS [A+B+C]		(981.66)		1,777.89
Cash and cash equivalents at the beginning of the year		1,983.31		205.42
Cash and cash equivalents at the end of the year		1,001.65		1,983.31
Components of cash and cash equivalents as at the year end :				
Balance with Banks in Current Accounts		991.43		1,958.48
Cash on Hand		10.22		24.83
		1,001.65		1,983.31

 For Anil Kamal Garg & Company
 Chartered Accountants
 ICAI Firm Registration No. 004186C

 Sd/-
 Devendra Bansal
 Partner
 Membership No. 078057
 ICAI UDIN: 23078057BGUPDN5108

 Place: Indore
 Date : May 3rd, 2023

For and on the behalf of the Board of Directors

 Sd/-
 Anupam Mukhopadhyay
 Managing Director
 DIN : 08467649

 Sd/-
 Gajanan Parmar
 Whole Time Director &
 Chief Financial Officer
 DIN : 08459668

 Place : Indore
 Date : May 3rd, 2023

 Sd/-
 Rashi Joshi
 Company Secretary

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES****1) Basis of preparation of financial statements:**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31 March 2023, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31 March 2023, and accounting policies and other explanatory information (together hereinafter referred to as 'the Financial Statements').

2) Presentation of Financial Statements

Financial statement includes following:

- 1 Balance sheet
- 2 Statement of Profit and Loss
- 3 Statement of Changes in Equity
- 4 Statement of Cash flow

3) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Revised Schedule III to the Companies Act, 2013.

4) Classification of Financial and Non-Financial Assets:

All assets and liabilities are classified as Financial and Non-Financial as per IND AS 32.

Financial asset is any assets that is:

- (a) Cash
- (b) An Equity instrument of another entity
- (c) A contractual right:
 - (i) To receive cash or another financial asset from another entity; or
 - (ii) To exchange financial assets or financial liabilities with another entity under condition that are potentially favour to the entity; or
- (d) A contract that will or may be settled in the entity's own equity instruments and is:
 - (i) A non-derivative for which the entity is or may be obliged to receive variable number of the entity's own equity instruments; or
 - (ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments do not include puttable financial instruments classified as equity instruments, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

Financial liability is any liability that is:

- (a) A contractual obligation
 - (i) To deliver cash or another financial asset to another entity; or
 - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is :
 - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

5) Property, Plant and Equipment [PPE] :

- a) Property, Plant and Equipment are stated at their original cost of acquisition/installation (Net of Modvat/Cenvat), net of accumulated depreciation, amortization and impairment losses.
- b) The residual values and useful lives of property, plant and equipment are considered as specified in the Schedule-II of Companies Act 2013 and are reviewed at each financial year end and changes, if any, are accounted prospectively.
- c) Capital work in progress: Expenditure during construction period (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses, pending allocation to the assets and are included under "Capital Work in Progress". These are apportioned to fixed assets on commencement of commercial production.
- d) Borrowing cost directly attributable to the acquisition, construction of qualifying assets, which are the asset that necessarily takes a substantial period of time to get ready for the intended use or sale, are added to the cost of asset, until such time as assets are substantially ready for the intended use or sale.
- e) Physical verification of the assets are carried out at the interval of three years to ensure that the asset are secured and properly maintained.

6) Lease :

The company as a Lessee

At the inception of the contract, the Company assesses whether a contract is, or contain, a lease. 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 :

The contract involves the use of an identified asset.

The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of lease, and The Company has right to direct the use of the asset.

At the date of commencement of the lease, the company recognises a Right of Use Asset (ROU) and a corresponding lease liability for all the lease arrangements which it is a lessee, except for the leases with a term of twelve months or less (short-term lease) and low value lease. For short term and low value lease, the company recognises the lease payment as an operating expense.

The Right of Use Assets (ROU) are initially recognised at cost, which comprises the initial amount of lease liability adjusted for any lease payment made at or prior to commencement date of the lease plus any initial direct cost less any incentive. They are subsequently measured at cost less accumulated depreciation and impairment loss, if any.

ROU are depreciated/amortised from the commencement date on a straight line basis over the lease term.

Lease liability is initially measured at the amortised cost at present value of the future lease payments. Lease payment are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liability are remeasured with corresponding adjustment to related ROU asset if company changes its assessment whether it exercises an extension or termination of lease.

7) Depreciation:

As per INDAS 16, Useful Life is either "The period over which an asset is expected to be available for use by an entity" or "the number of production or similar units expected to be obtained from the asset by an entity". Depreciation on Property, Plant & Equipment is provided on straight line method on day basis over the useful life of the asset as prescribed in Schedule-II of the Companies Act, 2013 . Depreciation is charged on the non removable assets created on lease hold assets have been amortized over the lease period or economic useful life of assets, whichever is lower.

8) Inventories:

Each component of Inventories are being consistently valued, from year to year, at cost computed on First in First Out (FIFO) basis or Net Realizable value whichever is lower in accordance with para 9 of INDAS 2.

Value of surplus, obsolete and slow moving stores and spares, if any, is reduced to net realizable value. Surplus items when transferred from completed projects are valued at cost/estimated realizable value, pending periodic assessment/ascertainment of condition.

Although, in the financial statements for the year ended on 31st March, 2022, the method of valuation of inventories for each of the components has got, inadvertently, stated as valued at cost computed on First in First Out (FIFO) Basis, but, factually, each component of Inventories have been valued at cost computed on First in First Out (FIFO) basis or Net Realizable value whichever is lower in accordance with para 9 of INDAS 2 for such financial year.

9) Security Deposit:

Security deposit are classified as Long term deposit or Payable on demand as per INDAS 109.

Security deposit which is classified as long term are valued at fair value and rest of amount transferred into Prepaid expenses and will be write off over the remaining period of security deposit. Security Deposit which is payable on demand has been considered at cost.

10) Provisions:

Provisions are recognized on the basis of present obligation because of past events and it is probable that outflow of resources will be required to settle the obligation in respect of which a reliable estimate is made. Provision for Gratuity and Leave Encashment has been made on the basis of Actuarial Valuation and the impact of changes has been given in other comprehensive income as stipulated in INDAS 1.

11) Income taxes:

Tax expense comprises of current and deferred tax and minimum alternate tax as per INDAS.

- a) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. As per INDAS 12, Tax expenses is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax and MAT is a type of tax hence included in Tax Expenses.
- b) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reason by certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized against future taxable profits.
- c) At each balance sheet date the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

12) Revenue Recognition

Revenue from contract with the customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expect to be entitled in exchange for those goods or services. is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is measured at the fair value of the consideration received or receivable, after considering expected credit losses if any, including excise duty and excluding VAT, net of returns and allowances, trade discounts and volume rebates.

13) Borrowing Cost

Borrowing cost are interest and other costs that the Company incurs in connection with borrowing of funds. Interest Expenses are calculated using the effective interest method as described in INDAS 109. Term Loan are being shown at fair value calculated on the basis of effective interest rate as on balance sheet date and the corresponding impact has been provided into profit and loss account.

14) Cash and Cash Equivalent

A financial asset is treated as cash and cash equivalent only when it has a short maturity of three months or less from the date of acquisition. Fixed Deposits having maturity within 3-12 months have been considered under other bank balances.

15) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

16) Employee Benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment. Any Changes being made in defined benefit plan due to remeasurement, impact of the same has been provided into other comprehensive income.

17) Contingent Liabilities

Contingent liabilities are considered only for items exceeding ₹ 5 Lakhs in each case. Contingent Liabilities in respect of show cause notices are considered only when converted into demands. Capital Commitments are considered only for items exceeding ₹ 1 Lakh in each case.

Statement of Changes in Equity for the year ended 31st March 2023
A. Equity Share Capital
(1) Current reporting period

Amount in Rs. Lakhs

Balance as at 1 st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April, 2022	Changes in Equity Share Capital during F.Y. 2022-23	Balance as at 31 st March, 2023
5,912.23	-	5,912.23	-	5,912.23

(2) Previous reporting period

Amount in Rs. Lakhs

Balance as at 1 st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 st April, 2021	Changes in Equity Share Capital during F.Y. 2021-22	Balance as at 31 st March, 2022
5,912.23	-	5,912.23	-	5,912.23

B. Other Equity
(1) Current reporting period

Amount in Rs. Lakhs

Particulars	Reserve and Surplus		Total
	Securities Premium	Retained Earnings	
Balance at the beginning of reporting period as at 1 st April, 2022	4,088.22	23,044.88	27,133.10
Changes in Accounting Policies/Prior Period Errors	-	-	-
Restated balance at the beginning of reporting period as at 1st April, 2022	4,088.22	23,044.88	27,133.10
Profit for the financial year 2022-23	-	5,893.32	5,893.32
Other comprehensive income for the financial year 2022-23	-	2.77	2.77
	-	5,896.09	5,896.09
Balance at the end of reporting period as at 31st March, 2023	4,088.22	28,940.97	33,029.19

(2) Previous reporting period

Amount in Rs. Lakhs

Particulars	Reserve and Surplus		Total
	Securities Premium	Retained Earnings	
Balance at the beginning of reporting period as at 1 st April, 2021	4,088.22	16,401.89	20,490.11
Changes in Accounting Policies/Prior Period Errors	-	-	-
Restated balance at the beginning of reporting period as at 1st April, 2021	4,088.22	16,401.89	20,490.11
Profit for the financial year 2021-22	-	6,639.55	6,639.55
Other comprehensive income for the financial year 2021-22	-	3.43	3.43
	-	6,642.98	6,642.98
Balance at the end of reporting period as at 31st March, 2022	4,088.22	23,044.87	27,133.09

NOTE - 2 - PROPERTY, PLANT AND EQUIPMENT

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As at 1-4-2022	Additions	Disposals	As at 31-3-2023	As at 1-4-2022	For the year	Disposals	As at 31-3-2023	As at 31-3-2023	As at 31-3-2022
1	Freehold Land	-	-	-	-	-	-	-	-	-	-
2	Buildings	1,346.98	-	-	1,346.98	344.51	46.68	-	391.19	955.79	1,002.47
3	Plant and Equipments	44,937.88	5,715.08	56.89	50,596.07	7,157.67	1,747.02	6.76	8,897.93	41,698.14	37,780.21
4	Domestic Meters and Regulators	2,107.00	770.81	18.72	2,859.09	324.04	146.34	4.13	466.25	2,392.84	1,782.96
5	Gas Cylinders including Valves & Regulators	1,379.95	547.90	-	1,927.85	172.23	113.34	-	285.57	1,642.29	1,207.72
6	Electrical and Other Equipments	311.29	67.40	-	378.69	189.64	25.72	-	215.36	163.34	121.65
7	Furniture and Fixtures	172.71	18.14	-	190.85	85.50	13.90	-	99.39	91.46	87.22
8	Computer Systems	77.03	2.48	-	79.51	54.00	11.52	-	65.52	13.99	23.03
	TOTAL	50,332.85	7,121.81	75.61	57,379.05	8,327.59	2,104.51	10.89	10,421.21	46,957.85	42,005.27

Notes:

- Entire moveable assets, both present and future, such as mother stations, daughter booster systems, online stations, district regulatory stations, steel grid pipelines of various measurement, MDP pipe network are mortgaged in favour of secured lenders against the sanctioned credits [Refer Note 16 & 21].
- The Company has neither acquired any Property, Plant and Equipment through business combinations nor revalued any of its Properties, Plants and Equipments either during F.Y. 2022-23 or during F.Y. 2021-22.
- Nil amount of impairment loss is recognised during the current and comparative period.
- Nil amount of depreciation has been allocated to Capital Work-in-Progress during the current and comparative period.

NOTE - 2.1 - PROPERTY, PLANT AND EQUIPMENT

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As at 1-4-2021	Additions	Disposals	As at 31-3-2022	As at 1-4-2021	For the year	Disposals	As at 31-3-2022	As at 31-3-2022	As at 31-3-2021
1	Freehold Land	-	-	-	-	-	-	-	-	-	-
2	Buildings	1,346.98	-	-	1,346.98	297.78	46.73	-	344.51	1,002.47	1,049.20
3	Plant and Equipments	40,965.70	4,018.24	46.06	44,937.88	5,616.84	1,545.58	4.75	7,157.67	37,780.21	35,348.86
4	Domestic Meters and Regulators	1,569.12	557.99	20.10	2,107.01	224.51	103.72	4.19	324.04	1,782.97	1,344.61
5	Gas Cylinders including Valves & Regulators	858.65	521.30	-	1,379.95	110.92	61.31	-	172.23	1,207.72	747.73
6	Electrical and Other Equipments	291.61	19.69	-	311.30	164.92	24.72	-	189.64	121.66	126.69
7	Furniture and Fixtures	156.64	16.08	-	172.72	70.34	15.16	-	85.50	87.22	86.30
8	Computer Systems	62.91	14.12	-	77.03	41.19	12.81	-	54.00	23.03	21.72
	TOTAL	45,251.61	5,147.42	66.16	50,332.87	6,526.50	1,810.03	8.94	8,327.59	42,005.28	38,725.11

NOTE - 3 - CAPITAL WORK-IN-PROGRESS

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As at 1-4-2022	Additions	Transferred	As at 31-3-2023	As at 1-4-2022	For the year	Disposals	As at 31-3-2023	As at 31-3-2023	As at 31-3-2022
1	Capital Work-In-Progress	3,887.96	8,328.20	7,124.83	5,091.33	-	-	-	-	5,091.33	3,887.96
	TOTAL	3,887.96	8,328.20	7,124.83	5,091.33	-	-	-	-	5,091.33	3,887.96

Note:

- There are no Capital Work-In-Progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as at 31st March, 2023 or 31st March, 2022.

NOTE - 3.1 - CWIP Ageing Schedule as at 31st March, 2023

Amount in Rs. Lakhs

S NO.	PARTICULARS	Amount in CWIP for a period of				TOTAL
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	Projects in Progress	4,326.24	335.78	120.52	308.79	5,091.33
2	Projects temporarily suspended	-	-	-	-	-
	TOTAL	4,326.24	335.78	120.52	308.79	5,091.33

NOTE - 3.2 - CAPITAL WORK-IN-PROGRESS

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As at 1-4-2021	Additions	Transfer/ Disposals	As at 31-3-2022	As at 1-4-2021	For the year	Dis-posals	As at 31-3-2022	As at 31-3-2022	As at 31-3-2021
1	Capital Work-In-Progress	4,207.56	6,677.68	6,997.28	3,887.96	-	-	-	-	3,887.96	4,207.56
	TOTAL	4,207.56	6,677.68	6,997.28	3,887.96	-	-	-	-	3,887.96	4,207.56

NOTE - 3.3 - CWIP Ageing Schedule as at 31st March, 2022

Amount in Rs. Lakhs

S NO.	PARTICULARS	Amount in CWIP for a period of				TOTAL
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	Projects in Progress	2,377.84	742.51	450.84	316.77	3,887.96
2	Projects temporarily suspended	-	-	-	-	-
	TOTAL	2,377.84	742.51	450.84	316.77	3,887.96

NOTE - 4 - RIGHT OF USE ASSETS

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION					NET CARRYING AMOUNT	
		As at 1-4-2022	Additions	Disposals	As at 31-3-2023	As at 1-4-2022	For the year		Dis-posals	As at 31-3-2023	As at 31-3-2023	As at 31-3-2022
							Charged to Statement of Profit and Loss	Transferred to CWIP				
1	For Office	107.48	1.34	-	108.82	41.33	33.48	-	-	74.81	34.00	66.14
2	For Warehouse	178.16	-	-	178.16	7.42	-	29.69	-	37.11	141.05	170.74
3	For Mother Stations	114.29	101.37	-	215.66	36.18	4.19	-	-	40.37	175.29	78.11
4	For LNG Stations	412.47	-	412.47	-	2.25	15.78	-	18.03	-	-	410.21
	TOTAL	812.39	102.71	412.47	502.63	87.19	53.45	29.69	18.03	152.29	350.34	725.20

Notes:

- 1 Lease Deeds of all the immovable properties included in Right-of-Use Assets are held in the name of the Company.
- 2 Nil amount of borrowing costs is capitalised during the current and comparative period.
- 3 Nil amount of impairment loss is recognised during the current and comparative period.

NOTE - 4.1 - RIGHT OF USE ASSETS

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION					NET CARRYING AMOUNT	
		As at 1-4-2021	Additions	Disposals	As at 31-3-2022	As at 1-4-2021	For the year		Dis-posals	As at 31-3-2022	As at 31-3-2022	As at 31-3-2021
							Charged to Statement of Profit and Loss	Transferred to CWIP				
1	For Office	77.39	85.33	55.24	107.48	62.36	34.22	-	55.24	41.34	66.14	15.03
2	For Warehouse	70.96	178.16	70.96	178.16	51.61	-	26.78	70.96	7.43	170.73	19.35
3	For Mother Stations	114.29	-	-	114.29	32.37	3.81	-	-	36.18	78.11	81.92
4	For LNG Stations	-	412.47	-	412.47	-	2.25	-	-	2.25	410.22	-
	TOTAL	262.63	675.96	126.20	812.39	146.33	40.28	26.78	126.20	87.19	725.20	116.30

NOTE - 5 - OTHER INTANGIBLE ASSETS

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/ AMORTISATION				NET CARRYING AMOUNT	
		As at 1-4-2022	Additions	Transfer/ Disposals	As at 31-3-2023	As at 1-4-2022	For the year	Dis-posals	As at 31-3-2023	As at 31-3-2023	As at 31-3-2022
1	Computer Software	61.17	3.05	-	64.22	55.97	4.60	-	60.57	3.65	5.20
	TOTAL	61.17	3.05	-	64.22	55.97	4.60	-	60.57	3.65	5.20

Notes: 1 The Company has neither acquired any Intangible Assets through business combinations nor revalued any of its Intangible Assets either during F.Y. 2022-23 or during F.Y. 2021-22.

2 The company is not having any Intangible Assets which are under development.

3 Nil amount of borrowing costs is capitalised during the current and comparative period.

4 Nil amount of impairment loss is recognised during the current and comparative period.

5 Nil amount of depreciation has been allocated to Capital Work-in-Progress during the current and comparative period.

NOTE - 5.1 - OTHER INTANGIBLE ASSETS

Amount in Rs. Lakhs

S NO.	PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION				NET CARRYING AMOUNT	
		As at 1-4-2021	Additions	Disposals	As at 31-3-2022	As at 1-4-2021	For the year	Dis-posals	As at 31-3-2022	As at 31-3-2022	As at 31-3-2021
1	Computer Software	59.21	1.96	-	61.17	49.80	6.16	-	55.97	5.20	9.40
	TOTAL	59.21	1.96	-	61.17	49.80	6.16	-	55.97	5.20	9.40

NOTE - 6 - OTHER NON-CURRENT FINANCIAL ASSETS

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Security Deposits [Unsecured, considered good]	61.59	58.13
Fixed Bank Deposits with More than 12 Months Maturity	1.49	13.53
TOTAL	63.08	71.66

NOTE - 7 - OTHER NON-CURRENT ASSETS

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Capital Advances	-	-
<u>Advances other than Capital Advances</u>		
Security Deposits	5.97	5.62
TOTAL	5.97	5.62

NOTE - 8 - INVENTORIES

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Raw Materials	48.75	32.25
Finished Goods	30.09	11.77
Stores and Spares	79.62	69.22
TOTAL	158.46	113.24

Notes : 1 Amount of inventories recognized as an expense have been disclosed in Notes 29, 30 & 33.

2 Each component of Inventories are valued at cost computed on First in First Out (FIFO) basis or Net Realizable Value, whichever is lower.

Value of surplus, obsolete and slow moving stores and spares, if any, is reduced to net realized value. Surplus items when transferred from completed projects are valued at cost/estimated realizable value, pending periodic assessment/ascertainment of condition.

NOTE - 9 - CURRENT TRADE RECEIVABLES

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Secured, considered good	-	-
Unsecured, considered good	6,548.17	3,853.18
Trade Receivables which have significant increase in Credit Risk	284.68	287.24
Less: Impairment for trade receivables	(284.68)	(287.24)
Trade Receivables - Credit Impaired	-	-
TOTAL	6,548.17	3,853.18

Notes :

- For details of Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member, refer Related Parties Transaction in Note 43.
- The Allowance for Doubtful Debts has been made on the basis of expected credit loss as per the judgment of the management.

NOTE - 9.1 - Current Trade Receivables Ageing Schedule as at 31st March, 2023

Amount in Rs. Lakhs

S no.	Particulars	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	Undisputed Trade receivables – considered good	5,407.47	249.24	321.20	174.82	187.05	6,339.78
2	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
4	Disputed Trade Receivables – considered good	-	35.26	171.35	1.80	-	208.41
5	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	284.68	284.68
	Less: Allowance for Doubtful Debts	-	-	-	-	(284.68)	(284.68)
6	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	TOTAL	5,407.47	284.50	492.55	176.62	187.05	6,548.19

NOTE - 9.2 - Current Trade Receivables Ageing Schedule as at 31st March, 2022

Amount in Rs. Lakhs

S no.	Particulars	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	Undisputed Trade receivables – considered good	2,898.27	344.91	379.94	-	-	3,623.12
2	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
4	Disputed Trade Receivables – considered good	227.57	0.70	1.80	-	-	230.07
5	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	5.35	281.89	287.24
	Less: Allowance for Doubtful Debts	-	-	-	(5.35)	(281.89)	(287.24)
6	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	TOTAL	3,125.84	345.61	381.74	-	-	3,853.19

NOTE - 10 - CASH AND CASH EQUIVALENTS

Amount in Rs. Lakhs

Particulars	Amount in Rs. Lakhs	
	As at 31 st March, 2023	As at 31 st March, 2022
Balances with Banks in Current Accounts	991.43	1,958.47
Fixed Bank Deposits - Maturity with Less than 3 months	641.08	633.81
Cash on Hand	10.22	24.83
TOTAL	1,642.73	2,617.11

NOTE - 11 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Amount in Rs. Lakhs

Particulars	Amount in Rs. Lakhs	
	As at 31 st March, 2023	As at 31 st March, 2022
Fixed Bank Deposits - Maturity with 3 months or more and up to 12 months	1,257.97	1,218.86
TOTAL	1,257.97	1,218.86

NOTE - 12 - OTHER CURRENT FINANCIAL ASSETS

[Unsecured, considered good]

Amount in Rs. Lakhs

Particulars	Amount in Rs. Lakhs	
	As at 31 st March, 2023	As at 31 st March, 2022
Interest Accrued on Fixed Bank Deposits	4.97	3.74
TOTAL	4.97	3.74

NOTE - 13 - OTHER CURRENT ASSETS

[Unsecured, considered good]

Amount in Rs. Lakhs

Particulars	Amount in Rs. Lakhs	
	As at 31 st March, 2023	As at 31 st March, 2022
A Capital Advances	14.48	-
B. <u>Advances other than Capital Advances</u>		
Advance to related parties	-	-
Advance to Suppliers	67.35	-
Advance to Employees	3.47	4.30
C. <u>Others</u>		
Balances with Statutory Authorities	70.58	57.00
MAT Credit Entitlements	1,091.44	1,566.59
Prepaid Expenses	90.24	64.56
Assets discarded held for disposal	1.01	-
TOTAL	1,338.57	1,692.44

NOTE - 14 - EQUITY SHARE CAPITAL
A. Authorised and Paid-up Share Capital

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
AUTHORISED				
Equity Shares of ₹ 10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
ISSUED, SUBSCRIBED AND FULLY PAID-UP				
Equity Shares of ₹ 10/- each	5,91,22,326	5,912.23	5,91,22,326	5,912.23
TOTAL	5,91,22,326	5,912.23	5,91,22,326	5,912.23

B. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	5,91,22,326	5,912.23	5,91,22,326	5,912.23
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,91,22,326	5,912.23	5,91,22,326	5,912.23

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Amount in Rs. Lakhs

Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
GAIL (India) Limited	2,95,57,038	49.99	2,95,57,038	49.99
Hindustan Petroleum Corporation Limited	2,95,57,038	49.99	2,95,57,038	49.99

D. Details of shares held by Promoters as defined in the Companies Act, 2013 as at 31st March, 2023 and as at 31st March, 2022

Amount in Rs. Lakhs

Name of the Promoter	As at 31 st March, 2023		As at 31 st March, 2022		% Change during the year
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares	
GAIL (India) Limited	2,95,57,038	49.99%	2,95,57,038	49.99%	-
Hindustan Petroleum Corporation Ltd.	2,95,57,038	49.99%	2,95,57,038	49.99%	-
Total	5,91,14,076	99.98%	5,91,14,076	99.98%	-

E. Details of shares held by Promoters as defined in the Companies Act, 2013 as at 31st March, 2022 and as at 31st March, 2021

Amount in Rs. Lakhs

Name of the Promoter	As at 31 st March, 2022		As at 31 st March, 2021		% Change during the year
	No. of Shares held	% of Total Shares	No. of Shares held	% of Total Shares	
GAIL (India) Limited	2,95,57,038	49.99%	2,95,57,038	49.99%	-
Hindustan Petroleum Corporation Ltd.	2,95,57,038	49.99%	2,95,57,038	49.99%	-
Total	5,91,14,076	99.98%	5,91,14,076	99.98%	-

F. Rights, Preferences and restrictions attached to Equity Shares

The Company has issued only one class of equity shares having face value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

G. Allotment of Bonus Shares/Buy Back of shares

There are no shares allotted as fully paid up by way of bonus shares or allotted as fully paid up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date. There are no securities which are convertible into equity shares.

NOTE - 15 - OTHER EQUITY

Amount in Rs. Lakhs

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Securities Premium	4,088.22	4,088.22
Retained Earnings	28,940.97	23,044.88
TOTAL	33,029.19	27,133.10

Note-15.1- Nature and purposes of Reserves
a) Securities Premium

The amount received in excess of face value of the equity shares is recognized in Securities Premium. The amount of securities premium can be utilized only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

The details of movement in Securities Premium during the year is as below:

Amount in Rs. Lakhs

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Opening Balance	4,088.22	4,088.22
Add: Premium on issue of Equity Shares	-	-
	4,088.22	4,088.22
Less: Utilized during the year	-	-
Closing Balance	4,088.22	4,088.22

(b) Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

The details of movement in Retained Earnings during the year is as below:

Amount in Rs. Lakhs

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Opening Balance as per the last financial statement	23,044.88	16,401.89
Add: Profit for the year	5,893.32	6,639.55
	28,938.20	23,041.45
Add: Other Comprehensive Income for the year	2.77	3.43
Closing Balance	28,940.97	23,044.88

NOTE - 16 - NON-CURRENT BORROWINGS

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Non Current	Current	Non Current	Current
Term Loans				
<u>Secured</u>				
From Banks	4,995.12	1,758.07	5,834.74	1,172.04
TOTAL	4,995.12	1,758.07	5,834.74	1,172.04

Notes:

1 The Current portion of the Borrowings represent the principal amount of loan, which is repayable in next twelve months and has been classified under Note 21 'Short Term Borrowings'.

Note - 16.1 - Nature of security, terms of repayment and details of guarantee given for Long Term Secured Borrowings

Sno.	Nature of Security	Terms of Repayment
1	Sanctioned Term Loan of Rs. 7300.00 Lakhs from HDFC Bank Ltd. [Actual Disbursement of Rs. 7032.26 Lakhs during F.Y. 2022-23] <u>Primary Security</u> First charge on entire block of fixed assets (moveable assets) both present and future such as mother stations, daughter booster systems, online station, district regulatory stations, steel grid pipelines of various measurement, MDP pipe network, on pari passu basis with other lenders.	Repayable in 16 quarterly installments of Rs. 439.52 Lakhs commencing from June, 2022. Last installment due in March, 2026. Effective rate of Interest of 5.54% p.a. on the date of draw down linked to 3 month T-Bill [P.Y. Nil] [Total Outstanding Rs. 5274.19 Lakhs (Previous year Rs. Nil) out of which Rs. 1758.07 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]

	<u>Secondary Security</u> Second charge on the current assets (including books debts) of the company on pari passu basis with other lenders.	
2	Sanctioned Draw down facility of Rs.150 crores from HDFC Bank Ltd. [Actual Disbursement of Rs. 1487.90 Lakhs during F.Y. 2022-23] <u>Primary Security</u> First charge on entire block of fixed assets (moveable assets) both present and future such as mother stations, daughter booster systems, online station, district regulatory stations, steel grid pipelines of various measurement, MDP pipe network, on pari passu basis with other lenders. <u>Secondary Security</u> Second charge on the current assets (including books debts) of the company on pari passu basis with the lenders.	Repayment not yet started, as the moratorium period is of two years. Thereafter, repayable in 12 quarterly installments, prorated as per actual disbursement. Effective rate of Interest of 5.69% p.a. on the date of first draw down linked to 3 month T-Bill (Spread to be fixed on the date of first draw down), resettable every quarter [P.Y. Nil] [Total Outstanding Rs. 1487.90 Lakhs (Previous year ₹ Nil)]
3	Sanctioned Term Loan of Rs. 125crores from Federal Bank Ltd. <u>Primary Security</u> First charge on the entire block of the fixed assets (Moveable and immovable) both present and future such as mother stations, daughter booster systems, online stations, district regulatory stations, steel grid pipeline of various measurement, MDP pipe network on pari passu basis with other lenders with margin of 20% <u>Collateral Security</u> Second charge on the current assets (including books debts) of the company on pari passu basis with other lenders.	Repayable in 28 quarterly installments commencing after moratorium period of 2 years. Effective rate of Interest of 6.92% p.a. on the date of sanction linked to 12 month T-Bill. [Total Outstanding Rs. Nil (Previous year Rs. 7006.78 Lakhs) out of which Rs. Nil (Previous year Rs. 1172.04 Lakhs) taken to current maturities of long term debts] The entire loan has been taken over by HDFC Bank Ltd. during the financial year 2022-23.

NOTE - 17 - NON-CURRENT LEASE LIABILITIES

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023		As at 31 st March, 2022	
	Non Current	Current	Non Current	Current
For Office	4.19	33.12	34.67	34.77
For Warehouse	108.05	31.32	132.94	31.32
For Mother stations	56.81	3.65	31.51	2.46
For LNG Station	-	-	382.83	31.01
TOTAL	169.05	68.09	581.96	99.56

Notes:

- The Current portion of the Lease Liabilities represent the Lease Rental which is payable in next twelve months and has been classified under Note 22 'Current Lease Liabilities'.

NOTE - 18 - LONG-TERM PROVISIONS

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
For Gratuity	80.00	67.01
For Leave Encashment	157.60	106.47
TOTAL	237.60	173.48

NOTE - 19 - DEFERRED TAX LIABILITIES (NET)

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Deferred Tax Liabilities on account of taxable temporary differences:		
At the beginning of the year	4,913.66	4,227.95
Add : (Reversed)/Provided during the year	(51.28)	685.71
TOTAL	4,862.38	4,913.66

NOTE 19.1 - Component of Deferred Tax Liabilities for the year ended 31st March, 2023

Amount in Rs. Lakhs

Particulars	As at 1 st April, 2022	Charge/(Credit) to Statement of Profit and Loss	As at 31 st March, 2023
A. <u>Deferred Tax Liabilities in relation to :</u>			
Depreciation	4,967.38	1.74	4,969
Right-of-Use Asset	-	88.17	88
(A)	4,967.38	89.91	5,057.29
B. <u>Deferred Tax Assets in relation to :</u>			
Retirement Benefits	53.72	9.85	63.57
Lease Liabilities	-	59.69	59.69
Provision for Impairment of Trade Receivable	-	71.65	71.65
(B)	53.72	141.19	194.91
TOTAL (A-B)	4,913.66	(51.28)	4,862.38

Note - 19.2 - Component of Deferred Tax Liabilities for the financial year ended 31st March, 2022

Amount in Rs. Lakhs

Particulars	As at 1 st April, 2021	Charge/(Credit) to Statement of Profit and Loss	As at 31 st March, 2022
A. <u>Deferred Tax Liabilities in relation to :</u>			
Depreciation	4,269.79	697.59	4,967.38
(A)	4,269.79	697.59	4,967.38
B. <u>Deferred Tax Assets in relation to :</u>			
Retirement Benefits	41.84	11.88	53.72
(B)	41.84	11.88	53.72
TOTAL (A-B)	4,227.95	685.71	4,913.66

NOTE - 20 - OTHER NON-CURRENT LIABILITIES

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
<u>Decommissioning Liability for Leased Asset</u>		
At the beginning of the year	16.21	15.14
Add : Created during the year	1.14	1.07
TOTAL	17.35	16.21

NOTE - 21 - SHORT-TERM BORROWINGS

[Secured]

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
<u>From Banks</u>		
Current Maturities of Long-Term Debts	1,758.07	1,172.04
TOTAL	1,758.07	1,172.04

Note : For details of security and terms of repayment, refer Note 16 of 'Non-Current Borrowings'.

NOTE - 22 - CURRENT LEASE LIABILITIES

Amount in Rs. Lakhs

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Lease Liability	68.10	99.55
TOTAL	68.10	99.55

NOTE - 23 - CURRENT TRADE PAYABLES

Amount in Rs. Lakhs

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
Total outstanding dues of micro enterprises & small enterprises	62.40	66.21
Total outstanding dues of creditors other than micro enterprises & small enterprises	2,179.52	1,448.47
TOTAL	2,241.92	1,514.68

Notes : 1 For details of Related Parties transactions refer Note 43.

NOTE - 23.1 - Information to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under 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. The amount of principal and interest outstanding during the year is given below :

Amount in Rs. Lakhs

Particulars	As at	As at
	31 st March, 2023	31 st March, 2022
(a) Principal amount remaining unpaid to any supplier as at the end of accounting year	62.40	66.21
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

NOTE - 23.2- Trade Payables Ageing Schedule as at 31st March, 2023

Amount in Rs. Lakhs

S no.	Particulars	Outstanding for following periods from the due date of payment				Total
		Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	
1	MSME	45.44	3.70	8.53	4.73	62.40
2	Other than MSME	2,152.27	3.99	6.61	16.65	2,179.52
3	Disputed dues-MSME	-	-	-	-	-
4	Disputed dues - Other than MSME	-	-	-	-	-
	TOTAL	2,197.71	7.69	15.14	21.38	2,241.92

NOTE - 23.3- Trade Payables Ageing Schedule as at 31st March, 2022

Amount in Rs. Lakhs

S no.	Particulars	Outstanding for following periods from the due date of payment				Total
		Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	
1	MSME	29.26	12.41	24.54	-	66.21
2	Other than MSME	1,406.71	21.93	2.58	17.25	1,448.47
3	Disputed dues-MSME	-	-	-	-	-
4	Disputed dues - Other than MSME	-	-	-	-	-
	TOTAL	1,435.97	34.34	27.12	17.25	1,514.68

NOTE - 24 - OTHER FINANCIAL LIABILITIES

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Security Deposits	6,416.94	5,051.08
Creditors for Assets	2,724.52	2,597.53
Interest accrued but not due on Term Loans	45.81	-
Stale Cheque Balances	11.56	7.05
TOTAL	9,198.83	7,655.66

NOTE - 25 - OTHER CURRENT LIABILITIES

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
A. Revenue Received in Advance		
Advance from Customers	22.48	18.68
	(A)	18.68
B. Others		
Statutory Liabilities	252.23	144.72
Excise Duty on Inventory of Finished Goods	3.69	1.45
	(B)	146.17
TOTAL	(A+B)	164.85
	278.40	164.85

NOTE - 26 - SHORT-TERM PROVISIONS

Amount in Rs. Lakhs

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
For Employee Benefits	124.32	176.54
For Others	415.46	442.60
TOTAL	539.78	619.14

NOTE - 27 - REVENUE FROM OPERATIONS

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. Sale of Products		
- PNG	31,622.54	18,412.43
- CNG	38,158.90	21,287.71
- CBG	825.74	-
	70,607.18	39,700.14
Less: Value Added Tax	8,367.47	4,791.21
Goods and Service Taxes	39.32	-
	8,406.79	4,791.21
	(A)	34,908.93
	62,200.39	34,908.93
B. Other Operating Revenue		
Connection Charges	55.80	100.08
Liquidated Damages & Extra Pipe Charges	635.86	432.66
Compression Job Work Income	298.21	387.29
Tender Fees	1.11	0.33
Sale of Lubricants	0.16	0.11
	(B)	920.46
TOTAL	(A+B)	35,829.39
	63,191.53	35,829.39

NOTE - 28 - OTHER INCOME

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Interest Income	84.14	66.50
Other Non-Operating Income	8.48	-
TOTAL	92.62	66.50

Note :

- Interest Income includes impact of financial instruments.
- Other Non-Operating Income includes gain on prematured termination of lease shown as net of expenses directly attributable.

NOTE - 29 - COST OF MATERIALS CONSUMED

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Opening Stock	32.25	28.71
Add : Purchases	45,361.78	18,241.60
(A)	45,394.02	18,270.32
Less : Purchases towards Direct Sales	24,497.25	11,500.71
Used for Own Production	418.73	137.01
Closing Stock	48.75	32.25
(B)	24,964.73	11,669.97
TOTAL (A-B)	20,429.29	6,600.35

NOTE - 30 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. Inventories at the beginning of the year		
Finished Goods	11.77	9.74
(A)	11.77	9.74
B. Inventories at the end of the year		
Finished Goods	30.08	11.77
(B)	30.08	11.77
C. (Increase)/Decrease in Excise Duty on Stocks	(2.25)	(0.25)
(C)	(2.25)	(0.25)
CHANGES IN INVENTORIES (A+B-C)	(16.06)	(1.78)

NOTE - 31 - EMPLOYEE BENEFITS EXPENSE

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Salary, Allowances & Other Benefits to Staff	871.13	957.20
Contribution towards Provident Fund	18.50	20.47
Retirement Benefits	79.22	40.80
Staff Welfare Expenses	13.59	18.35
TOTAL	982.44	1,036.83

NOTE - 32 - FINANCE COSTS

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Interest Expense	330.11	242.75
Loan Processing Charges	29.67	12.00
Bank Charges	19.68	13.28
TOTAL	379.46	268.03

NOTE - 33 - OTHER EXPENSES

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. <u>Manufacturing and Operating Expenses</u>		
Electricity, Power & Fuel Expenses	327.67	225.32
Own Production Fuel Consumed	418.73	137.01
Repairs to Plant & Machineries	828.02	683.06
(A)	1,574.42	1,045.39
B. <u>Administrative Expenses</u>		
Office & Warehouse Rent	4.81	8.42
Stationery & Printing	6.04	5.78
Books, Periodicals & Subscriptions	1.18	2.08
Postage & Courier Expenses	1.86	1.17
Electricity & Water Expenses	6.46	6.32
Telephone Expenses	6.73	6.65
Audit Fees	4.46	6.08
Professional Charges	12.65	34.65
ROC Filing Fees and Stamp Duty Charges	1.14	1.48
License Fees	2.70	2.54
Training Expenses	1.00	0.50
Insurance	63.68	67.35
Festival Expenses	14.59	4.33
Travelling & Conveyance Expenses	51.45	35.13
Conference & Meeting Expenses	0.16	1.04
Repairs, Operations and Maintenance Charges	796.47	661.19
Decommissioning Liability Amortised	1.14	1.07
Duties and Taxes	25.79	24.88
Property-Tax	1.50	1.85
Contribution towards Corporate Social Responsibility Fund (CSR)	143.79	105.38
Loss on Assets Discarded	49.50	42.73
Sundry Expenses	46.76	79.61
Office Expenses	22.60	16.97
(B)	1,266.46	1,117.21
C. <u>Selling, Distribution & Other Expenses</u>		
Advertisement & Publicity	4.55	43.95
Business Promotion Expenses	61.82	94.95
Transportation Charges	597.25	413.38
Allowance for Doubtful Debts (reversed)/ made	(2.56)	138.48
(C)	661.06	690.76
TOTAL	3,501.94	2,853.37
(A+B+C)		

NOTE - 34 - OTHER COMPREHENSIVE INCOME

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. <u>Items that will not be reclassified into profit or loss :</u>		
(i) Change in Revaluation surplus	-	-
(ii) Remeasurements of defined benefit plans	3.91	4.84
(iii) Equity Instrument of the defined benefit plans	-	-
(iv) Fair Value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-
(v) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-
(vi) Others	-	-
(A)	3.91	4.84
B. <u>Items that will be reclassified to profit or loss :</u>		
(i) Exchange differences in translating the financial statements of foreign operation	-	-
(ii) Debt instruments through other comprehensive Income	-	-
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
(iv) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-
(v) Others	-	-
(B)	-	-
TOTAL (A+B)	3.91	4.84

NOTE - 35 - EARNING PER SHARE

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	5,893.32	6,639.55
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	5,91,22,326	5,91,22,326
Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	5,91,22,326	5,91,22,326
Basic Earning Per Share	9.97	11.23
Diluted Earning Per Share	9.97	11.23
Face Value Per Equity Share	10	10

NOTE - 36 - DIVIDEND PER SHARE

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
<u>Dividend Paid during the year</u>		
Final dividend	-	413.86
Interim Dividend	-	502.54
<u>Dividend Not Recognised at the End of the year</u>		
Final dividend	502.54	-
TOTAL	502.54	916.40

- Notes:**
- No final dividend has been paid during the F.Y. 2022-23. Final Dividend paid during the F.Y. 2021-22 for the financial year ended 31st March, 2021 at the rate of Rs. 0.70/- per share on 5,91,22,326 shares.
 - No interim dividend has been paid during the F.Y. 2022-23. Interim Dividend paid during the F.Y. 2021-22 at the rate of Rs. 0.85/- per share on 5,91,22,326 shares.
 - Final Dividend for the F.Y. 2022-23 at the rate of Rs. 0.85/- per share on 5,91,22,326 shares is recommended by the Board that is subject to approval in the Annual General Meeting.

NOTE - 37 - CONTINGENT LIABILITIES & COMMITMENTS

[To the extent not provided for]

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
(i) <u>Contingent Liabilities</u>		
Claims against the company, not acknowledged as debts		
- Demand raised by Commercial Tax Authorities	35.84	52.61
- Demand raised by Income-Tax Authorities	23.89	-
- Guarantee Given by the company's Banker in the normal course of business	8,952.14	1,090.75
(ii) <u>Commitments</u>		
Capital Contracts remaining to be executed	14,576.56	5,334.46

Notes:

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the pending resolution of the respective proceedings undergoing before the tax authorities.
- (ii) The Company does not expect any reimbursements in respect of its contingent liabilities.
- (iii) Future cash outflows in respect of the pending matters are determined only on receipt of judgments / decisions pending at various forums / authorities.
- (iv) The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Excise, Income Tax, Sales/ VAT tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

NOTE - 38 - INFORMATION AS REQUIRED TO BE GIVEN AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
A. <u>Managerial Remuneration</u>		
Salary and Allowances (Managing Director and Director-Commercial are on deputation from GAIL and HPCL respectively. The amount represents remuneration paid by GAIL/HPCL and debited to the company)	211.72	200.47
B. CIF Value of Imports during the Year	-	-
C. Expenditure in Foreign Currency	-	-
D. Earning in Foreign Currency	-	-

NOTE - 39 - CAPITAL MANAGEMENT

- 1 The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.
- 2 The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.
- 3 The Company's adjusted net debt to equity ratio is as follows:

Amount in Rs. Lakhs

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Total Liabilities (Other than Deferred Tax Liabilities)	19,619.29	18,240.49
Less: Cash and cash equivalents	1,642.73	2,617.11
Adjusted Net Debt	17,976.56	15,623.38
Total Equity	38,941.42	33,045.33
Adjusted Net Debt to Equity Ratio	0.46	0.47

NOTE - 40 - SEGMENT REPORTING

The company operates in a single segment of Natural Gas, having business operations in the M.P. State region and therefore, the disclosure requirements as per Ind AS - 108 'Operating Segment' are not applicable to the Company.

NOTE - 41 - DISCLOSURES AS PER INDAS 116 "LEASES"
APPLICATION OF INDAS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases, which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2018 (Date of Transition to Ind AS) and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (1st April, 2018). Accordingly, the Company has measured its lease liability as at 1st April, 2018 at the present value of the remaining lease payments, discounted using the interest rate of 4% p.a. implicit in the lease at the date of transition to Ind AS.

At the time of initial recognition, Right-of-Use Asset has been recognised at an amount equal to the lease liability. Accordingly, a Right-of-Use asset as at 31st March 2023 works out to be Rs. 350.35 Lakhs (P.Y. Rs. 725.20 Lakhs).

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the Right-of-Use Asset and finance cost for interest accrued on lease liabilities.

Ind AS 116 has resulted in an increase in net cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. The principal and interest portion of the lease payments have been disclosed under cash flow from financing activities which for the year ended March 31st, 2023, aggregating to Rs. 152.72 Lakhs (Previous Year Rs. 69.40 Lakhs).

For movement in Right-of-Use Asset Refer Note 4 and movement in Lease Liability during the year is as follows :

Particulars	Amount in Rs. Lakhs	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Balance at the beginning	681.51	66.88
Additions	99.96	674.71
Finance cost accrued during the period	21.26	9.32
Deletions	(412.85)	-
Payment of lease liabilities	(152.72)	(69.40)
Balance at the end	237.16	681.51

NOTE - 42 - DISCLOSURES AS PER INDAS 19 "EMPLOYEE BENEFITS"
(i) Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	Amount in Rs. Lakhs	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Employer's Contribution to Provident Fund	18.50	20.47

(ii) Defined Benefit Plan - Gratuity

Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	Amount in Rs. Lakhs	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Defined Benefit Obligation at beginning of the year	69.33	55.97
Current Service Cost	15.17	14.39
Interest Cost	4.97	3.81
Past Servicer Cost (Vested benefits)	-	-
Benefits paid	(2.41)	-
Actuarial (Gain)/Loss	(3.91)	(4.84)
Defined Benefit Obligation at year end	83.15	69.33

Reconciliation of Opening and Closing balances of fair value of Plan Assets

Amount in Rs. Lakhs

Particulars	Gratuity	
	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Fair value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain/(Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair value of Plan Assets at year end	-	-

Reconciliation of fair Value of Assets and Obligations

Amount in Rs. Lakhs

Particulars	Gratuity	
	Year ended 31 st March, 2023	As at 31 st March, 2022
Fair value of Plan Assets	-	-
Present Value of Obligation	83.16	69.33
Amount Surplus/(Deficit)	(83.16)	(69.33)
Amount recognized in Balance Sheet		
- Non-Current Liabilities	80.00	67.01
- Current Liabilities	3.16	2.32
	83.16	69.33
Amount recognized in Statement of Profit and Loss		
- Current Service Cost	15.17	14.39
- Interest Cost	4.97	3.81
- Past Service Cost	-	-
- Return on Plan Assets	-	-
<u>Net Cost</u>	20.14	18.20
Amount recognized in Other Comprehensive Income		
- Actuarial (Gain)/Loss	(3.91)	(4.84)
- Return on Plan Assets	-	-
<u>Net (Income)/Expenses for the period recognised in OCI</u>	(3.91)	(4.84)

Actuarial Assumptions	Gratuity	
	Year ended 31 st March, 2023	As at 31 st March, 2022
<u>Mortality Table (ALM)</u>		
Discount Rate (Per Annum)	7.50%	7.30%
Rate of Escalation in Salary (Per annum)	8.50%	8.50%
Expected Return on Asset	-	-
Expected Average remaining working lives of employees (in years)	13.95*	14.03*
<u>Demographic Assumptions</u>		
Withdrawal Rate	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Note :	It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.	

(ii) Defined Benefit Plan - Leave Encashment

Reconciliation of Fair Value of Assets and Obligations

Amount in Rs. Lakhs

Particulars	Leave Encashment	
	As at 31 st March, 2023	As at 31 st March, 2022
Fair value of Plan Assets	-	-
Present Value of Obligation	(169.44)	(115.15)
Amount (Surplus/(Deficit))	(169.44)	(115.15)
Amount recognized in Balance Sheet		
- Non Current Liability	157.60	106.47
- Current Liability	11.84	8.68
	169.44	115.15
Amount recognised in Statement of Profit and Loss		
- Net Cost recognised during the year	59.08	27.44

Actuarial Assumptions	Leave Encashment	
	As at 31 st March, 2023	As at 31 st March, 2022
<u>Financial Assumptions</u>		
Discount Rate (Per Annum)	7.50%	7.30%
Rate of Escalation in Salary (Per annum)	8.50%	8.50%

Notes:

- The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflations, seniority, promotion and other relevant factors including supply & demand in the employment market and the past history regarding salary increase. The above information is certified by the actuary.

NOTE - 43- RELATED PARTY DISCLOSURES
(i) List of Related Parties

Sno.	Relationship	Name of the Party
1	Entities having significant influence over the Company (promoter ventures)	1) Hindustan Petroleum Corporation Limited [HPCL] 2) GAIL (India) Limited [GAIL]
2	Key Managerial Personnel [KMP]	1) Shri Prasoon Kumar (Chairman) 2) Shri Anupam Mukhopadhyay (Managing Director appointed w.e.f. 09-06-2022) 3) Shri H.K. Shrivastav (Managing Director cessation w.e.f. 08-06-2022) 4) Shri Gajanan Parmar (Whole Time Director & CFO) 5) Shri Dilip Kumar Pattanaik (Director) 6) Smt. Rashi Joshi (Company Secretary) *
3	Wholly Owned Subsidiaries	-
4	Enterprises over which Key Managerial Personnel are able to exercise significant influence.	-

* Pursuant only to Section 203 of the Companies Act, 2013

(ii) Related Party Transactions

Sno.	Related Party Transaction Summary	Entities having significant influence over the Company (promoter ventures)		Key Managerial Personnel [KMP]		Wholly Owned Subsidiaries		Enterprises over which Key Managerial Personnel are able to exercise significant influence.	
		Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Purchase of Natural Gas HPCL GAIL Total	3,010.12 47,268.89 50,279.01	1,051.05 19,746.24 20,797.29	- - -	- - -	- - -	- - -	- - -	- - -
2	Manpower Cost of Employees on Deputation HPCL GAIL Total	162.92 126.57 289.49	184.36 105.41 289.77	- - -	- - -	- - -	- - -	- - -	- - -
3	Sale of Natural Gas HPCL GAIL Total	13,072.67 0.60 13,073.27	6,343.07 0.62 6,343.69	- - -	- - -	- - -	- - -	- - -	- - -
4	Gas Transportation Charges GAIL Total	47.64 47.64	- -	- -	- -	- -	- -	- -	- -
5	Other Reimbursements HPCL Total	0.20 0.20	3.57 3.57	- -	- -	- -	- -	- -	- -
6	Allowances & Reimbursements Travelling & Conveyance Allowance Shri Anupam Mukhopadhyaya Shri H.K. Shrivastav Shri Gajanan Parmar Other Reimbursements Shri Anupam Mukhopadhyaya Shri H.K. Shrivastav Shri Gajanan Parmar Total	- - - - - - - - -	- - - - - - - - -	12.82 0.78 4.94 0.33 0.05 0.24 19.16	- 2.72 2.46 - 0.29 0.24 5.71	- - - - - - -	- - - - - - -	- - - - - - -	- - - - - - -

(iii) Balances as at 31st March, 2023

Sno.	Related Party Transaction Summary	Entities having significant influence over the Company (promoter ventures)		Key Managerial Personnel [KMP]		Wholly Owned Subsidiaries		Enterprises over which Key Managerial Personnel are able to exercise significant influence.	
		Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022	Year ended 31 st March, 2023	Year ended 31 st March, 2022
1	Receivables (Net) HPCL Total	1,233.91 1,233.91	1,205.54 1,205.54	- -	- -	- -	- -	- -	- -
2	Payables (Net) GAIL Shri H.K. Shrivastav Shri Gajanan Parmar Total	1,985.17 - - 1,985.17	401.21 - - 401.21	- - - -	0.24 0.23 0.47	- - - -	- - - -	- - - -	- - - -

NOTE - 44 - CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions on Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee. The details of CSR Activities are as follows :

Sno.	Particulars	Amount in Rs. Lakhs	
		Year ended 31 st March, 2023	As at 31 st March, 2022
1	Brought forward of amount spent beyond the statutory requirement	-	-
2	Gross amount required to be spent by the company during the year as per Companies Act, 2013	143.79	105.19
3	Amount spent by the company during the year on the following:		
	(a) Construction / Acquisition of any asset	-	-
	(b) On purpose other than (a) above	143.79	105.60
4	Closing amount yet to be spent	-	-
5	Carry forward of Amount spent beyond the statutory requirement	-	-
6	Shortfall at the end of the year	-	-
7	Total of previous year shortfalls	-	-
8	Reasons for shortfalls	-	-
9	Details of related party transactions	N.A.	N.A.

NOTE - 45 - VALUE OF RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Amount in Rs. Lakhs

Sno.	Particulars	Amount in Rs. Lakhs	
		Year ended 31 st March, 2023	As at 31 st March, 2022
I	Raw Materials		
	- Imported (in %)	NIL	NIL
	- Imported (Value)	NIL	NIL
	- Indigenous (in %)	100	100
	- Indigenous (Value)	20,429.29	6,600.35
II	Spare Parts & Components		
	- Imported (in %)	NIL	NIL
	- Imported (Value)	NIL	NIL
	- Indigenous (in %)	100	100
	- Indigenous (Value)	7.68	19.64

NOTE - 46.1 - INFORMATION FOR EACH CLASS OF GOODS PURCHASED/ PRODUCTION, SOLD/ CONSUMED AND STOCKS FOR THE YEAR ENDED 31ST MARCH 2023

Amount in Rs. Lakhs

Sno.	Particulars	Unit	Opening Stock	Purchase/ Production	Sales / Consumption	Closing Stock
1	PNG	SCM	94,231	12,20,04,068	12,20,02,455	95,843
		Value	32.10	45,361.78	45,361.18	48.75
2	CNG	KG	46,662	4,23,01,565	4,22,88,927	59,301
		Value	11.77	20,429.29	29,378.23	30.08
3	CBG	KG	-	8,89,405	8,89,405	-
		Value	-	370.74	786.42	-
4	Lubricant	Nos.	114	-	114	-
		Value	0.15	-	0.16	-

NOTE - 46.2 - INFORMATION FOR EACH CLASS OF GOODS PURCHASED/ PRODUCTION, SOLD/ CONSUMED AND STOCKS FOR THE YEAR ENDED 31ST MARCH 2022

Amount in Rs. Lakhs

Sno.	Particulars	Unit	Opening Stock	Purchase/ Production	Sales / Consumption	Closing Stock
1	PNG	SCM	94,231	9,23,13,891	9,23,13,891	94,231
		Value	28.47	18,241.60	18,241.60	32.10
2	CNG	KG	38,614	3,06,18,272	3,06,10,224	46,662
		Value	9.74	6,600.35	16,404.12	11.77
3	Lubricant	Nos.	179	-	65	114
		Value	0.25	-	0.11	0.15

NOTE - 47.1 - EXPENDITURE FORMING PART OF CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31ST MARCH 2023

Amount in Rs. Lakhs

Sno.	Particulars	Amount Included in CWIP as on 1-4-2022	Expenses incurred during the Year	Transferred to Property, Plant and Equipment from CWIP	Amount Included in CWIP as on 31-03-2023
1	Interest on Term Loan	199.14	192.01	205.77	185.38
2	Project Manpower Cost	248.84	486.66	532.33	203.16
3	EPMC Fees	31.83	8.33	31.83	8.33
4	Warehouse Rent	28.71	41.76	39.98	30.50
	TOTAL	508.52	728.76	809.91	427.37

NOTE - 47.2 - EXPENDITURE FORMING PART OF CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31ST MARCH 2022

Amount in Rs. Lakhs

Sno.	Particulars	Amount Included in CWIP as on 1-4-2021	Expenses incurred during the Year	Transferred to Property, Plant and Equipment from CWIP	Amount Included in CWIP as on 31-03-2022
1	Interest on Term Loan	332.58	197.26	330.71	199.14
2	Project Manpower Cost	231.85	346.52	329.53	248.84
3	EPMC Fees	78.18	33.78	80.14	31.83
4	Warehouse Rent	34.07	32.82	38.18	28.71
	TOTAL	676.68	610.38	778.56	508.52

NOTE - 48.1 - FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATION AND FAIR VALUES FOR THE YEAR ENDED 31ST MARCH 2023
A. Financial Assets

Amount in Rs. Lakhs

	Particulars	Nature	Carrying Amount			Fair Value
			At FVTPL	At FVOCI	Cost / Amortised Cost	
(i)	Security Deposit & Bank Deposit	Non-Current	-	-	63.08	63.08
(ii)	Interest accrued on Term Deposit with Bank	Current	-	-	4.97	4.97
(iii)	Trade Receivables	Current	-	-	6,548.17	6,548.17
(iv)	Cash & Cash Equivalents	Current	-	-	1,642.73	1,642.73
(v)	Bank Balance other than Cash and Cash Equivalents	Current	-	-	1,257.97	1,257.97

B. Financial Liabilities

Amount in Rs. Lakhs

	Particulars	Nature	Carrying Amount			Fair Value
			At FVTPL	At FVOCI	Cost / Amortised Cost	
(i)	Long Term Borrowings	Non Current	-	-	4,995.12	4,995.12
(ii)	Lease Liabilities	Non Current	-	-	169.05	169.05
(iii)	Lease Liabilities	Current	-	-	68.10	68.10
(iv)	Short term borrowings	Current	-	-	1,758.07	1,758.07
(v)	Trade Payables	Current	-	-	2,241.92	2,241.92
(vi)	Other Financial Liabilities	Current	-	-	9,198.83	9,198.83

NOTE - 48.2 - FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATION AND FAIR VALUES FOR THE YEAR ENDED 31ST MARCH 2022
A. Financial Assets

Amount in Rs. Lakhs

	Particulars	Nature	Carrying Amount			Fair Value
			At FVTPL	At FVOCI	Cost / Amortised Cost	
(i)	Security Deposit & Bank Deposit	Non-Current	-	-	71.66	71.66
(ii)	Interest accrued on Term Deposit with Bank	Current	-	-	3.74	3.74
(iii)	Trade Receivables	Current	-	-	3,853.18	3,853.18
(iv)	Cash & Cash Equivalents	Current	-	-	2,617.11	2,617.11
(v)	Bank Balance other than Cash and Cash Equivalents	Current	-	-	1,218.86	1,218.86

B. Financial Liabilities

Amount in Rs. Lakhs

	Particulars	Nature	Carrying Amount			Fair Value
			At FVTPL	At FVOCI	Cost / Amortised Cost	
(i)	Long Term Borrowings	Non Current	-	-	5,834.74	5,834.74
(ii)	Lease Liability	Non Current	-	-	581.96	581.96
(iii)	Lease Liability	Current	-	-	99.55	99.55
(iv)	Short term borrowings	Current	-	-	1,172.04	1,172.04
(v)	Trade Payables	Current	-	-	1,514.68	1,514.68
(vi)	Other Financial Liabilities	Current	-	-	7,655.66	7,655.66

NOTE - 49 - ADDITIONAL REGULATORY INFORMATION

- During the financial year 2022-23, no proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been sanctioned any working capital limits from banks and financial institutions on the basis of security of current assets at any point of time of the year.
- The company is not declared a wilful defaulter by any bank or financial institution or any other lender.
- The company has not entered into any material transaction with the companies struck-off under s. 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 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.
- The company has not applied for any Scheme of Arrangements in terms of Sections 230 to 237 of the Companies Act, 2013.
- 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 person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 9 The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- 10 The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year 2022-23.
- 11 Disclosure relating to various ratios

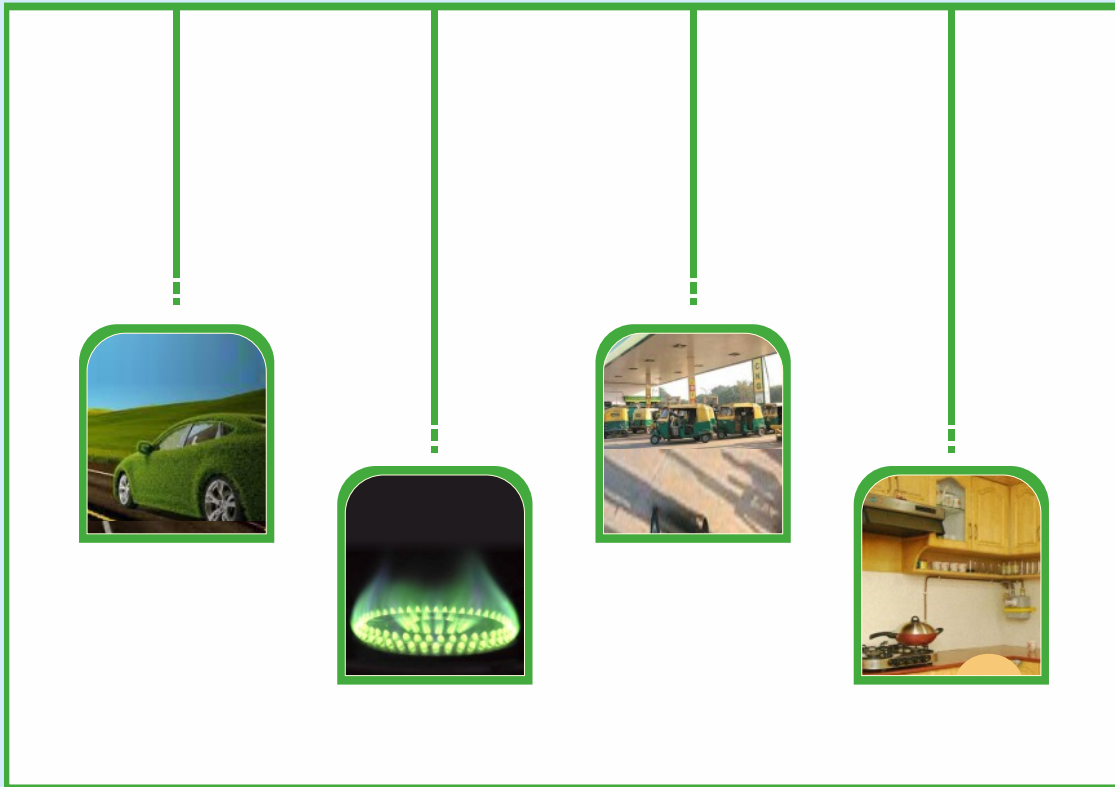
					Amount in Rs. Lakhs
Sno.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022	% of Changes compared to preceding year	Remarks (mandatory if Variation>25%)
(a)	Current Ratio (in times) [Current Assets / Current Liabilities]				
	Current Assets	10,950.87	9,498.57		
	Current Liabilities	14,200.17	11,634.10		
	Current Ratio	0.77	0.82	(5.54%)	Not Applicable
(b)	Debt Equity Ratio (in times) [Total Debts / Total Equity]				
	Total Debts	6,753.19	7,006.78		
	[Non Current Borrowings + Current Borrowings]				
	Total Equity	38,941.42	33,045.33		
	Debt Equity Ratio	0.17	0.21	(18.21%)	Not Applicable
(c)	Debt Service Coverage Ratio (in times) [Earning available for Debt Service / Debt Service]				
	Earning available for Debt Service	8,435.33	8,764.05		Due to increase in principal repayment & finance cost and decrease in earning available for debt service
	[Net Profit after Taxes + Depreciation/ Amortization + Finance Cost]				
	Debt Service (Principal Repayments + Finance Cost)	2,137.53	1,593.49		
	Debt Service Coverage Ratio	3.95	5.50	(28.25%)	
(d)	Return on Equity Ratio (in percentage) [Profit after Tax / Average Total Equity]				
	Profit after Tax	5,893.32	6,639.55		Due to decrease in profit after tax
	Average Total Equity	35,993.37	30,182.04		
	[(Opening Total Equity + Closing Total Equity)/2]				
	Return on Equity Ratio	16.37%	22.00%	(25.57%)	
(e)	Inventory Turnover Ratio (in times) [Sale of Products / Average Inventory]				
	Sale of Products	63,191.53	35,829.39		Due to increase in Turnover
	[Average Inventory [(Opening Inventory + Closing Inventory) / 2]	135.85	106.71		
	Inventory Turnover Ratio	465.170	335.771	38.54%	

(f)	Trade Receivable Turnover Ratio (in times) [Turnover/ Average Trade Receivables] Turnover Average Trade Receivables [(Opening Trade Receivables + Closing Trade Receivables)/2] Trade Receivable Turnover Ratio	63,191.53 5,200.68 12.15	35,829.39 3,230.34 11.09	9.55%	Not Applicable
(g)	Trade Payable Turnover Ratio (in time) [Net Purchases/ Average Trade Payables] Net Purchases Average Trade Payables [(Opening Trade Payables + Closing Trade Payables)/2] Trade Payable Turnover Ratio	45,361.78 1,878.30 24.15	18,241.60 2,019.33 9.03	167.34%	Due to Increase in Net Purchases
(h)	Net Capital Turnover Ratio (in times) [Turnover / Working Capital] Turnover Working Capital [Current Assets (-) Current Liabilities] Net Capital Turnover Ratio	63,191.53 (3,249.30) (19.45)	35,829.39 (2,135.53) (16.78)	15.91%	Not Applicable
(i)	Net Profit Ratio (in percentage) [Net Profit after Tax / Turnover] Profit after Tax Turnover Net Profit Ratio	5,893.32 63,191.53 9.33%	6,639.55 35,829.39 18.53%	(49.67%)	Due to decrease in profit after tax and increase in turnover
(j)	Return on Capital Employed (in percentage) [Earning before Interest & Tax / Capital Employed] Earning before Interest & Tax Capital Employed [Total Equity + Total Borrowings] Return on Capital Employed	7,614.11 45,694.61 16.66%	9,753.37 40,052.11 24.35%	(31.57%)	Due to decrease in earning before Interest & Tax and decrease in Total Borrowings
(k)	Return on Investment Ratio (in percentage) [Net Gain on Investment / Investment] Net Gain on Investment Investment Return of Investment Ratio	- - -	- - -	-	Not Applicable

12 All figures has been rounded off to the nearest Rupee in Lac.

13 Figures of the previous year has been reclassified/regrouped and shown in bracket where ever required

Clean Energy Green Energy



AAVANTIKA GAS LIMITED

A Joint Venture Company of GAIL & HPCL

CIN: U40107MP2006PLC018684

Registered Office : 202-B, 2nd Floor, NRK Business Park, Vijay Nagar Square,
A.B. Road Indore (M.P.) 452010, Phone : 0731-4222520

www.aglonline.net